

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
2:00 p.m. - 6:00 p.m.
THURSDAY, MAY 4, 1978

The House met at 2:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

I am pleased to welcome to the gallery today eleven students with their teacher, Mr. William Barry, from the Frampton Elementary School in Monkstown, in the district of Burin - Placentia West. I know hon. members join me in welcoming these students and their teacher.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I am also pleased to welcome on behalf of hon. members, members of the Bay d' Espoir Steering Committee on job creation. They are the Chairman of the Committee Mr. John Tremblott and other members Mr. Roberts, Mr. Kielley, Mr. Wilcott and Mr. Barnes.

SOME HON. MEMBERS: Hear, hear!

STATEMENTS BY MINISTERS

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, it gives me some pleasure to report to the House the activities of the Fisheries Loan Board during the first four months of the present year as well as to table statistics with respect to the previous year's operation, and yes going back to 1971. The most recent meeting of the Fisheries Loan Board saw eighty loans to fishermen being approved with a value of \$900,000 all for the purpose of buying new boats, used boats and other equipment used for fishing. For the first four months, Mr. Speaker, of the present year, from January 1 to May 1, we have seen 519 loans approved as opposed to 352 in the same period in the previous year. This year \$4.5 million have been loaned the first four months as opposed to \$3.9 million in the same period last year. 72 per cent of the applications received were approved during the first four month period of this year. Mr. Speaker, the fiscal 1977/78 saw unprecedented growth in the Fisheries Loan Board when, in fact, 319 loans were approved totalling \$9.2 million

MR. W. CARTER: \$1.2 million of which was for new vessel construction, \$6.8 million for the purchase of used vessels and \$1.1 million for miscellaneous equipment used on fishing vessels.

During the past seven years, Mr. Speaker, going back to 1971, for example, we have seen a 380 per cent increase in the number of loans approved. We have seen in that seven or eight years since 1971 a 1,667 per cent increase in the amount of money loaned by the Fisheries Loan Board. We have seen since 1971 an increase in the amount of money loaned to fishermen to buy new vessels of 469 per cent. We have seen 6,000 per cent increase in the amount of money that has been loaned by the board for the purchase of used vessels. We have seen a 664 per cent increase in the amount of money loaned by the Fisheries Loan Board for the purchase of miscellaneous equipment.

And that, Mr. Speaker, I think, speaks well for the Fisheries Loan Board and the substantial increases in the past couple of years. I think it is pretty well indicative of the added interest in the fishing industry and related activity.

So, Mr. Speaker, like I said I am very pleased to table these documents for the information of hon. members.

SOME HON. MEMBERS: Hear, hear!

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

MR. F. ROWE: I do not have all of the data and statistics in front of me that the minister put before the House relating to the Fisheries Loan Board, but I would like to comment on the fact that we have this great increase in the amount of money being loaned by the loan board. The boat construction, new boat construction, and the buying of used boats is indicative of the increasing interest and the faith the people have in the fishing industry in this Province at the present time which I would submit, Sir, is caused

MR. F. ROWE: greatly by the institution of the 200 mile limit. Sir, some people are suggesting that an awful lot of people are returning to the fisheries because of the high unemployment in the Province, in the construction industry and what have you. I would rather think, Sir - this may, in fact, be a factor - but I would rather think that more Newfoundlanders now are seeing a bright future in the fisheries and this is why we see the increase in the amount of loans and in the amount of boats being purchased by the fishermen in our Province. So, Sir, it is good news to hear that more fishermen are availing themselves of the money that is made available by the Fisheries Loan Board and I hope that the fishing industry and the fisheries will continue to increase yearly into the future so that it will be a major component in our finances in this Province, a major component in as far as the work force is concerned and a major contributor to the revenue of the Province.

MR. SIMMONS: Mr. Speaker, a matter of, perhaps, privilege or explanation. I meant to raise earlier but the minister beat me to the punch. It is not a serious matter but for the record I would just like to draw the attention of the House to a story in the Evening Telegram of yesterday's date, May 3rd, page two. The story in part mentions the Premier's statement in which he indicated that he was correcting some information about tickets at St. John's airport and, I think, as I recall, that he referred to Mr. Randy Simms at the time. The way the story comes out, my name gets in the paper as having not picked up the ticket, that I can confirm, One, I did not pick it up; two, it was not there; and worse still, I was not even offered a ticket, Mr. Speaker.

MR. SPEAKER: Presenting Petitions, Ministerial Statements. We have leave to revert to Ministerial Statements.

The hon. minister.

MR. PECKFORD: I take great pleasure in announcing that Cabinet today approved applications by Mobil Oil Canada, Limited for twenty-one first round exploratory permits covering some 6.5

MR. PECKFORD: million acres pursuant to Section 139 of the Newfoundland and Labrador Petroleum Regulations. Cabinet also approved a number of amendments in the regulations which are of a housekeeping nature and which in no way affect the thrust or substantive provisions of the regulations.

The House will recall that on March 1, 1978, nine exploratory permits were issued to Shell Canada Resources Limited. The issuance of these permits to Mobil Canada is yet a further indication that the Province's firm yet reasonable regulations do form the basis upon which exploration can go forward on terms which are both acceptable to the oil companies and yet truly protective of the interests of the people of this Province.

For instance, one of our main concerns has been the vast amount of acreage under federal permit, a fact which if duplicated would make effective control of offshore development very difficult. In light of this, it is important to note that Mobil's new permits cover only about 56 per cent of the area held under federal permit by Mobil at the date of its first application for provincial permits in January of this year. Mobil's twenty-one permits lie in relatively shallow water compared with the Shell permits, ranging in depth from 250 feet to 1200 feet and are centered some 200 miles due East of St. John's pursuant to the regulations the five wells Mobil has already drilled in the area under provincial interim permits will be taken as fulfilling Mobil's drilling obligations for the initial exploration period, which for sixteen of the twenty-one permits is three years. At the end of that period Mobil will have to commit to drill further wells or drop its permits.

However, while Mobil will not have the obligation to drill during that initial period, it will have the clear unfettered right to do so, having previously obtained federal permits for the same acreage. Mobil's title, then, will be unaffected by the

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MR. PECKFORD: outcome of the forthcoming offshore minerals reference of the Supreme Court of Canada. - a reference I am confident we will win.

Mobil's main group of permits are centered on their Adolphus 2K-41 well which was drilled in 1973 and which tested oil at a rate of 268 barrels per day - a non-commercial but nevertheless significant find.

In light of this encouragement and Mobil's new security of title, I am cautiously optimistic that Mobil will resume drilling on its permits in the near future.

Mobil will, of course, immediately undertake an education and training and research and development programme as required by the regulations and starting in the permit year, 1978-79, will be spending, therefore, some \$300,000 annually on that programme.

I will be having discussions with Mobil in the near future to finalize details of their programme. Combined with the Shell/Texaco's programme, Mobil's expenditures increase the amount of money committed so far to \$540,000 per year and I am confident will go much higher, giving us the means whereby the residents and companies from this Province will be actively engaged in the development of our offshore oil and gas resources at the highest technical level.

Mr. Speaker, the issuance of these permits to Mobil Oil Canada is yet another step on our way to the full victory in our offshore minerals struggle with Ottawa which I am sure will be ours. By such acts, we demonstrate not only the high regard in which the oil industry holds our chances in court, but more importantly our vision to be able to set a policy which is firm yet reasonable.

Our regulations recognize in full the vast technological challenges and financial risks faced by the oil companies in exploring our offshore. However, Mr. Speaker, that recognition does not mean that the interests of the people of this Province need come second to

MR. PECKFORD:

those of the companies.

I am confident, Mr. Speaker, that the people of this Province have both the wisdom and the determination to insist that their offshore oil and gas resources, which are their heritage and birthright, are properly managed and that in the face of this determination the oil companies will be good corporate citizens.

Having made that clear, on behalf of the government and people of this Province, I welcome Mobil Oil Canada's exploration team back to the Province and wish them every success. Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. member for Eagle River.

MR. PECKFORD:

Mr. Speaker, before the hon.

member starts I would just like to point out to the Pages that I have the fifty copies, so all hon. members can get them immediately.

MR. STRACHAN:

I revert to a statement by the member for Windsor - Buchans (Mr. Flight) yesterday in which he stated that statements are made, fairly technical statements to which we have to respond and obviously have no copies in front of us.

I would like to raise a few points on what the minister has stated here. Number one, the minister has very clearly stated in his statement here that the new security of title is important, and that they have obtained a provincial permit and with their previous federal permit it therefore allows them to get this new security of title. I wonder, therefore, if all companies who apply for provincial and federal permits and get both, as many have been doing, have had, therefore, the security for some time? I also wonder whether the argument opposite that the federal government's unwillingness to deal, or their unwillingness to come to a decision on the seabed is not really so, inasmuch as, if they have the two permits they can therefore have good security of title in drilling?

MR. STRACHAN:

I also wonder, in the statement here, if possibly five wells in three years, as I understand it, five wells in three years is a sufficient rate of exploration and whether over the next three years - that will be up to 1981, or whatever it is - if that is a sufficient rate of exploration and whether more wells should not be required to be drilled?

The last point I wish to raise here is that Mobil Oil will be drilling on 56 per cent of the acreage which they have been allowed under federal permit. The problem has always been as stated by the minister, that much of the acreages have been very, very large acreages especially, for instance, Eastcan's and various other groups, and that these acreages must be reduced. I wonder whether Mobil's acreages have been reduced to half of what it held on their federal permit? Or at least, applied to the provincial regulations, whether this is due to knowledge that, of course, they may not require the other 44 per cent which is of little use to them because they do not feel there is any advantage in that territory and, therefore, their application for only 56 per cent is a tactical move on their part, realizing there is a high possibility of success from their previous well drilling?

That is basically the number of points which are raised in the minister's statement. They still have permits, I see, for 6.9 million acres. The 56 per cent is still on 6.9 million acres which is still a fairly extensive territory.

MR. STRACHAN: And I sometimes question whether we are pushing fast enough. I understand the companies are reluctant to deal with us, but I wonder whether we are not falling back a little bit in trying to encourage them to come in.

PRESENTING PETITIONS

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

MR. HODDER: I beg leave to present a petition on behalf of 827 residents of St. John's and surrounding areas. The prayer of the petition is to the hon. House of Assembly: "Whereas the quality of schooling that our children will be receiving this coming year will be reduced because there will be fewer teachers in schools attended by our children, and whereas some of the educational services that our children have been receiving are to be eliminated, therefore, the undersigned humbly petition the hon. House of Assembly that a freeze be imposed on teacher reductions until such time as it can be established through a comprehensive study that the quality of education will not be adversely affected."

Now, Mr. Speaker, this petition has been solicited by the Concerned Parents' Association which is based here in St. John's. In part, some of the names were collected at a meeting that was held last night where the Minister of Education defended the government's policies unsuccessfully and a meeting which was attended by some 800 parents from the various areas around the city.

Now, Mr. Speaker, we on this side of the House on many occasions, and on every occasion that we have had the opportunity, have asked that a freeze

MR. HODDER: be placed on the pupil/teacher ratio, particularly until such time as the Task Force have brought in their recommendations. And I might say something about the Task Force - that this decision was made and then a Task Force was set up to find out what the effects would be. Now I believe, Mr. Speaker, that the Task Force should have been given time to complete its job. The Task Force should have been set up a year ago if the government were contemplating this particular act. The Task Force should have been made up, and I agree with almost every person who spoke last night at that meeting, that the Task Force is insufficient; it is made up of two professors from the university; it has no representation by parents on it; it has no representation of teachers and the Task Force should have been much broader. There should have been more individuals and it should have had much more time to look at the problems. I believe one of their reports is supposed to be in by June - that is not enough time to look into the problems that face education in this Province today.

Now I believe, Mr. Speaker, that hon. gentlemen on the other side - the Minister of Education and all other gentlemen - are not aware of the effects that these teacher cutbacks are having on our schools in this Province. Last night I observed about 500 or 600 or 700 or 800 people there - I did not count them - there was a massive auditorium full of people, one after the other getting up and saying that this will affect the quality of education, but yet the minister refuses to listen. He admits he has not been in schools - he has been away from the schools, he has visited a few classrooms in the Province, but he refuses to admit that the quality of education - when all the evidence is there.

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MR. HODDER:

Now I believe, Mr. Speaker, that this government has to put a freeze on the pupil/teacher ratio for next year, and I think that Task Force should be reformed with proper representation and proper time to carry out their task.

Mr. Speaker, I fear at this present time that if the trend as we now see it is permitted to continue that we will see the teachers in the classrooms returning to standardized testing, dependency on textbooks and large classes, and I do not think that this should be allowed to happen. At this present time we should be looking to education. Education is the key to the development of this Province and if we are going to be active, participating citizens in this Province and know what our resources are and where they are and how to deal with them, then we are going to have to make sure that our educational programme teaches the children what we have and what we are.

Mr. Hodder: And I call on the government at this time to reverse their stand on this particular matter because it is one that goes to the heart of every Newfoundlander in the Province.

MR. W. ROWE: Mr. Speaker.

MR. SPEAKER: The hon. Leader of the Opposition, followed by the hon. gentleman for Grand Falls.

MR. W. ROWE: Thank you, Sir. I would like to support the petition so ably presented by my hon. colleague, Sir, our spokesman on this side in all matters pertaining to education. The petition is signed by, as I heard it, 827 people, which I would imagine would be just about all of those, or most of those who were at that meeting last night together with more, and others as well. Sir, this is a tremendous number of names of concerned people to support any kind of a petition, sponsored particularly by this Concerned Parents' Association.

I was not able to get to the meeting last night, although I wanted to, but I had a prior commitment.

MR. NEARY: Where you at Bally Haly?

MR. W. ROWE: No, I was not at Bally Haly with the hon. the Premier.

MR. NEARY: No.

MR. W. ROWE: But I had another commitment, and several of my colleagues were there, Sir. And anyone who was there was amazed at the number and quality of the turn out at that particular meeting, Sir. Your Honour being in politics realizes how difficult it is to get that number of people to come to any kind of a meeting concerning any matter. People have to be very moved, concerned, involved, worried, anxious in order to turn out in that number, Sir, to go to a meeting these days. It must have been one of the biggest meetings held in the St. John's area in recent years. But they came out, Sir. and reports that I have received from my colleagues and others indicate that they are indeed very concerned, and the Concerned Parents' Association is not wrongly named.

Sir, we support the petition. We believe that a unilateral decision to decrease the number of teachers is arbitrary, firstly.

Mr. W. Rowe: and secondly, Sir, we think that it will have the adverse effect of diminishing the quality of education in this Province. Or at least, Sir, let me go this far; the burden of proof is on the government to show that any cutback in the number of teachers will not diminish education standards in this Province, Sir, and they have failed miserably to date in relieving themselves of that burden, all evidents points to the contrary. Not only teachers, Sir, who can carry their own brief in this matter, perhaps the most articulate group of people in our Province, the most energetic, the most involved, they can carry their own brief on their own particular problem through the NTA, and individually, but, Sir, concerned parents have this same feeling. Other people involved, directly or peripherally, in education have this same complaint and this same fear, that the quality of schooling, the quality of education in our Province will, in fact, go down.

We support the idea and the concept of a freeze on all educational cutbacks imposed by this government until such time as we do have the result of the Task Force report, not the interim one, but the final Task Force report, and I doubt very much, Sir, I do not want to prejudice the return that will be brought in by that report and that group, but I doubt very much, Sir, if they will say that the cutback of teachers will not have the effect of diminishing the quality of education. Because, Sir, as long as we in this Province have one half of the rate across Canada, per capita, of graduates from trade schools, and from universities, as long as that miserable standard obtains in this Province, Sir, and as long as we lag behind the rest of Canada on the average in other fields of education, then, Sir, no step should or can be taken by the government which will or runs the serious risk of diminishing standards and quality of education in our Province.

The most worrisome point about the whole action taken by the government, Mr. Speaker, is that they first took the action which will probably in all likelihood have a very adverse affect on

Mr. W. Rowe: education, and then decided to set up the Task Force which is putting the cart before the horse, to say the least, and as I said in the House before, is really imposing the sentence before the trial. Let us have the trial first and then see what the outcome will be, based on all of the evidence.

Sir, one of the things that I hope people do to the Task Force, submit to the Task Force for their interim report is submit that other people should be on the Task Force itself, people from

MR. W. ROWE: other areas of society, concerned parents, teachers from schools, not only the two university professors but other people as well covering a broad range, a broad spectrum of our society so that the final report will not be a narrow one, will not be the product of straightened vision on behalf of any one or two individuals, but will cover the whole range, from a wide variety of viewpoints and opinions cover the whole range of education in this Province.

We support the petition, Sir. We think there should be a freeze on teacher cutbacks and other educational cutbacks in the Province until such time as all the evidence is in and rational, sensible, sane decisions can be made about these single, most important aspect of life and government in this Province today.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I had indicated I would recognize the hon. gentleman for Grand Falls next, followed by the hon. gentleman for Burgeo - Bay d'Espoir.

MR. LUNDRIGAN: Thank you, Mr. Speaker. I too had the opportunity, with several of my colleagues last evening, and with Your Honour, to attend the important meeting which was held by the parents here in St. John's, representing St. John's, Conception Bay and the Southern Shore, I believe, as well. And I think the parents did a tremendous job and some of the teachers who were there as well, in presenting their case. It was an impassioned plea and the thing that impressed me the most was the fact that we are getting for the first time in recent history, a very, very enlightened debate on education. It is overdue and it took something like this issue, perhaps, to bring it into focus and bring it to a head. And I think all members of the Legislature will do well to listen to parent groups around the Province who are engaging in the debate on education. That in itself is a very healthy endeavour.

MR. LUNDRIGAN: I had a great deal of empathy with the Minister of Education, who stood there and did a tremendous job in feeling questions. Some of them were a little bit snarky. Once in a while he got a rough ride and I believe that he has shown a lot of courage in going around the Province and engaging as he did last evening in debate on this particular point. He is a professional educator. I have a lot of admiration for him.

There is a point being missed, and this is the only point I really want to make, aside from saying that I would hope that we can have a good debate one day in the Legislature overall on this one issue. The point I want to make, Mr. Speaker, is the fact that in our schools today we have been getting a reduction in the number of students enrolled. I cannot quote the precise number. I think it peaked about five years ago to 162,000, I believe today it is roughly 150,000 students, the high forty thousands, in that particular area. And as a result of that, of course, we are getting a levelling off of the number of teachers and the impending decline in the number of teachers. People are overlooking, last evening it was overlooked, it was not raised by one person - the only reason I did not raise it myself is that it was the parents night, or the St. John's members night, if you want, if they wanted to get involved - it was not raised by the Newfoundland Teachers Association to any great extent, it has not been raised by the parent-teacher groups to any great extent, it has not been raised by the school boards to any great extent and it has not been raised to any great extent in the Legislature, and that is that we have today one of the most tragic situations in that only 34 per cent, in the latest statistics I have, of the students who actually start school complete successfully their grade eleven education. And God knows grade eleven is a minimum standard today for every young person in our Province. If he wants to even engage, let alone in an

MR. LUNDRIGAN: economic way in our society, just to live in the twentieth century you have to have a minimum of grade eleven education. Thirty-four per cent are completing, and I am quoting from Dr. Art Sullivan. His statistics are a year or so old, and what he did was to go back and get the number of people enrolled back in 1961 and brought the statistics right up through to '71 and then '72, '62 - '72, '63 - '73 and the like, and he concluded out of roughly 15,000 students starting, 5,000 successfully complete. Bearing in mind, of course, the argument against my point is that some of these were transferred out of the Province, but 34 per cent.

In Ontario, Alberta and Quebec it is precisely double that number of students who successfully complete grade eleven. And today, if we could retain in our schools the preponderance of the people who start school, we today would be looking at several hundred new teachers needed in September of 1978.

MR. LUNDRIGAN: I cannot get into debate today, Your Honour, but the big question mark is; Why are the students not staying in school? There has been a lot of research done on it. Some of it reflects on the economic situation, some of it reflects on the expectations, which are false expectations, of young people thinking they can get out in the field and make money when, in fact, it is very, very difficult for them to get a job in any event and twice as difficult if they do not have a formal education of at least Grade XI. And the second thing has to do with programme, not more courses, but the relevancy between much of our programme and the economic environment of the Province of Newfoundland and Labrador. And those are the questions that have to be addressed. And I think we are doing a small bit of a disservice, all of us as parents, in getting hung up totally on the legitimate but single issue of pupil/teacher ratio. And I hope when the other groups start and the thing blossoms, as it will, it is not going to die, it is going to continue to be a live issue, and I hope that caucuses on both sides and the government, when the Task Force is completed, will look realistically at the report, but I do hope that we can broaden our argument from the pupil/teacher ratio to the entire problem of education in the Province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I have indicated I would recognize the hon. the member for Burgeo - Bay d'Espoir next.

MR. SIMMONS: Mr. Speaker, I, too, had the great privilege of attending that meeting last night at Holy Heart of Mary auditorium together with my colleague from Port au Port and other members of the Legislature.

MR. SIMMONS: The meeting itself was very reassuring in that it confirmed what I have felt for some time and something which is contrary to the propaganda on this issue, the propaganda being that only the teachers are selfishly concerned about their own welfare. Last night, Mr. Speaker, the numbers there alone were confirmation enough for me that the parents are very involved in this issue as well, very involved. That they would come out - it was a nice night to do your gardening and to do a number of other things last night, but they passed all that up and came out to a meeting in large numbers, as you, Mr. Speaker, will know from your attendance there as well.

Mr. Speaker, the issue that came across most last night - and I should say also that I did not envy the Minister of Education the job that he was obliged to do last night, I did not envy him at all - the issue that came across most for me was first of all the total inflexibility of the minister and the government on this particular issue. I realize that in government you have to make decisions which are not necessarily going to be applauded every moment of the day, but when you get to the point, Mr. Speaker, where you refuse to listen, that is a very sad day for the people talking and the people who should be listening. And that was essentially what was happening last night.

Mr. Speaker, the Leader of the Opposition mentioned a phrase that was mentioned a couple of times last night - 'the cart before the horse'. It seems to me that if you are going to have a Task Force, and you are also going to have some changes in the allocation of teachers' salary units, if you are going

MR. SIMMONS: to do both these things, a change in the allocation and a study, it seems to me that you ought to have the study first and then the decisions after. It has happened in reverse here.

I believe like nowhere else, Mr. Speaker, this is a case where you have to look before you leap. You have to know what you are doing because so much is at stake. Our number one human resource is at stake, the children, the adults of tomorrow.

I only wish that all members of the Legislature could hear the essence of what was said last night. Some of the people raised the question as to whether the Task Force was in some respects a scapegoat. One gentleman referred to it as a snow job. And when you look, Mr. Speaker, at the sequence of events, when you look at the decision to reallocate units first and then the study after, you cannot help but wonder if the gentleman from the Southern Shore who used the word 'snow job' last night was not hitting fairly close to home.

Mr. Speaker, the Task Force has been appointed and I do not expect that the government is going to change its mind on that now. Two men have been put to work. The Minister of Education has not told us yet at what price. I hope he will in time tell us how much these gentlemen are being paid and what the projected cost of the study is going to be. The minister indicated last night they are full-time people and that was news to me as well, and if that is the case, then I think the minister at some point might make a clarifying statement on what these people are doing, how much time they have to do it, whether it is full-time, part-time, and what

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MR. SIMMONS:

they are getting paid for
the job.

But, Mr. Speaker, to the real issue here. The Task Force is not going to be withdrawn now, I would suggest. It certainly can be broadened and there is no practical obstacle against its being broadened. There was a very impassioned plea last night to the minister to broaden the base of this Task Force, and it can be done by representation from parents and perhaps other groups. Indeed, Mr. Speaker, the House would be interested in knowing that the Premier had a written representation from the Concerned Parents' Committee to the effect

MR. R. SIMMONS: that the group be broadened to include parents. What is even more inciteful, Mr. Speaker, is that the Premier in responding to that letter used the wrong form letter and nowhere in his reply did he address himself to the question of representation on the Task Force.

Mr. Speaker, these people have a mandate they represent the parents of 45,000 school students.

MR. NEARY: Was this meeting last night for all of St. John's?

MR. R. SIMMONS: I gather -

MR. NEARY: Well, where were the rest of the St. John's members?

MR. R. SIMMONS: Oh, no in fairness, Mr. Speaker, there were a number of St. John's members at the session, I think, six or seven.

MR. NEARY: Was 'Ank' there?

MR. R. SIMMONS: There were a number of members there, Mr. Speaker, the member for Ferryland (Mr. Power), the member for Grand Falls (Mr. Lundrigan), the member for Pleasantville (Mr. Dinn), the member for St. John's South (Dr. Collins), the member for St. John's North (Mr. J. Carter), and the member for St. John's East (Mr. Marshall). If I can just have a half minute to clue up, Mr. Speaker. I believe these were the members who were there. Did I miss anybody? I think that is it.

MR. WHITE: Mr. Speaker.

MR. R. SIMMONS: And, Mr. Speaker, of course who I have mentioned as well. Just in a brief clue up if I may.

MR. A. MURPHY: (Inaudible)

MR. R. SIMMONS: The member for St. John's Centre (Mr. A. Murphy) does not mind if I clue up? Thank you.

Perhaps, Mr. Speaker, a lady who is a member of a religious order put it best last night, this entire dilemma that we are faced with, when she said to the audience and to the Minister having asked a number of questions, questions, Mr. Speaker, I submit were not so much snarky as they were brimming with feeling and gut feeling and emotion of parents who are not prepared to stand idly by and allow their children to be

MR. R. SIMONS: hurt by a callous decision of government, she put it best when she said this "I am left," and I am quoting exactly what she said, she said "Mr. Minister, I am left to assume that your government has not got a firm commitment to the quality of education."

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for St. John's South followed by the hon. gentleman for Terra Nova.

DR. COLLINS: Mr. Speaker, in rising in support of this petition dealing with the matter of the freeze on teacher - pupil ratio from now until studies have come to hand, I might mention that I was also at the meeting mentioned by other members last evening and I had an opportunity of discussing the meeting in prospect with some of the organizers beforehand. One of the organizers pointed out that they were a bit disappointed with the turn-out. I mentioned that I had a bit of difficulty parking myself and that when I got into the auditorium I expected to have difficulty sitting down, but the organizer told me that, of course, this parking area is used for many other people as well as those attending the Holy Heart. And in actual fact when one got in, there were seats available for MHA's who were invited and one felt like a pimple on something or other because one was off by oneself at the front of the hall with quite a number of empty rows and the others further back. The meeting itself was delayed a half an hour, I think, partly for the purpose of giving the audience every opportunity to arrive.

Mr. Speaker, I can certainly say that I felt, also, that there were heartfelt feelings expressed at the meeting and I personally found this extremely reassuring. Because I had wondered myself whether in this day and age parents were not, in actual fact, leaving the education of their children to an undue degree to government, to the teaching profession and so on and so forth. And I must say I found it a very healthy and very

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DR. COLLINS:

reassuring point of view to
find that this did evoke such emotion and such comment. I might
also say that the emotion was not all one sided because

DR. J. COLLINS: I had to, on one occasion, go out to make a phone call and during the phone call a lady was leaving. She came over to me and she was acquainted with me - she came over to me and said that she was not going to attend the full extent of the meeting because it was so one-sided, that the points put forward were so one-sided. Why she did not herself comment is not for me to say.

I did not comment myself, Mr. Speaker, because it was made clear at the beginning of the meeting that whereas the MHAs were invited they were invited as parents, if such they be, and they were not expected to get into political or controversial arguments. And, I think, that although one MHA did comment, and I certainly do not raise any objections to that, not in any way, but I think that most MHAs from both sides of the House took this to mean that this was by and large a means of getting an expression of opinion from parents. I cannot say in all honesty that I felt that this applied to the considerable number of teachers who also attended the meeting. I did not feel that the teachers who had their every right to comment at the meeting, of course, but I did not get the impression that the teachers in any way felt inhibited from commenting. I was familiar with some of the individuals who rose as being teachers. As a matter of fact, there was no doubt about it because some of them were in religious orders, orders that in actual fact indicated that they were not parents.

The comment that one heard largely, I would say, I am not saying exclusively by any means, but largely from the teachers involved the specialist teacher quotient to the schools, and the hon. minister rightly pointed out that the specialist teachers were not in any way being cutback by the moves at present underway. As a matter of fact, he indicated that there was every good reason to think if a case was put forward by any school board that specialist teachers would be looked at, if there was a need to.

Mr. Speaker, one could make further comments, but I will just end by saying that I was a bit disappointed that the important matter of the financing of education was not mentioned, I do not think once.

MR. SPEAKER: I had indicated I would recognize the hon. gentleman for Terra Nova next.

MR. T. LUSH: Mr. Speaker, it gives me a great privilege to be able to support this petition on behalf of 827 parents, which, I think, is an excellent turn-out to a meeting that was not, to my knowledge, publicized all that much. And, Mr. Speaker, to me it indicates the intense feeling that the people of St. John's, indeed, of Newfoundland have about education when you can get so many people to turn out to a meeting like this. I would suggest, Mr. Speaker, that you could not get a larger crowd to turn out on any single issue in this Province today as large as the crowd that turned out there last night for this issue, 827 parents. That is a large turn-out, that is a large public meeting, and it indicates the strong feeling that the people have, that the parents have concerning education today.

If there is any major benefit, and I do not think we can talk in terms of benefits in what the government have done, but if there is any benefit at all, it is illustrating the concern that parents have for education. Because in recent years the government have taken a rather nonchalant attitude with respect to education, and not given it the priority that it deserves, and I think the people of Newfoundland are now illustrating that they are not about to have the educational system played around with in this Province, that they are not about to have educational quality - the quality of

MR. LUSH: education minimized in this Province, that they want their children to be afforded the best education possible, the best education that this Province can afford to give.

Now, Mr. Speaker, I have spoken on a number of occasions about the effects that teacher cutbacks will have in this Province, and in St. John's as well. The two areas that I have identified; one that the teacher cutbacks will affect the classroom situation itself, that there are many classrooms in Newfoundland where we are going to have to put two and three classes in the one room, that is a most undesirable situation. But the one that I want to speak about mostly here today is the other major effect which is going to affect services and programmes. And we have not been blessed as other Canadian Provinces in any of these areas with respect to special services and programmes. And these two areas definitely affect the quality of education and equal educational opportunity.

Now I have tried to point out that these two are related, that indeed you cannot have one without the other. You cannot have quality without having equal educational opportunity. To suggest otherwise is a very narrow view of education. In the last ten years educators have tried to emphasize the importance of meeting the individual needs of students and with a narrow programme, with few services, speciality services like, for example, special services in reading, and counselling, if you cannot offer these things then you cannot meet the individual needs of students and therefore you cannot have quality.

Now the hon. member for Grand Falls (Mr. Lundrigan) mentioned the small percentage of students who complete grade eleven and wondered why. That is certainly one of the major reasons; because our programme is not geared to meet the needs of all students and the programme, the course offerings are not broad enough, it is too restricted. And this is why we are having students drop out from school because they are in programmes

MR. LUSH: that do not meet their needs. And in education we have been trying to remedy this situation by bringing in more programmes and we have been effective. But the steps that the government have now taken with respect to cutbacks is now going to certainly affect the progress that we have made and really is going to put the whole situation of progress and advancement, it is going to retard this and put it behind.

Now I would just like to emphasize the situation, point out again for the benefit of hon. members the pupil/teacher ratio across Canada, and this is for 1976-1977 which illustrates the lack of equal educational opportunity in this Province as compared to other provinces. For example, British Columbia, its ratio is 18.61 students to one teacher. In other words just about eighteen and a half students. Alberta the same thing, 18.5 to one. Saskatchewan, 18.1. The Canadian average is 18.67, for Newfoundland it is 19.7. Now what that means, and the point that I want to make is that if we were to approach the Canadian average, which is what we should be aiming for, if we were to approach the Canadian average in this year, instead of laying off 120 teachers we would be hiring 475.

Now, Mr. Speaker, the question we must ask ourselves is what would that mean in terms of quality education, hiring another 475 teachers to meet the Canadian average? What would that mean in terms of programmes and services to our students? Mr. Speaker, I think that should drive home the point to hon. members, and I thank you.

MR. SPEAKER: The hon. member for Bay of Islands, followed by the hon. member for Conception Bay South.

MR. WOODROW: Mr. Speaker, I feel I should have a word to say in connection with this petition. I notice in the gallery today Bill Callahan, who is a very responsible reporter for the Province of Newfoundland. And I would like to say that it is a very

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MR. WOODROW: serious problem we are talking about and
it is unfortunate that it has to be dragged out in a political
arena. If I were on the other

MR. WOODROW: in a political arena. If I were on the other side of the House I do not know how I would feel about it, Maybe I would be a little prejudiced towards the people on this side the House.

MR. SIMONS: Are you prejudiced?

MR. WOODROW: Perhaps I would be, but just let me continue on. We had last night, there were 827 parents out of a population, say of, roughly speaking, 100,000 people.

DR. KITCHEN: Try focusing on a motherhood issue.

MR. WOODROW: Okay, fine. There is one thing all members are forgetting, and that is we have one of the greatest traditions in Newfoundland, that is we have the ENA Act which gives us the right to denominational education. Now I would like to go on record as saying that I have not changed my mind towards this yet, I do not know how many hon. members have, and I think in order for us to preserve that denominational system we have to make great sacrifices, We have made them down through the past, Mr. Speaker, and these great sacrifices have come from the people of this Province. We went to school in a one room school, we walked, in many cases, six miles a day. So I am wondering, first of all, are we going to abolish our denominational system? And I hope that when the Task Force is set up that is one thing that they will speak on, I hope that when we get in this House and debate it - the member for LaPoile (Mr. Neary) is laughing, I do not if he is serious about it or not, I should think he would be serious about it.

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

MR. SPEAKER: A point of order.

MR. NEARY: I am not laughing at the hon. gentleman, Sir, I am laughing at a joke that the Leader of the Opposition just told me.

MR. WOODROW: Well, I thought the hon. gentleman -

MR. SPEAKER: Order, please! It is a difference of opinion, whether the hon. gentleman was laughing -

MR. WOODROW: I thought the hon. gentleman was scoffing at the fact that I am speaking about denominational -

MR. NEARY: I feel sorry for the hon. gentleman but I am not laughing at him.

AN HON. MEMBER: You laugh at your leader every day.

MR. WOODROW: Which of course proves my point. Mr. Speaker, I was saying that I hope when the Task Force is set up that the question of denominational education will come in because I am not yet ready to abolish that system in the Province of Newfoundland. I think that once Christianity goes out of our schools we will lose a lot in the Province of Newfoundland.

The Province has now \$305 million in education. If the Liberal government were in power today would they add \$200 million more to that? I do not know. And if they would do it, where would it come from? Out of the pocket of our people.

MR. SIMONS: From George McLean in Montreal.

MR. WOODROW: Well, okay. You are not serious, hon. member, you are joking.

SOME HON. MEMBERS: Oh, oh!

MR. WOODROW: This is no joking matter, this is a serious matter. I feel that the government is certainly responsible in what they are doing, I hope they are. But there is no doubt about it that the government are open to other people helping. For example, they have established a Task Force and I hope that the results from that Task Force, and the debate that I hope we will have in this House before it closes, that we will come out with a suggestion which will be in keeping, which will help the Province of Newfoundland and Labrador to give to the children, who are the men and women of tomorrow, a better education in keeping with all the scientific progress that is going on in the world today.

MR. SPEAKER: I have indicated that I will recognize the hon. member for Conception Bay South next.

MR. NOLAN: Mr. Speaker, I rise to follow the gentlemen on both sides who have already addressed themselves to the position as outlined last night in reference to education in this Province and the cutbacks that we have heard so much about.

Christianity, it seems to me, has gone through a lot of trials in their days. There have been murders, plots, all religions have suffered at the hands of people with all kinds of motives but I have never seen it used - and especially coming from my hon. friend. He missed the point altogether on education. Who denies that Christianity is important in our schools? No one has denied that, not in this House on either side. Christianity was not being bandied about last night.

MR. WOODROW: But you are saying that the parents have nothing to do with education.

MR. NOLAN: Oh, no! Wait now. I am very happy that the hon. member mentioned that, Mr. Speaker, because that leads me to my next point.

MR. SPEAKER: Order, please! - If both hon. gentlemen will hold their peace for a moment. I think it is imperative that the rule of one hon. member speaking at a time be observed. That is an essential rule and I think that whereas one can at times be generous in the interpretation of some, that there a strict requirement is necessary.

The hon. member,

MR. NOLAN: The reason for the petition and the concern, as my hon. friend opposite surely knows, was the quality of education. Now in his last remarks from his seat he made reference to parents and that is the whole point. When a government sets up a group to investigate, as they do in this case, education in this Province, and the gentlemen from Memorial University it is important not only that the information they come up with is accurate in so far as those who are conducting the investigation or the enquiry have the ability to bring it all together, but also that the people that they serve, the people of Newfoundland, the parents, the teachers,

MR. NOLAN: the students believe in it, that it is an honest effort and that they are going to get their money's worth. So therefore, one cannot avoid the issue. And surely my hon. friend opposite who just spoke should be the first to get up on this point. Why is it that the parents are not represented on this committee? If there is any group in this world that should be there it should be the parents. Why not say that?

SOME HON. MEMBERS: Hear, hear!

MR. LUNDRIGAN: Eight hundred and twenty-seven of them.

MR. NOLAN: Eight hundred and twenty-seven, as my hon. friend indicates. But to bring in this red herring, trying to get into the denominational system again, really misses the point completely.

AN HON. MEMBER: Hear, hear!

MR. NOLAN: It is a sad thing to see. One of the most important things in this Province today, and God knows we have our problems, is the fact that right now we have young men and women coming out of the schools here in this Province and will continue to come out in the next few months. And as my hon. friend from Grand Falls (Mr. Lundrigan) indicated, I believe the figures we have available now indicate that you have somewhere between thirty-four and maybe thirty-seven who complete Grade XI.

If you look at the record of unemployment in this Province you will see very clearly that there has been a tremendous failure in finding employment for these students, But there is one thing we have to do if we fail in many other areas, that surely if

MR. NOLAN: we are going to continue as we are now sending our young people and older people off to the rest of Canada, Iran, Saudi Arabia and everywhere else to work, at least let us send them prepared educationally, let us at least do that for them. Do not make them national or international hewers of wood and drawers of water, the Gunga Dinns of this world emanating from Newfoundland. Do not do that. And do not bring the denominational situation into this because it is a cheap effort to avoid the issue that is here. Are we being honest in our approach to the young people in education in this Province? Should, as hon. members have mentioned, should the inquiry have been set up -

MR. WOODROW: I will die a Christian.

MR. NOLAN: Well, I am not attempting to hasten the hon. member's death -

AN HON. MEMBER: Neither his death nor his conversion.

MR. NOLAN: - nor am I trying to sell him on Islam. He is avoiding the subject again. What I am talking about is the situation regarding defenceless people in this Province in many instances who are now in kindergarten and going on through primary school and so on, and it is our duty not to make simply political points back and forth, that I am better than you because I am Liberal and so on. That is not the issue. The issue is set up a proper committee. It should have been done first, by the way, before there were any cutbacks, That is item one, as say those, who were involved, my hon. friends here and opposite who are much closer to the educational system than myself because they have served in it. The committee first, represented by parents on the committee. surely it

MR. NOLAN: is an insult to set up any committee without having good representation from parents on that committee. And if we do nothing else in this session of the House of Assembly - and there are some people who have some doubts about what we have accomplished in the current session - if we do nothing else, let us at least in the name of all that is holy be honest in our approach, insofar as we are capable, of facing up to this situation that over 800 people addressed themselves to last night. And I think that if we attempt to skirt the issues there, they are not going to believe any of us by bringing in the denominational system and things like that at this juncture, because it was not - it was not, I maintain - the point that came up in the meetings that our hon. friend attended. So for heavens sake, let us get to that committee. Do not be stubborn! If there are no parents there represented on that committee, reform it. I am not asking you to change your religion or leave Christianity. Take another look at the committee and do not make a sham of this.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I recognize

MR. SPEAKER: the hon. member for Trinity - Bay de Verde next. Before he speaks perhaps I will point out that the material allegation of the petition deals with quality of schooling, its relationship to the teacher/pupil ratio, the possibility of adverse effects in educational services because of teacher allocations, the request that a freeze be imposed in reference to a comprehensive study. One hon. gentleman to my left did bring in the matter of denominational education, and at the inception of it obviously one could regard that as an aspect of quality of schooling, and another hon. gentleman to my right has commented on that. I would think now that it would appear to me after having heard two hon. members, one from each side bringing that aspect into it, that it is not really within the scope, the material allegation of the petition, which is quite broad. I have heard one on each side on that and I would think that now we should keep our remarks more closely to the allegation of the petition.

The hon. member for Trinity - Bay de Verde.

MR. F. ROWE: Thank you, Mr. Speaker. I would like to speak in support of the petition presented by my colleague on behalf of the Concerned Parents Association and in doing so, Sir, I would like to congratulate the Chairman, Harry Megann I believe, of the Concerned Parents Association for the tremendous job that he has done. I noted that the member for St. John's South (Mr. Wells) expressed some disappointment in the turn-out of the concerned parents at that particular meeting. And, Sir, I would submit that a turn-out in excess of 800 concerned parents is a very highly successful meeting, a very highly successful meeting indeed. It shows the concern of the parents in the St. John's area, particularly on such a fine evening.

Now, Sir, there was something that the member mentioned while he was speaking, presumably in support of the petition, he said that one lady passed him while he was on the phone and was

MR. F. ROWE: leaving because she said it is too one sided. Well, Sir, to me that proves beyond any shadow of a doubt whatsoever the concern of the people at that particular meeting with respect to the quality of education, and what the cutbacks and the number of teachers in the schools will do to the quality of education. If it were not one sided, Mr. Speaker, I would submit that the meeting would have been a complete and total failure and one would question whether or not the quality of education would suffer as a result of the cutbacks in education. But as it happens, and the member for St. John's South (Mr. Wells) indicated it, one person left because it was so one sided. So I would submit, Sir, that this is all the more reason why, unfortunately the Minister of Education is not here today, this is all the more reason why the minister should take off his ministerial coat for a few hours during the run of a day and think of himself as a parent, and think of himself as a former teacher and a former superintendent of a school board, just place himself in these three positions for an hour or so and really think in terms of the quality of education, what the cutbacks in the number of teaches will do to the quality of education in this Province.

Now, Sir, I would like to address myself to just one other point, and that is the make up of the Task Force. I will not address myself to putting the cart before the horse, that has been mentioned several times, but I know the two gentlemen very well, Sir, Dr. Franks Riggs, I believe, I think it is Frank.

AN HON. MEMBER: Riggs.

MR. F. ROWE: Riggs. Oh yes, And Dr. Bob Crocker. We went to university together and we taught at the university together and we happened to be in the same Department of the Faculty of Education together.

AN HON. MEMBER:

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MR. F. ROWE: I was in the Science Division, the
Curriculum and Instruction Division. Sir, we have been arguing,
certain members

Mr. F. Rowe:

been putting the point this way, that the constitution of this particular Task Force is too narrow because we just have two professors from the University. It is even worse than that, Sir, we have two professors, one who is still in the Department of Curriculum and Instruction of the Faculty of Education, and one who has spent most of his time in the Department of Curriculum and Instruction and who has since gone to the research area of the Faculty of Education or of the University. So it is a very, very narrow, extremely narrow, It is even narrow within the University itself.

So, Sir, I would ask the minister, and unfortunately he is not here, to put himself in the position of a parent, which he is, a teacher, which he was, a superintendent of education, which he was, and look at the constitution of this Committee, rethink it, reconstitute it, and put a freeze on these cutbacks until such time as the Committee has submitted its report and recommendations.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. member for Lewisporte.

MR. F. WHITE:

Mr. Speaker, I just want to make a couple of points with respect to this particular debate, and I am glad that the matter has come up today so that all members who want to talk about it can speak for three or four minutes to emphasize a few points. Most people seem to be of the opinion that the only thing that is having a serious effect on education in Newfoundland with respect to the government cutbacks have been the projected teacher layoff, but there are other matters that are having a serious effect, Mr. Speaker, particularly in rural Newfoundland. And I think it is fair to say and this has been documented, that the cutbacks that we have seen in education this year will have a more serious effect and impact on rural Newfoundland than any other part of this Province. I can refer you, Mr. Speaker, to a brief that was presented to the Provincial Government by the Central Newfoundland School Board, the nine school boards throughout Central Newfoundland, regarding funds available to school boards. This brief was presented on April 19, 1978, and it

Mr. F. White: states quite specifically, Mr. Speaker, and I quote, "The statistics will show that the rural area is not getting equal treatment from government, particularly with respect to the distribution of funds from the Department of Education and specifically with respect to the transportation grant. The statistics will also indicate that the areas which are penalized most with respect to government funds are also the areas that have the weakest tax base from which to collect local funds." This point has been made before in the House, but I want to make it again because I have been presented with a lot of material from the Notre Dame Integrated School Board, the school board in Newfoundland that will be most seriously affected by the government cutbacks.

The additional 5 per cent, for example, of bus transportation that must be found by the boards will mean to the Notre Dame Integrated School Board an additional \$12.70 per pupil per pupil, Mr. Speaker- at 10 per cent. When it was at 5 per cent it was \$6.35 but it now will mean \$12.70 per pupil to find the additional cost for the Notre Dame Integrated School Board, and that is the same for the - it is the highest for the Notre Dame Integrated School Board.

AN HON. MEMBER: (Inaudible).

MR. F. WHITE: Yes. And it comes on down to the Pentecostal School Board in the area, the Green Bay Integrated, Bonavista-Trinity-Conception, the Gander-Bonavista - Terra Nova Integrated, and those are the boards, those nine or ten boards that will be most seriously affected by this particular issue.

Now, Mr. Speaker, on the Task Force, I think the government, you know, are sort of digging in on this - and I do not want to debate the matter - but it seems that everyone, the parents, the teachers, the school boards, and everyone in the Province except the government feel that the Task Force is too narrow in scope and should be changed. On April 19, the school boards, the Central Newfoundland School Boards presented this brief to government and they recommended that

Mr. F. White: any Task Force which the government may appoint in education have adequate representation from informed people in rural areas.

Now, Mr. Speaker, I would submit that the rural areas of this Province that are going to be affected most should have had a representative on this Task Force. And the Central Newfoundland School Boards go on to say, "That recommendation number six, which was presented to government before the Task Force was appointed, was completely ignored." And I would submit to the government and to ministers opposite that they give serious consideration to changing this Task Force, Mr. Speaker. I do not think it would be a matter of taking backwater from government but after they appointed this Task Force, which I am sure was done in all sincerity, that there has been an uproar from parents, from teachers, from school boards, from everybody, I say, except the government that this Task Force should be changed, there should be representative from parents on the Task Force, and above all,

MR. F. WHITE: Mr. Speaker, I think there should be representatives, and informed representatives of the school boards, say, from rural Newfoundland. I am just concerned that we get bogged down in the one issue of teacher layoffs and we do not turn our attention to larger issues, and that is why should the people in the Lewisporte area and the Twillingate area suffer just because they have to travel longer distances to get to school? And that is exactly what we are facing now.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for LaPoile followed by the hon. gentleman for Carbonear, or vice versa.

MR. S. NEARY: Go ahead.

MR. SPEAKER: The hon. member for Carbonear.

MR. R. MOORES: Mr. Speaker, I would like to rise in support of this petition so ably presented by my colleague for Fort au Port (Mr. Hodder). First when this decision was made by the government, the decision to cut back on teaching staff in this Province, I believe like a lot of people I was a bit skeptical, I was not sure if the government was doing the right thing or not. And I said perhaps I should listen to the educators in this Province, the teachers, the supervising principals etc., the school boards and see just where I stood on this.

Now, Mr. Speaker, I believe it has become evident to just about everybody in this Province, including the hon. member for Grand Falls (Mr. Lundrigan), who perhaps is the finest political opportunist in this Province today.

SOME HON. MEMBERS: Hear, hear!

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

MR. R. MOORES: And when -

MR. SPEAKER: Order, please!

I think I should ask the hon. gentleman to withdraw that remark.

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MR. LUNDRIGAN: On a point of order, Mr. Speaker, I do not want the hon. gentleman to withdraw that remark.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Well I am afraid I cannot -

MR. J. LUNDRIGAN: It sounds like I have a bright future.

MR. SPEAKER: Order, please!

I am afraid I cannot be influenced by the hon. gentleman's wish. The hon. member for Carbonear.

MR. P. MOORES: I withdraw, Mr. Speaker. Thank you very much. However, let me continue by saying that when the hon. member for Grand Falls spoke on a similar petition just a few weeks ago, I stated at that time that the very admirable, very eloquent presentation that he made gave all the reasons why the teacher cutbacks in this Province should not go ahead, that his government should not introduce that policy which would set a precedent in this Province that in my opinion is going to continue for the next five years, assuming of course that this government remains in office. And therein lies the problem, Mr. Speaker, it is not what they are doing this year, it is what they intend to do and it is what these teacher cutbacks this year give an indication of - a very dismal a very gloomy future that is definitely and directly affecting teacher morale in this Province right now.

There are many very good, very concerned very genuine, very interested teachers who are not sure where they stand, who are not sure of their security in the profession, who are worried about their jobs, their homes, their families and this type of negative morale is filtering down through the system -

SOME HON. MEMBERS: Hear, hear!

MR. P. MOORES: - and it has a direct effect a very direct effect upon the quality of education, because as the member for Grand Falls so eloquently stated students in this Province have to be given an alternative and that alternative to leaving school, because

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MR. R. MOORES: our drop-out rate in Newfoundland is the highest in Canada, the alternative to dropping out is a diversified course or instructional program that will enable the students to see school as being attractive. If teachers have low morale and are not interested in the quality of their teaching, that will definitely affect the student and you will see a very real increase in the drop-out rate in this Province.

Now I congratulate the organizers of the meeting in St. John's last night, 325 parents, teachers etc. who came out to this meeting and I am glad I congratulate the members on both sides of the House who attended, who

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MR. R. MOORES: took the time and the interest.

A couple of weeks ago I attended a meeting in Carbonear - presumably, it was similar to the one in St. John's last night - where almost 600 people attended. There were invitations given, I understand, to all the MHAs in the proximity of my district and there was a specific invitation sent to the Minister of Education. And like a sculpin when the water is unsettled shoots under a piece of kelp or under the wharf or under a rock, so be it, the Minister of Education analogously was the sculpin in this case and he did not show his face. And I do not think he intends to show his face as long as the water remains as unsettled as it is in this Province today.

Mr. Speaker, 600 people came to the meeting, 600 people were disappointed, and I suspect that disappointment will be reflected in the polls in the next election.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker.

MR. SPEAKER: Before recognizing the hon.

gentleman, I would like to welcome to the House of Assembly on behalf of all hon. members, twenty-five students accompanied by their teachers, Mr. Langdon, Mr. Andrews, from Point Leamington Central High School. I know hon. members join me in welcoming these students.

SOME HON. MEMBERS: Hear, hear!

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

MR. NEARY: Mr. Speaker, the students from Point Leamington could not have picked a better day, Sir, to come to the House of Assembly and to listen to the debate that has gone on for the last hour and twenty minutes. It has been a very valuable and worthwhile discussion, Sir. I do not think you could call it a debate because members

MR. NEARY: are rising in support of a petition that has been presented by my hon. friend, the member for Port au Port (Mr. Hodder) on behalf of a group of citizens who attended a meeting last night, Concerned Citizens, who are worried about the deterioration in the quality of education as a result of a cutback in the number of teachers in the classrooms in this Province.

Much has been said this afternoon, Sir, and much has been said on previous afternoons on this particular matter and there will probably be a lot said in the future.

But, Mr. Speaker, we must not muddy up the water. I do not think it is fair to say, Sir, that only around 800 people attended a meeting, and that is not a very large size meeting, or to say that the teachers are orchestrating this movement, or to say that all they are interested in is specialist teachers. Anybody who would take that position, Sir, is just completely insensitive to the concern of the parents in this Province at this particular time. I am not sure right now if I am speaking as an MHA or as a parent. I have four young children in school myself and I am concerned, Mr. Speaker, about the future of the education of my children, as I am sure every parent in this Province must be concerned at this particular time.

Now somebody indicated earlier that maybe the layoff of the teachers may be the thing to trigger a fullfledged fact finding investigation into our whole educational system in this Province. We have to examine the curriculum, Sir. We have to not just merely set up a Task Force to look at the size of the classrooms

MR. NEARY: and the size of the classes in these classrooms, we have to examine the curriculum, we have to take a look at our postsecondary education system. Are we getting the best value for our educational dollar? Are we forcing the students at Memorial University to put themselves in debt? When they graduate from the university they owe \$8,000, \$9,000, \$10,000 and sometimes \$12,000 and they go out in the world with a debt hanging over their heads. Would this, Mr. Speaker, not have a tendency to discourage our young people from attending university, to turn it into a university for the elite? What about the vocational schools? What about the relationship between the high schools, our elementary schools and the vocational system in this Province? There are all kinds of things that have to be looked into, Sir, apart from just the size of the classrooms and the size of the classes in these classrooms.

And what about Grade XII, Mr. Speaker, that I have spoken about so often in this Province? Should we not put Grade XII into our high schools in this Province?

AN HON. MEMBER: Hear, hear!

MR. NEARY: Now somebody also mentioned earlier, I believe it was my friend from Carbonear, about the curriculum, about the programmes that are going on in the schools. I do not believe, Mr. Speaker, that there is any doubt about it that a lot of students, probably the majority of the students who attend

MR. NEARY:

school are completely bored with school, in a lot of cases they hate school, in some cases they hate their teachers, and I would submit to my hon. friend from Grand Falls (Mr. Lundrigan) that that may be one of the causes of so many dropouts, There is no encouragement for these young people to carry on. And I believe now, Sir, that it is time for the government to face up to the situation and not just drag in red herrings about the number of people who attend meetings and all the other things that have been raised to throw obstructions and roadblocks in the way of a full-fledged investigation, a full-fledged fact finding done by an independent group, done by a group that would have representatives of the taxpayers, of parents, of professional people, university people and just not narrow it down to a Task Force of two professors over at Memorial University.

It is probably too late for the government to withdraw the setting up of this two man Task Force, but if they set up, Sir, a completely independent full-fledged independent enquiry into the educational system of this Province then as I said the other day this two man Task Force from Memorial University can report to this independent fact finding committee.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Hon. member for Bellevue.

MR. CALLAN:

Mr. Speaker, being a former schoolmaster

I want to rise and speak in support of this petition so ably presented by my friend and colleague for Port au Port (Mr. Hodder). I will keep my remarks short, Mr. Speaker, even though I have five minutes. Mr. Speaker, I simply say this, that the remarks made by the member for Port au Port (Mr. Hodder) and the remarks made by other hon. gentlemen, the member for Terra Nova (Mr. Lush), Carbonear (Mr. Moores), LaPoile (Mr. Neary) and all the others, even the member for Grand Falls (Mr. Lundrigan) was supporting the petition, I think, and talking about the fact that we need more teachers rather than less because

MR. CALLAN: students are dropping out of school so therefore one of the reasons for that is because of the high teacher-pupil ratio, we need fewer students per teacher and therefore this will give more individual attention and therefore will result in more people completing high school, Grade XI education.

Mr. Speaker, to all the people who have spoken in support of this petition I simply say "Ditto" I go along with the same idea and my suggestion, Mr. Speaker, is this, I think that at the soonest possible time, I think to put an end to all this perhaps and to get the whole thing out in the air and get a full-fledged debate on it, I am suggesting that Resolution No. 17 on the Order Paper under the name of the member for Port au Port (Mr. Hodder) be called, the resolution that says: WHEREAS there is a need for a clear statement as to what are acceptable levels of elementary and secondary education in this Province;
AND WHEREAS many students in this Province now face loss of programmes because of teacher layoffs;
AND WHEREAS in a time of restraint in government spending it is all the more critical to know what our priorities are and what our directions must be;
BE IT THEREFORE RESOLVED that a select committee of the House be appointed to recommend a definite policy as to the overall goals for education in this Province and to determine what constitutes acceptable levels of schooling in Newfoundland and Labrador.

I think this is what we need in this House of Assembly, Mr. Speaker, and I support the prayer of the petition.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Hon. member for St. George's.

MRS McISAAC: Mr. Speaker, I rise to support the petition presented and I have to in speaking to the petition, I did not attend the meeting last night, in speaking to the petition I have

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Tape No. 1804

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MRS Mc ISAAC: to refer again to my own district. I certainly feel that at this time there is no way that this thing can be applied across the board or across the Province, Instead of decreasing the number of teachers in the Province I feel that they certainly should be increased. We have a situation in the district of St. George's that the minister is well aware of since he was the superintendent of one of the school boards in that very area

MRS. MCISAAC: and it is quite familiar with what goes on in the schools. We have, and I will give specific examples, in Gallants, for example, as I have stated once already in the House this year, we have from kindergarten to grade eight and we have two teachers in that school to take care of from kindergarten to grade eight. Now I do not care if there are ten pupils or if there are 100 pupils, we still have nine classes to take care of and every subject in those nine classes. We have another school where we have kindergarten and grade one and we have one teacher to take care of it. We have other areas where we have two or three grades in the one classroom with one teacher, and if there is a twenty-six to one ratio this is certainly going to affect the quality of education in our schools in that area. It is affected right now in fact. There are teachers enough in this Province, I do not see the necessity to cut back and every year we have teachers coming out of university, last year we had them coming out, this year we will have more coming out and again next year, who do not have schools, who have to join the ranks of the unemployed and while those teachers are in the ranks of the unemployed the students in the rural areas are suffering.

We have a complete waste of at least one year. If our students want to go to university, the course that they need are not offered, they have to go to university to get the basic courses and as I said the first year of university is completely wasted. I would like to see some of the teachers that are considered excess sent out to some of the rural areas so that there is equality in education across this Province. And I feel that the rural areas of this Province are being discriminated against, that our students are not offered the same courses that the students in the larger areas are offered and if there is a place to start in teacher layoffs, if you are going to lay them off from one school then I will accept

MR. MCISAAC: all the teachers that are laid off in order to upgrade the quality of education in my district because it is something fierce what is going on in that area.

Thank you.

SOME HON. MEMBERS: Hear, hear!

ORAL QUESTIONS:

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

MR. W. ROWE: I had hoped the Premier was going to be here, Mr. Speaker.

MR. HICKMAN: The hon. the Premier had to go to a meeting but he is within hearing distance of this and indicated that as soon as Oral Question period started he would come back, so I presume that if he can hear right now that he is on his way.

MR. NEARY: Stop the clock.

MR. W. ROWE: I will save my question, Sir, for another day and I will ask the hon. House Leader a few other questions that may be germane.

Sir, would the hon. the Government House Leader indicate to the House whether the government intends to bring in a bill, legislation, this session of the House - not next session, or ten years from now - this session of the House a bill placing limits on contributions to political parties and candidates, Sir, and requiring complete disclosure of party finances, and placing limits on the amounts that can be spent by parties and candidates in elections? In other words, Sir, a complete reform, I have mentioned one or two aspects of such a reform, a complete reform of party financing involving disclosures, election financing, involving limits, and so on, Sir. Does the government intend to bring in a bill this session of the House governing that important matter?

MR. SPEAKER: The hon. Minister of Justice.

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Tape No. 1805

NM - 3

MR. MURPHY: I requested that in 1966.

MR. HICKMAN: I appreciate the hon. the member for St. John's Centre (Mr. Murphy), He says that he asked for the same thing in 1966. But in any event, Mr. Speaker, to answer the question from the hon. Leader of the Opposition, this government, as been stated publicly,

Mr. Hickman: is committed to bringing before this Legislature a bill which will not only limit contributions to political parties but which will also provide for disclosure. The position with respect to that bill at this time is that we have had very extensive work going on in the preparing, just not that part, but this Province needs is a totally new Elections Act. And I look forward to being given the opportunity to bring before this House, depending on the length of this session, but if it is at all a reasonable length, a bill that will do not just that, but will bring the Election Act within the Twentieth Century, which it has not been, because I am sure all hon. members will agree having read the many decisions of our courts on recounts following almost every general election, and sometimes by-elections, that we need a modernization of our Act. And, Mr. Speaker, whilst I cannot give a firm commitment that it will be brought in this Spring session of the House, let me assure this House that the work is ongoing, it will be in before the next election, and I would hope that it will be brought before this session.

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: But there is a great deal of work going on right now by the appropriate people in the appropriate office. And it will be the best Election Act, bar none, maybe because it is the newest, in any Canadian province.

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

MR. SPEAKER: A supplementary, the hon. the Leader of the Opposition.

MR. W. ROWE: Sir, by way of preamble to my supplementary, I would just remind the hon. minister, he seems to have forgotten, that this promise was made in two Throne Speeches, last year and the year before last, and in the Throne Speech, Sir, which preceded the ongoing business in this session of the House the matter we dropped altogether, for some strange reason. No mention made of it at all.

Now, Sir, I ask the hon. House Leader to indicate to the House why, especially in the light of recent scandals and so on, most of which revolve about the non-disclosure of party funds and too much money going around politically, the strong arm being put on people

Mr. W. Rowe: to contribute to political parties and so on, I ask him, Sir—and this does not go on just before elections necessarily or only just before elections but perhaps throughout the whole year, Sir, or years leading up to an election—why does he not bring into the House this session, as was promised back in 1972, if I remember correctly, firstly, but certainly promised, a commitment made to the public of this Province in two Throne Speeches, last year and the year before, why does he not bring in this session of the House legislation which can deal with this very important matter?

The Election Act is as important as well, but we can get on to that. That can happen as time goes on. The whole question, Sir, of the skulduggery, the possibility of illegality and impropriety involving party finances demands, I would submit, that the government bring in such a bill during this session of the House, certainly as quickly as possible, and I ask the hon. minister why he does not, his administration, bring in a bill now in the next two or three weeks, if all this work has been done, and have it debated here and passed, Sir, as soon as possible? We do not want any more scandals like we have had in the past.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: You know, I am not going to respond to allegations of scandals because I always like to await investigations to see the outcome thereof. It is always more prudent to do it. In any event, Mr. Speaker, may I assure this House that the back of the studies into the new Election Act has been broken, completed. The first draft of the bill has been completed. It is a voluminous thing of a bill, not for presentation to the House now but for study by the Cabinet. It is about that thick, I have forgotten about how many hundred pages. And I repeat what I say, that it is the intention, the determined intention of this administration to bring before this session of the House the best Election Act.

MR. W. ROWE: This session?

MR. HICKMAN: This session with the most rigid controls that you will find in any Canadian province.

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: The most recent one, as hon. gentlemen know, was the Ontario Act. Before that we were told by this House that the Federal Act, which is now two years old, was the best. Ontario came up last year with a better Act. I think I can say with absolute confidence, Mr. Speaker, ours will be better still.

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: And make no doubt about it, this work has been going on since about last September. I think the work

MR. HICKMAN: on the first drafting started last September. I was happy that it was not included in the Speech from the Throne because I wanted to be absolutely certain that rather than make a commitment that could not be met that we would be in a position to bring it before this Legislature.

In the previous Speeches from the Throne we talked about, Mr. Speaker, controls and publication on election financing. This bill is going to go far, much further than that, and I can assure this House that when this bill is presented before this Legislature during this session of the House of Assembly it will be the greatest reform that we have seen since 1949 -

AN HON. MEMBER: Hear, hear!

MR. HICKMAN: - and I am sure that every hon. gentleman will support it.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: A supplementary, the hon. the member for Burgeo - Bay d'Espoir.

MR. SIMMONS: Mr. Speaker, further to the questions from the hon. the Leader of the Opposition and also addressed to the Minister of Justice, the Government House Leader, first of all, his two answers to questions indicate that we have had some effect on him, He has changed his mind since he began speaking today, because first he was not going to bring it in this session and now he is going to bring it in this session. It does demonstrate we have some effect on the minister at times.

Mr. Speaker, my question for the minister, in view of the earth-shaking nature of the proposed legislation, the fact that it will be the best

MR. SIMMONS: legislation of its kind in Canada if we accept what the minister has said, the fact that it is going to be quite a thick volume, and I should also say the fact that it is going to affect not only the people in the Cabinet and on the government side, but politicians on this side of the House and others generally, at large, would the minister agree to bring in a White Paper first, a White Paper on the proposed legislation as soon as possible to get the reaction of members of the House and others -

MR. NEARY: Hear, hear!

MR. SIMMONS: - before he comes up with the final draft of the legislation?

SOME HON. MEMBERS: Hear, hear! .

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

MR. HICKMAN: Mr. Speaker, I have some sympathy with the philosophy of White Papers and I now congratulate the hon. the member for Burgeo - Bay d'Espoir (Mr. Simmons) that he has persuaded - because I am sure he would not speak unless he were speaking on behalf of all of his caucus -

AN HON. MEMBER: Hear, hear!

MR. HICKMAN: - on the wisdom of White Papers, and I remind him that not too long ago I was subjected to the severest criticism by his alleged leader, the hon. the Leader of the Opposition, that a White Paper was nothing but a delaying tactic and heaped scorn upon this government for having the temerity to suggest that in the all-important legislative field of matrimonial property law that we would first have a White Paper so that the interested people of Newfoundland could have a look at it in its final form.

Now let me get back to the question at hand, having congratulated the hon. gentleman, that this

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Tape 1807

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MR. HICKMAN: What I am trying to do is to give the
hon. gentleman some food for thought. And I gather, Mr.
Speaker, from the question of the hon.

MR. HICKMAN:

the member for Burgeo-Bay d'Espoir that he wanted some indication as to the thinking of the government at this time so that he can turn his attention to some research, he and the people of Newfoundland, in other jurisdictions so that they can be ready for a debate that we look forward to with enthusiasm and with a great deal of pride when we bring this monumental reform before this Legislature.

MR. SIMMONS: A supplementary.

MR. SPEAKER: A supplementary.

MR. SIMMONS: Mr. Speaker, sometimes in this House you have to say the question a second time and, depending on who you are saying it to, say it fairly slowly. This is one of those occasions that I shall say it again and say it very slowly. Before saying it, Mr. Speaker, let me say that we are not particularly impressed with the minister's cheap debating points about white papers and green papers and bright yellow papers and all the rest of it. What we have asked the minister, Mr. Speaker, is this; in view of the fact that he refuses to expedite this matter anyway and bring it in this spring as asked by my colleague, the Leader of the Opposition, and in view of the fact that we are going to have a fair amount of time to cogitate on the matter, the least he can do for his own protection and the protection of his colleagues in Cabinet is get the views of all members of the House. We have time on our side. He sees no haste in the matter. Therefore with time on his side are he and his colleagues agreeable to putting the present proposals for this legislation in the form of a white paper and making it available thereby to members of the House so we can give him the benefit of our views on the subject so that when the time comes to take positions on this, as he has said himself, very important piece of legislation which has a lot of ramifications not only for members of this House but potential members and for the public and the taxpayers at large. So before we have to take a final position in terms of a vote in this House on the subject that

MR. SIMMONS: we can have some kind of a consensus or an approach to a consensus. I think this can be achieved through a white paper and in view of that does he see the wisdom of a white paper and, two, will he agree therefore to undertake to introduce such a white paper?

MR. SPEAKER: The hon. minister.

MR. WHITE: Yes or no.

PREMIER MOORES: It is a yes or no question.

MR. HICKMAN: Mr. Speaker, the hon. gentleman from Burgeo-Bay d'Espoir gets up and it takes him four minutes and twenty-three seconds to ask a question and I am supposed to answer yes or no. The answer to the last part of that rambling question is no, I do not see the wisdom of tabling a white paper.

MR. SIMMONS: Okay.

MR. HICKMAN: Now the answer to the second last part, I would consider answering that in the affirmative as an absolute discourtesy to this House and in casting an undue reflection on hon. members if they first have to have the benefit of a white paper on this particular piece of reform so that they could meaningfully debate the bill. Thirdly, I go back to answer the question that was put much more directly and much more informedly and succinctly by the hon. the Leader of the Opposition. We will be introducing this legislation during this session of the legislature. We have been working on it since September and it will be a very proud day for this administration when we bring it in. I am sure of this, I know enough about what is going to be in the bill now that I would challenge any hon. gentleman to vote against it. It is will be a great Tory reform.

SOME HON. MEMBERS: Hear! Hear!

MR. SPEAKER: The hon. member for St. George's followed by the hon. member for Bay of Islands.

MRS. MCISAAC: Mr. Speaker, my question is for the Minister of Municipal Affairs and Housing. I would like to know if the minister can tell me when the joint announcement will be made on the RRAP programme.

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Tape No. 1808

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MR. SPEAKER: The hon. minister.

MR. DINN: Mr. Speaker, I understand the hon. member from St. George's is referring to the Rural RRAP programme, specifically in St. George's District, and basically I would have thought that this joint announcement would have been made before now. We have had ongoing negotiations with the Federal Government. We have an indication from the Federal Government, their agency, CMHC, that today the announcement could be made. Whilst I cannot say that it is definitely going forward because there is an agreement between the Province and the Federal Government that it has to be

MR. DINN:

a joint announcement, Certainly if it is not made today, within the next few days.

MR. SPEAKER: A supplementary.

MRS. MACISAAC: No, not a supplementary. I am dissatisfied with the minister's answer and I would like to debate it.

MR. SPEAKER: I have indicated I recognize the hon. member for Bay of Islands (Mr. Woodrow) followed by the hon. member for Eagle River (Mr. Strachan).

MR. WOODROW: I have a question for the hon. member which I discussed with him earlier and one I think that is helpful to all Newfoundlanders. At least I had the courtesy of telling him I was going to ask him the question. The question is, Mr. Speaker, due to the fact that it takes about six weeks to get a birth certificate. One of the important reasons for this is because Ottawa will not accept church records from Newfoundland in the same manner as they accept church records from Quebec. If these records were accepted people could go to their respective clergymen and get the certificate much quicker than six weeks. The question is, Mr. Speaker, would the hon. minister take steps to find out why Newfoundland church records are not accepted by Ottawa and elaborate on the whole issue?

MR. SPEAKER: The hon. Minister of Health.

MR. H. COLLINS: Mr. Speaker, I better deal with two parts of the question and deal with the first part first. It does take some time to obtain a birth certificate now. It always has in some cases, but particularly this past couple of months with the tremendous number of applications we are receiving from people across the country who are required to obtain a new social security card. They are required by the federal government to attach to their application a birth certificate. The backload down in the registry has been of a tremendous nature. They

MR. H. COLLINS:

are already plugged. We have taken on six additional people and we are also working some of the regular staff overtime to try and catch up with the number of applications. We would hope to have accomplished that in about a month or five weeks.

With regard to the hon. member's question about the acceptance or otherwise of birth certificates based on parish records, we are told that the federal government will indeed accept birth certificates from the parish records in the Province of Quebec. I do not know if that applies in any other province. We have gone to the federal authorities requesting that they give us the same treatment but to my knowledge at this particular time we have not had a response.

MR. SPEAKER: I had indicated the hon. member for Eagle River would be recognized next.

MR. STRACHAN: Mr. Speaker, my question is for the Minister of Justice. Mr. Speaker, when events occur which cast suspicion either on the administration or individual members of the administration and an investigation is called into place, we usually ask that these investigations be carried out swiftly and quickly. Could the minister indicate whether I am correct in my understanding that the investigation into the fire in the Minister of Industrial Development's (Dr. Farrell) apartment last Thursday was only investigated to my understanding yesterday for the first time by the police, six days after it occurred? And if this is incorrect, then when did the police investigation start.

AN HON. MEMBER: Eight days.

MR. STRACHAN: Eight days after the fire. If it is incorrect, when did the police investigation start and if it did not start yesterday then what are the reasons for the delay in the investigation?

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, my understanding is that the investigation into that fire as well as into any other fires that fall within that category started within a matter of minutes after the fire commenced.

I thank the hon. gentleman for giving me -

AN HON. MEMBER: You mean the Fire Commissioner?

MR. HICKMAN: No, the police. There is a procedure I dug out that was implemented in 1976 as it relates to the Newfoundland Constabulary in their relation to fires which occur within the city, that whenever a fire is commenced or started or reported that if it is in an area where there are commercial establishments, that kind of establishment such as Elizabeth Towers, or in vacant premises or where there is any possibility of physical injury of loss of life or of practically every fire, that immediately the CID is informed and do respond. And indeed there is a Standing Order posted in front of the central alarm box in the St. John's Fire Department which says that all personnel who are doing washroom

MR. T.A. HICKMAN:

duty when fire alarms are received either by box or telephone are instructed to notify the police immediately giving them the location of the call as well as any other information they may concerning the fire.

My understanding is, and I know I am right on this, that within a matter of minutes the investigative branch of the Newfoundland Constabulary were at that fire. They lay down the instructions and the procedures to the investigation, and whilst you ask me to swear on a stack of Bibles as to what procedure they followed, I do not know, But the reports that I have been receiving indicate they started with the utmost despatch as they have done as well with two or three other regrettable fires that happened around the same time.

The Fire Commissioner's responsibility falls into a somewhat different category. As I explained to the House yesterday he is primarily concerned with fire safety and in assisting the police in finding the cause of the fire.

May I reassure this House that that investigation, I am sure, was started promptly and very quickly indeed.

MR. I. STRACHAN: Supplementary.

MR. SPEAKER: Supplementary.

MR. I. STRACHAN: Mr. Speaker, the Minister has indicated that the police investigation commenced immediately, as far as he is concerned, after the fire. I wonder if the Minister could indicate then since it is eight days after the fire and an investigation commenced then, and it is quite a simple fire as we understand, not a very complicated one, in which large buildings were burned down and it is very difficult to trace the source, whether he has had a report from the police, whether his police investigation has now been completed and submitted to him, and whether the findings will be either turned over to the R.C.M.P., to his Department, or whatever, or to the House, or will we know? Will there be any public statement on that matter?

MR. SPEAKER: The hon. Minister of Justice.

MR. T.A. HICKMAN: Mr. Speaker, I am quite certain that the investigation has not been completed. May I once again repeat, because I do not think the hon. gentleman was in the House at the time, that the procedure that is followed is this, that immediately following any fire in St. John's of any significance, two investigations are started together, one by the Fire Commissioner and/or his office and in that respect he has the inspection division of the St. John's Fire Department working with him. That report goes in to the C.I.D. The C.I.D. in the meantime are conducting their investigation, and when they complete their investigation, like any other police investigation it is handed to the Director of Public Prosecutions. If the Director of Public Prosecutions and/or any of his Crown prosecutors feel, and in that case he has to rely to an extent upon the professional advice of the Fire Commissioner that there may still be some unanswered questions, then he has the authority to order a magisterial enquiry into the fire. There was a time when we used to have one into every fire but that became unnecessary as professionalism in fire detection and investigation improved, and now it is only in cases where they cannot ascertain the cause of the fire or, alternatively, feel that something more can be gathered from it. Hon. gentleman will recall that a few -

SOME HON. MEMBERS: Oh, oh!

MR. G. FLIGHT: Mr. Speaker.

MR. SPEAKER: The hon. member for Windsor-Buchans followed by Baie Verte-Shite Bay.

MR. G. FLIGHT: Mr. Speaker, I have a question for the Minister of Tourism (Mr. Morgan). We are led to believe that there is a restructuring taking place in the Department right now, and I would like the Minister to confirm or deny the rumours we hear that he has been offering positions in the Department of Tourism to PR men,

MR. G. FLIGHT: some people in public relations, or to people in the media in particular, that he has actually been cajoling members of those two professions to take positions with the Department of Tourism?

MR. SPEAKER: The hon. Minister of Tourism.

MR. J. MORGAN: Mr. Speaker, the answer to the first part of the question is ^{yes} there is now some restructuring taking place in the Department of Tourism in the Tourist Service Division whereby after the restructuring has been completed there will be four new branches, one known as the Communications Branch, a Marketing Branch -

MR. G. FLIGHT: What about the jobs?

MR. J. MORGAN: - a Development Branch, and a Visitors' Service Branch. It will mean the creation of a number of new jobs. All these jobs will be advertised through the Public Service Commission, as all permanent jobs are. Over and above that, as well, there will be a number of contractual positions. As a result of the recent DREE agreement these positions will

Mr. Morgan: be filled on the basis of approval by a federal-provincial committee.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Baie Verte-White Bay.

MR. RIDEOUT: I have a question for the Minister of Transportation if he has a moment. Mr. Speaker, the minister in his statement to the press a few days ago indicated that some form of work would begin this year on two roads in my district that are being contaminated by asbestos dust, Fleurs de Lys, Coachman's Cove, Seal Cove, Wild Cove. Now the minister's predecessor has already made a very generous commitment to the people of that area for dollars in this regard. So I would like to ask the minister now how much provincial money has been allocated for work on those two roads this year?

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

MR. DOODY: As the hon. member is aware, Mr. Speaker, we have applied to the Government of Canada for some assistance on at least the Fleur de Lys section of that road. I have had an acknowledgement of the letter but I have had neither confirmation nor refusal of the request. I will be trying to contact the Department of Regional and Economic Expansion along that line again during the coming week, and to see if I can speed the process up.

The amount of money that will be available from the Government of Canada will of necessity have a bearing on the amount of money that is available from the Province. If we are forced to do it all ourselves then we are going to have another look at it. So actually I am not in a position at this particular point in time to say how much we will be spending on these roads, nor am I aware of what the generous offer my predecessor made. But I can certainly assure the hon. member that work will be ongoing on these roads during the coming season.

ORDERS OF THE DAY

MR. HICKMAN: Motion 7.

MR. SPEAKER: Motion 7.

Motion, the hon. the Minister of Justice to introduce a bill, "An Act To Convey Certain Trusts And Properties In The Province To The Royal Trust Corporation Of Canada," carried.

(Bill No. 28). On motion, a bill,

On motion, bill No. 28 read a first time, ordered read a second time on tomorrow.

MR. HICKMAN: Motion 4, Bill No. 4.

Motion, second reading of a bill, "An Act To Empower The St. John's Municipal Council To Raise A Loan For Municipal Purposes By The Issue of Bonds."

The hon. the Minister of Municipal Affairs and Housing.

MR. J. DINN: Yes, Mr. Speaker, this bill is an annual item by the City of St. John's to seek legislative authority for approval for a sale of bonds in the amount not exceeding \$10 million to be applied towards the financing of municipal projects, improvements, the payments of loans, debts and debentures of the city. That is about it.

MR. WHITE: Mr. Speaker.

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

MR. WHITE: Mr. Speaker, I just want to say a word here. This is a regular thing, it comes up every year, but this year there is a point or two that should be made on it, and should be answered by the minister. The ministe will recall that with respect to the controversy surrounding the parking garage in St. John's that quite a great deal of debate has been going on at City Council in the last few weeks in St. John's with respect to this. And at a meeting a couple of weeks ago one of the City Fathers said, you know, that this particular controversy surrounding the parking garage was casting reflections on the city's ability to deal with funding of various projects. One councillor wondered whether or not it would have a detrimental effect on the city when it goes to the

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Mr. White: bond markets to raise the funds that it is going to need during the coming year. This particular enquiry that has been asked for by the city has not been

MR. WHITE: appointed, although the city said they would be glad to pay for it if the government did appoint an enquiry into the parking garage. It has resulted in a councillor being expelled from City Council and generally things are not as savoury at City Hall as they should be with respect to the city finances. And I am just wondering if the minister will tell us in the second reading of this particular piece of legislation, a fairly routine piece of legislation, whether or not, Mr. Speaker, he foresees any trouble in the city raising funds because of the present controversy over the parking garage? And maybe at the same time he could tell us whether or not the government is going to change its mind with respect to an enquiry into the parking garage in St. John's.

MR. SPEAKER: If the minister now speaks he closes the debate.

The hon. minister.

MR. DINN: Mr. Speaker, with respect to the hon. member's question as to whether the government is going to set up an enquiry into the parking garage, I guess that is the basis for the -

MR. WHITE: And whether or not (inaudible)

MR. DINN: The first question that the hon. member raised was the enquiry. Now I have indicated to the city that, number one, the provincial government is not prepared to set up a public enquiry under the Public Enquiries Act, that we are prepared upon request from the city to set up an enquiry under the City of St. John's Act, which has all the powers required to do the job of the enquiry - that I believe, Mr. Speaker, is Section 320 of the City of St. John's Act; number two, it also states in there that setting up the enquiry is done by the Lieutenant -Governor in Council upon a request from the city and we have agreed to do that if we get that request. We think that if the city is serious about having that enquiry they should proceed to send a letter to me indicating

MR. DINN: that they want the enquiry and that the thing can get on fairly quickly.

Several points have been made with respect to the enquiry, number one is that the city did not think that they should investigate themselves, and of course this has no foundation at all in that they would request the Lieutenant-Governor in Council, the Cabinet, to appoint three commissioners for the specific purpose of looking into the financial matters of the city especially with respect to the parking garage. As to whether it will affect the sale of bonds by the city, I guess that will all core out in the wash, I really cannot say because I do not know all of the implications nor do I have all of the information with respect to the parking garage.

Mr. Speaker, I move second reading.

MR. SPEAKER: Is it the pleasure of the House that the said bill be now read a second time? Carried.

A bill, "An Act To Empower The St. John's Municipal Council To Raise The Loan For Municipal Purposes By The Issue of Bonds," read a second time, ordered referred to a Committee of the Whole House, on tomorrow.

(Bill No. 4) Agreed.

MR. HICKMAN: Order No. 5 Bill No. 13.

Motion second reading of a bill "An Act Respecting Unfair And Unconscionable Trade Practices," (Bill No. 13) be now read a second time.

Hon. minister.

MR. MURPHY: Mr. Speaker, I did get some notes, if the House will bear with me, and I will just give a full outline of the bill so then we can go into questions afterwards.

This bill will give the consumers of Newfoundland similar rights to those now enjoyed by citizens of British Columbia, Alberta, Ontario and Prince Edward Island. At the present time the

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MR. MURPHY: Newfoundland consumer is not protected from representations which may be deemed to be unfair or unconscionable — unconscionable is sort of merciless, it is not actually illegal in a sense but in our opinion it is not fair to put a man in a position to do certain things.

The Trade Practices Act will cover a number of acts and practices that will be illegal. For example, an representation that the goods are of a particular style, model or origin. Now we have had many times with automobiles where you go in and buy a car and someone says, "Look, this is a 1972 model," just for example. After some time you go and look for a part for it and someone says "This is a 1969" or a 1970. Under this act now it gives us

MR. A.J. MURPHY: the power to bring these people back under misrepresentation, and so we try to cover everything we can, a representation that the goods are new and unused if they are not or if they are reconditioned. In other words, if you buy something and you say this is brand new and afterwards you discover that the thing had been in and been reconditioned, it could be a television set or anything like that, a representation that the goods have a particular prior history or usage, in other words, again they describe it as only being used here and there and a lot of people where the cars might be used more than they profess to be. A representation that goods or services are available when the supplier knows or ought to know that they are not or has no intentions - false advertising. In other words, we were selling something for \$1.49 and you go down to get it, "Oh I am sorry. We do not have any left. They are all sold out." If we can prove that they never had them then we can bring them to court under this act.

The giving of an estimate or evaluation of the price of goods or services that is materially less than the price subsequently demanded or determined, if the supplier has proceeded with the performance of the consumer transaction without the express prior consent of the consumer. In other words, if he would say that I will sell this for certain dollars and then when you go to pick it up you find that he is charging \$40.00 or \$50.00 or \$60.00 more. Actually these things are sort of small sounding but they affect, I would say, seventy-five or eighty per cent of the ordinary Joe who goes in to try to spend his dollar. Their trade practices legislation will accomplish the following: prevent or stop unfair and unconscionable acts or practices in the market place and provide for recovery of consumer costs. In other words, they will have us behind them if they were misrepresented that we would have - I would put all our staff to make sure that guy got his money back and got satisfaction. Minimize the need for the further development of licensing legislation to

MR. MURPHY: control specific practises in isolated industry. Instead of licensing every little area of trade this act will cover everybody no matter what it is, whether it is a grocery store, a car dealer, so on and so forth.

So basically it is a comprehensive act that covers many, many practises in the market place today. Now that is just an outline of the thing. If anybody wants to ask questions on the section I am sure that the Minister of Justice and myself will answer everything to the best of our ability. But it is another ongoing act that has been passed in British Columbia, Alberta, Ontario, four actually--and Prince Edward Island. So we are the fifth one to have it and most of this consumer legislation is based on in many cases British Columbia and Ontario. So we are just updating these consumer acts.

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

MR. NOLAN: Thank you, Mr. Speaker. It seems while we have not had an opportunity to take a look in detail of those that presently are in force in British Columbia and Ontario, as he says, I suppose there has never been a time in our history when the consumer is in greater need of protection than he is right now in view of increased prices and everything under God's earth. But the fact is does this bill in fact do what we are led to believe in the Unfair and Unconscionable Trade Practices Act? Is it in fact going to provide for - Incidentally, what the minister did not go into any detail on, or if he did maybe I missed it, apparently we have a new position that is coming in here, namely, a director of trade practices. Is this a brand new position that is going to be created? Has it been advertised and so on, so on?

MR. MURPHY: Yes, and he would have permission to operate the act.

MR. NOLAN: So there is a new position?

MR. MURPHY: Yes.

MR. NOLAN: What is that position being paid? Would the minister know how much you are paying him?

MR. MURPHY: No, but I can find out very shortly though.

MR. NOLAN: Has the position been advertised for already?

MR. MURPHY: I do not know if that has been in the department. I will find out for you.

MR. NOLAN: I think it is important. I believe it is a very important position. I am not trying to degrade the position in any way, shape or form.

MR. MURPHY: I can find out for you.

MR. NOLAN: And therefore since it is such a -

A stranger is present in the House, Mr. Speaker.

MR. SPEAKER: Order, please. I would ask the officers of the House to ensure that strangers do not enter onto the floor of the House.

The hon. member.

AN HON. MEMBER: What is going on here? Who is it?

MR. WHITE: Somebody came in and grabbed an envelope off the desk.

MR. NOLAN: I thought they were coming to get us, Mr. Speaker.
This bill,

MR. NOLAN:

and I look forward to hearing from the minister on the position that is going to be advertised. I would like to know whether it has already been advertised for by the Civil Service Commission and I would like to know the salary that is associated with the Director of Trade Practices

MR. NEARY: And qualifications.

MR. NOLAN: Well the qualifications would be in any ad I would think.

AN HON. MEMBER: I would like to apply.

MR. NOLAN: You want to apply, do you? The hon. member would like to apply for this.

MR. MURPHY: Good.

MR. NOLAN: Mr. Speaker, in the act there is a reference that we are going to have a provision here for the maintenance or repair of goods or real property owned by a consumer. This is going to be very interesting, to see how that is going to be enforced with some of the junk we have for sale today. I mean, I do not have to tell my hon. friend opposite.

MR. MURPHY: Got your shoe on the table?

MR. NOLAN: Right. That is right. I do not have to tell my hon. friend - you mean the one that fell off my foot last year, the other bargain. The minister made reference, by the way, to false advertising that is misleading. It is really a bit of a grabber or a come-on that is -

MR. MURPHY: And that is federal but we tie in very closely.

MR. NOLAN: Yes. No, but what I am getting at, and the minister referred to it is, come in and buy our bargains, whether it is the old shoes I had last year that fell off

MR. NOLAN:

my feet or not, but the fact is what you have I have been told is a situation where you have people who allegedly reduced the price of goods and it is not being reduced at all.

MR. MURPHY: Reduced the price?

MR. NOLAN: Yes, you know, it is a sort of a come-on, come-on in and buy our sweaters -

MR. MURPHY: Mark them up a dollar and reduce them fifty cents.

MR. NOLAN: You know, bargain price at \$2.98 whereas the week before they may have been \$1.50. And unless you have computers and all the rest to keep track of what is going on it is pretty difficult. And I would say it is pretty difficult for the minister's department and officials to keep track of some of the things that are going on.

Let me give you an example right now. I fortunately, and maybe some of the work that the minister and his officials are doing might be having some effect, I walked into a food establishment yesterday hopefully to buy some lettuce and someone - I will not say who, I cannot because the poor character will probably be fired - someone came along to me and said, "Look do not buy it. You are out of your skull. \$1.75 for a head of lettuce. You would think the plot of land was coming with it." You know, \$1.75. That is correct, is it not?

MR. MURPHY: That is right. My wife said the same thing, thirty-nine cents in Sarasota. I was in Sarasota. Did anybody hear the story? Last week, thirty-nine cents a pound.

MR. NOLAN: Why did you not drive back with a big truck boy, you would have a great market here.

MR. MURPHY: I often bought gold leaf cheaper than lettuce

MR. NOLAN: I guess. Well I mention that because, I mean, a certain individual came along and said, "Look, do not buy it." And he was telling everybody not to buy it. You know, I mean the fellow should get a medal.

MR. MURPHY: He did not think you could afford to.

MR. NOLAN: I wish I could mention his name. He should get a medal, the best friend a consumer ever had right there in this place. But I am wondering what the minister and his officials are prepared to do about the maintenance or repair of goods or real property owned by a consumer? Does the minister have power to do something about that? I mean if I buy a car or a plot or God knows all the presents that are bought Christmas time by so many people - you are ashamed to give some of it away.

I mean one poor lady that I bought something for a few years ago, a radio and the darn thing fell apart and by the time I got it fixed she was dead.

MR. MURPHY: If it can be proved that it was defective, not what it was represented to be. A lot of times - if I may?

MR. NOLAN: Yes.

MR. MURPHY: A lot of times - and you notice certain things are advertised, a car or a T.V. set, as is, where is. Well then it is up to yourself to buy that. But if they would say that this car is in perfect running order, or whatever it might be, well then if it is not so and you come back, I will guarantee anybody and I would like to urge anybody who has any problems to feel free to come to us about this type of thing.

MR. SPEAKER: Order, please!

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MR. SPEAKER:

I understand the hon. member had yielded to the minister.

MR. MURPHY: Yes. I just wanted to answer that question.

Go ahead.

MR. NOLAN: I believe that the Speaker is probably bringing us to order in respect of if the minister addresses himself to it, he closes the debate.

MR. MURPHY: No, no. I am sorry, Mr. Speaker. That was not so.

MR. A.J. MURPHY: Carry on if it is all right with the Speaker;

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

MR. J. NOLAN: Thank you. I do not know if the Minister is - maybe - if he is going to comment I suggest he probably has to do it from his seat, then we can go on back and forth like that. I do not want to get into the administration of the Act -

AN HON. MEMBER: (inaudible) out of your chair.

MR. J. NOLAN: I see.

- the unfair trade practice or unconscionable trade practices - now we have an unconscionable act in this Province already that came up during our debate on mortgages and so on. And there is also a reference here, I believe, to the amount of money that has been paid, or is supposed to be paid, or charged. Is the Minister aware, and I do not know if it would be covered here or not, that some legal people, for example, in the profession, lawyers may not charge a fee? Is the Minister aware that if he tomorrow is going to sue someone that the lawyer may very well take a large chunk, a percentage of whatever the suit is? For example, if you sue for \$100,000 is he aware that here locally that he could, he would have to agree to it but there is a way to protect the - oftentimes, and I have heard the Minister make reference to this time and time again, it is a matter of knowledge on behalf of the consumer to shop around or - but there are so many things that the consumer is not, and perhaps could not, be familiar with. There is a procedure to counteract, for example, what I have just mentioned. But I have heard instances and I am sure the member has too, the Minister, that there are lawyers who operate, as an example, if you are going to sue a firm or whatever, that they take a chunk of the take, maybe twenty-five per cent, maybe thirty per cent, maybe forty per cent or fifty per cent. Now who protects those people from these gentlemen or ladies whatever the case may be?

MR. J. NOLAN: I mention these things because there are so many things where the consumer is really at the mercy of the people that he is dealing with. There was a time, of course, when, with the shortage of money, whatever we can to buy, and my friend opposite and myself if you were going to go down and buy a few groceries you had it written down on a piece of brown paper, torn off a paper bag or something, and you bought what you had to. There was no impulse buying the way you have it today. And you also had a person-to-person contact with the storekeeper or whatever it was. Oftentimes now you go into a store and buy goods and you could have a truckload and you have to try to haul it all down through the aisle yourself and little or no one to assist you in that regard.

I would hope, and I wish we had more time to go into this, I suppose we can delay it as long as we want to, that the consumer will be well served by this position.

I assume the director that is referred to here will be situated in St. John's, so I am just wondering of what benefit will be to the person in Labrador, as an example.

MR. A.J. MURPHY: The same benefit as -
You know, actually many departments are administered up here from St. John's but they have representation throughout the Province.

MR. J. NOLAN: I see.

So the powers and the duties of the director are outlined here and I would hope that some of my colleagues would certainly want to get in on that because he can mediate disputes between the consumer and the supplier and publish reports, and so on.

One of the things here under the Unconscionable Act is the fact that the supplier, if the supplier took advantage of the extreme necessity or helplessness of the consumer, or the inability of the consumer to protect his interest by reason of his physical or mental infirmity, his ignorance, illiteracy, age, or emotional state, and this - that is on page 8, on Bill 13 - this in

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MR. J. NOLAN: itself is a most important - it is (f) by the way - it is a most important paragraph, very, very important indeed. The director is taking a large chunk on his shoulders if he is going to perform that one, and I am all for it. All for it! But even the Good Lord could not protect himself from some of the people in this world, as you know. All the Minister can do is make his best efforts with the help of the director.

 May I say also, by the way, that he has had some very fine people working already in certain areas. I am afraid that oftentimes under Consumer Affairs it is largely misunderstood in some ways. People feel that the Minister has the power, for example, to lower insurance premiums, say, on mobile homes. The Minister has no such power as an individual, of course, to the best of my knowledge he does not anyway.

Mr. Murphy: now as a department the minister could, you know, use it.

MR. NOLAN: Yes. Yes.

So I am hoping that we will see some good things come from the Act that we have before us. I could go on. We have here action by individual consumers, and I hope that our friends from the press will give some great attention to this. And I hope that perhaps we can - I hope that the minister when this Act gets through will take the time to have - and I have noticed by the way other people in other governmental jurisdictions have done this in the past. I noticed Ottawa years ago had a report done on the entire operation of government. And, I believe, they had some news people, people who were used to writing in language that can be easily understood by all, for broadcasts, for the media generally. Maybe the minister might want to consider taking a good look at this Act and get it out of the legalese draftsmanship phrasing and have it well publicized. And I am sure that he will get all kinds of assistance incidentally from the media, so that it will be clearly understood, because it is there and it is no good having the best Act in the world to protect people if they do not understand it. And this is not only true of this particular bill, it is not a criticism of the minister, it is in so many bills and acts that we have in this Province.

Unfortunately I am afraid that much of what we put through oftentimes seems to be a welfare scheme for lawyers, because you need lawyers to go through it, to protect people and so on. Maybe even the member for St. John's North (Mr. J. Carter) might agree, although I believe he appeared in court and defended himself, or did you?

AN HON. MEMBER: Yes.

MR. NOLAN: On the school tax that time?

MR. J. CARTER: I had the member for Kilbride.

MR. NOLAN: Oh, you had the member for Kilbride (Mr. Wells) as your lawyer. I see.

MR. MURPHY: Did you win it 'John'?

MR. NOLAN: Pardon?

MR. MURPHY: Did you win it?

MR. NOLAN: Yes he won it. Yes he won the - on the School Tax Authorities - you will have to forgive us, Mr. Speaker, I know we have transgressed a little bit.

MR. MURPHY: Ultra vires, is it?

MR. NOLAN: Yes.

Every person who fails to comply is guilty of an offense and liable on summary conviction to a fine of not more than \$5,000 nor less than \$200, or in default of or in addition to such a fine, to imprisonment for a period not in excess of one year.

I do not know, I have not thought out the implications of the fines here, \$5,000 to Dominion Stores, you know, peanuts; \$1,000 to some little corner grocer could cripple him, especially with the monies, probably the credit he got out in the neighbourhood anyway, you know, I am sure the magistrate would take that into consideration.

Well, I would hope that my hon. friends would want to get in on this because it is a very, very important Act. And I hope that we are not building up the hopes of the consumer who is being, you know, commercially crucified today because everywhere you turn, everything is going up. You never saw the like of it. And we have people now, everyone is suffering but there are those amongst us, I think of those on fixed pensions and incomes of one kind or another who just cannot cope with it at all. And I am afraid our - for example, where they have to buy drugs to keep themselves alive or they think they will, they are going without food, reducing heat, reducing light, reducing all basic comforts in order to buy the prescriptions and so on.

I had a call just the other day from a gentleman, yesterday in fact, who apparently was buying his drugs, Apparently when he has a meal he has some kind of an anacid problem and the drugs he was buying from the doctor, in fact, and I think he bought maybe 200 for \$2.00 - 200 pills whatever they were - but then, of course, people objected to the doctor prescribing, or at least selling the drugs and what he has done, in fact, he has gone to the drug store. So,

Mr. Nolan: the pills he was buying one week for \$2.50, which would help the poor man to digest his bit of food he now has to buy \$7.00 or \$8.00 worth just up the street. Now is the Consumer Affairs Department in a position to do anything about that?

MR. MURPHY: Federal, Sir. Again, unfortunately, it seems like we are putting it over, but there are certain areas within the federal jurisdiction that are not within ours. But if we get the complaints we will go to the proper authorities if we have to.

MR. NOLAN: Right! Right!

Well I do not wish to delay the House, Mr. Speaker, but I do not want to see this bill be rushed through in any way because it is a very, very important one.

MR. MURPHY: Yes, very. It is a very important piece of legislation.

MR. NOLAN: That is right. And I would like very much to hear from our colleagues on both sides of the House, because it is something that needs a lot of attention, Mr. Speaker.

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

MR. F. ROWE: Mr. Speaker, I too think this is an extremely important bill

MR. F. ROWE:

the protection of the consumer. And skimming through the act itself it appears to cover many things for the purpose of protecting the consumer. But one thing that I am a little bit concerned about is whether this bill is, for the want of a better expression, preventative or curative. Now what I mean by this is that it puts the onus on the consumer to make reports to, presumably, the director?

MR. MURPHY: The complaints.

MR. F. ROWE: The complaints. Do complaints have to come from the consumer themselves to the director?

MR. MURPHY: I would ask the hon. otherwise, how would we become aware if someone feels that they -

MR. F. ROWE: Right. Well this is precisely what I was getting at, Mr. Speaker, that if there could be some form of - I hesitate to use an ad programme certainly on T.V. when we are looking at some of the government ads that have been put forth so far - but if this act could be taken, and probably the minister has already done this or is thinking of doing it, but if this act can be taken and put in layman's language and one or two, and/or two things done with it, notices put up at various stores, used car lots, mobile home lots, etc. For example if you look at section 5 (1), unfair and unconscionable trade practices. There is a tremendous list of unfair practices there. I have, you know, several, twenty or so unfair practices listed off in that act.

What I would suggest to the minister, Mr. Speaker, is that it might be a reasonably good idea if this could be put up in some form of a notice in the various stores and places where the consumers go and/or a sort of a pamphlet in the

MR. F. ROWE:

layman's language done up for the consumers of this Province so that they are knowledgeable as to what exactly are the unfair and unconscionable practices that can be practiced by the trader or the seller in this particular case.

So what I am asking the minister is if he could indicate to the House, Sir, whether this is a curative thing and you have got to have the complaints first, then you act on them or whether the Department of Consumer Affairs and the Environment is going to take the initiative in order to help the consumer right from the beginning in the place where he is actually making his purchases.

Also, Sir, I would submit that there are a number of things that can be done. And I do not know whether this really comes under the minister's jurisdiction or not either. I think we will all readily admit, Mr. Speaker, that the reason for the high costs of a lot of items, particularly in - I hesitate to use the names of stores - but in supermarkets and in stores such as, and I am not pointing the finger at these stores but I have to use them as an example, stores such as K Mart and Zellers and any of these other stores with their great shelves, there is a tremendous amount of shoplifting obviously going on which drives up the price of the items in these particular stores.

Now, I know that all of these stores, marts, let us call them marts for want of a better expression, have their security, but I am wondering as to the effectiveness of the security and whether the department cannot check into the effectiveness of the

MR. F. ROWE:

security in these marts. Because I am told that there are literally millions of dollars worth of items stolen each year, and obviously this is a factor in driving up the price of goods. And whether the Department of Consumer Affairs, whether it is this act or some other bill or some other agency of the Department of Consumer Affairs has anything to do, has any jurisdiction in establishing or making sure that the security service of these various marts is a little more effective and thereby would keep down the price of goods, that is what I mean by the preventative aspect as compared to the curative aspect of this particular bill.

Also, Sir, I would suggest that there should be, and I cannot find it anywhere in the act and probably this is not the intention of the act, but the quality

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MR. F. ROWE: of some of the goods that you have to buy in certain supermarkets leave a heck of a lot to be desired, and I refer specifically to vegetables and fruit in the various supermarkets. There are times in this Province when you cannot buy a decent plum or pear, cannot get - as my friend mentioned, a half decent head of lettuce or some form of vegetable, and I am wondering if the minister has any power, whether the provincial department has any power in this world to keep some of the garbage out of this Province that is coming into this Province from away. It is obviously, Sir, discarded fruit and vegetables of a very low standard coming into this Province.

MR. NOLAN: Third grade, really.

MR. F. ROWE: Third, fourth or fifth grade I do not know what it is but all one has to do is travel from St. John's to Halifax to Montreal to Toronto and you can see the quality of the vegetables and the fruit rising, there is no doubt about it. And we are obviously getting the leftovers, the third and fourth rate standard products brought into this Province.

MR. NOLAN: And at staggering prices.

MR. F. ROWE: And that is the point that I was getting to, at virtually the same price, if not at a more expensive price. Now I had the misfortune of being in Toronto for two months - not the misfortune in the sense that I was up there because of sickness in the family, but I spent two months in Toronto and we got a convenience unit and I just could not believe the good quality of the vegetables and the fruit in the middle of the Winter in Toronto and the lower prices, downtown Toronto. Now if you go outside of Toronto to a shopping mall or to a supermarket the prices were even less expensive for good quality material. And I would submit, Sir, that something has to be done to stop the export into this Province, or the import into this Province, whichever way you want to look it, the bringing into this Province of garbage vegetables and fruits and

MR. F. ROWE: having to pay the price that we have to pay for it. I do not know what the reason is for the price, whether there are a number of middlemen in there or what, but it is scandalous. And I would ask the minister if, in fact, this bill does anything to rectify that particular problem.

Sir, there is presumably going to be a director appointed, and I realize the minister may have the answer now as to how he will be appointed, whether there will be ads, Public Service Commission or what, but I would not want him to be looked upon as just a sort of another ombudsman - here I am getting back to the preventiveness versus curativeness again - I would like to see him take the initiative with a good staff throughout the Province of Newfoundland and Labrador to get at some of the things that I mentioned. I will give you another example, probably nobody will ever come near me again now in a store or in a supermarket, but I walked into a store and I looked at certain items of clothing, for example, or certain vegetables or food on the stand and happened to know a salesman there and he said "I would not buy that today, I would not buy that suit today because there is going to be a big sale on next week on this line of suits." - there go my suits, I suppose from now on - but if it is happening to me, Sir, obviously, people are in a position to inform their friends, relatives, etc. that there is a big sale going to go on suits or any other item of clothing or on food or on anything else for that matter, on cars, and I would submit that that is an unfair practice.

AN HON. MEMBER: (inaudible)

MR. F. ROWE: I benefit from them on a number of occasions.

MR. MURPHY: Haig says he does not get any complaints from his crowd.

MR. F. ROWE: He does not get any complaints from his crowd. I would not imagine, Sir.

MR. NOLAN: That is because he has the hon. member for St. John's West up stroking for him in Ottawa, according to the Daily News.

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MR. F. ROWE: But, Sir, these are the few points that I wanted to make. Basically I would like to see a director with a good staff taking initiative, being more on the preventative side than

MR. F. ROWE: an ombudsman curative side and secondly, the other aspect of it is, getting something in layman's language, in pamphlet style for notices that are compulsory to be put up at the various places where consumers go so that they will know what, in fact, unconscionable and unfair practices are.

The last thing I would like to ask the minister, Sir, is now we have an act here which will undoubtedly be passed in this session, this act comes into force on a date to be fixed by proclamation - I suppose that is at the end of every bill - what I would like to ask the minister, obviously, is when will this act be - Is it the intention of the government to proclaim this act as soon as it is passed in this House of Assembly?

Thank you, Mr. Speaker.

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

MR. MARSHALL: Mr. Speaker, I would like to pass a few words on this particular act which is another one in the long series of acts that have been brought in in recent years to protect consumers, this is the consumer legislation. There is one aspect not just to this act but of all acts of this nature that I would like to voice a certain amount of concern about. I am concerned and I do not specifically direct it to this act really, Mr. Speaker, but I direct it to the increasing tendency that has occurred in legislation enacted by, not just this government but I suppose all governments but it is only this one that we are now concerned with, over past years giving large discretionary powers to individuals who are in administrative positions. The statute books of this province have in recent years become quite full of legislation that confers upon public servants very wide, wide-ranging powers, giving them certain discretion. Now in this case I note that a citizen has recourse, if he thinks he is treated unfairly as I read the act, to courts and what have you and that is fine and that is appropriate and in most but not all of the acts this occurs but I do not think that that really is relevant to the point I am trying to make. What really I am trying to say is that

MR. MARSHALL: I think we ought to be a bit careful of the discretion that is given to public servants, to administrators by statute. This tendency has grown up quite considerably over a period of time. It confers a great deal of power upon the individuals concerned. If it is exercised, if these discretions are exercised reasonably you have the question then, you know, what is reasonable to one is not reasonable to another. And it is a matter of record and fact and I do not need to go into specific occurrences. We have all come up against persons in the administrative branch who make decisions from time to time within their authority which are felt to be quite unreasonable and perhaps are unreasonable because no man has the wisdom of being able to act in a vacuum reasonably on all occasions.

But the problem with challenging the red tape and rationality of these decisions is very often too expensive, too time consuming and very often citizens just have to throw up their hands in despair and just comply with the edict that comes from the administrator himself. I do not know what the remedy is. It is all part, as I see, of the growing involvement of government in our daily life and it is debatable whether the involvement of government to the extent that it is projecting itself ^{into} the lives of citizens is really necessary. But I think that it is in this legislature that one of the remedies should be sought and I would make one suggestion. It might not be germane, but in a way it is indirectly to this bill, that I understand in other jurisdictions, for instance, they have committees of houses that have grown up

MR. MARSHALL:

in recent years to examine legislative instruments, to go through not just current legislation, but to go through previous legislation that has been passed, to hear representations if necessary from John Q. Citizen as to the rationality and the reasonableness of the powers that are contained in the bill, to make an assessment as to whether or not these powers are absolutely necessary and to make representation to the House so the House can act. Because I think in all of these areas that we have it is very easy, as I say, to pass legislation with the bare bones and allow the nature and extent of the growth of that legislation or if you want to, the flesh and the blood of the body as it were to be supplied by the civil service. And while we have many fine civil servants in the Province, as I say, I think that the powers that are being conferred in many cases are far, far too broad. It is a matter that should be of concern to this legislature and I think one that we should not when we see bills like this, as beneficial as this bill may be, Mr. Speaker, and I do not specifically as I say, direct - I would not want the minister to think I am criticizing this particular bill or this particular measure. Undoubtedly measures of this nature in the complicated trade practices and involvement in which we find ourselves, perhaps are necessary.

But I do say generally that it is a matter of alarm. It should be a matter of deep concern to this legislature and in order to make this elected body more relevant I think one positive way would be to have a standing committee of the legislature for the purpose of examining statutory instruments so that we can reassess the large, discretionary powers that have been conferred upon civil servants and

MR. MARSHALL:

that as we have seen patent incidences from time to time have been exercised unreasonably, without any effective recourse on the part of the citizens themselves.

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

MR. FLIGHT: Mr. Speaker, I rise for a couple of moments not to be critical of the bill but to point out to the minister one area of concern that I have and it is a concern that although maybe not widespread, has up until this point in time, and will continue as long as it is permitted to happen, cause a great deal of frustration, depression and everything else amongst Newfoundlanders, families in Newfoundland. And it is with regard to consumer credit in this Province, Mr. Speaker.

Now, we have come a long way with consumer credit. And I say here now that maybe even the development of the Province to this point has been as a result of the various finance companies moving in and making credit available to people. I am not in any way being critical of that aspect of the - I also recognize that there has been legislation over the years that has forced the consumer credit companies to be a little more considerate of people. However, I want to point out to the minister something that is happening. I am aware it has happened, Mr. Speaker, over two or three incidents and I have to presume that if I am aware then it is not an isolated situation, that it is happening to other people in other communities.

We have the situation - I will take an hypothetical situation where a man, a young man work'ng goes to a finance company, probably borrows his first money, borrows \$2,000. Six months after he has not made a payment, the finance company is forced into taking him

MR. FLIGHT:

to court and getting an attachment against his wages. So be it. Now, Mr. Speaker, it is quite possible that somebody concerned with the affairs of that family interceded and might not have allowed the wage attachment to run its course, might have made the funds available to the gentleman to get himself out of the mess he was in, but at the same time may well have served notice on the finance company, if notice needed to be served, that this was a bad investment on your part. You knew the man's - they tell us, you know, never borrow money needless only when you must and they tell us that they accept all sorts of responsibility for making sure that a loan is a good loan and the man needs it and the ability to pay is there and that the fact that he is paying off that particular loan will not affect adversely, totally adversely his life style. Well, Mr. Speaker, it is a fact that in this Province there can be cases documented where having gone through that with a potential customer, having watched a potential customer, a customer having been dragged through the courts to get him to meet his commitments, three years after that same

Mr. Flight: finance company had the same gentleman back on their books for \$3,000 or \$4,000, and this time possibly with a mortgage, if he was living in a house that they could get a mortgage on. And, Mr. Speaker, I realize that people have to be responsible for their own actions, we cannot take away the right of the individual in this Province to go and borrow money if he wants to do it, but I maintain that there should be some sense of responsibility placed on the shoulders of the finance companies. And if they have had that kind of an experience, if they had made loans to people, number one, the inability to pay was there, they prove that. Number two, the man was not credit worthy. And all of the things that they have to find out if they have to go to court in order to settle an account, then I maintain that if that same company, having all the facts before them, if they are irresponsible enough to make that same kind of a loan to that same individual then the responsibility should be on them, that that man - when the second court case comes or when the foreclosing of the mortgage is about to take place that the finance company should be told, "We are sorry. We are sorry. You get nothing. You do not deserve anything. You set this man up, You knew. You are talking advantage of the fact that you can haul a man in court today and get an attachment against his wages."

In that sense, you know, the accusation I have heard over the years that the magistrate of this Province is a glorified collection agency, in that sense it is true. Prior to the legislation coming into this House a few years ago that set the amount that you were allowed to attach. I know of people who were going home for months and months and months with empty envelopes, everything attached and gone to the finance company. And having gone through that, that same finance company two or three years later had that same man back on their books for \$4,000 or \$5,000, and started again. This time they probably secured their loan with a mortgage on something, and they did not necessarily have to go to court.

Mr. Speaker, it is an isolated case. It would appear to me, you know, that this legislation would take care of that kind

Mr. Flight: of thing. If it does not, I think, it should. And I think the message should go out to these finance companies that you have to accept some responsibility when you are dealing with people who, for reasons listed in (f) of Page 8.

AN HON. MEMBER: 6 (a).

MR. FLIGHT: 6 (a). Well, all right. It is 6 (f). And I believe that notice should be served on the finance companies, the consumer loan companies of this Province, in the kind of a situation that I have just explained that they take some responsibility, and they will not necessarily get repayment by right of going to the court if they indeed, if it can be proven that they were irresponsible in making the loan in the first place and as a result of the irresponsibility created all kinds of hardships, possibly to the point of causing a man to give up his employment or a family to break up. It is going on in this Province, Mr. Speaker, and I believe that we should really take a hard look at it.

SOME HON. MEMBERS: Hear, hear!

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

MR. J. CARTER: Mr. Speaker, I would not want the House to get the impression that the only people who approve of this Bill are the members of the Opposition. I share the concern of the member for St. John's East (Mr. Marshall), but at the same time I think that this Act is a very good one. There has been some mention made by previous speakers or debaters on this bill about the high cost of living. One of the things that we have to remember is that in terms of the North American population our population base is very small, just a little over a half a million. This means that storekeepers have to keep a very high inventory. And, of course, our goods have to be brought a long distance and for some reason or other it has been found easier to bring them by truck across the Island. So a person importing goods has to get them put aboard a truck, that truck has to get on board the ferry, and then it has to drive across the Island, and the expense of the truck, and the expense of the driver, and the operator, and the length of time the goods is taken in transit all

Mr. J. Carter: add to their cost. And I do not think the Gulf ferry or the present state of the Trans-Canada Highway are of any assistance.

But one of the questions I wanted to address to the minister, and I would him to answer is, in view of the recent accusations of scandals how would this bill apply to political contributions? May I read section (5) "An unfair trade practice, for the purpose of this Act, is any representation, conduct, or failure to disclose material facts that has the effect of deceiving or misleading a consumer, and without limiting the generality of the foregoing, includes -

AN HON. MEMBER: Oh, sit down!

MR. J. CARTER: If I might continue?

- (a) a representation that the goods and services have sponsorship, approval, performance characteristics, accessories, ingredients, quantities, components, uses or benefits that they do not have;

MR. MURPHY: You want that to apply to the politicians?

MR. J. CARTER: And to go on:

MR. J. CARTER: (e) the representation that the goods or services are of a particular standard, quality or grade if they are not; (d) a representation that the goods are of a particular style, if they are not; (g) a representation that the goods have a particular prior history or usage if they have not; and (l) a representation that a specific price advantage exists if it does not; and (n) a representation that repairs have been made or parts installed if such is not the case.

I wonder if the minister had political contributions in mind when he had this act drafted? And (w) a representation using exaggeration, innuendo or ambiguity as to a material fact.

MR. SPEAKER: The hon. member for Baie Verte-White Bay.

MR. RIDEOUT: Mr. Speaker, a little bit of humour added to the act that time by my colleague from St. John's North. Mr. Speaker, there are a couple of parts of this act that I want to refer to and get some information from the minister before he closes debate, if I could. I want to refer him on page seven to section five (2) and that says that an unfair trade practice may occur before, during or after a consumer transaction notwithstanding that the consumer transaction is not completed or no consumer has suffered loss or damage. Now, Mr. Speaker, let me say from the beginning that the principal of this particular bill I think is one that we can all support with very little debate. But section 5(2) seems to me to be a bit ambiguous in that there is no time limitations put or not even any indication that there may be some time limitations put on that particular section. An unfair trade practice may occur before - okay, I can see that - during, I can understand that, but after a consumer transaction? And I can understand after a consumer transaction but what is the length of time that we are talking about that a person would have to redress if they feel they have been aggrieved?

For example, I suppose not being a lawyer, but I do know that there is a statute of limitations in this Province as there is in all other Canadian Provinces and that I believe the statute of

MR. RIDEOUT: Limitations in Newfoundland is five or six years. Does the act mean that a person will have up to whatever time is laid out in the statute of limitations to redress themselves some grievance because of a consumer transaction if they feel they have been so aggrieved? It is very important I think because if not a person would feel that they might have unlimited time in that if they buy a product that they believe has been advertised unjustly or does things that it should not have done as laid out in all the preambles here, then they may have twenty years before they can seek redress under that particular clause. I think the minister might have to spell out to us what he has in mind when he says before, during or after a consumer transaction. Is it dependent on the time laid down in the statute of limitations or whatever?

So I would like for the minister to let us know what he has in mind there. Of course the same argument, Mr. Speaker, applies to section 6(2) where the unconscionable acts are defined and again section 6(2) says an unconscionable act or practice may occur before, during or after and again I think the minister has to spell out some limitations on the after part. Before or during I think is quite easy. There is no argument there but the after part he has to let the consumer know exactly what they are governed by whether it is the statute of limitations or something else.

I also want the minister to have a look at clause 13 on page 11 and that is the assurance of voluntary compliance. This clause, Mr. Speaker, it seems to me it is some sort of effort to let people who may have countervened this act once it comes into force. There is some sort of effort in clause 13 to let those people off the hook if they voluntary comply to live by the act in the future. For example 2(a) says, an agreement that the supplier will refrain from engaging in certain acts or practices, it seems to me that this director that the minister has the power to appoint under this particular legislation can go out and carry out investigations according to the powers given

MR. T. RIDEOUT: to him in this Bill and then go to the breakers of the Bill, go to the companies or individuals concerned and say, 'Look here, you have -". I am sorry, Mr. Speaker, I was looking at -

MR. SPEAKER: May I interrupt the hon. gentleman for a moment to inform hon. members of three matters which will be debated at 5:30. The first matter noted is given by the hon. Leader of the Opposition arising from a question asked the hon. Minister of Justice; the subject matter, a Bill regarding the control of party and election financing. The second matter noted is given by the hon. member for St. George's (Mrs. McIsaac) arising from a question asked the hon. Minister of Municipal Affairs; the subject matter, the rural RRAP program. The third matter noted is given by the hon. member for Baie Verte-White Bay (Mr. Rideout) arising from a question asked the hon. Minister of Transportation; the subject matter, upgrading and paving of certain roads in the Baie Verte-White Bay district.

The hon. member for Baie Verte-White Bay.

MR. T. RIDEOUT:

Thank you, Mr. Speaker.

I was just about to clue up but I want the Minister to have a look at clause 13 under Assurance of Voluntary Compliance. It seems to me that the director who is going to be appointed under this legislation has the authority, and rightly so, to go out and investigate individuals or companies to determine on the result, I would assume, of a complaint whether or not they have followed the laws laid down in this Unconscionable Trades Practices Act. But then the Bill also gives to that person the discretionary authority to let such offending companies off the hook, or such offending individuals off the hook, provided they sign an agreement that they will refrain from engaging in certain acts or practices pursuantly into the future.

MR. T. RIDEOUT: Now I do not see much point of having a weakening, really, I do not see much point of weakening this good legislation by including a sort of weak-kneed clause there that at the discretion of the director he can let a company off the hook simply by them signing and saying that they will not commit any more sins in the future. By the time he does that, they could have ripped off ten, fifteen, twenty, or one hundred people, or individuals, or consumers, as far as that goes. So it seems to me that the strong legislation that the Minister is proposing, that we agree with in principle, has been sort of weakened by the implementation or the including in the Bill of section 13(2), that the director may determine without limiting the generality of having those people sign an Act of Compliance and then drop it there. So I would ask the Minister to have a look at that particular clause along with the other two points that I brought to his attention.

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

DR. J. COLLINS: Let me just mention one small point and I would be interested if the hon. Minister can answer it. I am wondering if this Act would apply to such things as the price of gasoline in this Province? I do not have the actual figures before me now but I did look a little while ago at the breakdown of the elements in the price of gasoline and one knows that there is the original oil cost which I think comes to something like fifteen cents, or what have you, and then there is a refining cost which comes to another fifteen cents, and so on. Then there is a transportation cost which certainly would apply here and, of course, everyone knows that there is a federal tax as well as a large, in our case I think the largest in Canada, provincial tax. But despite that, even taking into consideration distances, taxes, and so on and so forth, it seems that the price of gasoline in this Province is quite out of line with the price in nearby provinces and, certainly, well out of line with the central provinces. I would just wonder if the Minister has (a) any

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DR. J. COLLINS: information whether in actual fact the consumer is hardly done by in this Province over the price of gasoline, and secondly, if that is so, whether this Act would give him any powers to do something about it.

MR. SPEAKER (YOUNG): If the hon. Minister speaks now he will close the debate. The hon. Minister of Consumer Affairs & Environment.

MR. A.J. MURPHY: Mr. Speaker, I would first of all like to thank the hon. members for the interest they have shown in

MR. MURPHY:

the questions they have asked. And I would like to answer them to the best of my ability here in this bill. And if there is anything that I am not sure of I will be only too happy to find out from my department and from the Department of Justice.

First of all I would just like to say, and I meant to do it last night, to thank all the media and whatnot because my department is basically information and education and I do not know if I took the opportunity to thank the media, all forms, and our Information Services for the assistance they have given me through the year in disseminating this information. And seeing that the publisher of the Daily News is here in the House today I would like to thank him very sincerely on behalf of the department for his great generosity in allowing our department twice a week the column, Box 999 without any cost to our department. I think that is a very worthwhile effort.

SOME HON. MEMBERS: Hear, hear!

MR. MURPHY: I think it is a part of what all the gentleman have spoken about here. You know, how do you control this thing. And we try to tell people, look and look if you like before you leap and this type of thing. In many cases we do not have the problem that we do have of looking at complaints. And as I said in my statement in the House yesterday on the estimates we had over 8,000 representations with reference to consumer matters and a great number were not within our jurisdiction but if they were federal we referred them to that.

Now, just to sum up a few of the things that we did that did come up. The hon. member, I think, for Conception Bay South (Mr. Nolan) started off

MR. MURPHY:

with many things and unfortunately he did not bring his shoe again this year because I think it was a great exhibit to put here in the House. But again as far as prices are concerned and quality of goods we have no control over the quality or over the price but we do have control over someone saying, this is of such a quality. He could say it is nylon or dacron or something else and it proves out to be not so. Then we could bring that as misrepresentation on behalf of the consumer for that particular purpose.

I think the hon. member for Trinity-Bay de Verde (Mr. F. Rowe) had a few questions here to ask me. And one of them always impressed me with regard to pilferage. We hear so much and the Board of Trade, I think, every year talk about the amount of pilferage. And as I worked on Water Street as a clerk for so many years I see the difference now. In the old retail store that we knew where a store was staffed if you like with so many clerks to serve the customers. Now in many cases you can go into some of these places and again I am not accusing anybody and you can roam around for two or three hours without finding anybody unless you go look for them that will serve you. So in my opinion a lot of it is caused by the lack of people on the floor inside and no supervision like we did have in the old days. Now as far as I am concerned that does add to the cost of things. After all no man is in business for philanthropic and charitable purposes. He wants to make his buck anyhow. If he loses \$1 million in pilferage you and I will pay it one way or the other.

MR. MURPHY:

So again we ask our own people, our coastal consumers, to if they notice anything of this effect, notify the store and help the store, co-operate with them to catch the people who are transgressing there. Again such as publishing lists of these things. Now we have tried to cover - everything is not covered - everything item by item here. And I think the hon. member suggested again that we would perhaps let this be known to people, to public these lists. Well we will be doing that I think once this bill is passed through our column again where every new act or everything that turns up in Consumer is put into our column in the paper and people asked for their comment on it. And I would ask the co-operation of all the member in that regard.

There is one specific interest, for example, at Christmas time, where everybody just goes slap happy, monies go everywhere. So we published what we call your Christmas shopping list and we get it posted in every place explaining the policy of that particular store, whether you can bring back your goods in exchange for money, must you take the credit note. So we do that every Christmas in co-operation with the other Atlantic Provinces.

As far as let someone off the hook such as the hon. member for Baie Verte-White Bay (Mr. Rideout),

MR. MURPHY: I think as far as the limitation is concerned there is a minimum of four years. And limitation could go on forever and we could take action anytime under this act, the director of trade practices. And on that the question has been asked, the member for Conception Bay South (Mr. Nolan) asked me the question and I was not quite sure but, that will be posted through the Public Service Commission, we hope to get some type of lawyer or something, it is going to be a pretty responsible position, it will be advertised as such, what the salary will be, I think the Public Service Commission or someone comes in and looks at the job and evaluates what it is worth, but it is going to be a very responsible position.

MR. WHITE: Is the minister going to apply for the job?

MR. MURPHY: I do not expect. The minister expects to go to greener pastures not too long from the present moment.

SOME HON. MEMBERS: Oh, oh!

MR. MURPHY: I know they are all - I was going to say something but I gave the Minister of Justice a note today with reference to Senate seats. Perhaps he did not read it.

MR. ROBERTS: - provincial senate -

MR. MURPHY: Anyway I am not interested quite frankly in Senate or anything else. And then there was another suggestion that why should people be let off the hook. I think that is just a term that is being used, but within the discretion of the minister and of this director certain things happen. We have had it with the real estate where people have got into trouble, and some were pretty serious, where we cancelled their licence and whatnot. But it is within the wisdom, if you like, of the minister to decide whether we sue a man or whether we give him another chance, this type of thing, I think basically that is what it means, but if there is any flagrant breach I am sure that he will be given the full effect of the law.

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MR. MURPHY: As far as price is concerned on gasoline or anything else I might inform the House that pricing is purely in the area of the federal government. But again I will say if there is any - after we do surveys, which we do four times a year, of supermarkets and various other places, food principally, and we get the prices, I think the very fact that we let the people know what so and so is charging against so and so is effective in itself. The hon. member for St. John's East (Mr. Marshall) spoke about putting authority in the hands of certain civil servants. Quite frankly I am not in the position to debate who should have, but it has been the custom with various bills that have been passed, perhaps it could be looked at, the whole area of what authority civil servants have but in this here, and I must say in my own experience and I would like to thank my staff, I think they have done a commendable job. No matter what the responsibilities are we have tried to treat everybody equal whatever they are, whether they are import or export or whatever they may be we try to treat them with the utmost respect and diffidence.

As far as St. John's North is concerned, his dissertation, we were not considering the politician at that particular time but if there is an appeal made to the director I am sure that any politician who does not qualify for his advanced advertising we will certainly have a long, hard look at him and see.

MR. NEARY: Does the minister have any inferior savoury referred to him at all?

MR. MURPHY: Inferior savoury? No. But a point that was brought up and that I am glad the hon. member mentioned is the discussion on fruit, and I do not mean fruits, I mean fruit. One of the big problems, and we have had many complaints and that has not only happened this past year but over the years. Some friends of mine who are in the fruit business at one time, they were selling fruit, apples, oranges and so forth, I had many complaints

MR. MURPHY: and I went to see them and they told me between the time that fruit leaves wherever it leaves and arrives in St. John's there is something between twenty and twenty-four per cent deterioration, like tomatoes through being crushed and different other varieties of fruit, and that is why the cost and the price as far as quality is concerned again if it is in goods or anything else we usually get what we pay for. I do not know if there is anything else, oh yes, the hon. member for Windsor-Buchans (Mr. Flight) with regard to consumer credit. We tried to stop these things in many cases like the Mortgage Brokers Protection Act, that is one thing there and I think I mentioned here, I think I did mention on Section 5(2) if the hon. member would care to read that as far as taking advantage if you like of someone who has not the money and we know they cannot pay, for example Section 5 (2) says -

MR. NOLAN: The hon. minister was paying thirty-seven cents retail in Florida for a head of lettuce -

MR. MURPHY: Thirty-nine retail.

MR. ROBERTS: \$1.29 is it here now?

MR. NOLAN: No, \$1.75 yesterday.

MR. MURPHY: No, \$1.75 today.

MR. NOLAN: I mean if that is not gouging what is it?

MR. ROBERTS: Did you hear the Consumer Affairs on CBC?
Would the minister permit a question?

MR. MURPHY: Sure go ahead.

MR. ROBERTS: Mr. Speaker, the CBC do an excellent consumer affairs report which comes

MR. ROBERTS: do an excellent consumer affairs report which comes on about five to one, at least the version of it which I hear, and I was fascinated. There were two or three days in a row that the consumer affairs reporter, I forget the lady's name, had gone to two separate stores in town and I will name them if she did, Sobeys and - is it Auntie Crae's Delicatessen or something over on Cookstown Road, where Cookstown Road comes into LeMarchant Road there just above I guess the district of St. John's Centre, just outside those boundaries?

MR. MURPHY: Well one side is in my district, the good side. The crowd that are defrauding the people are in St. John's West.

MR. ROBERTS: I see. There are the sheep and the goats as it were. But I was fascinated and perhaps the minister could touch upon what might have led to a state of affairs where this reporter had taken a series of cheeses which had come in from Montreal - They are not native. Well, we do not produce any cheese in this Province anyway. We get cheesed off sometimes but we do not produce cheese, do we? The price differentials were absolutely staggering. They were of the order of one hundred per cent, you know \$1.80 on a pound of cheese which was costing \$1.50 in one store and \$3.30 in another, that kind of thing. What could possibly have led to that? Now I know in the competitive situation that is the way it is and thank heavens we have consumer affairs reporters who can tell us because otherwise you are not going to go to every store in the city and see what a pound of cheese cost. What could conceivably lead to it?

Perhaps while we are on it, and I do not want to ask the minister for a legal opinion because it is not fair, I mean it is just not the place to do it. You go downtown and you hire a lawyer and you pay him a lot of money and he gives you an opinion which may or may not be a good one, depending on the lawyer.

MR. MARSHALL: The hon. member is so much aware of that act this time.

MR. ROBERTS: If the hon. gentleman wants a good opinion he can come to me. It will be expensive but it will be worth every cent of it.

MR. NOLAN: Is that soliciting, Mr. Speaker?

MR. ROBERTS: That is barristering not soliciting, I would say to my friend from Conception Bay South, Sir. What leads to it and is there anything which the government properly can do about it within the competitive system?

MR. MURPHY: Again I can only say and it seems like you are always passing the buck but as far as price control is concerned it is not within the jurisdiction of the -

MR. ROBERTS: No. I was not suggesting price controlling. That way lies suicide.

MR. MURPHY: No, and what we try to do, if I may tell the hon. member, is to make available to people why should you buy 'X' for a dollar at 'A' when you can get the same thing at 'B' for eighty cents.

MR. ROBERTS: Which the CBC and others are doing, the CBC notably.

MR. MURPHY: That is right and as I said again four times a year we do all the Province and it is extraordinary the difference in a lot of prices. But what we do find and amazing I might say this without delaying the House, some of the smaller stores at this time can sell you stuff cheaper than some of the big supermarkets.

MR. ROBERTS: Auntie Crae's Delicatessen is incredibly cheaper than Sobeys who presumably are a big chain.

MR. MURPHY: The reason they say is because today everybody takes for granted that everything is going up. We have anticipated that so the bigger stores turn stuff over in perhaps twenty-four hours, forty-eight hours whereas the smaller store buys goods which they might have for two weeks. That makes a bit of difference. Now Mr. Grocery, up to the elbows in pickle there, knows much more about this than I do.

MR. ROBERTS: And he is your friend, 'Bill.'

MR. FLIGHT: Quantity buying like the minister is talking about now as opposed to larger stores buying larger quantities getting better prices as compared to small stores buying small amounts and

MR. FLIGHT: getting smaller prices got nothing to do with the price of lettuce in Newfoundland. If the minister had been aware of what is going on in the world markets there has been a complete washout of the lettuce producing areas of California and it has driven the price of lettuce sky-high.

MR. MURPHY: Well again I can only say this that - What do strawberries sell for? Can anybody tell me?

MR. NOLAN: Eighty-nine cents.

MR. ROBERTS: When you can get them.

MR. MURPHY: Eighty-nine cents?

MR. NOLAN: Eighty-nine cents at Sobeys.

MR. MURPHY: Eighty-nine cents a quart?

MR. NOLAN: That is for two packages.

MR. ROBERTS: And you get to eat about one out of ten.

MR. MURPHY: No, I just said it is three quarts for a dollar in -

MR. NOLAN: You do not get a quart. My God, no! All you get is a few samples.

MR. MURPHY: That is what I am saying, three quarts for a dollar that is what you got, anybody who is -

MR. ROBERTS: The hon. minister is making us all jealous we were not able to accompany him to Florida.

MR. MURPHY: I mean I am not trying to put on the dog that I am a much travelled man or that I was South, but I

MR. ROBERTS: Why did you not bring back some for your friends or even your colleagues?

MR. MURPHY: As a matter of fact I brought back about forty pages of ads from the papers there. I mean it is educational. I take this trip every so often to go and survey prices in different parts of the country and it happened this time I went South.

MR. ROBERTS: The minister is not saying his trip to Florida was an educational project?

MR. NOLAN: Would the hon. minister consider inviting his colleagues down for a meal sometime?

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MR. MURPHY: Love to. I would love to.

MR. ROBERTS: Go walk on the waters of your swimming pool.

MR. MURPHY: Pay your own passage down. I do not want to be brought into any scandals.

MR. NOLAN: Okay.

MR. MURPHY: I do not know if there is anything else. I think I have tried to cover the whole works. And did I answer the question about the job? I did, did I not? This will be bulletined as soon as this is passed and it will go to the Public Service Commission and the salary will be set by whoever - Who does that in the Civil Service Commission?

AN HON. MEMBER: Classification and pay.

MR. MURPHY: Classification and pay will settle for salaries for positions.

AN HON. MEMBER: Including yours?

MR. MURPHY:

Not mine, no. I am the poorest paid man in the department. So, Mr. Speaker - I am sorry.

CAPT. WINSOR: Perhaps we could get a little closer home.

MR. MURPHY: What?

CAPT. WINSOR: Perhaps we could get a little closer to home as far as prices are concerned. How about the price of codfish?

MR. MURPHY: Yes.

CAPT. WINSOR: Fresh cod, You know, it is not uncommon to have to pay \$1.98 for a pound of codfish. And compare the price that it is sold in the supermarkets for to what the fishermen get for it. You know, there is a wide area there.

MR. MURPHY: That is right. That is right.

CAPT. WINSOR: Is the minister's department in any way, you know, is there any area of responsibility where it can be checked? Who is getting the markup? And then of course now we see fresh lobsters. You know, the fishermen are getting \$1.50 a pound and you have to pay \$2.89 and \$2.90 and \$2.98 and \$3.00 a pound for lobster. And I would reckon when salmon arrives, you know, God knows what we are going to have to pay for it. Fishermen are not getting it. Maybe the Minister of Fisheries.

MR. MURPHY: I have got a notice here somewhere. Sorry!

AN HON. MEMBER: All right. That is okay.

MR. MURPHY: I just wanted to check. What I wanted to check was this, I went into a supermarket and we brought down some saltfish but it was becoming - so I thought I would get some more last Friday for a bit of fish and brewis and I asked the gentleman about saltfish and he said yes, Sir, over here. And it was the most beautiful little

MR. MURPHY:

wooden box, it was like a jewellery box, one pound put up in. And I just asked the hon. minister if he knew the name, I have it in my brief case home, in Nova Scotia -

AN HON. MEMBER: Smith, I think.

MR. MURPHY: What?

AN HON. MEMBER: Smith?

MR. MURPHY: Smith, I am not sure. But anyhow it was \$2.67 a pound, Nova Scotia saltfish there at that supermarket.

AN HON. MEMBER: They all must have much money there.

MR. MURPHY: Yes. And what is it here, \$1.89?

So I can only say in conclusion, Mr. Speaker, that we are doing everything in our power to try to control and protect the consumer in many ways and I say control the consumer in one instance that if he is going to buy look around first and shop around and then as they always say make your dollars have more sense. So I would like to move second reading of this very important bill, Mr. Speaker.

On motion a bill, "An Act Respecting Unfair And Unconscionable Trade Practices," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 13)

Motion second reading

a bill, "An Act To Amend The Industrial Standards Act." (Bill No. 8)

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, the doctrine of res ipse loquitur applies to this bill and I move second reading.

MR. SPEAKER: The hon. member for Terra Nova.

MR. LUSH: I just wanted to ask a question on it -

MR. ROBERTS: I would think the minister's presence in the Cabinet is res ipse loquitor these days.

MR. LUSH: You know there is nothing to be said about the bill. They have doubled the period for prosecution. What I was wondering is how many prosecutions for example in the past year had to be cancelled or done away with because of the one year legislation. I just wondered why the change to two years. Obviously there were some problems. I just wondered if you can identify maybe what industries were concerned and just what precisely the reason -

MR. ROBERTS: How many prosecutions have there been? Before the minister speaks, Mr. Speaker -

MR. SPEAKER: The hon. member for the Straits of Belle Isle.

MR. ROBERTS: - you know the bill is a very simple one and the minister has gone for once to the heart of the issue unlike his usual approach to these matters. And whatever res ipse loquitor may mean in the minister's mind obviously it is the right thing here. But how many prosecutions have there been taken under - well let us go back to square one. How many schedules are there in effect? How many areas are covered by the schedules which are enacted? That is what the act is all about. The bill amends the act and the act itself provides for the creation of schedules, Mr. Speaker

MR. ROBERTS: Mr. Speaker, how many, you know, how many men or how many, you know, just what does the main Act cover? We do not need to go into what the main Act was all about. We are all intimately familiar I am sure with that -

MR. ROUSSEAU: Fight.

MR. ROBERTS: Eight. The minister, and I thank him, and for the benefit of the Hansard ladies that is now the Minister of Industrial, whatever he is now called, what are you called Labour and?

MR. ROUSSEAU: Labour and Manpower.

MR. ROBERTS: Labour and Manpower. That is when we are being polite. The Minister of Labour and Manpower. And how many prosecutions have there been taken? And how many have not been taken because of the fact that the present limitation period is twelve months? And that is I guess another way of asking why the change? We have had a twelve month limitation period. I have not traced the Act back to its inception, but at least back, you know, in the Revised Statutes in 1970, so that is eight years ago. How many - we have lived at least eight years with a twelve month limitation period on the initiation of a prosecution, why are we now changing it to two years? I do not find it the least bit offensive. It does not bother me. I do not think it bothers my friend who speaks for us on these matters at all, but, I think, we are entitled to a little information, and really that is all I am asking.

MR. SPEAKER: The hon. Minister of Labour and Manpower.

MR. ROUSSEAU: I am sorry, Mr. Speaker, I thought there was a bill going on before that one.

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

MR. HICKMAN: Mr. Speaker, I opened the debate.

MR. SPEAKER: Sorry! Sorry! I was incorrect. He does not close the debate.

MR. DOODY: No problem.

MR. ROUSSEAU: I will just answer a few questions here. To date the present investigation being carried out is involving sixty-one employers and approximately 250 employees.

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

MR. SPEAKER: A point of order.

MR. NOLAN: I would like to ask for clarification in discussing another bill. The hon. minister rose opposite and we were told from the Chair, Mr. Speaker, that he had to close the debate. It is only with the indulgence of our good friend in the Chair that he permitted us to go on and continue it. So just for clarification I ask the - and may I also point out that the hon. Minister of Justice and the House Leader was the one who introduced this bill, so does he close the debate? Just for information, Mr. Speaker.

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

DR. J. COLLINS: To the point of order. I feel that perhaps I should speak just to clarify the action of the Chair which I happened to occupy at the time. The hon. member was speaking, and the hon. minister then rose to speak. The hon. member took his seat but the hon. minister actually was not recognized by the Chair at the time to speak. And when I allowed him to finish, and when he finished I merely mentioned it was my understanding that he was not rising to close the debate, that is what I meant to imply, I do not know if my meaning got through very well, that I was taking it that the hon. member had merely yielded temporarily to the hon. minister to make a suggestion more than anything else.

Thank you, Mr. Speaker.

MR. SPEAKER: Am I correct in saying the bill was introduced by the hon. Minister of Justice?

SOME HON. MEMBERS: That is right.

MR. SPEAKER: In which case it will only be when the hon. Minister of Justice rises that he will be closing the debate.

SOME HON. MEMBERS: Oh, oh!

MR. ROUSSEAU: There have been, as I have said, Mr. Speaker, sixty-one -

MR. ROBERTS: Oh, oh!

MR. ROUSSEAU: - prosecutions of employers.

MR. SPEAKER: Order, please!

MR. ROUSSEAU: I am sorry.

MR. SPEAKER: In order to clarify the point I am inclined to think that when an hon. minister in fact introduces a bill, even if he does it on behalf of another hon. minister's name or on behalf of another hon. minister, the House could well assume that it is when the hon. minister who introduced it when he rises that that in fact would close the debate. Otherwise one could see confusion, because hon. members would not know who in fact was closing the debate. And indeed, the Chair would be, which has quite a responsibility to inform hon. members who is speaking to close the debate, should be in a position to assume that it will be the hon. minister who in fact introduced it. So I think that it would only be speaking of the hon. the Minister of Justice would in fact close the debate.

The hon. Minister of Labour and Manpower.

MR. ROUSSEAU: Eight programmes in effect now -sixty-one employers, 250 employees, a total of \$55,000 have been recovered. The reason for the two year extension as we found because of the number of investigations under this, and the minimum wage order, we have some problem with getting everything tied up in a year, somethings take a lot longer. So to ensure that everybody gets a fair benefit and treated fairly we thought that a two year term would be much better in ensuring that all cases that came to the attention of the

MR. J. ROUSSEAU:

department could be fully dealt with and that we were not operating under that one-year limitation. Maybe if I do -

MR. ROBERTS: Just adjourn the debate and start again at 8:00 o'clock.

MR. SPEAKER: Does the hon. member move the adjournment of the debate?

MR. J. ROUSSEAU: Agreed.

MR. SPEAKER: It being 5:30 o'clock a motion to adjourn is deemed to be before the House.

The first matter for debate, a bill to control party and election financing. The hon. the Leader of the Opposition.

MR. W. ROWE: Thank you, Sir.

It is an important subject, Sir, and five minutes is hardly time to do justice to it. I hope that if the hon. the House Leader does in fact keep his - I was going to say keep his commitments, Sir, but that goes dangerously close to saying that he does not keep his other commitments, which would be unparliamentary - but I hope he does what he says he is going to do and brings in a piece of legislation, Sir.

This kind of legislation, laws controlling the contributions of money to political parties and the expenditure of money by political parties, and disclosure, and limits, and this sort of thing has been promised on at least two occasions by this Government, Sir, and subsequently totally ignored and never brought into effect. It was in the throne speech of two years ago, it was in the throne speech of a year ago, I believe it was in the first throne speech of this Government, what is that, six or seven years ago, some eight throne speeches ago and, Sir, nothing has ever been done about it whatsoever. This year, Sir, there was nothing in the throne speech

MR. W. ROWE: at all and, of course, true to form, there being no commitment made, the House Leader gets up and promises that it is going to be brought in this session.

First of all, Sir, when the question was put to him today he mentioned that he would bring in some legislation before the next election. That was the commitment. After a little bit of pressure and some conferences with his colleagues on either side and the thought that perhaps the way to get the heat off the present scandal going on in the Province, is to get up and make a commitment that it will come in this session. Now I do hope that the Minister does keep his commitment in this particular case.

I am a little disappointed, Sir, in that the Minister has tried to indicate it is a very complicated thing, that it is all wrapped up with election reform generally, electoral reform, the question of voters lists and all this kind of thing. Everything is very complicated to the Minister, looked at from the Minister's point of view and with the Minister's mind and intellect everything appears to be very complicated to him. Nothing looks straightforward or easy. Well, Sir, I welcome general reforms to the Election Act, the electoral processes generally, that would be welcome indeed. But the single most important piece of reform legislation that this Government could bring forward today would be a simple piece of legislation such as they have in other provinces which places strict known limits on the amount of money which any one person or company can give to a political party or a political candidate, complete and absolute disclosure on the amount of contributions and the names of the people making the contributions to any political party or candidate. A complete disclosure! The limit may be, say, \$1,000 perhaps and it should be known far and wide that anybody who is given an amount of money up to that amount, you cannot go beyond that amount, that should be made public knowledge.

MR. W. ROWE: And, Sir, there should be limits on the expenditure of money by candidates and parties in all general elections, and also, let us go one step further and cover the loopholes which are evident now in the Federal Act and which may be in some of the other acts as well, let us make sure that there is a complete limit and disclosure, a limit of expenditure and a disclosure of contributions and a limit on contributions on all electoral processes in the Province including leadership conventions for all parties including nominating conventions because we now have the situation where a person can spend \$1,000,000 to get nominated federally or provincially, get the publicity that comes from that and then, Sir, be restricted to the \$25,000 or \$26,000 which presently obtains under the present Federal Election Act.

Of course, the damage is done or the good is done, as the case might be, in the nominating process. We need to have control, Sir, at every level in all electoral processes.

Let me close, Sir, by saying that there should also be a contribution to electoral processes and candidates in general elections from the public treasury because this would also have the effect of equalizing a little bit, making it fairer for people in political life or to get involved in political life. It is a broad subject on which we will have to have a full-fledged debate. Let me close with this remark, Mr. Speaker, that if we do bring in a simple piece of legislation as I have recommended and mentioned here today, and we have all talked about for years past, it will have the effect of wiping out ninety-nine per cent of all the possibility of political corruption in this Province resulting from chicanery and skulduggery and mismanagement of party finances and political money generally. We need to do this, Sir, and then we are left in the situation where we are dealing with the criminal law and any crookedness that may go on but, at least, we have gotten rid of mismanagement, of impropriety, of irregularities in the dealings

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MR. W. ROWE: with political money and party funds. That in itself, Sir, would be a breath of fresh air in this Province, it would be a ray of sunshine in the political life of this Province and, Sir, we would not have, I would say, the type of scandals that we are now suffering today, and God knows the people of Newfoundland do not want any more of the type of thing that we have been subjected to, Sir, in the last week or so in this House. I hope the Minister brings in the legislation as he is committed.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, there is an old phrase, "While still the light hangs out to burn, /The vilest sinner may return." One time, Mr. Speaker, I was - may I have the same courtesy from the other side of the House that was extended to the hon. the Leader of the Opposition (Mr. Roberts).

MR. SPEAKER: Order, please!

I would require hon.

gentlemen not to intervene.

MR. HICKMAN: Some years ago in 1969 I was unwise enough or inexperienced enough to become involved in a leadership campaign in the Liberal Party. I well recall the first day I went in. There had been a motion introduced on the floor that the Liberal Party of Newfoundland adopt - introduced by the Crosbie forces, by Mr. John C. Crosbie, Q.C., M.P. St. John's West who wanted a resolution calling for control of financing of elections. And lo and behold, who led the vicious attack on that resolution and said it would be ridiculous to think that there should be public disclosure of election contributions and which resulted in the defeat of that far reaching motion by Mr. Crosbie but none other than the hon. the Leader of the Opposition. And I was shattered. And my campaign manager said to me, get out of here, boy, get out of here. Do not stay in here because if you do you are going to get caught up between the Rowses and the Crosbies and you will never survive. So I ran away from all that and went outside and waited until it was over.

AN HON. MEMBER: (Inaudible)

MR. HICKMAN: Oh, that was my mistake. I should have earlier. But in any event, Mr. Speaker, let us speak of it in a more serious vein.

It is quite true that the Moores Administration two years ago publicly committed itself to bringing in legislation to control the financing of elections in this Province. It is equally true that that - and there was no great heat on then because the election was -

AN HON. MEMBER: (Inaudible)

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: No, no. It was four years away. There was no reason to bring it in. The election was four years away. So in any event last year again it was confirmed. Then, Mr. Speaker, and I repeat - that word 'heat' was a dreadful word was it not. Anyway, Mr. Speaker -

AN HON. MEMBER: Get your mind off the Liberal leadership and get back to work.

MR. HICKMAN: That is right. Everything I have said about the heat in the Liberal Leadership Campaign that I embarked in is to be withdrawn. It was without prejudice. In any event last year, Mr. Speaker, when we started doing some more work on that it became apparent, particularly as a result of certain decisions following a recount, that we should do a whole election act at the one time. So in September of this year in the quiet, placid atmosphere that existed in this Province in September we put our people to work. They have consulted with Ontario in particular and we have had in our possession now about the third draft and I would hope it is the second last draft of a major piece of legislation which will include a part, one part in it will deal with election financing.

MR. HICKMAN:

I say what I said earlier today that this piece of legislation, this new election act will not only bring the election process out of the horse and buggy era into the days of the electronic media but it will also contain as well the control on financing elections and there will be other things in that act that I am not at liberty to give details of until it is presented. But I say without fear of contradiction that the Progressive Conservative Government of Newfoundland will be the government that will have the honour and privilege to bring before this House the most major piece of reform in the legislative process that we have seen since the days of William Carson.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The second matter for debate is the rural RAP programme.

The hon. member for
St. George's.

SOME HON. MEMBERS: Hear! Hear!

MRS. MCISAAC: It may not be necessary now, Mr. Speaker. The minister just offered me a piece of paper but my arm is not long enough, my reach is not long enough. Anyway I want to ask the minister what the situation is right now with respect to the rural RAP area for the part of my district that has been designated. We have been trying now for quite a few years or ever since the programme is in existence to try and get the area designated. Now last year there was a pilot project on Mattis Point and I do not think it was taken full advantage of but anyway from what I can understand there was an order in council, probably back in 1966, designating the whole Province or approving the whole Province with certain areas to be designated. Now I think that if there is an area that needs this programme it is the Bay St. George area and I have been told by reliable sources, very reliable sources that the area from St. Theresa's to Gallant have been designated for that programme. And my complaint is that I have questioned the minister a number of times on it and I am not saying that it is the minister's fault that it is not signed because I understand that it has to be signed by the department and CHMC but I would like to know what the delay is and why we cannot get that programme signed and get the programme off the ground while the going is good.

For instance, my main concern is that the applications, the people have to be notified. I made the announcement about a month ago when I got hold of it and of course since then there has been a flurry of phone calls. When is the programme going to start? When will the applications be accepted? My main concern is that the applications will not be accepted in time to be processed to get the work done this summer during the fine weather. If we delay it any longer we could very well end up trying to get this work done with snow on our backs and we have an awful lot of homes in the area and an awful lot of people who will take advantage of it. And if there is

MRS. MCISAAC: an area in Newfoundland that needs it I would like for the minister or somebody to drive through my district and take a look at the homes and I believe that if he did or if Newfoundland and Labrador Housing or Central Mortgage and Housing or somebody had decided to look at the area that the entire area would be designated. And this is what I am hoping along with the fact that I would like to see an early start, an early acceptance of applications. I will also like to see the area from Heatherton to Codroy Valley included in that programme because it is a very depressed area. There is absolutely no jobs. We have an awful lot of people on social assistance out there or unemployment, very low income and there is just no way for them to repair their homes.

Now this is a programme that offers good assistance. It is a good programme and I feel that a lot of people will take advantage of it. But I would like to see the programme get started and get started immediately. Now that letter that the minister just waved over there maybe that is the okay, maybe everything is signed and we are ready to go. Hopefully that is it. If not I hope it is tomorrow.

SOME HON. MEMBERS: Hear! Hear!

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

MR. DINN: Yes, Mr. Speaker, I have been talking to the hon. member for St. George's about the rural RAP programme for the area for some months now and we are in constant communication about it and we have been working now for some six to eight months trying to get different areas in the Province approved. This week, last week as a matter of fact, I assumed that since we had agreed on the area of St. George's as an area in the Port au Port Peninsula that it would be approved long before now and it was hammered back and forth and finally this week, around Monday or Tuesday I got a press release that was to be agreed by me and by the Minister of State for Urban Affairs, the hon. Andre Quillet in Ottawa so that we could make a press release on either Thursday or Friday and they did not specify at

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MR. DINN: the time what day that would be. So in speaking to the hon. member just the other evening I said that it should be out by the end of the week and sure enough, true to form, we finally got the St. George's area

MR. J. DINN: designated as a rural RRAP area and it is, as the hon. member points out, one of the better programs that Ottawa has for the rehabilitation of homes in the rural area.

Now just to go through because it goes a little bit further than the hon. member initially thought, it covers from - not in the hon. member's district but in the Port-au-Port peninsula area - so I will just go through some of the areas that it covers and hon. members opposite, I am sure, would be interested:- St. Theresa, that is where we started down at the South; Flat Bay, Shallop Cove, St. George's, Seal Rock, Sandy Point, Barachois Brook, Stephenville Crossing; Black Duck, Noel's Pond, Kippens, Romaines, Port au Mal, Fox Island River, Berry Head, Port-au-Port, Aguathuna, Boxwarlos, Felix Cove, Campbell's Creek, Abraham's Cove, Jerry's Nose - and you can only get a \$10,000 loan under this program so that is not enough to fix mine up - Ship Cove, Lower Cove, Sheaves Cove, March's Point, De Grau, Red Brook, Petit Jardin, Cape St. George, Piccadilly, West Bay Centre, Tea Cove, Lourdes, Winterhouse, Black Duck Brook out on the Peninsula, Long Point, Salmon Cove, Three Rock Cove, Mainland, Gallants, and White's Cove - White's Road.

Under this program, Mr. Speaker, you qualify for a \$10,000 loan of which if you are in a low enough income bracket over a five-year period \$3,750 can be forgiven, and as the hon. member said it is a very good program. The more times she can announce it out in the area the better I will like it because we have this approved, it is early in the year and we want to take up all the rural RRAP funds. We did not do it last year because we did not get most of the areas that we had designated, that we had designated as a Province, approved so that if the hon. member can go out there and make 5,000 announcements, one a day every day, I would be delighted.

To apply for the loans the people in the area just apply through the Newfoundland and Labrador Housing Corporation office in Stephenville.

MR. SPEAKER: The hon. member for St. George's.

MRS. MCISAAC: Would the Minister please press for the area from Heatherton to Codroy Valley to be also designated as a RRAP area?

MR. J. DINN: Yes, Heatherton to -

MRS. MCISAAC: From Heatherton to the Codroy Valley. Press for the area.

MR. J. DINN: We are at present doing that. I have submitted that area that the hon. member speaks of right now to Newfoundland and Labrador Housing, and they are currently looking at that right now. It may take some time as this one did.

MRS. MCISAAC: That is okay as long as we get it. Thank you kindly.

MR. J. DINN: You are welcome.

MR. SPEAKER: The third matter for debate, upgrading and paving of roads in the District of Baie Verte-White Bay. The hon. member for said district.

SOME HON. MEMBERS: Hear, hear!

MR. T. RIDEOUT: Well, Mr. Speaker, with the unanimous consent of the House I would assume that there will be enough funds allocated this year to do them all.

SOME HON. MEMBERS: Hear, hear!

MR. T. RIDEOUT: Now, Mr. Speaker, I questioned the Minister on this subject today because I have been waiting now since the Minister's budget was approved for some word on what was going to happen down my way because of the asbestos contamination of all roads practically on the Baie Verte peninsula, and I am afraid that the intentions of the Government with regard to upgrading and paving those roads is slipping from the commitments that were made some time ago.

The Government, Mr. Speaker, has accepted the Selikoff Report, there is no doubt about that, the Minister has indicated that to me in the House now on dozens of occasions, and that report recommends paving of the roads, particularly Seal Cove - Wild Cove to Baie Verte, and Fleur de Lys - Coachman's Cove to Baie Verte

MR. T. RIDEOUT: because it has been proven beyond any doubt that a substantial health hazard exists because of the degree of asbestos fibres in the road dust. The readings, for example, in some parts of those roads, Mr. Speaker, were 14,000 times higher than the highest readings found in certain areas of the United States. So there should be no doubt about the priority, there should be no doubt about the need. I can also - to add it, children drive over those roads, Mr. Speaker, from all around the Baie Verte peninsula to attend school in Baie Verte. So if we are not concerned about men and women then, hopefully, we should be concerned about children.

Now this is a very serious, a very dangerous, situation and it should be number one priority in the provincial budget.

The Government appears, as I have said in the beginning, to be backing off - I have noticed their reaction, the reaction of the previous minister - and said quite openly in newspapers, radio and television, and to delegations, was that if it is proven that a health hazard exists then

MR. RIDEOUT:

we will do it, a special grant will be asked for before Cabinet. If I do not get it, I will resign. It will be number one priority and work will begin and paving will be done this year. That has appeared dozens of times across this Province. Now it appears that the government is backing off and that they are trying to get funds from Ottawa. Well, Mr. Chairman, I am all for getting funds from Ottawa. If we can get ninety dollars of every hundred that is to be spent on it from Ottawa that is fine. But I say to the minister that upgrading and paving of roads in this Province is not the responsibility of Ottawa. It is the responsibility of this Province. If we can get some help from them, then by all means I am all in favour of that and I will support the minister in any way I can. But that does not mean that simply because we are locked into a two year DREE agreement which has one more year to go that we are going to wait for another year before we start attacking that health problem on the Baie Verte Peninsula.

It seems I have already mentioned the commitment, Mr. Speaker, of special funds and a special grant authorized by Cabinet to upgrade and pave those roads and the previous minister told me himself that he had the backing of Cabinet and money would be spent this year. Mr. Speaker, I am absolutely amazed to find that no tenders are called yet although I have seen tenders appear in the paper every other day for upgrading and paving in all parts of the Province. I am absolutely amazed to have been told only one day last week that the minister has gone to his Cabinet colleagues and asked for an allocation of only \$300,000 for work on the Baie Verte Peninsula. I am absolutely amazed to hear those kinds of stories when the minister's predecessor has led us to believe

MR. RIDEOUT:

beyond any doubt and even, Mr. Speaker, to add fuel to the fire, even when a number of roads and bridges and so on were washed out in this Province last year the minister was called by the media and said, is this going to affect work on the Baie Verte Peninsula next year and he said, no the Baie Verte Peninsula is number one priority. Major work will go on there this year and a major number of dollars will be spent there.

AN HON. MEMBER: Who said that?

MR. RIDEOUT: The minister's predecessor, the present Minister of Tourism (Mr. Morgan).

Now, Mr. Speaker, we want to know where we stand. We want to know if we are still the number one priority. We think we ought to be because of the health hazard that is there. There should not be one inch touched anywhere else in the Province until that area is taken care of. You know you have to do so much at a time. I am not saying you cannot do anything anywhere else. But that ought to be the number one priority. There should be nothing else touched until that is established as the number one priority. And I do not want any weaseling out and attempting to blame it on the federal government.

Also if that is all the minister can offer us where a health hazard exists, where men and women and children are subject to it, if the minister is only going to offer us \$300,000, Mr. Speaker, then I would suggest that his colleague, the Minister of Tourism who told us it was going to be substantially more than that ought to honour his commitment and resign from the Cabinet.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Minister of Transportation.

MR. DOODY: Mr. Speaker, I am faced with a dual responsibility here. One of them, obviously the most important, is to see that the health problem as is affected by the road condition in Baie Verte has to be attended to. Also I have to make sure that my hon. friend from Bonavista South (Mr. Morgan) is not forced to resign. I will apply myself to the road problem in Baie Verte first.

AN HON. MEMBER: The important problem first.

MR. DOODY: I did not say - do not attribute these sort of unparliamentary suggestions to me. I have made the commitment on behalf of the government. I have no idea, first of all, what the hon. Minister of Tourism has said only to the extent that he has made a statement that he estimated the cost of the project to be in the vicinity of \$5 million. I think that that is, and excuse the expression, a very conservative estimate for the work that has to be done.

I have made it quite clear to the hon. member that this government fully recognizes its responsibilities in this area. The paving and upgrading of roads in the Province are undoubtedly the responsibility of the Province and I do not think that we have ever tried to deny that. We have from time to time been very grateful for help from Ottawa on major road construction programmes and projects. And I sincerely hope that we will be successful in persuading Ottawa to help us on with the road programme in the Baie Verte Peninsula. There are two roads there that are particularly important that have to be done. And I use that word deliberately, that have to be done, the Seal Cove Road and The Fleur de Lys

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MR. DOODY:

itself, the extension of the Baie Verte Peninsula Highway to Fleur de Lys. It would appear to me that if we do not get

Mr. Doody:

some response, some positive response very quickly from the Government of Canada, as I indicated this afternoon during Question Period, Your Honour, then the Province will have to proceed with the calling of tenders, first for the Seal Cove Road, because that appears to me in considered judgment that the possibilities of getting some DREE assistance on that road are somewhat less than they will be or would be on the Fleur de Lys extension or the Baie Verte Peninsula extension. It seems that is the most logical and forceful argument can be made for the other road. And so I would suggest concentrate our forces first on the Seal Cove area, and if nothing is forthcoming from Ottawa on the other road then we will have to accept the responsibility and get on with that as well.

I do not know where the hon. member gets his information about my request of \$300,000 for road work.

MR. SIMMONS: It was only \$150,000, was it?

MR. DOODY: From the -

MR. MURPHY: It was lopsided, you know.

MR. DOODY: From my colleagues in Cabinet for the work on the Baie Verte Peninsula, road work, network. That is certainly not the amount of money nor is it anywhere close to the amount of money that has been requested.

SOME HON. MEMBERS: Oh, oh!

MR. DOODY: So the figure is not accurate at all. The hon. member is going to have to get another source.

SOME HON. MEMBERS: Oh, oh!

MR. DOODY: Now will you remember that I did not say in which direction it was off, but I can assure the hon. member -

MR. RIDEOUT: It is not even close so I do not -

MR. DOODY: I guess not even close. That is right.

So the hon. member will just have to get another source, his reliable source is not reliable.

MR. RIDEOUT: (Inaudible).

MR. DOODY: It is unfair and unreasonable to suggest that this government or perhaps anybody in the Province is not concerned about the men and women and children of the area. We have accepted the Selikoff report. It has been demonstrated that the dust hazard caused by the traffic is certainly contributing to the health problem in the area. And we will do what we can as quickly as we can to alleviate that. The hon. member is aware as I am that it is not all going to be done in one year, and while work is going on we are going to have a problem with dust obviously, when they get into the upgrading and reconditioning of the roads in preparation for paving, then that in itself is going to increase the dust levels in the area.

And so with that in mind we had every intention of getting a liquid calcium programme going at the same time to try to keep that under control as much as we can. And I think that is a commitment that the government is not slipping away from. It is a commitment that the government has made, this government has made. Like the hon. member we would welcome any assistance that we can get from Ottawa. If we cannot get the assistance then we will have to do it ourselves. Obviously it will be much more difficult, but we have every intention of doing it. And as soon as we can get the programme started we will Your Honour.

SOME HON. MEMBER: Hear, hear!

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

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

MR. W. ROWE: I would like to move the adjournment. I rise, Sir, to make a very brief personal explanation,

MR. SPEAKER: All right.

MR. W. ROWE: - regarding something which the hon. Minister of Justice said in his few remarks, At the time I treated it as a bit of a joke but I realize that in my presence it might stand on the record. He mentioned that at a Leadership Convention sometime ago I got up and said that there should not be any disclosure of funds, and public disclosure

Mr. W. Rowe: of funds by parties and this sort of a thing. That is half truth at best. The situation was that I got up and said that the Liberal Party unilaterally itself should not pass a resolution whereby we disclosed our funds as a party. And then I went on to say, if the hon. member will recall, both at that particular occasion and publicly over the television, that if it was going to be done it had to be done by law for all parties in order for everybody to be in the same boat and be treated equally. And that we would be putting ourselves in a stupid, untenable position if we did it and the other parties did not.

SOME HON. MEMBERS: Oh, oh!

MR. W. ROWE: Now that was a point, Sir, of what I said there at that particular time, and for the record I want to make that because the hon. House Leader, Sir, has a tendency to tell sometimes not the whole truth, although he does not deliberately -

MR. HICKMAN: To that point of order, Mr. Speaker.

MR. W. ROWE: - do so.

MR. HICKMAN: To that point of order.

MR. SPEAKER: Order, please!

MR. HICKMAN: I told the truth accurately, precisely as I heard it. And I will say for the record that this was a resolution asking that the Liberal Party adopted as its platform, not the Legislature, the Liberal Party platform would be that there should be legislation introduced into this Legislature to -

MR. W. ROWE: Wrong.

MR. HICKMAN: Oh, yes. I remember it.

MR. W. ROWE: Wrong.

MR. SPEAKER: Order, please!

MR. HICKMAN: The hon. gentleman was one of the ones that went down to defeat.

MR. SPEAKER: Order, please.

MR. HICKMAN: Remember?

MR. SPEAKER: Order, please!

MR. W. ROWE: I remember.

MR. SPEAKER: It appears to be a difference of opinion between the two hon. gentlemen. And since I was not there I cannot elucidate.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: The motion before the Chair is that this House now adjourn. Is the House ready for the question? Those in favour "Aye"? Contrary "Nay".

SOME HON. MEMBERS: "Nay".

MR. SPEAKER: In my opinion the "Nays" have it. I will leave the Chair until 8:00 o'clock this evening.

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HOUSE OF ASSEMBLY
FOR THE PERIOD:
8:00 p.m. - 11:00 p.m.
THURSDAY, MAY 4, 1978

The House resumed at 8:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

The hon. Minister of Labour and Manpower.

MR. ROUSSEAU: Mr. Speaker -

AN HON. MEMBER: Is the hon. minister closing the debate?

MR. ROUSSEAU: No, I do not close the debate.

MR. DOODY: No, the hon. Minister of Justice will.

MR. ROUSSEAU: No, I am not closing it because of a gross mistake by our House Leader. And as a matter of fact, I noticed -

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

MR. LUSH: Are you going to answer my question?

MR. ROUSSEAU: I did not even know you asked any. Which one did you ask?

MR. LUSH: Mr. Speaker, I thank the minister for yielding. The question that I asked in relationship to this particular bill was how many prosecutions went down the drain as a result of having to pass this bill? In other words the real question was why was this particular bill necessary? And then the minister went on to talking about there were eight zones, I believe, and I asked the minister if he would name the zones and the industries involved.

MR. SPEAKER: The hon. Minister of Labour and Manpower.

MR. ROUSSEAU: Like I say, it is unfortunate. Because of the gross mistake by our House Leader, I cannot speak again. I notice there are two hon. members over there who want to speak. The Minister of Justice, who closes the debate, says he will answer them if I will tell him. I have not made up my mind yet whether I will give him the answers.

But anyway, as I said today up to this present time there have been sixty-one employers affecting approximately 250 employees. Investigations have been carried out, and a total of \$55,165.33 has been recovered in unpaid wages since the schedule has been in effect, because once a schedule is approved and in effect it must be posted everywhere in the area. Now normally what happens

Mr. Rousseau: is in an investigation if there is a violation of the schedule then it will be brought to court and normally the incidence I guess is ninety-nine out of one hundred that are won. If the alleged violation is not there after the investigation, of course, the case is not brought any further.

There are right now in the Province, Mr. Speaker -

MR. DOODY: Excuse me. We are having a brief discussion here about some problems.

MR. ROUSSEAU: The current schedule is: the construction-carpentry industry for Gander, the 16th. of January 1978; the construction-carpentry for Grand Falls, Windsor, Badger and Bishop's Falls areas, the 24th. of October 1977; electrical construction, St. John's the 6th. of March 1973; painting and decorating for the Avalon Peninsula area, the 24th. of October 1977; the plumbing, hydronic, commercial and domestic heating for the Corner Brook area, 6th. of March 1973; sheet metal for the Corner Brook area, the 6th. of March 1973; sheet metal for the St. John's area, 7th. of March 1975; and the plumbing, hydronic, commercial and domestic heating for the St. John's area, 18th. of June 1970.

What government is doing now, Mr. Speaker, we have had a number of requests on this, and government is presently looking at the question of industrial standards because really what it is is a minimum wage for tradesmen. Really the cause for this type of concept is that you do away with fly-by-night outfits in an area who will go in and pay different wages. But also once a schedule is put into effect by the Lieutenant Governor-in-Council on the advice of the minister, after a conference of the majority of employers and employees in the area then everybody has to be paid those rates, union and non-unionized personnel.

MR. ROUSSEAU: So that is the reason for it. I think that pretty well answers all the questions and like I say if I feel kindly towards my colleague, the Minister of Justice, I may give him the answers to some of the questions he is going to have to answer to close the debate. I do not know but I will think about that between now and any questions that arise.

MR. SPEAKER: The hon. member.

MR. LUSH: The minister probably missed the first question and that is the exact reason for extending it from one to two years and all that. The question I asked was how many prosecutions were nullified - as a preamble, how many prosecutions were nullified as a result of the one year basis? Obviously the minister ran into some problems.

MR. ROUSSEAU: I do not have the number for that but obviously there would be a substantial amount because, remember, these same people also have to govern all the minimum wage laws. If a company moves into an area and then finishes the job and moves out of an area, you have to chase them around and they might not be easy to come by and it might be difficult to get the records of that for a while and so on and so forth. So really the reason for two years is to insure that no injustices or violations occur that we cannot grapple with because the time limit is there. Now there may be a number in both, in the minimum wage area as well as the industrial standards area, and we want to insure that every employee in this Province who alleges a violation against the industrial standards act will have the opportunity to have that case rectified, which we are empowered to do by the courts, and the proper amount of wages or vacation pay or other fringe benefits that were not being paid would be paid. So obviously then the people in the department feel that in one year some of the cases have gone down the drain enough, I would assume, to warrant the requested amendment that I am asking for that it be two years instead of one. What the number is I do not know but it must be substantial enough for them to insure that they do not want to leave anybody who alleges a violation to have the statute of limitations run out and not be able to have his case prosecuted.

MR. SPEAKER: Hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I was beginning to wonder there for awhile if we were into Committee of the Whole, Sir, the way the discussion

MR. NEARY: was taking place and I do not know if we are establishing a dangerous precedent or not, Sir.

Mr. Speaker, I was following there very closely what the hon. gentleman had to say and I was rather disappointed to hear that the hon. gentleman could not answer my colleague, could not tell my hon. colleague why it was necessary to add on another year. Now mind you, I do not disapprove of it because sometimes it takes the department two years to carry out an investigation. One of the big complaints that I get, Sir, from people who feel that they have been done an injustice by an employer—whether it be under the minimum wage act, termination of employment or hours of work or what have you—is the fact that it takes so long to get the minister's department on the ball, to get the investigation carried out. It goes on for months and months. I had a case of a couple of women who were in to see me recently and I forget the period of time, but I believe it has been going on now for six or seven months and the thing has not been brought to a head. Is there any backlog in the minister's department? Why does it take so long? How are the staff directed over there? Do they have specific jobs to do or are they just jacks of all trades? Do they do everything?

MR. ROUSSEAU: No, no. We have labour standards officers, minimum wage, labour standards -

MR. NEARY: But how many labour standards officers are there? How many does the minister have?

MR. ROUSSEAU: Three.

MR. NEARY: Can three do the job?

MR. ROUSSEAU: Three prosecutors. The rest of them are investigating officers.

MR. NEARY: What is the total?

MR. ROUSSEAU: Nine or ten.

MR. NEARY: Nine or ten altogether. How many in the field? How many actually go out in the field?

MR. ROUSSEAU: We use conciliation officers.

MR. NEARY: There is the trouble, Sir; They use them for everything. They use them for conciliation officers, they use them for investigating

MR. NEARY: officers, prosecuting officers. They have to do an awful lot of travelling around the Province. They are tied up probably for months on conciliation in some cases and so therefore it looks to me like they are unable to cope with the situation. Maybe it is because the minister does not have any staff. If that is the problem perhaps the minister can tell us. It is a real problem, Mr. Speaker, that people have a very difficult time in bringing matters to a head. The hon. Minister of Justice - I do not know if the hon. gentleman is aware of that. Who is piloting the bill through the House? Is it the Minister of Manpower or the Minister of Justice?

MR. W. ROWE: Both.

MR. NEARY: Both. Well perhaps the Minister of Justice, who is a walking encyclopedia, I am sure, on this matter could straighten me out on whether or not there are any delays

MR. S. NEARY: in getting these cases investigated. How long it takes to do the average case, get the matter settled up? How many go into court? How many are settled voluntarily and so forth and so on? We would like to have a little bit of information on this matter, Sir, because I have had a number of people come to see me in the last -

MR. J. ROUSSEAU: 61 employees in service (inaudible). (Inaudible) employees \$65,000 but remember this is the industrial standard not the minimum wage.

MR. S. NEARY: No, I know. Industrial Standards. But they are jack of all - the people who enforce the Industrial Standards Act also act as conciliation officers, enforce the Minimum Wage Act - I mean they, are jack of all trades, they are all the same people. And there are unnecessary delays in people who lay complaints and therefore people are discouraged, Sir, from laying complaints with the minister's staff. So perhaps the Minister of Justice when he is closing the debate can tell us what action if any the minister contemplates to remedy this situation.

MR. T. RIDEOUT: Mr. Speaker.

MR. SPEAKER: The hon. member for Baie Verte - White Bay.

MR. T. RIDEOUT: Mr. Speaker, I just have a couple of questions that I want to pose in this particular bill and I would hope the minister could answer them before he closes the debate. We dealt with a piece of legislation here this evening before coming on to Bill 8 in which I pointed out that the time limit for prosecutions and whatnot, or any other actions taken under that particular clause, as far as the clause went in the bill, Mr. Speaker, was unlimited. Totally unlimited! There was no limit whatsoever placed in the clause, as I pointed out in debate at that time, about any transaction carried on before during or after a sale. Now we have here a piece of legislation that asks to increase the maximum time from one year to two years. Now I am a little bit concerned, Mr. Speaker, about, really I suppose you could call it consistency of legislation or equality of legislation. I want the minister to tell me why this piece of legislation is any different than the piece we dealt with an hour or two ago? Why is it that you have to have a clause in this particular piece of legislation saying you only have one year,

MR. T. RIDEOUT: as it stood before, in which you can sue a company with regards to the Industrial Standard's Act, or when we amend it now you will have two years to do it. Well, why do we have to have that there and not in another piece of legislation dealing with, not the Industrial Standard's Act, I grant, but essentially the same thing: The right of an individual to sue a company or some other individual that is practicing under the Unconscionable Trades Act. So it may be a minor point, Mr. Speaker, but this Industrial Standard's Act I think is an important piece of legislation. The minister has seen fit to increase from one year to two years and I would just like to know why the inconsistency and the inequality in legislation. Cannot there not be some consistency to protect the worker in this case as there was to protect the consumer in the case that we just dealt with?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. minister speaks now he closes the debate. Hon. minister.

MR. HICKMAN: If I may deal with the matter raised by the hon. member for LaPoile (Mr. Neary), I repeat the information that had been given by the hon. the Minister of Labour and Manpower that there are ten employed in his department who are involved in the enforcement of this act. Mr. Speaker, it is my understanding, and I am speaking somewhat from recollection in this regard, that most of the labour acts contain a two year clause. Now any act that does not have a provision in it as to the time in which a prosecution shall be taken, the Summary Jurisdiction Act prevails; you know, there is no such thing as unlimited time.

AN HON. MEMBER: What about the Statute of Limitations?

MR. HICKMAN: No, no. The Statute of Limitations applies to civil cases and in most instances is six years. The Summary Jurisdiction Act is an act which provides - sort of the penalty provisions and the enforcement provisions of any provincial legislation that does not carry the necessary enforcement sections, and under that act the time is one year. So unless you put in your own time then the Summary Jurisdiction Act prevails. This is designed to aid in the enforcement - not to impede - to aid in the enforcement of the act so that if because of difficulty in investigating a complaint - it may be from some

MR. HICKMAN: part of the Province where they are a while coming in or before the complaint is made - that you do not suddenly find yourself thrown out of court because you did not have a chance to complete the investigation within the prescribed times. So two years is a very satisfactory date for the enforcement provisions of labour legislation.

I move second reading.

MR. YOUNG: I would like to ask the minister a question. You may recall there last year there was a serious industrial accident which claimed the lives of two workers from my district, and it took quite a while for the investigation. The family were not satisfied with the settlement to a point, you know, they thought it was very, very low. So they went to a very prominent lawyer and the lawyer advised them that because it was over a year that they could not sue the company, or could not get any more compensation, only what was awarded to them by the Workmen's Compensation Board.

MR. MURPHY: That was on Jensen Camp Road.

MR. HICKMAN: Yes. Yes. Mr. Speaker, whilst the question from the hon. member for Harbour Grace (Mr. Young) is not related to this particular legislation, under the provisions of the Workmen's Compensation Act there are appeal provisions. I would suggest that it was not the year that was the critical time limit in that, it was that the time for appeal must have expired. Because a few years ago there was legislation, and I believe we are still the only Province with that provision in our Workmen's Compensation law, which allows -

MR. RIDEOUT: Why is the minister nitpicking this through?

MR. HICKMAN: Because at the time the bills came up the hon. gentleman from Menihek (Mr. Rousseau), like the hon. gentleman for LaFolle (Mr. Mesry), were both outside the confines of this room.

MR. NEARY: I was doing some research.

MR. ROUSSEAU: He called the wrong bill.

MR. HICKMAN: I am being harrassed already! Look, before the hon. gentleman came in I have been beaten black and blue by my

MR. HICKMAN: colleagues, by everyone else, because I called the wrong bill and now I am penalized by having to pilot it through and I will never do it again. I apologize, Mr. Speaker. But in any event the appeal -

AN HON. MEMBER: Such a large bill.

MR. HICKMAN: That is right, such a large bill that we thought it was going through without debate anyway. The appeal provisions of the Workmen's Compensation Act, I suspect, were not availed of because there is a provision to appeal the decision of the Workmen's Compensation Board on matters of law or matters of mixed fact and law. If it is a fatal injury outside of the Workmen's Compensation Act then Lord Campbell's Act applies and there there is a one year limitation.

I move second reading.

On motion, a bill, "An Act To Amend The Industrial Standards Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 8).

MR. HICKMAN: Order 8, Bill No. 5.

Motion, second reading of a bill, "An Act To Authorize An Impost Upon Certain Mineral Holdings In The Province." (No. 5).

MR. SPEAKER: Before recognizing the hon. minister, I would like to welcome to the gallery on behalf of hon. members the Chairman of the Community Council of Traytown, Mr. Walter LeDrew, and also Mr. Allan Freeman, councillor from the community of Terra Nova.

SOME HON. MEMBERS: Hear, hear!

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

MR. PECKFORD: Mr. Speaker, it gives me great pleasure to be able to introduce Bill 5, "An Act To Authorize An Impost Upon Certain Mineral Holdings In The Province." It marks another chapter in the ongoing story of this administration's desire, not only desire but tangible efforts to bring about a change in policy as it relates to resource management in the Province, especially as it relates to minerals.

MR. PECKFORD: We have already, Mr. Speaker, as hon. members know, brought in major changes in the way of the Mineral Act to levy additional taxes that were considered necessary on various mining companies in the Province who were making a fair amount of money from our resources. And this bill here, in principle, is an attempt to put some pressure on those companies that have large tracts of land, have the mineral rights to large tracts of land in the Province under concession or fee simple grant and who in our view are not spending

Mr. Peckford: sufficient amounts of exploration dollars on that land, and hence we intend by this Act to levy a tax upon those lands, those large tracts of lands that are going to be held for a long period of time and concession lands, as I said, fee simple grant lands, on a gradually escalating basis over the next five years to try to get companies who have this land under mineral right to either spend the additional money, which they can charge against the tax, or relinquish some of their lands to have some other company have an opportunity, which would then come under the new Mineral Act, to go in and do some exploration. So the whole aim, purpose and objective behind the legislation is to stimulate additional exploration on concession lands, "concession" in a sense that it applies not just to concession in the literal sense but also to other lands that have like kinds of agreements on them.

The preamble, Mr. Speaker, pretty clearly and succinctly points out the objective I just tried to say. "Whereas heretofore some large tracts of minerals were conveyed in grants of land in fee simple made by the Crown to encourage development in the area that now constitutes the Province of Newfoundland, and on other occasions, from time to time, estates, titles, rights and interests in minerals, or to obtain minerals, within large tracts were created by the Crown for like purposes, by agreements, concessions, leases, permits and other instruments authorizing the acquisition of minerals or mineral rights; and Whereas the aforesaid estates, titles, rights and interests were authorized by special or general Acts or approved, ratified or confirmed by such Acts; and Whereas the amount of mineral exploration work that is being presently invested by the owners in these large tracts of land is considered to be less than that required in the public interest of the Province. Now Therefore Be it enacted" this new bill to try and stimulate through this measure to increase the exploration effort.

So what is really important here is not necessarily how much the various large companies are going to pay, say, starting in 1979 and going on for five years thereafter, as it is

Mr. Peckford: to stimulate. In other words, the intent of the bill is not to get more revenue for the government albeit that will be one of the incidental, fortunate things that will happen because of the bill. But the whole intent is to get the companies to spend additional money which they can charge off against the taxes and then reduce them and eliminate them.

The larger companies involved, Mr. Speaker, will be Brinex or Brinco, which has large tracts of land; MALCO, Price (Nfld.), which on the Island has perhaps the most interesting mineral acreage that is under concession, Reid Newfoundland and Labrador Mining and Exploration Company Limited. These are the major companies. And then there are somewhere are 170 to 200 fee simple grants that various individuals had. But the amount of taxes they have to pay, as I will point out later, is not very great even in total and it will not injuriously affect individual land owners, if you will, who have fee simple grants and mineral rights to it; it will not injuriously affect them in any way.

The various amounts that I have calculated here, the department has calculated here, the companies will have to pay assumes that they hold on to all of the acreage that they now have, one; and two, assume that they spend zero dollars on all that land, because otherwise it would seem to be somewhat out of whack. For example, Brinex has one concession group which comprises 4.1 million acres, and another concession group which comprises 11.7 million acres, and a smaller mining lease which comprises 1,000 acres, giving a

MR. PECKFORD: total of 15.8 million acres, Brinex, for example, in the Province. If they did not spend any money in 1979 on exploration activity on any of these lands, or did not relinquish any of those lands, the amount of tax under this Act due to the Government of Newfoundland would be \$4 million.

MR. STRACHAN: Payable by whom?

MR. PECKFORD: That is Brinex.

MR. STRACHAN: Brinex.

MR. PECKFORD: Right. But as most people realize for example, Brinex, just in their uranium exploration in Labrador each year over the last number of years have spent \$2 million each year just on that one area alone. And they continue to spend a fair amount on even acreage that they have on the Island. So in the Brinex case it would be doubtful whether they would be paying very much if any next year. I am not sure exactly how much they would, because I am not sure of their budget for, say, 1979 obviously, because we are only in 1978 and I only know what their budget is going to be for 1978 although I do not have that specific amount here right now. In any case they may have to pay some. Then it escalates, starts to go up rather drastically over the five year period so that theoretically, Brinex, if it held on to all its lands and did not want to give up one inch and did absolutely zero exploration, in the fifth year in the escalation which would be the maximum year, they would be paying \$18 million tax on that land. That would be crazy because everybody, and Brinex themselves realize that as they have every year since they had the land and spend a fair amount of money on it, and they will give up acreage.

Under the new Mineral Act it is happening all the time now, to Noranda, for example, which is a very active mining company in our Province. They are picking up and dropping, you know, they only keep it for a year or so - do their seismic work and -

MR. STRACHAN: Brinex behaves fine.

MR. PECKFORD: Yes, Brinex have been extremely cooperative, and have lived up to all the terms of those concession agreements and have spent way over what they were supposed to under that concession agreement.

MR. PECKFORD: Like every five years they had to spend so much money. I will get into some of the details later perhaps in Committee if hon. members would like me to on that. But they had to spend a minimum of \$1.2 million every five years under one of their concession agreements, the first one, and they have spent three or four times that.

MR. STRACHAN: Would the minister indicate which are the major ones not fulfilling their responsibilities?

MR. PECKFORD: Well, they have all lived up to the various agreements, because the agreements were very reasonable. But Reid Newfoundland on their fee simples had no agreement for having to spend any money as it related to minerals. It was exempted, which is very interesting. The NALCO ground, 7.2 million acres - in 1979 it would mean \$1.8 million if they did not spend anything and they did not give up any land. Price (Nfld.) have 1.5 million acres and that would be \$380,000 in 1979. You see how crazy this is.

Price, this year, for example, is spending \$1 million in the Buchans area. But then it escalates. It will force them as you go along.

MR. FLIGHT: How much is that for Price?

MR. PECKFORD: Three hundred and eighty thousand dollars in 1979; \$1.1 million, 1980; \$1.9 million, 1981; 1982, \$2.2 million. And as the bill indicates, on Section 8, Sub-Section 1, (a), (b), (c), (d) and (e) will give you the amounts per hectare on page seven of the Act, which we can get into in Committee. Anyway, I hope that gives some idea. Now to just indicate what I am saying, I have picked Brinex and I have picked Price (Nfld.) because Brinex has fifteen million acres and Price has 1.5 million; one is substantially in Labrador, the other is substantially on the Island. You see the difference in acreages because of the different sizes in the land mass, if for no other reason; then you can narrow it down to other reasons. Then perhaps let us get to even smaller people who would have to pay-or how much they would have to pay to give you some whole idea of it. Advocate Mines, for example, have 22,000 acres and they would have to pay in 1979, \$5,000. And it goes up to \$28,000, \$32,000.

MR. PECKFORD: So in other words the whole thing is designed at those large tracts of land that companies have to try to get them to either relinquish some acreage - it is the same principle as we have in the oil and gas regulations really, the same kind of principle, relinquish or pay or explore, the same idea. It just depends on what formula you use and what you think the companies can take and will still keep them here doing exploration and yet giving up some or spending a bit more because you put this into effect.

AN HON. MEMBER: Have you the Iron Ore Company of Canada there?

MR. PECKFORD: No, I have not. 14,000-acres \$3,000 in 1979.

AN HON. MEMBER: How much?

MR. PECKFORD: \$3,000-14,000 acres. Because LM and E are involved here to a large degree as the hon. Leader of the Opposition perhaps knows better than anybody else on the other side.

Let us see if I can - Flintcote of Canada Limited on the West coast have 22,000 acres - \$5,000. It goes up to a maximum of \$31,000. The New York, Newfoundland and London Telegraph Company, fee simple grants, 62,000 acres, levels \$15,000 next year. To give you sort of evidence to prove what I had indicated earlier about the small fee simple grants owned by individuals and groups of individuals and that it would not injuriously effect them, of the 200 fee simple grants to various people, only a few of whose owners are known now - there are a lot of them that are just going to revert to the Crown under the Undeveloped Mineral's Act; in any case, a lot of them have already; we have picked up forty or fifty I think fee simple grants - the total for all the 200 is 16,000 acres which would mean \$4,000 in 1979. So it is of no great consequence and then they are spread among a whole bunch of owners, many of whom we cannot find in any case. So as we go looking and searching these out now under this act, of course, we will get them coming back to the Crown under that other act, the Undeveloped Mineral's Act. And when there is no know owner alive well then it will just revert back to the Crown under that legislation. I think this gives some idea as there is not much else to the act except the various definitions that are there and the accessors that will be appointed to carry it out and that kind of thing. The act is fairly simple as I read it and as most new acts

MR. PECKFORD: are which have just one kernel of motive in it in any case and that is to bring in a tax on these mineral areas. I do not think there is anything else at this point in time, Mr. Speaker, that I would need to say on it but if there is additional detail that hon. members will need I will give it perhaps in Committee which would be the best time. I think the idea here is to discuss the principle of the bill and that is outlined in the preamble as I tried to demonstrate with some specifics as I went through. I move second reading.

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

MR. STRACHAN: Mr. Speaker, this bill as introduced by the minister and as he indicated in his preamble is one of the first bills to tackle resource management within the Province and the holding of mineral acreages. I think it would be foolish, futile, negative to attack the principle of this bill. There is no question in my mind whatsoever that we on this side totally and wholeheartedly agree with the bill. In fact, our only complaint would be that had we been in power since 1972 we should possibly have brought it in in 1972. I agree wholeheartedly with the principle since one of the real problems with this Province, as with other provinces and other countries and so on, is that the old system of concessions happened to be the system at the time in force and now we see full well that a system of concessions neither encourages the companies to move on their acreages nor does it give any benefits to the Province or the country concerned. It is only by bringing in such a bill as this can we make companies who hold large acreages - I do not have my notes with me but I will bring them at committee stage. I made extensive notes last year on this bill at that time but I think it is something like, if I remember rightly, 85 per cent of the Province is owned by companies; in other words, only fifteen per cent is owned by the people as such, including Labrador as well. I know it is a very high figure anyway, an extremely high figure and

MR. STRACHAN: certainly more than half of the Province, including Labrador, is owned by companies who have the rights and title to the land or the deeds to the land.

There are a number of points the minister has raised here which I would like to address. The fee, for instance, and when we get to the Committee stage we can get into it, but I wonder at that particular point whether the fee which is charged against the acreages is sufficiently high enough in some development areas to encourage companies to do something with it. Obviously companies which own large acreages, such as Brinex, who would have to pay as we understand \$4 million, if they did nothing with all the acreages they own, obviously Brinex will obviously be encouraged, in fact encouraged by a boot in the rear, to move on it. I wonder however whether Iron Ore Company, who have only 14,000 acres and \$3,000 to pay, which is just a flea bite to them, the \$3,000, whether there is any real encouragement for them to move on some of the acreages they own or in various other situations like that. I just wonder whether there is a balance here, and whether also the fee which completes or seems to end here in 1981, whether there is consideration for escalation in the future and I suppose at that time of course we will probably bring in amendments to put the fee on from there. But I wonder whether there should be different scales for different kinds of holdings. Obviously if some company sits on 1,000 acres and is prepared therefore to pay \$500 or \$400 a year they can sit on that valuable acreage for a long, long time without being forced to develop it. So I wonder whether there is a rationale here, whether we could introduce into this bill something which would not allow some companies to hold smaller acreages, or various things like that, and not work them or not get moving on them. I think it is very important that that be explained and discussed.

I understand the minister, as he says in the

MR. STRACKAN: preamble there, is that the bill is not to gain revenue for the Province, the bill in essence is to encourage or move forceably possibly companies who are sitting on the acreages, and I also wonder therefore whether companies who have large acreages, such as Brinex, who may not spend \$4 million in any one particular year, whether they will be libel for the difference of what they do spend, let us say, for instance if they decide that the uranium market is so deflated or if there are conditions such as existed last year where the uranium supplied to Germany and to Europe is affected, that Brinex in this case here, when they have a slowdown, whether the balance, if they spend \$500,000 for instance, whether they have to pay the balance of \$3.5 million. I wonder what the situation is on these kind of situations.

I also wonder - let me see now in my notes - whether the minister has in this bill any method of establishing exactly how companies will state or establish the amount of revenue they have spent in any particular year. I am wondering whether companies, for instance, who have many subsidiaries or vertically integrated companies, or companies who spinoff, I wonder if there is some system for instance in which they will not spend that amount of money but can show that they have spent that amount of money and therefore can sit on holdings for a considerable period of time without having carried out that expenditure. I am wondering whether this is a possible loophole, I am thinking here, that may have to be looked at or regarded.

Another point I had noted is that many companies, such as Reid Newfoundland and various other companies, have old holdings, extremely old holdings, and this bill now will be imposed on many of these companies, I am wondering whether the minister could possibly explain whereas Reid Newfoundland has made overtures to government, and I think were asking in the first place \$37 million - the figure that sticks in my mind - initially they started off

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MR. STRACHAN: at \$37 million, and then it came down to something like \$6 million and I think it is now down to \$3 million or \$4 million or \$5 million, something in that range now. They have obviously come down a long way from where they first started off trying to sell back to this Province the rights that they hold, the historic rights that they have held since the 1920s I think, or 1919 or maybe earlier -

Mr. Strachan:

I do not have my notes in front of me, but as I recall-I wonder what the situation is with them that in essence they want to sell these and in essence they want to sell them back to the government. I wonder whether there is any consideration here given to them that this kind of bill here will obviously force them into some kind of situation, I would think anyway, and which obviously the large acreages that Reid Newfoundland hold it will be obvious to them that if they hold them for the next five years and try to negotiate with government that they may in the end have zero money for their holdings or be liable for taxes rather than negotiating with government to sell them for a large sum of money. I wonder whether the minister could explain on that situation with Reid Newfoundland. And I imagine there are other cases, too, but I am thinking particularly Reid Newfoundland is an example, exactly what the situation is as to whether there has been any negotiations or whether they would be clued up before this Mineral Impost Bill comes into being or whether there will be any kind of concessions or negotiations while they continue negotiating their sale price.

I particularly am not arguing for them, I would not like to see it myself, but I am just wondering exactly if there are any loopholes here and any agreements been made with government to allow them to continue down the line that way, whether they can hold off or whether there is any agreement until the date of sale, or whether they would be forced, if they can transfer their holdings or sell them to some other companies, split them up and so on, exactly what that situation is. Is the government going to recall these holdings or will they purchase back these holdings? Or would it be better for the government obviously to wait for a number of years and wish the government would not have to pay anything at all because, in effect, the tax is due Reid Newfoundland therefore would get nothing for their holdings as I understand it I think. I wonder exactly what that situation is, because they were asking for very large sums of money for parts of this Province, and were at that time attempting to negotiate with government for a sale for very large sums of money.

Mr. Strachan: I think basically that is it, as I have it at the moment. I certainly would be very interested in the clause by clause discussion in Committee to get into it further and discuss it. I think it is a fundamentally important bill and a bill that needs a fair amount of explanation. It is a bill which is designed in exactly the same system as the oil and gas regulations. I personally have feelings of going even further than this bill in as much as I have always believed that non-renewable resources should belong to the Province and in fact are owned that way, but I will leave that out for the moment, and possibly discuss these when we get to clause by clause.

But I wonder if the minister in closing off could indicate some of the points about the principle of the bill that I am arguing at the moment, and explain some of these. And I look forward very much to the debate in the Committee stage.

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

MR. W. N. ROWE: I just want to have a very brief word to say on this, Mr. Speaker. As our spokesman on mines on this side of the House, the member for Eagle River (Mr. Strachan) said, we do welcome this kind of legislation. It is the type of legislation we should be having in the Province. We should have had it long ago. The hon. member mentioned 1972-1952 perhaps, or 1932. It is long overdue. It is tending in the direction of starting to treat our mineral resources as something owned by the people of this Province, the government of the Province and the people of the Province, for their benefit, and not something to be sort of bartered and trafficked with by every fly-by-night who might want to come into the Province; not that any of the people mentioned by the hon. minister is a fly-by-night artist by any means. But I have seen situations where people will explore and come up with something which looks a little tiny bit promising; the next thing - you know - you are asked as a lawyer to draft up deeds, the capital value of it has gone up purely on speculation; people are involved not in trying to develop it as a mineral resource and turn it into a mine, but purely in an effort to turn some moose pasture, as is the term in the trade, into something which may

Mr. W. N. Rowe: be valuable, give it a capital value based purely on speculative finds and so on, nobody really concerned about whether in fact something is going to be done with this non-renewable resource to benefit the people. And anything that gets rid of that kind of practice which forces people into the area of actually legitimately and in good faith exploring with a view to seeing

MR. W. ROWE: mines set up with a premium on the setting up of mining operations but a penalty in default of doing that legitimately, then we are all in favour of that kind of a situation and that is why we welcome this bill.

The legitimate question asked by my hon. colleague is, Have we gone far enough purely in terms of monetary return? And of course, that is a two-edged sword. Naturally we want the money. The hon. minister has quite correctly said he is trying to get people to explore and develop the mineral holdings, the mineral resource which may be in the ground in their holdings. That is one side of the coin. The other side of the coin is that if we can get taxes and revenue into the coffers of our Province from people who hold it - again they are holding it hoping it will turn into something - then that is to be welcomed as well. But is it enough? Is it enough that the Iron Ore Company of Canada - although they are in fact operating an iron ore mine - is it enough for them to pay \$3,000 or \$4,000 a year above and beyond their royalties and so on, and other taxes, in respect of the holdings which they are not developing or not spending money on? Because there may be - I do not know, the hon. minister may know - there may be traces or there may be indications of other minerals there which they may just want to sit on, saying to themselves, Well, we have an iron mine here now which is doing very well on the long haul at least even if it does have its fluctuations up and down because of market conditions, but over the long haul, is doing very well and the gold or the zinc or anything else which we may have there - I am not saying they do, of course - but which we may have there can wait; it is icing on the cake, cream on the pudding; we will just wait, bide our time until the market either goes up and looks good in respect of those other minerals, at which point we will then develop -

MR. STRACHAN: Copper and uranium.

MR. W. ROWE: Copper and uranium would be two excellent examples of that, Mr. Speaker. Is \$4,000 a year any kind of an incentive to that particular company to do anything on its holdings which are not presently developed, especially those which might show something, copper

MR. W. ROWE: or uranium, for example, beyond the iron ore which they have there? That is one question the minister might address himself to.

He might also tell us - and we will get into this in some detail in Committee as my colleague has mentioned - he might also indicate to us when he is winding up this debate how he arrived at the various amounts. How was that arrived at? Was there any negotiation between the government and the companies? Is it based on what obtains in Ontario or Quebec or other mining provinces, Manitoba, Saskatchewan, Alberta, for example - British Columbia? What is the comparative situation there? What do they pay per hectare in similar situations? Was there any negotiation? Perhaps the minister might be able to tell us what his original views were. And was the government beaten down somewhat by the mining companies who might have threatened, for example, not to carry on with exploration? These are interesting questions which the minister might be able to divulge to the House without breaking any confidences. Certainly, I, for one, would be very interested in knowing the answer to them. How do we arrive at these figures, so much per year and then going up, increasing as time goes on? Is it arbitrary, pulled out of the air, or is it based on something? Is it based on something realistic or is it based on comparative figures elsewhere or what have you?

The other interesting comment made by my colleague from Eagle River (Mr. Strachan) was the possibility of perhaps a sliding scale. If a company like Brinex has fifteen million acres of moose pasture and they are going about in some kind of a reasonable fashion trying to explore that and develop as time goes on, then \$4 million per year or that amount less the amount actually spent on exploration and development may be a reasonable figure, but as the amount gets smaller - sort of the reverse of most sliding scales - but as the amount gets smaller and as the indications from data held by the department look better - and I realize that we are in the field of judgement and maybe there is a possibility of being arbitrary - but it seems to me that if there are indications in the department based on known data now that 3,000 acres in a particular area

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MR. W. ROWE: may yield productive results if
assiduously explored, then it seems to me that anyone who sits on
that particular 3,000 acres should be hosed into the ground unless
they do something about it - not \$4,000

MR. W.N. ROBE: or \$5,000 but \$1 million-move on it or get out, one or the other! My hon. colleague behind me is quoting a colloquialism to me which I will not repeat because it is not parliamentary but everyone knows what we are talking about. Do it or leave! Get off! Get out of it! Which of course, as I say, is a value judgement which has to be made by somebody in authority. Perhaps the minister might think in terms of setting up some kind of a commission of experts who can in fact make these judgements and say, "This particular piece of land here is 10,000 acres, it looks good. We do not know, there may be nothing there, but it looks good. anybody who wants to bid on this or anybody who wants a concession here" - and of course the whole concession system comes into doubt in any event, but whatever system you use, if you are going to bid on it or if you are going to use the concession system of outright grants "this looks good. We think that this is worth \$1 million a year, unless \$1 million a year is spent on the exploration here." Another place may look very poor. It may be, as I say, the pure and simple moose pasture but you never know. A million acres-go to it! It will cost you a half million dollars a year if you do not explore that in an assiduous and forthright fashion."

But these are all suggestions, I realize the minister is trying to do his best and that this is certainly an improvement over what obtained before. Let us not make any mistake on that, Mr. Speaker, it is an improvement. Whether it goes far enough, whether it is too arbitrary, whether we should not have more judgemental factors involved in this, these are all questions which I would like to hear the minister on.

And when we get into Committee we can go into some of the details, look at some of the - I would be very interested in looking at some of the holdings held by BRINEX and NALCO and the mining companies which are now in operation, what the indications are, what it looks like in the future on some of these holdings and so on and so forth. Maybe the minister has some information as to how speculation is going in the mining field these days. BRINEX, for example, has to my knowledge entered into deals with companies as joint ventures-not partnerships, joint venture arrangements -

MR. B. PECKFORD: Nolco just issued a release about two or three days ago, I do not if the Leader of the Opposition saw it yet, indicating their desire to amalgamate with two or three other companies.

MR. W.N. ROWE: Yes, that is right. Yes, I saw that. I have not had a chance to study it but I did see that.

MR. B. PECKFORD: It has to go to all the shareholders and boards of director so it will be October or November before, you know, if anything comes of it.

MR. W.N. ROWE: Yes, that is right. But I was involved in a deal as a lawyer, without divulging any confidences where BRINEX was involved, but they were not my client, and another company was involved, it was a joint venture, and some interesting things turned up in the field. And before I knew it - I was out of law by that time and somebody else was doing it - but before I knew it my client had it sold to somebody else at a considerable capital gain and they have moved in. I mean the whole thing struck me - it was interesting to watch -

AN HON. MEMBER: That is right!

MR. W.N. ROWE: - our land being used in the commodity futures market, you know, we are not gaining anything from it, the government is not getting anything from it. Capital gains going up and down, everybody going off the head, Mr. Speaker, if you will pardon the expression -

MR. S. NEARY: The stock market going wild.

MR. W.N. ROWE: - trying to get in on it, we getting very little out of it. Maybe we should get into the field of a capital gain tax on mineral rights. Maybe that is another field that we should get into which takes care of, to a limited extent, what we were talking about earlier about people exercising judgements over the value of land. I suggested a commission of experts, but perhaps the market itself can take care of that. What better indication of the value of a piece of mineral holdings than what other people are prepared to pay for it on a speculative basis and certainly we should get a piece of that action as a government and as a people, Mr. Speaker, we should get a nice hunk off the top of that, not on any production necessarily, not on any development, not on minerals

MR. W.N. ROWE: coming out of the ground - we should get that obviously, but I am going further than that -

MR. S. NEARY: Royalties.

MR. W.N. ROWE: Royalties and value added taxes all of these things. What I am talking about is something a little bit different; I am talking about us getting a piece of the action on the speculation which takes place on pieces of land which are not in useful production yet but which may be, but which people who are looking after their own interests and are motivated by the profit motive may believe has some value, a speculative value now and that is indicated by what people are prepared to pay for it, and the capital gain that takes place and we should get a tax on that. Now I would like to hear the minister on that particular subject as well because I believe that is an interesting and fruitful area of discussion and we may get some revenue there. But as I say, Sir, we welcome this, it is an improvement over what existed before, and hopefully we can go further in the future.

MR. SPEAKER: (MR. YOUNG): The hon. member for Windsor-Bichans.

MR. FLIGHT: Mr. Speaker, I have a few remarks to make on this subject and in the first instance let me say that I agree with both my hon. colleagues, the member for Eagle River (Mr. Strachan) and the Leader of the Opposition, in that obviously this is an improvement over what we have had and it would be negative to criticize it. But I am specifically interested- the Leader of the Opposition came very close to asking the question that I am interested in and it is- how long? For the dollars involved, I doubt very much if the minister ever intended that the taxes, the impost here would mean a great deal of revenue for the Province. I would like to think that it was meant to move the companies to have them explore the concession that they hold. And the Leader of the Opposition asked the question as to how long a company, one of the multinationals, Price, Iron Ore Company, the American Smelting Refining Company, that those kind of companies could sit on a piece of property and pay \$3,000 or \$4,000 a year when that company probably knows that down the road they have had indications that there are ore reserves there.

But more specifically, Mr. Speaker, what happens when a company such as Price (Nfld.) in their exploration programme discovers a deposit, and the Province knows it, discovers a deposit of, say, 1 million tons of known copper, lead, and zinc? Now, Mr. Speaker, as the minister knows Price (Nfld.) in the Buchans area as he referred to is sitting right now on two deposits, the Skidder and the Tulk deposit, each deposit in the vicinity of 1 million tons. The minister also knows that this is the worst time in thirty years that the markets have been for the international markets, world markets, in base metals. It has been the worst time it has been for thirty years -

AN HON. MEMBER: Especially copper.

MR. FLIGHT: - especially copper and therein lies one of the problems in the Buchans area and the Price operation in Buchans.

MR. FLIGHT: However, Mr. Speaker, I recall a few nights ago hearing a CBC report saying Daniel's Harbour last year discovered a million tons, yes, discovered through exploration, a million tons of deposit within the area of the operation. And that million tons had the effect of extending the life expectancy of that mine by one year and eight months.

MR. PECKFORD: Zinc, not copper.

MR. FLIGHT: Zinc. I realize it is zinc. But in the meantime the deposit I am talking about is a mixture, mostly copper, but lead and zinc also.

All right then, let us say it is copper. How long do we - Price (Nfld.) may have to pay \$4,000 or \$5,000 or whatever the figure, the minister can tell us the figure if he likes, to sit on those two deposits. Now we know the markets are bad. If Price (Nfld.) going to be in a position, why not say to the Board of Directors, Look, it is there. It will be good five years from now. Why bother to develop it any further or even to explore it any further? We know there are a million tons there, and we will come in and mine it when the price of copper goes back up to what it was in the 1960s. Is that the position we are going to get caught into? I would submit, Sir, on an known deposit either work it or pass it back, and come back to the government after when the price goes up and there may be some competition for it then.

So, Mr. Speaker, I think that is worthy of the minister addressing himself to. We do have, as I said it is not hearsay or it is not speculation, the two deposits now discovered in the Buchans area could have the effect of extending the life of that mine if worked by two or three years. ASARCO and Price (Nfld.) show no indication that they intend to develop it. The reason given is that the markets in based metals, and particularly copper, is bad and therefore it is not economical. Well the question is how long will Price (Nfld.) be prepared to sit on those two deposits before they are forced or before they are taxed heavily enough that they will pass them back or develop them?

Mr. Flight: And I would be interested if the minister would indicate that to me. I was very interested in the figures that he quoted there, Price (Nfld.) figures for development work in the Buchans area over the next three years. And I would assume the source is that Price has indicated to the minister that that is the number of dollars that they will be spending over the next three years. I would presume that, Sir.

MR. PECKFORD: No, no, no. That is not right. That is only the tax they will have to pay if they hold on to all of their land and do not spend any money on exploration.

MR. FLIGHT: And do not spend any money on exploration?

MR. PECKFORD: Right.

MR. FLIGHT: But they are, as the minister knows.

MR. PECKFORD: Exactly.

MR. FLIGHT: I would tell the minister this too, that Price (Nfld.) had given the impression when they became the majority shareholders in Buchans that they would have

MR. FLIGHT: as a massive exploration programme. Well, in the 1960s and early 1970s American Smelting and Refining Company was spending over \$500,000 a year in exploration.

MR. PECKFORD: Yes, but they were spending it out of profits whereas Price were spending it out of borrowings.

MR. FLIGHT: In 1978 Price will spend around \$300,000 on all their holdings.

MR. PECKFORD: Right.

MR. FLIGHT: So, Mr. Chairman, that is about all I have to add. It think it is a germane point and I think the minister should indicate what his government is prepared to do or how they intend to deal with a company that discovers through exploration an ore body and then gives the impression that they are going to sit on it until the market increases, particularly in a situation where the development of that particular ore body would have the effect of extending the life of a mine or a mining town by two or three years or whatever, depending on the size of the ore body.

MR. CHAIRMAN: (Mr. Young) The hon. the member for LaPoile.

MR. NEARY: Mr. Chairman, I, like the other speakers on this side of the House, Sir, support the principle of this bill. I do not think it will really hurt the multi-nationals very much, the amount of money that would be involved. They can still sit on the property because the tax is not really all that much. It is a step in the right direction, but as my hon. colleague, the Leader of the Opposition, has said, he has grave doubts whether it goes far enough or not.

Now there are two or three questions I would like to raise with the minister under this bill. I cannot see any other way to get the information that I would like to have, and I do not think it is covered under this bill, the situation that developed recently, for instance, between Brinex and Commodore Mining, and the hon. minister, I believe, got jammed in the middle of that one. And Mr. Lew Murphy was very critical of the government and of Brinex for sitting on a piece of property that they had no intention of developing.

MR. PECKFORD: That is wrong, but go ahead and I will -

MR. NEARY: That is wrong?

MR. PECKFORD: Yes.

MR. NEARY: Well, that -

MR. PECKFORD: That is what Mr. Murphy said, but that is not true. Brinex came down and they are spending a lot of money on that very property.

MR. NEARY: The statements that were made back and forth were very confusing.

MR. PECKFORD: I agree.

MR. NEARY: And I was trying to syphon out of it just exactly what it was that was happening. And I got the impression from Mr. Murphy's statement, and his criticism of the minister and of the government, that Brinex was just sitting on this property and Commodore Mining wanted to get hold of it, expand their own property so that they could do some exploration. It is a good opportunity now for the minister to set the record straight.

MR. PECKFORD: Yes, I am glad you brought it up.

MR. NEARY: And I have a couple of other things I want to bring up that the minister might be glad to straighten out for me too. What is happening now in connection with Julian Lake? That property was repossessed, I suppose you could say, a few years ago and I have since heard that the matter has gone to arbitration - or if there is going to be court work over it; I do not know if that is true or not. It is only just a rumour I picked up on the street, but perhaps the minister could tell us -

MR. PECKFORD: Where again?

MR. NEARY: On the street, coffee talk around Confederation Building. What is happening now concerning the Julian Lake property, which, as members know, is a very large deposit of iron ore near Wabush Lake? As a matter of fact, as members may recall, when Labrador City started up and then Wabush followed Labrador City the companies that merged to develop the Wabush property said they did not want the Julian Lake property. They would not take it. You could not even give it to them. And now, apparently, it is one of the few deposits of iron ore

MR. NEARY: left on this side of the Atlantic.
Well, what is going to happen to it? Has it reverted to the Crown?
Are the Japanese interested in it? As the hon. the Minister of
Municipal Affairs says, Are the Germans interested in it?

PREMIER MOORES: How about John Doyle?

MR. NEARY: Well, Mr. Doyle was interested in it,
but it was taken away from him. But now that the government has the
property back, what is the state of that property which is a very rich
deposit of iron ore? You cannot grow savoury on it, I do not think.
I do not think savoury would grow, Sir, in an iron ore deposit.

MR. MURPHY: If it could somebody would make a fortune on it.

MR. NEARY: And the hon. gentleman is not going to
develop it down in Sarasota.

MR. MURPHY: I said you grow lettuce on it.

MR. NEARY: That is right, and the hon. gentleman is going to retire in Sarasota, so the hon. gentleman may not be -

MR. MURPHY: Please God, at the earliest possible moment. Please God.

MR. NEARY: Yes. That is right. Dispose of the swimming pool up in Topsail Pond and -

MR. MURPHY: No. I am going to keep that for the summertime.

MR. NEARY: - retire in Sarasota. So the hon. gentleman may not be interested in this -

MR. MURPHY: I would be able to scourge the hon. member opposite if I can get him in the pool.

MR. CHAIRMAN: Order, please! I do have to point out that one hon. member has the floor at a time.

The hon. member for LaPoile.

MR. NEARY: So, Mr. Speaker, it will be interesting to hear what the hon. gentleman has to tell us now about Julianne Lake. You know, is there anybody interested in it? That is probably my main question, and if so perhaps the minister can indicate what is going to happen to that property. And over on Bell Island we have the Wabanex Company, the people who are interested in storing oil in the Bell Island mine. Is there anything new on that? Is that property going to be frozen for the next ten years?

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: You know, Mr. Speaker, I know I have to talk to the Chair, Sir, but I would like for the Minister of Justice just to restrain himself for a couple of minutes. I am trying to get a few questions.

MR. HICKMAN: Right, and I will answer them.

MR. NEARY: Right. What about Wabanex? I think the best thing for me to do, Sir, is to have a quorum call and then perhaps we will get the members back in their seats.

MR. CHAIRMAN: A quorum has been called.

Order, please! I would ask the Clerk
to count the House.

Order, please! I am informed a quorum
is present.

Just before the hon. member begins, I
want to bring to the attention of hon. members part of Standing Rule 4,
section (b) which states as follows, "A member need not remain in the
House after giving notice that a quorum is not present." I just
bring that to the attention of hon. members because I think the
question may have arisen there.

The hon. member for LaPoile.

MR. NEARY: So, Mr. Speaker, I welcome the hon. members back to the House. I know there is a very interesting hockey game on tonight, Sir, but I think the business of state comes first.

Now I was dealing with Wabanex, Sir, and I would like for the minister to tell us if the iron ore deposit there can be developed along with the oil storage facility, if and when Wabanex can find a customer to store oil on Bell Island. I understand that Dosco before they pulled out of Bell Island had proven 15 billion tons of iron ore and that ore is about, as hon. gentlemen are aware, about fifty-one per cent iron. So there is a fair amount of iron ore there that somebody in the foreseeable future may be interested in but will that be able to be developed or is that a part of the deal? Does the Wabanex Company have the mineral rights as well as the rights to store oil in that mine?

What about St. Lawrence? I do not believe we have ever got a clear-cut -

MR. PECKFORD: You have witnessed the deal.

MR. NEARY: I know I witnessed it, and I believe it is a ten year contract.

MR. DOODY: Did you not read it?

MR. NEARY: It was read that night on the stage, if the hon. gentleman will remember. But my problem is I am not sure whether they can store oil and mine iron ore at the same time, but I believe they can.

MR. DOODY: They can. Yes.

MR. NEARY: Yes, I believe they can but I just - The hon. gentleman has all of a sudden become an expert on Bell Island, Sir. He has made two visits over there since 1972, one in a helicopter and one last week and now the hon. gentleman is an expert on Bell Island. The first time the hon. gentleman went over he thought

MR. NEARY: you had to go up to CN to buy a ticket to go to Bell Island.

MR. DOODY: After the first visit you ran to LaPoile!

SOME HON. MEMBERS: Hear, hear!

MR. DOODY: You have not been back since.

MR. NEARY: Now, Mr. Speaker, what about the St. Lawrence rights that were given to Alcan? Does the Seibert company now have any mineral rights in St. Lawrence? And what about Alcan? Did the mineral rights revert back to the Crown when Alcan closed the mine last year? - or earlier this year. I do not believe we have had a clear cut statement from the minister on what has happened to the mineral rights in that area.

MR. HICKMAN: I knew he would want to talk about that.

MR. NEARY: The Minister of Justice, because I have raised it, and it is in the Minister of Justice's district, the minister wants to find out the answer himself. Well if the minister would just not distract the Minister of Mines for a minute I will put the question to him and the minister will get the answer for the first time. The hon. gentleman should have been interested enough to find out about his district before.

MR. HICKMAN: Siebert do not have any interests.

MR. NEARY: No, I know. I think they turned all their rights over to Alcan.

MR. HICKMAN: Fee simple rights.

MR. NEARY: That is right. And now has Alcan turned them back to the Crown? This is the question I am putting to the minister. And what about Brinex, Mr. Speaker? Brinex have pretty large holdings in this Province, both on the Island here and in Labrador and we were led to believe when we were the former administration that Brinex was sitting on the largest deposit of uranium in the world in Labrador. At least that is what we were told. I do not

MR. NEARY: know if it is correct or not. I do not know if they did any more -

AN HON. MEMBER: At Makkovik.

MR. NEARY: Not in behind Makkovik. I am not talking about that deposit at all, that is a different one altogether. The problem with the deposit of uranium that I am talking about in Labrador was that you could not get at it unless you built a road and then you would have to get a port where you could ship the uranium year-round. But uranium seems to be in great demand again throughout the world. And if we have the largest deposit of uranium in the world in Labrador then the minister might indicate what efforts are being made by Brinex to get this uranium out of there, apart from the development in behind Makkovik in Northern Labrador. And in LaPoile Bay, I understand there is quite a bit of activity going on with Brinex. I know there is a gold deposit near I believe it is Burnt Island Pond, it runs back about seventeen or eighteen miles from the highway, near Isle aux Morts. And, Mr. Speaker, I might say for the benefit of hon. members of the House that that is a very interesting gold strike, one of the most

MR. NEARY: interesting. And I did not get this from the hon. minister, I had not discussed it with the hon. minister. The hon. minister is very vague in giving the people of my district and the people in Western Newfoundland any information on this gold deposit even though the hon. gentleman was invited out to address a Tory party meeting where only enough people attended to fill up a telephone booth.

MR. PECKFORD: The place was blocked.

MR. NEARY: The place was blocked?

MR. PECKFORD: They had to get a couple of extra chairs for the telephone booth to hold the meeting.

But, Mr. Speaker, this is a very interesting deposit of gold and Rio Algam, which is a subsidiary of Rio Tinto, this year, Sir, are moving in -

MR. MURPHY: First cousin to the Lone Ranger.

MRS. McISAAC: You are Tonto.

MR. NEARY: The Sarasota Kid, what is he saying now?

SOME HON. MEMBERS: Hear, hear!

MR. MURPHY: I am very proud to say I paid all my own expenses. John C. did not even give me five cents.

AN HON. MEMBER: Do you want to raise a point of order?

MR. MURPHY: It is wonderful to pay your own way and feel free and untrammled (inaudible) pocket or anything. How do you feel about that now.

MR. NEARY: I think I will go out and have a few bingo games and maybe I can get a Summer residence and a swimming pool too - a few bingo games -

MR. MURPHY: You might as well.

MR. NEARY: That is right.

MR. MURPHY: Or in building supplies.

MR. NEARY: Or maybe I will get a few of my buddies to peddle a few insurance policies and get the government to pick up a few policies. I might do that, you know.

MR. MURPHY: You would be asnamed to raise your head.

MR. NEARY: And so, Mr. Speaker, the -
MR. MURPHY: That is typical! Go home and have
a gargle with Jeyes Fluid.
SOME HON. MEMBERS: Hear, hear!
MR. SPEAKER: (Dr. J. Collins) Order, please! I do have to remind
hon. members that the hon. member for LaPoile has the floor.

The hon. member.

MR. NEARY: Mr. Speaker, Rio Algam are stepping up
their activity this year in the Burnt Island Pond area which as hon.
members know is about seventeen or eighteen miles from Isle aux Morts.
It is quite a rugged terrain getting in and out of there, by the way.

AN HON. MEMBER: What is Rio Algam?

MR. NEARY: Well they are a subsidiary. Rio Tinto
is the parent company and Rio Tinto is a very reputable company.

MR. PECKFORD: Rio Tinto is also the largest shareholder
in Brinco.

MR. NEARY: In Brinco, that is right. It is a very
reputable company and we are talking here about some of the wealthiest
people in the world. So last year, Sir, they gave a drilling contract
to a company called St. Lambert's Drilling from St. Lambert's, Quebec.
They went in there and they did some drilling and they sent the samples
away to the Mainland for analysis and now they are back this year -

MR. PECKFORD: They sent them to Green Bay.

MR. NEARY: Well, they sent them to the Mainland too.
They may have sent some to Green Bay but
I know that most of them went to the Mainland. The reports that I have,
Sir, from the people that I have talked to both here and in Ottawa,
indicate to me that there is a very strong possibility that a mine may
open - may open. Now, I am not saying that it is going to open - that
a mine may open next year in the Port aux Basques area. The first thing
that would have to be done is that there would have to be a road built
in to the mine site and the road itself would cost about \$1 million.
It would create some badly needed employment in the area. I think one

MR. NEARY: of the officials, I cannot remember which one, told me that there would probably be seventy or eighty jobs there starting off if a mine is opened. At this particular time they are not quite sure if the deposit is large enough to mine on an economically feasible basis, but it does look extremely good, Mr. Speaker, extremely good. As I said, it is one of the richest deposits of gold discovered in Canada, I suppose on the North American continent, in recent times and there is a very great possibility that a gold mine may start up in my district near Burnt Islands. The irony of it, Mr. Speaker, is that I go from rags to riches: I go from a district where a mine closed to a district where a mine could open. Gold, believe it or not. Luck just seems to follow me, Sir, I struck gold.

MR. WHITE: They have been taking it out of Buchans for years.

MR. NEARY: They have been taking it out of Buchans for years but they have not been taking it out of Burnt Island Pond for years. The irony of it is this, Sir, that

MR. NEARY: when I first got elected in LaPoile district one of the first visits I had, believe it or not, was from a gentleman who has done considerable prospecting in this country, who has practically travelled all over Newfoundland with his Geiger counter, who came up to my office here one day with a man and his sister from Isle aux Morts to tell me that there was gold in them there hills. And that was none other than Jack Dodd, the weather forecaster. Jack Dodd walked in here one day with a Mr. Parsons and a Miss Parsons, his sister, to tell me that there was gold near Burnt Island Pond -

MR. PECKFORD: He told me the same thing before.

MR. NEARY: - long before Rio Algam or Brinex discovered it.

MR. PECKFORD: Two or three of them, as a matter of fact, prospected there. Jack Dodd was one. There is a man in Deer Lake also, and I do not know who was first, but both of them had identified that there was gold there.

MR. NEARY: That is right. And Rio Algam - I do not know -

AN HON. MEMBER: Can they develop it?

MRS. McISAAC: Can they stake a claim?

AN HON. MEMBER: Did they get any money for it?

MR. NEARY: No, they did not get a thing for it -

MR. PECKFORD: They did not stake any claims because it was under Brinex ground.

MR. NEARY: - not a thing. They may, indeed, Mr. Speaker, have been responsible, by the way, for Rio Algam going in and discovering that gold.

MR. PECKFORD: Yes.

MR. NEARY: And they had no rights because Brinex has the rights to the property.

MR. PECKFORD: That is one of the concession areas.

MR. NEARY: That is part of their concession area.

MR. PECKFORD:

That is right.

MR. NEARY:

I do not know if they have just given up, because the area, I suppose, now will be gone over with a fine-toothed comb. This summer, I understand, there are going to be twelve or fourteen geologists in the area prospecting - some of them will be university students - who will be going over the whole area with a fine-toothed comb. But I believe that the gentleman I just referred to knows where there is gold thirty miles away. And somehow or other they cannot seem to establish any rights. They cannot get Brinex to give them any mining rights to the area. I do not know if the hon. gentleman has heard anything about that recently, and perhaps the hon. gentleman might be divulging a confidence if he told the House. But it is very interesting what is happening in that area, Sir. I am quite optimistic myself. The people in the area are quite excited. I do hope that if there is a mine opened there - that is good hunting country; as a matter of fact, there is a hunting lodge for non-residents just right around where the drilling is taking place. Last year they had quite a job to get the drills into the site and then when they got them in, when they were taking them out in the Fall of the year they had quite a job to get them out, but this year they were smart enough - because I happened to be present when a Newfoundlander said, 'Well, why do you not bring your equipment in when the ground is frozen?' - and they are following the trail, as a matter of fact, that was blazed by the fellow who owns that hunting lodge. So they are moving in bunk houses, trailers, they are moving in drills, they are moving in storage tanks, and this is going to be a big year for that particular piece of property. And let us hope and pray, Sir, that at the end of this present Summer that Rio Algam will be able to announce that a gold mine will be opened in that area. Now enough said about that, Sir, but I would like for the minister to tell me if there are any other possibilities in LaPoile Bay. As hon. members know, LaPoile and Grand Bruit are two communities in my district that are isolated. In the Summertime I go up and down there quite often and I have travelled that coast with geologists who were away in on the back of LaPoile Bay. And perhaps the minister can indicate if there is anything interesting in LaPoile Bay - that is further down. As hon. members

MR. NEARY: will remember, I said a few moments ago the first strike of gold is near Burnt Island Pond, which is sort of in an opposite direction. And so perhaps the minister can tell me what is happening in LaPoile Bay. And I believe I mentioned the uranium in Labrador. I would like to find out something about that. So I think these are the only questions I have for the hon. gentleman, Sir, and I hope the hon. gentleman can give us some information.

And if there are any other mining activities going on in the Province at the present time, perhaps the minister - we do not want to know the affairs of the company, because in the case of the Burnt Island Pond deposit of gold, Mr. Chairman, the company very jealously guards its secrets; they do not want their opponents, their enemies to find out what is going on. And I do not want the minister to break any confidences if the minister has any information that he does not wish to give the House, but we would like to

Mr. Neary: know generally what is happening on the properties around the Province where companies have concessions.

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

MR. J. HODDER: Mr. Speaker, just a couple of questions to the minister. Last Summer Canada Lafarge Cement drilled the Pine Tree Hills, and I believe the Summer before they were drilling looking for limestone deposits in the Pine Tree Hills, and I do not believe they were back this Summer but I wonder if the minister could tell me what the status of that is at the present time, whether they are interested, whether they will be coming into that area or not.

And the other question I have for the minister is concerning the limestone deposits on the Port au Port Peninsula. About five years ago there was an announcement by the then member for the district, and perhaps by the Minister of Mines and Energy, that Lehigh Cement were coming in as a partner with Brinco to develop the limestone and as a matter of fact there was talk of a cement plant and harbour dredging in the community of Lower Cove. I believe that Lehigh Cement became overextended and that they dropped the plan. And the last I heard was that Ontario Portland Cement or that Brinco had been talking to Ontario Portland Cement in an effort to interest them in coming into the area.

Now I also understand that the deposits which Lehigh and Ontario Portland Cement were interested in were some very, very pure deposits which run along the Southern part of the Peninsula, and I wonder if the minister could tell me whether Brinco is sitting on those concessions at the moment or if they are trying to interest other groups into developing the limestone deposits in that area?

MR. SPEAKER (DR. COLLINS): The hon. member for Baie-Verte-White Bay.

MR. RIDEOUT: Mr. Speaker, I just have one question for the minister on this particular bill. And as the minister knows one of the biggest problems facing Rambler Mines out in my district at the moment is the concessionary areas for further exploration. Now

Mr. Rideout: I know that through some regulations announced by the minister not long ago some of those areas were freed up, and I understand that Rambler will be taking advantage of some of these for exploration.

But I wonder if the minister could tell me, when he gets up to speak on the bill, what impact this particular bill will have, say, for the Rambler operation, as one example, on the Baie Verte Peninsula? The minister knows that one of their biggest problems is concessions. I do not know if any of the land in question is owned by any of the big companies or by the fee simple grants that the minister was talking about a little bit earlier. But I would hope that in addition to the areas that were freed up in regulations announced by the minister sometime ago that this bill may free some more areas within the general Rambler area so that they will be able to carry out a much more aggressive exploration programme, and hopefully thereby find some new sources and extend the life of the mine.

So I wonder if the minister has any information in that area, and if he could provide me with it when he rises to speak in closing the debate?

MR. SPEAKER (DR. COLLINS): The hon. the member for Eagle River.

MR. STRACHAN: I have already spoken on this bill but there is one principle of the bill I would like to point out that I did not mention. I wonder if I have leave of the hon. House?

MR. SPEAKER (DR. COLLINS): Does the hon. member have leave?

AN HON. MEMBER: Yes.

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

MR. STRACHAN: I wonder if the minister in his reply very shortly could indicate whether there has been any thought given, possibly it is incorporated in the bill, where we have these large acreages, thousands upon thousands of acres, whether there has been consideration given to breaking these acreages up into blocks or units on which a company, unless it develops a particular block would forfeit therefore the right to hold these blocks, rather than to hold large, large acreages in which it may develop something here but never

Mr. Strachan: touched something up there or never do any exploration up in these other areas: In other words use this to underwrite the rest of it. I wonder was thought, consideration given to breaking up large acreages into smaller blocks that the company can hold? They can hold any amount of blocks, but obviously there was a maximum of so many acres per block or 5,000 or 10,000 acres or 20,000, whatever the figure is, and they must develop within that block or if not they would forfeit that block rather than only one development in that huge area.

I would like to thank the minister for this opportunity.

MR. SPEAKER: The hon. member for St. George's.

MRS. MCISSAC: Just a couple of questions, Mr. Speaker, for the minister before he answers. I am just wondering if the minister has any information on any deposits, for instance, or what the story is on the coal deposits in the St. George's area. Coal now is becoming quite valuable in certain other place and probably will be in this Province, and from the reading material that I have had it seems as though there are may be large seams of coal in the St. George's area or in the Robinsons - Barachois area. I would like to know if there are any new developments on that or if the minister intends to look into it a bit further. What is the situation with respect to the drilling that was done in the area during the past few years for salt? Last year, and I believe the year before there was some drilling done for potash and also I would like to know if there has been any investigation or any work done with respect to gypsum deposits other than the one that is being worked right now. And I understand there are larger gypsum deposits and wondering if they are going to be developed or if it is there in sufficient quantity to mine; if not I wonder if the minister has any details on the life expectancy of the gypsum mine that is there right now. That is all.

MR. SPEAKER: The hon. member for Burin - Placentia West.

MR. CANNING: Mr. Speaker, I have a few questions in reference to abandoned mines, the situation at St. Lawrence. I was given to understand some years ago when this silicosis came to the forefront, from the doctors that visited the area there, that the greatest danger from the mine there was the evaporation of the water seeping into the mine. And I remember asking the question was there a health hazard on the surface. And I was told at that time that the health hazard at St. Lawrence mine at the time was greater on the surface. So the

MR. CANNING: people in the offices were subject to the danger more so than perhaps people working underground. So now that that mine is abandoned, number one, I would reiterate the question asked by previous speakers: What is the situation of Alcan in regard to the mine? Do they still have the rights there? Are they paying taxes? I do not know if they are paying taxes or not but knowing why they left there - it is quite obvious why they left - I imagine they are still holding their rights, that they may have to return some time. Because they are gone to Mexico for the simple reason that the cost of mining fluorspar in St. Lawrence was much greater, much higher than it would to mine it in Mexico. Because in Mexico the standard of living is something similar to when St. Lawrence opened. It is a very low standard of living and low wage. They are still on a slave wage. So of course why they abandoned was to go off and they can get it cheaper down there. So should the standard of living come up, rise in the next few years, ten or fifteen years perhaps and wages go up with it, we will find that Alcan, what they will do if they can is if they can come back here and get it cheaper than Mexico they will be back. And if not they will move on into some other undeveloped country where you can get cheap fluorspar and work there. So they just follow slave labour. That is why they left St. Lawrence, everybody knows that. What has happened the mine? And the question of course which is more important, is there still a health hazard in St. Lawrence? Is there mineral or slag or whatever they call it left around there now that makes that perhaps a dangerous area? Will there be any measures taken there? Will anybody look into it to see if there is still a danger? The mine is practically in the town. So if the minister knows, or if he has any information he can give me I would appreciate it.

In the meantime I will put the question another way; if I am correct and there is a danger there, and I hope I am not, will the minister look into it? Will

Mr. Canning:

he see this mine is closed and there is not evaporation going on there during the hot weather, perhaps, because there could be a danger of dust floating into the town of St. Lawrence among the people there. Because God knows it has caused deaths enough, I hope that a dead mine will not cause other deaths.

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

The hon. Minister of Mines and Energy.

MR. PECKFORD: Mr. Speaker, we have had a very interesting hour or so on this important bill, and I am glad that hon. gentlemen opposite, the hon. members opposite saw fit to address themselves first of all to the principle of the bill, and secondly to other areas of mining which are of interest to them.

So perhaps I will start on the beginning and try to go through and remember all of the points and try to address myself to them. First of all, the member for Eagle River (Mr. Strachan) was in favour of the bill, and in favour of the principle of the bill and thought it was a good thing. His only criticism was that perhaps it should have been brought in 1972 rather than now. The reason why it was not brought in earlier was because we had a Royal Commission on Mineral Revenue and Mineral Legislation in the Province. As a result of that Mineral Commission various changes were made to The Mineral Act, and we have been into fairly long negotiations with the mining companies, a point that the Leader of the Opposition pointed out, asked about, was whether in fact it was done arbitrarily by the government without any regard for the companies that are here. Of course we have negotiated and presented drafts of the legislation even to the mining companies, both those that are going to be directly affected as well as all of the other mining companies who do some exploration in the Province and who do not have concessions as well as those who are directly affected.

The interesting point came up as to whether we have gone far enough or not both on perhaps the rate that we are

Mr. Peckford: charging, but perhaps more importantly the whole formula that is being used. In other words, should not we assess the properties concerned and therefore levy or introduce a formula to apply to various acreages as we ascertain what the value is of those acreages. That is a very, very difficult problem. Theoretically it would be better, theoretically it would be the better way to go, For example, there might be a company that has a thousand acres, and that is all. But on that thousand acres could be an extremely valuable ore deposit, and if that company saw fit, because of its corporate strategy across the country or across the world to sit on that for a couple of years even though they could mine it and it could be economic, they might choose to do so. But it is very difficult to ascertain and to put value on a given piece of acreage as it relates to minerals.

There is, as most hon. members know, a fairly extensive programme going on now through the Department of Mines with the federal government by way of DREE agreement to identify in a better way the geology of the Province. One of the problems we have had is that we have not had a real good mapping system, and we are well along on that now. So therefore, I think, we must start - I think hon. members will appreciate this - we must start somewhere and the logical place to start is with those companies that still have, because of agreements signed back in the 1950s and 1960s, with those that have large tracts of mineral rights for a long period of time with very minimum conditions. I mean, I think that begs the question. That is where you have to start, at the worst case and move forward. And that is what we are doing, we are taking the mining companies that have the easiest time of it in this Province - by way of the amount of acreage they have, by way of the amount of work they have to do - and work from there. And as we get more data, mineral data on various acreages I think we can get into the more complex business of trying to change the formula to relate it more towards the value of the property rather than the amount of acreage that a given company has. But it is difficult and I do not know of any jurisdiction where it is

Mr. Peckford: done at present, which I suppose says something for the complexity of the idea of trying to put it into practice.

So that is a real problem but I think we are starting where we need to start, where we have to start, with the larger companies that have a lot of acreage and have long periods of time twenty, thirty, forty, fifty years

MR. PECKFORD: under agreements that were signed years ago and have to spend very minimum amounts of money on it. So this Act will either make them relinquish it or make them spend some money on it.

The member for Eagle River (Mr. Strachan) also brought up the point about how are we going to decide on this business of whether the company actually spends the money or what kind of mechanism are we going to put in place to insure that they do, that it is not cloaked over because it is a subsidiary of a large multi-national, it is not covered up in some way through their larger company. Of course, the Act points it out fairly clearly, Section 11: "Within three months after the close of each calendar year, or such other period as the Lieutenant-Governor in Council may determine with respect to any taxpayer," which means the companies, "every taxpayer shall, without any notice of demand, complete and deliver, or cause to be delivered, to the assessor a return containing the name of the taxpayer; the address of the taxpayer," which is the company, "a description of all lands within the Province," which we have in any case, and then it is levied against that property and they have to prove to us that it was spent there - " of which the taxpayer has an interest of any kind in a mineral holding showing with respect to each area the nature and extent of the mineral interest, the location of the mineral holding and a description of all instruments under which any interest comprised in the mineral holding is held by him; a statutory declaration by the taxpayer of all deductions claimed under section 9 in respect of each such mineral holding, showing payments and expenditures actually made; the most recent annual audited financial statement of the taxpayer; and such other facts and additional information-" which is an important requirement to have in just about every Act to give the department or the government that kind of flexibility - "such other facts and additional information as may be prescribed or as may be required by the assessor pursuant to subsection (3)." So it covers it pretty well there to insure that that kind of loophole is covered, that the company in question that has acreage in its name in the Province will have to demonstrate in a real way through statutory declaration just how it spent its money to insure that it was spent or otherwise have to pay the tax. I think that is covered under Section 11 of the Act.

MR. PECKFORD: The member for Eagle River (Mr. Strachan) brought up the question of Reid Newfoundland and whether we have talked to Reid Newfoundland - Reid Newfoundland were asking fairly large sums of money years ago as it related to some of its land, What is the position on that? - and whether we have talked to them, whether we have tried to negotiate a certain amount of money or whatever. Well, Reid Newfoundland's fee simple grants are not just mineral, they relate to other things as well. They have pretty well control over the land; they own the land outright. And one of the things that goes with their ownership in sort of a fee simple grant situation is the mineral rights and all we are interested in under this Act is the mineral rights. And so we have talked to Reid Newfoundland many, many times and I can show you a file here which contains a fair amount of correspondence between all the mining companies, Reid Newfoundland included, in the sense of this mineral Act, this impost Act. But we have not been able to reach any agreement as it relates to the mineral rights obviously, and so therefore we are proceeding onward with the bill, albeit the principals of Reid Newfoundland are not that happy with this situation.

There was some question early on, I think, when we were getting this bill composed, as to the legality of the Act as it related to Reid Newfoundland and I think early on, five or six months ago, a number of changes were made to it, clauses added to the Act to insure that we would be covered in the event that an action was taken against the Crown in relation to the validity of imposing this kind of a tax upon Reid Newfoundland in particular.

In any case, we have talked to them and we have tried to work something out, but that has not proved to be successful as of now. Whether it will or not I do not know. The Act will soon be through and therefore will be law and they will have to come under that unless amendments to the Act are brought in. So they are being treated in any case now in the same way as other taxpayers under the Act, and otherwise some amendment will have to be brought in.

The Leader of the Opposition's comments related to - you know, he thought it was a really good idea and it was

MR. PECKFORD: long overdue. He wondered also if we had gone far enough. And he used the example - which is a good example in one sense and bad in another sense - the member for Eagle River (Mr. Strachan) talked about a mining company that had acreage and did not have a mine and whether we could assess the value of that acreage and hence use a different method of taxing because one piece of acreage might be more valuable than another. The example that the Leader of the Opposition used talked about I.O.C. Now in I.O.C.'s case they have a mining operation

MR. PECKFORD: and a lot of the acreage that is reflected here on which they have to pay very minimum expenditures under this because they are into production, relates to the same ore body, if you will, the same iron ore body which just has not been mined yet that they will get to later on if the mine stays open and if the world economy and steel prices and all the rest stay up, so you are not talking about the same kind of a situation. The aim of this act is to stimulate exploration on acreage where there is no mine. Once you have accomplished a mine you have accomplished the aim of this act, really. And in the IOC situation we are not aware, I am not aware and I can check it tomorrow morning, of any other metals or ores other than iron ore on the IOC property, of any consequence. It is just about all iron ore and of course there are many, many billions of tons of valuable iron ore there so I doubt whether there is very much you can do on that kind of situation. There is a major mine in operation, the acreage concerned is not large and it centers near the production area of the mine and is known to be primarily of the same ore as the mine is now mining. And hence you are not into a situation where it would be incumbent upon the government to take some special action to accelerate the activity, I do not think. So in that case I do not see the problem existing. However, if there was, if they had a fairly large tract otherwise which contained other metals, well then I think you would have - and were very valuable and there could be a mine then you would have to look at it. You are going to have to do that as you go along, you are going to have to learn those things as you go along and the same way with this act. We are going to have to learn to start with a base of rate and work from there and see how it works out, see how much it does accelerate exploration over the next year or two, see how much land is relinquished or is not relinquished and so on. How did we arrive at the rates, the Leader of the Opposition asks? Well we have talked to all the companies and we have looked at legislation in other places, both points that the Leader of the Opposition mentioned, and we have then chosen between a reasonable rate, that we felt was reasonable, given ongoing negotiations with the companies and legislation in Ontario and other places.

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

MR. PECKHOFF: made one important point, I think, and one that I cannot answer very well. I am sure it will not satisfy the hon. member nor does it satisfy me. What do you do with known deposits, especially in his particular instance, in his district of the Skidder property and the Tulk's property which we know have eight or nine hundred thousand tons each of copper? The only point is that at this point in time, as the member pointed out himself, these deposits are just not economic, the government or somebody would have to subsidize the operation in order to make that work, copper is very, very low right now and would have to increase substantially. A number of copper mines in British Columbia just closed down recently for the same reason and there is not much you can do. Now here is the clincher on this one in my view, Mr. Speaker; if we could determine which we could, which we can—we can determine now, the government can, the Department of Mines can determine whether the Skidder deposit is economic. That can be determined fairly well, we can identify that pretty well. That being so and then the company was not developing, then I think it is incumbent upon government to do something. Now we have not come across that situation yet and I do not know if we ever will because if there is money to be made the company is going to be going at it pretty fast. That is the point, and especially in the case of Price (Nfld) more so than ASARCO. We might have had that situation with ASARCO four or five years down the road or three or four years down the road if Price did not walk in there and come in there. Because ASARCO, being a big mining company having other mines, it might have been opportune for them to sit on it. I do not rule it out; it can happen in reality. But in the case of Price where they do not have any mines right now, and they are eager to get into the mining situation and to get dollars back, remembering that the ASARCO situation when they were spending two or three hundred thousand, four and five hundred thousand dollars on exploration it was coming directly out of their income from the existing mine and they were able to write off a lot of those exploration expenditures. In the case of Price (Nfld), Price Minerals, they are borrowing that money and they have got to deliver; they have got to deliver on some of their acreage around Canada in the next few years; they have got to get a mine. They have to, otherwise they are going to have to write off the acreage in Central Newfoundland and go somewhere else.

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Tape No. 1856 (Night)

AH-3

W. PECKFORD:

But Price (Nfld) are putting all the exploration dollars in right now, 100 per cent and they want a mine so bad they can taste it, there is no question about it. They have to deliver

Mr. Peckford: because their Board of Directors are on them and giving them the money to spend, \$9 million this year in that area.

The other thing that Price is still very interested in is other areas around that will come open. On the one hand Price (Nfld.) says, for example, when they talked about this bill, you know, "You are going to force us down the road in two or three years to either spend more money or give up some lands, and we do not like that. However, other good lands are going to open because you are also doing the same thing with somebody else and we want to get at their lands." So they wanted their cake and eat it too as most companies will. On the one hand they were against it because they might have to spend more money or relinquish acreage; on the other hand they were in favour of it because they knew of other acreages they would like to get at.

MR. FLIGHT: Would the minister like for me to point out one?

MR. PECKFORD: Yes.

MR. FLIGHT: In the Skidder situation, now that Price knows there are a million tons there, they have stopped. Not only have they refused to develop - because exploration, as the minister knows, and development are two different things - but knowing that that tonnage is there and knowing they are going to hold on to it even in spite of this legislation against it, they stopped exploration on that. Because what they are saying is given the world markets if we did prove tomorrow there are ten million tons here we still would not want to develop it given the world market situation. So I mean they stopped exploring to go back to where it suits them, you know.

MR. PECKFORD: Yes. Well, it is just not economic, as is any other copper deposits of a million tons, especially low grade like it is at Skidder. I mean, Skidder is not 5 per cent or 6 per cent copper. You are talking at the most a little over 1 per cent copper on the average, if you are lucky. There is a tiny bit of 2 per cent, but not very much, 150,000 tons to 200,000 tons from what I know. But it would be no good for them to even develop that now even under subsidy

Mr. Peckford: and stockpile it because there is nobody in the markets in the commodity futures now will tell you that copper is going to go anywhere.

MR. FLIGHT: That is true. That is true.

MR. PECKFORD: Unfortunately it is real sad. The latest pamphlet I have on the commodity futures was about two or three weeks ago, a special one that I get from a group in the United States, an independent group who do it and, you know, they held out very little hope for copper. But as the hon. member says, it could change, and no question it will.

I just read again the other day about another commodity, for the want of a better word now, which is going to be used to replace copper in some other industrial enterprise that has been using copper all of the time, which again lessens its importance. And then you look at Broken Hill, Australia, and you look at Zambia, and you look at Brazil, to name three areas where you have very, very high grade copper deposits and hundreds of millions of tons of it. And you know the way they are doing it down in Central Africa, for gracious sake, right in open pit mines and just digging it out on the shovel, 6 per cent, 7 per cent, 8 per cent and 10 per cent copper, and in some places 15 per cent and 20 per cent copper. It is almost unheard of, and they are just backing in and taking it out the same way as we would take it out of a gravel pit here for rock and gravel. It is unbelievable. There are all kinds of problems there.

But I do concede and acknowledge wholeheartedly the fact that governments have to be extremely cautious on this whole question of mineral exploration as it relates to indentifying ore deposits which can be economic, and government must continue to increase and improve its data base to ensure that it can determine when a deposit is economic or not, so that it can move in in the full assurance that what it is forcing the company to do to open that mine is valid and credible and will work. I think that is the point the hon. member is really getting at. And that is the point that governments have to be very, very wise towards and continue to increase its data

Mr. Peckford: base, make the companies give you all the information that they have had in their exploration programme so that when you hit something which is economic, bang! it gets into operation.

MR. STRACHAN: Is there a programme?

MR. PECKFORD: None right now. No.

MR. FLIGHT: What mechanism do you have to know if -

MR. STRACHAN: (Inaudible) oil and gas regulations (inaudible) for providing informati

MR. PECKFORD: Oh, yes. I am sorry. For providing information?

Absolutely they have to provide all -

AN HON. MEMBER: Is that right?

MR. PECKFORD: Oh, yes. Absolutely.

MR. FLIGHT: The minister then, or the department has a mechanism to know if a company discovers a deposit? Can they discover a deposit and sit on it and government not know it, not become aware of that?

MR. PECKFORD: No. No. This is the same point as the hon. member for Eagle River (Mr. Strachan) made. Absolutely not. Absolutely not. It is completely impossible. As a matter of fact we can tell right now, because we have to have the drill core and all, you see, and as a matter of fact we are now going into regionalizing where we store the drill core that we get from the companies to regional centres around the Province. That is what we are starting to do now, we are getting so much of it, and that is assessed. And as a matter of fact, for the hon. member's information, I have been told, both in the conference that I attended in Toronto a little while ago where all of the mining companies were from across Canada, told in

MR. PECKFORD: public, and told here in St. John's last year that we have - they are coming to us looking for additional information over and above what they got on their exploration programme rather than other way around. We have one of the better systems of information to mining companies anywhere in Canada. And as a matter of fact a number of the presidents of mining companies recently, in their annual reports and addresses to major clubs in Canada, have acknowledged, one, that we have a great information flow system which is as good as anywhere in Canada; and two, that any changes that we have made since 1972 to mining legislation has always gone through the companies, even though now it might have changed or might not have changed to suit them every time. And we were told, and the mining people were told in no uncertain terms that this is the kind of way they would like to keep doing business. But to answer your question, no, it is impossible. We can tell you right now how many tons of ore, uranium, are in Kitts and how many are in Michelin just as good as the mining company can, or pretty close to it.

The hon. member for LaPoile (Mr. Neary) wanted to know what the situation was with the Commodore-Brinex-Shell controversy of a number of weeks ago. This is a situation where Commodore mining has some acreage in Labrador. They farmed it out or signed a deal with Shell to come in and do some exploration, Shell spending all the money and providing rent to Commodore, paying Commodore rent for the use of their acreage. Shell drilled several holes and came across uranium in a number of holes. Right next door to the Commodore leases is the Brinco ground, or the Brinex ground.

MR. STRACHAN: In the Moran.

MR. PECKFORD: Yes, in the Moran area. And Commodore kept suggesting that we should, as a government, take away that acreage from Brinco and give it to Commodore so that they could continue the uranium exploration. However, it has not been demonstrated to us, in writing or verbally, that the occurrences of

MR. PECKFORD: uranium on the Commodore ground actually move in the direction which would lead anyone to conclude that that uranium deposit, if it is there in any consequence, comes in over the Brinco ground as has been contended by Commodore. Commodore says, "Look, this uranium is coming in over the Brinco ground and if we could get hold of that ground we would have a mine in here."

MR. STRACHAN: If it did, (inaudible).

MR. NEARY: If it go in one direction, what would happen?

MR. STRACHAN: Brinco would (inaudible).

MR. PECKFORD: That is right. That is right. Well the only thing that could happen there is that Commodore or Shell would have to join into an agreement with Brinco, a joint venture of some sort. And by the way, the latest scores, Montreal 2, Toronto 0, Boston 4, Philadelphia 1.

So the question here was simply that Commodore were eager to get additional acreage, using as their argument that Shell had discovered some uranium and they needed this additional acreage from Brinco in order to continue the exploration programme. But it has not been demonstrated to us in actual fact that extra Brinco ground would be necessary in any case, and that Shell has gone away now to assess its latest drilling programme through the Winter and could be back there again this Summer.

MR. STRACHAN: You mean to say that Shell's drilling has indicated it would be commercial even if there was not anything on Brinco ground?

MR. PECKFORD: Well there is not even any indication there are any commercial finds there yet even. They have not even gotten that far. It is just too early in the game to know what is going on there.

As a matter of fact, you know, to set the record straight completely on that, Shell has never come to us asking us for additional ground from Brinco. It has only been Commodore.

MR. STRACHAN: Sure.

MR. PECKFORD: Julianna Lake deposit; what is happening there, one of the problems of course the iron ore markets now are not all that hot. It is going to be difficult in the short term in the next few years to bring on another iron ore mine in Labrador until the markets improve. As it relates to that whole property, Mr. Doyle's involvement, the government of Newfoundland passed an act taking it back from Mr. Doyle because he did not live up to the terms of his agreement and had not spent the money he was supposed to spend, and he has contested that legislation and he contested it in the federal court and lost, and now he is contesting it in the provincial court and because it is now in a provincial court I cannot say all that much more about it. But he has issued another writ against the government and is challenging the legislation in provincial courts. He did challenge it in the federal court and lost.

MR. NEARY: Why go from federal to provincial?
Was it outside of provincial jurisdiction or what?

MR. PECKFORD: No, I do not know why he did that. I would have to refer that to learned gentlemen but I know that these are the facts right now and, you know, it does not look like there is much that is going to be solved there.

The situation on Wabanex.

MR. PECKFORD: is simply that the environmental study as it relates to oil storage will be finished within the month, thirty days, and then the United States people who are looking at the Wabana mine situation as well as the salt mine in Nova Scotia will be making decisions before this year is out as to storage in Canada and whether they are going to store any in Wabana or in Nova Scotia. We believe we are doing very well in competition with Nova Scotia because the oil storage that the United States has done in the Southern United States has been in salt domes, salt caverns, and there have been some problems with it. And we think, therefore, that there are a few negative factors about storing oil in salt domes due to their experience in the Southern United States. And for that reason, besides the fact that we have been working on this for three or four years and Nova Scotia has only recently come on the scene, we should be a few steps above them in any chance of getting it. Can we mine iron ore simultaneously? Yes, we can, in other areas and drill other shafts either under water or on shore and go out, but we can do it. There is, as the hon. the member for LaPoile (Mr. Neary) knows better than I, a large, large amount of iron ore under the ocean in Conception Bay. And the problem is metallurgical and none other, and we have been told by consultants in the field that eight or ten years down the road this whole iron ore deposit in Conception Bay will become a commercial enterprise all over again, that there is every indication that as the metallurgy -

MR. NEARY: They said that when the mine closed.

MR. PECKFORD: Yes, but that is what we are told. I can only go by what we are told.

The situation in St. Lawrence on mineral rights is that Alcan still owns them under agreement with the government and that we would have to pass certain amendments to existing Acts or a new Act in order to take back the mineral rights.

MR. NEARY: Why do we not do that? Why do we not pass a bill in this House to take it away from them?

MR. PECKFORD: We are assessing the situation now. It has taken a fairly long while because -

MR. NEARY: Have a little bit of courage and take it away from them.

MR. PECKFORD: Yes, well we will have courage the same way as we did to bring in this one and, do not worry, we will if it is going to be in the best interests of getting that property going.

MR. NEARY: In this session of the House?

MR. PECKFORD: Could very well be.

MR. NEARY: So let the word go out from this House tonight that the government is considering legislation to take back the mineral rights in St. Lawrence.

MR. PECKFORD: We have been considering that for some time.

MR. NEARY: Right.

MR. PECKFORD: And having considered it for some time we will -

MR. NEARY: I say hear, hear!

SOME HON. MEMBERS: Hear, hear!

MR. PECKFORD: Whether we will go that route will depend on what kind of propositions we get in now.

MR. NEARY: Do not let the Minister of Justice in his wishy-washy way talk you out of it. Go ahead and do it.

MR. PECKFORD: The Minister of Justice has been very much involved in this whole situation and knows it better than I, better, I suppose, than if I spent another ten years at it.

MR. NEARY: But he will not draft the legislation.

MR. PECKFORD: And he is very much behind that kind of -

MR. HICKMAN: I am not prepared to see one nickel of the taxpayer's dollar spent for it.

MR. NEARY: Prepared to do what?

MR. HICKMAN: I am not prepared to see one nickel of the Newfoundland taxpayer's dollar pay for it.

MR. NEARY: No, we should have taken all the equipment and everything away from them.

MR. HICKMAN: But anyway, I am not going to tell Alcan our
ians.

MR. PECKFORD: Uranium in Labrador: the only known uranium deposits that Brinco has are the ones in the Kitts-Michelin area. And the hon. the member for LaPoile (Mr. Neary) mentioned that there was perhaps the largest uranium deposit in the world somewhere on Brinco grounds. We are not aware of that. The major uranium deposits that have been discovered are the Kitts-Michelin deposits in from Makkovik. The Kitts deposit is extremely high grade but very low volume. The Michelin deposit is very low grade and very high volume and therein lies the great problem. But both of them are fairly - well, they are twenty or thirty miles away from one another and hence it has to take some integration in order to make it really happen. We are working on that with Brinex right now. Saskatchewan seems to have the largest deposits of uranium anywhere in the Western world right now along with Ontario which of course also has fairly large deposits of uranium. The whole deal that was just signed between Ontario Hydro and Dennison Mines on uranium is one that has the whole uranium industry in a great flurry all around the world and there is a whole new, renewed interest now because other companies are saying, "Hey, perhaps we can do the same kind of deal with utilities in the United States and utilities in Germany" where they use a lot of uranium, and so there is a fair amount of renewed interest because of this very special arrangement that Ontario Hydro has been able to sign which sort of clues up the Northern Ontario uranium for a while in any case and allows for other reserves to come on stream. It can be stockpiled because the federal government demands by legislation that a fair amount - I forget what the level is - has to be stockpiled and then over that amount you can export, or they will consider exportation. That is the story on uranium as it is right now.

Gold discovery in LaPoile: it is, as the hon. the member for LaPoile says, an extremely interesting gold discovery and perhaps the most significant gold discovery in North America in the last ten years. There is no question about that. And it has a really good chance to be a mine in the next year or two. If the results of this year and next year are as good as the last two years, there will be no question.

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Tape 1359 (Night)

EC - 4

MR. PECKFORD:

There is also an incidence of a fairly high degree of silver in that deposit as well, which does not detract from it at all, because two of the best metals now from a market point of view are gold and silver, as well as uranium, of course.

Mr. Peckford: So that still looks extremely interesting. I am not up to date on the LaPoile Bay situation, I know there is additional exploration going on in there, I do not know if they found anything, but I will get more information for the hon. member on that situation.

The hon. member for Port au Port (Mr. Hodder) - Pine Tree Hills drilling; I am not familiar with it but I will get the information for him tomorrow. Limestone deposits and Brinco's involvement, I think, was on that: Brinco was into a joint venture with another company. It fell apart because of financing, as the hon. member has suggested, and there has not been all that much interest in the last six or eight months as it relates to getting those limestone deposits back or getting something going there.

MR. MURPHY: Anything new on the great quartz discovery in Ville Maria we heard about eight or ten years ago?

MR. PECKFORD: No, No. I do not know much about that one.

The hon. member for Baie Verte-White Bay (Mr. Rideout) Rambler situation; What impact will the Impost Bill have on the Rambler situation? In the short term I do not think it will have too much impact, directly or indirectly. By directly I mean whether they have to pay very much, and I do not think that is what the hon. member meant. He knows as well as I that Rambler's chief interest is to acquire additional acreage on which to explore or to find more copper to keep the mine open. But I do not think it will impact very greatly on Rambler to my knowledge. Now I say that and I qualify it by saying there might be a couple of areas there that could come open which are attractive to Rambler that I do not know about tonight. So after qualifying it with that, I would say they have fee simple mining grants, Consolidated Rambler Mines Limited, 3,000 acres and it only means \$750, you know, which is nothing, because they have a mine there and there is a very small amount of acreage. So I will try to find out additional information for the hon. member on that and give him some more information on it tomorrow.

Mr. Peckford: The hon. member for St. George's (Mrs. McIsaac), coal in St. George's; there is lots of coal but there is none of it concentrated, and that is the big problem with coal. There are a number of seams that have a fair amount of tonnage but there has not been that much interest in it because it is fairly deep and, therefore, although a couple of areas have a lot or enough for it to be economic, it is too hard to get at. It therefore makes it too expensive.

MR. NEARY: What about salt?

MR. PECKFORD: Salt, the same reason. All kinds of salt.

MRS. MCISAAC: Years ago they used to drag it out, you know, and burn it.

MR. PECKFORD: Yes. Right. Millions and millions and millions on top of millions of salt and too deep again at the present moment given the cost.

MR. NEARY: There is no way you can blow it up?

MR. PECKFORD: There are a number of ways you can do that.

The salt deposits perhaps are the most interesting of any kind of deposits for commercial development on the West Coast.

MR. NEARY: That is right.

MR. PECKFORD: And I have taken a very personal interest in this whole business of salt. For example, we use in the Province, the Department of Highways uses, I forget now, but there are millions dollars being used in the Province. We have a market of a few million dollars a year without going beyond our back doors, and I am not convinced yet that this salt deposit cannot be developed. I still believe -

MR. NEARY: How deep is it?

MR. PECKFORD: I think there is some down 1,200 feet, 1,500 feet, -

MR. NEARY: That is not so very deep.

MR. PECKFORD: - and on down below that. I think the shallowest is around 1,200 feet or 1,500 feet..

MRS. MCISAAC: Did you say the shallowest?
MR. PECKFORD: Yes.
MRS. MCISAAC: I thought it was five?
MR. PECKFORD: No, no.
MRS. MCISAAC: Sure.
MR. PECKFORD: Positive. Yes. Oh, yes. It goes down very,
very deep.

But I am still not convinced that given somebody who has some investment to put and wants no return for about five years but then can be a pretty well guaranteed of a return after that, that those salt deposits can be brought off and use the local market right away, and then expand the market beyond Newfoundland later, because there is a sizable market here.

MR. NEARY: Why do you not get Eki down here to go out and develop it?

MR. PECKFORD: That is right. He might be a good man to get. He has the money, so they tell me.

Potash there has not been -

MR. NEARY: That is why you have not got it. That is why the government has not got it either.

MR. PECKFORD: That is right.

But that whole salt deposit situation on the West Coast is extremely fascinating and interesting. And, you know, I would like to see some business people get involved in taking a look at that.

MRS. MCISAAC: You are going to continue to pursue it, right?

MR. PECKFORD: Yes. Right. Right. I have it on my desk all of the time as a matter of fact. If the hon. member for St. George's came over to my desk tomorrow morning she would find on my left a data sheet on the salt deposits on the West Coast that I keep there all of the time to remind me because it is so fascinating and interesting that I think it can be brought on in a commercial way. In any case we will pursue that at another time because it is very interesting.

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Tape 1860 (Night)

PK - 4

Mr. Peckford: Potash:there has not been much. There is a very small sign of potash on the West Coast. New Brunswick has most of it now, the latest lot, as well as Saskatchewan,of course.
Gypsum:

MR. PECKFORD: there is not much interest in another development out there, the present development looks like it has a fairly long life, well down the road, fifteen or twenty years from what I am told.

MRS. MCISSAC: Would the minister permit one question?

MR. PECKFORD: Yes.

MRS. MCISSAC: When was the last survey done on the coal deposits or when was it last looked at?

MR. PECKFORD: Two years ago, I think. Two or three years ago.

MRS. MCISSAC: Was it that recently?

MR. PECKFORD: Oh, yes. Yes. A couple of people from the department did a lot of work and got all the information that the companies had.

MR. HICKMAN: Remember Joey Cantwell from Bell Island?

MR. PECKFORD: Yes. I can give the hon. member an awful lot of information on that.

MRS. MCISSAC: I am going exploring this Summer.

MR. PECKFORD: The hon. member for Burin - Placentia (Mr. Canning) talked about the dangers in St. Lawrence and that the dangers on top of the ground were just as bad as the dangers in the shafts. That is not really true from my information, and that there is no danger now from a health point of view. The big problem in the mines, as the hon. member knows better than I, was the fact of the radon gas and the lack of ventilation. Of course that got improved there about ten years ago or so and decreased the danger to a large degree. But there is no danger there now. All the shafts and so on have been fastened to the nth degree under the Chief Inspector of Mines who makes sure that the safety things are taken care of. Alcan still have the mineral rights and we are trying to decide now what is the best way to move on it, whether it

MR. PECKFORD: is better to take them all back, which could be done if we wanted to through legislation, but before we do that we are negotiating with a number of other companies to see just how interested they are and then if they are real interested and they tell us how long they are going to need it for, then is the time we will take it back from Alcan and give it to those when we are sure that they are going to do something with it.

I think that answers most of the points that were brought up.

MR. HODDER: Could I ask the minister a question?

MR. PECKFORD: Yes.

MR. HODDER: I meant to bring it up but I did not, sea mining in Aguathuna.

MR. PECKFORD: Right.

MR. HODDER: I heard at one point that that particular operation if moved to the other side of the peninsula might be economical and that there are other ventures of that nature in the world which were operating but that one is one of the few that is not. Do you have any information on that?

MR. PECKFORD: No, not off the top of my head. All I know is that I think they are looking at some expansion. That is the only thing I remember on that one.

MR. WOODROW: There is a lot of surveying going on at York Harbour, Could you give us a description of that?

MR. NEARY: Blow Me Down By-Products, tell us about that one.

MR. WOODROW: Yes. Well you can tell us about that one.

MR. NEARY: I know all about that one.

MR. PECKFORD: York Harbour, Mr. Speaker, is extremely interesting. There is a small company, which has its base in Toronto, which is doing an awful lot of exploration work out there. There is copper, lead and zinc and some silver in the deposit. There is close to 700,000 or 800,000 tons of ore there and they are trying to identify additional,

MR. PECKFORD: something like the situation in the Buchans area of the Skidder property where you are around 1,000,000 tons. However, it is not just copper and therefore has a greater chance of success in the short term than does the Skidder property in Buchans. But there is a lot of work going on and that small company has spent, I think in 1977, spent something close to \$1 million there which is astounding. And they are raising the money, I do not know from whom, but they are getting an awful lot of money somewhere to do a fair amount of work. But it still looks fairly promising and they have been very interested in it. It is an old property. I think it was mined years ago. There was an old mine there years ago and some ore was taken out of it. But it is still very interesting and they are still spending money there, and we are looking at it very carefully because it has not just copper, as I say, which is at a low price right now, but it has a lot of other metals which could make it commercial and viable a lot quicker than if there was just copper in it.

A couple of other points; there are a number of other fairly interesting ore deposits in the Province like the lead one in Hampton. Perhaps the major one is the Great Burat Lake one in Central Newfoundland, around the Buchans area, the Buchans Plateau area, which has a major amount of lead and zinc and copper, silver, gold, everything. The problem with it is a metallurgical one and they have been trying to work on some way to separate the ores. Buchans had the same problem when it opened thirty or forty years ago.

I move second reading, Mr. Speaker.

MR. NEARY: Mr. Speaker, I would like now to announce my own score, Sir. Mr. George Billard is the new Liberal candidate -

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

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Tape No. 1361

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MR. NEARY: in the district of Humber-St. Barbe -
Port au Port.

MR. SPEAKER: I did not recognize the hon. member.

MR. NEARY: 761 votes.

AN HON. MEMBER: Order! Order!

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Hear, hear!

On motion, a bill, "An Act To Authorize
An Impost Upon Certain Mineral Holdings In The Province," read
a second time, ordered referred to a Committee of the Whole House
on tomorrow.

MR. PECKFORD: Order 6, Bill No. 14.

Motion, second reading of a bill, "An Act
To Amend The St. John's Housing Act." (Bill No. 14).

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

MR. DINN: Mr. Chairman, what we have here is a few
amendments to the St. John's Housing Corporation Act. One of the
amandments will be the presenting of their financial report for
the year. It will come under the Minister of

MR. DINN:

Municipal Affairs and Housing and provides for the approval of the Lieutenant-Governor in Council for their financial statements through the Minister of Municipal Affairs who is their reporting minister now. Most of the amendments are minor amendments outside of the fact that the control of the corporation with respect to their fiscal and monetary situation will be now through the Minister of Municipal Affairs and Housing to the Lieutenant-Governor in Council.

MR. MURPHY:

Question!

MR. SPEAKER:

Is the House ready for the question?

Hon. member for Baie Verte - White Bay.

MR. RIDEOUT:

Mr. Speaker, the minister did not say

very much in the introduction of this bill.

AN HON. MEMBER:

What bill?

MR. RIDEOUT:

Bill No. 14. But I think the amendment

is a very substantial piece of legislation especially Section 3 which says that: "The powers of the corporation set out in paragraphs (f) to (i) may only be exercised by the corporation with the prior approval of the Lieutenant-Governor in Council upon the recommendation of the minister." I am just wondering how that jibes with other Crown corporations. Is this the case of the government setting up Crown corporations - they have been set up for quite some time from the past and they have been given a job to do. Does it now mean that the government is not satisfied with the job they are doing and, if so, why? Or does that mean that the government wants to become more in control of those Crown corporations like the St. John's Housing Corporation? The minister, Mr. Speaker, took very little time; I would say he was practically negligent in explaining to us what he hopes to achieve. Why is it so that the St. John's Housing Corporation, or any other corporation for that matter, that has operated for the last ten or fifteen or twenty years fairly successfully needs this type of amendment right now? Why is it that the Cabinet needs that type of authority now? I do not mind Clause No. 4, the second amendment, which asks that the financial report for the year be brought to the minister and so on. That is a piece of housekeeping legislation and there is nothing wrong with that. But I think the principle

MR. RIDEOUT: involved in Clause 3, which to my mind is the nuts and bolts of the bill, is very important and I think it is wrong for the minister to sort of slough it off as being an inconsequential amendment and not explain to us why it is that the Cabinet must have this particular authority that it is seeking now. Because that is what it means; it means that in the particular items with regard to receive lands and buildings and monies and to lend and advance money and so on, all the paragraphs from (f) to (i), as I understand the reading, must now have the prior approval of the Lieutenant-Governor in Council which is the Cabinet. Now I want the minister to tell us why it is so that he needs that from St. John's Housing Corporation.

AN HON. MEMBER: The member should know better than that.

SOME HON. MEMBERS: Oh, oh!

MR. RIDEOUT: Well, all I am saying is that the St. John's Housing Corporation must now get the prior approval of the Lieutenant-Governor in Council for all aspects that they could do without coming to Cabinet before, that is from (f) to (i), to receive lands, buildings and moneys and other property, to lend or advance -

MR. NEARY: We are not going to give that authority to the minister.

MR. RIDEOUT: Listen to (g) for example, "To lend or advance moneys with or without security for the purchase, construction or improvement of buildings or any of the classes aforesaid." So in all this now and there are two or three others left -

MR. NEARY: We have enough scandals now.

MR. DINN: Of course, you did not have one on Bell Island.

MR. NEARY: No, we did not.

MR. RIDEOUT: Mr. Speaker! I would -

MR. NEARY: There was never a minister in the Smallwood Administration got charged or booted out.

MR. SPEAKER: Order, please! The hon. member for Baie Verte - White Bay (Mr. Rideout) has the floor.

The hon. member.

MR. RIDEOUT: I would like for the minister to tell us why it is that the Cabinet needs this type of authority. Is it that the

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MR. RIDEOUT: corporation has been dragging their heels, that they have been doing things that they should not have been doing? What is the story behind it -

MR. NEARY: He wants to set up his own empire.

MR. RIDEOUT: - rather than coming in now and in about two seconds flat moving second reading of that what I consider to be a very important piece of legislation.

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

MR. NEARY: Mr. Speaker, as I see it, and I agree with my hon.

MR. S. NEARY: friend, Sir, that this is a major piece of legislation, and the hon. gentleman gets up and pretends that it is just transferring the authority from the St. John's Housing Corporation, who had to answer to the Lieutenant-Governor in Council, and gives the minister now the authority. The minister has proven beyond any doubt, Sir, that he is one of the more incompetent members in the administration.

MR. T. HICKEY: That is a slimy innuendo.

MR. S. NEARY: No, it is a fact, Sir. It is not an innuendo. It is not snide. I do not beat around the bush, I get straight to the point and I say the hon. gentleman is one of the most incompetent ministers in the administration.

MR. DOODY: You are not allowed to libel the gentleman. He is not in his right seat.

MR. S. NEARY: Well, he is not in his right senses either so it does not make any difference.

MR. DOODY: So what you are implying (inaudible).

MR. S. NEARY: Well, that is right and he should have better sense.

MR. DOODY: That is right. So get back to some parliamentary language.

MR. S. NEARY: So, Mr. Speaker, I do not know why this is being done. I do not know if the government have taken leave of their senses now or not, putting this crown corporation under the control of the minister and giving the minister such wide-ranging powers.

MR. HICKEY: Obviously you do not understand the bill.

MR. S. NEARY: I do not understand the bill! Well, I have read the explanatory notes and that is probably more than the hon. gentleman has done. If I were the hon. gentleman now I would go out and get two silver dollars and get them ready to lay on the table of this House.

MR. HICKEY: They would not be yours then.

MR. S. NEARY: Mr. Speaker, this is indeed a serious matter, Sir, a serious matter. It gives the minister too much power and I believe, Sir, that there should be some restrictions placed on this. The minister

MR. S. NEARY: is setting up now his own little empire, his own little dictatorship down there. And if the hon. gentleman were competent, well we might be able to go along with it, but the hon. gentleman is an incompetent -

AN HON. MEMBER: - or seriously close.

MR. S. NEARY: - and it gives the minister all kinds of rights to look after his political buddies and create all kinds of more scandals. God only knows we have enough, Sir; the administration came into office founded on scandal with the resignation of Mr. William Saunders.

AN HON. MEMBER: He was a Liberal.

MR. S. NEARY: Yes, a liberal that - no, I will not say it, I had better not. "To lend or advance monies with or without security for the purchase, construction or improvement of buildings to any of the classes aforesaid." "To receive loans from governmental, municipal, or other bodies, public or private, or from any other persons, and to pay interest and establish sinking funds." "To receive lands, buildings, moneys and other property." "Generally without restriction." Without restriction! "Generally, without restriction by any of the foregoing provisions, to do all such things as may seem fit to the corporation for the purpose of providing and improving housing of development or improving withing the Housing Area" - well now, Sir, I will tell you this, that I know a few gentleman around St. John's now. I would say this is the - let me see how I can put it without identifying the gentleman - I can see the fine hand of a certain gentleman, a certain promoter, of a certain -

AN HON. MEMBER: Bagman.

MR. S. NEARY: - of a certain bagman for the Tory Party. I can see his fine finger in this in the proposal to put this authority under the control of the minister so that he can have him under his spell.

MR. HICKEY: Whose authority would you put it under?

MR. DOODY: What about the installation of the Tramway lines? That must be the giveaway.

MR. S. NEARY: No that is not the giveaway. The clue, for the hon. gentleman, Sir, is shopping centres, and apartment buildings. That is the clue to the hon. gentleman, and there is the fine finger that I am talking about and that is who will be controlling the minister, the promoters.

MR. DOODY: "To plant trees, shrubs, hedges and flowers and lay grass, make paths monuments."

MR. RIBEOUT: Look a (g).

MR. S. NEARY: Look at (g), that is right. I will read (g) again. "To lend or advance moneys with or without security for the purchase, construction or improvement of buildings of any of the classes aforesaid."

MR. NEARY: That is a very dangerous thing to do, Sir, very dangerous indeed.

MR. DOODY: Before the corporations can do that they have to go to the Lieutenant-Governor in Council.

MR. HICKMAN: You will find that in the articles (inaudible).

MR. NEARY: They have to go to the minister before they have to go to the Lieutenant-Governor-in-Council.

MR. DOODY: The approval of the Lieutenant-Governor in Council is required, it says here.

MR. J. CARTER: Read the Act. Read it.

AN HON. MEMBER: We have read the Act.

MR. NEARY: Read it out, boy!

MR. DOODY: "The approval of the Lieutenant-Governor-in-Council is required for the exercise of certain of the powers that are listed."

MR. NEARY: Before, Sir, they did not have control over it. They are getting their little fingers on it now.

MR. DOODY: Looking after the taxpayers' money.

MR. NEARY: Yes, looking after the taxpayer's money, all right! They are getting their little greasy fingers on it so they can pass out little goodies to their political buddies.

MR. DOODY: You have been good at it.

MR. NEARY: And we will see now, Mr. Speaker, just see how wrong we will be -

MR. J. CARTER: Pick something you can make something out of.

MR. NEARY: - just see how wrong we will be, Sir. We know what is behind this bill. We just got up and praised the Minister of Mines and Energy for bringing in a positive proposal, a positive piece of legislation before the House.

MR. J. CARTER: You alternate, do you?

MR. NEARY: Well, when we see something where credit is due we give credit, but when we see the conniving and the little bits of skulduggery and the little empires that are being created and the motives behind them, then, Mr. Speaker, it is our duty to try to protect the taxpayer.

MR. J. GANTER: Are you accusing the Lieutenant-Governor?

MR. NEARY: I would not be a bit surprised but the Lieutenant-Governor, the way she is going, is likely to go out and resign in protest. There is nobody governing the Province. They are spending all their time down on the 8th Floor now. Now they are going to ask the minister to bring some more business up to the 8th Floor. Down there now they cannot keep up with the Royal Commissions and police investigations that they are discussing down there - spending all their time trying to shore up the government, trying to prop her up. And now they are going to take this authority away from the St. John's Housing Corporation and give it to the minister.

MR. DOODY: Who is responsible?

MR. NEARY: Who is responsible for what?

MR. DOODY: For the activities of the St. John's Housing Corporation, who is responsible to the House?

MR. NEARY: Who is responsible to the -

MR. DOODY: To the House of Assembly for the activities of the corporation.

MR. NEARY: The minister.

MR. DOODY: Exactly. And that is what the bill is doing.

MR. NEARY: But the minister does not make the decisions. Now it is going to be political. There is the difference.

MR. DOODY: He is a politician.

MR. NEARY: Well, I do not care what he is. He only reports - the hon. gentleman does not understand. The Minister of Manpower reports to this House for the Workmen's Compensation Board but he does not make any decisions. The Minister of Municipal Affairs before this bill was brought into the House reports to this House - does not interfere with the decisions - reported to this House for the St. John's Housing Corporation. But that is not good enough. They want to get their little greasy fingers now on the goodies in the St. John's Housing Corporation. That is the whole point behind it, Sir. It is so they can pass out goodies to their buddies. And we will soon see the shopping malls now and the Villages and the

MR. NEARY: apartment buildings that will be going up
right, left and center -

MR. HICKLIAN: Order, order, order!

MR. NEARY: - with taxpayers' money that will never
be paid back.

MR. SPEAKER: (Dr. Collins) Order, please! Order, please! The House
does tend to get disorderly if there are too many interjections. I would
point out that the hon. member has been recognized.

The hon. member.

MR. NEARY: So, Mr. Speaker, I am at the end of my
few remarks anyway, Sir. I hope other members, Sir, will get up and ask
and suggest and beg the - no, not ask questions because the only minister
we have got any information from, to my recollection in the last week or
so, was the Minister of Mines. Tonight we flung a few questions at him and
he gave us a bit of information. When we did the estimates of the
Department of Municipal Affairs we were unable to drag any information out
of the hon. Minister of Municipal Affairs.

MR. RIDEOUT: They do not know anything.

MR. NEARY: The hon. gentleman does not know anything,
could not tell us anything, completely incompetent -

MR. RIDEOUT: Did not want to.

MR. NEARY: - did not want to tell us anything.

MR. RIDEOUT: Thought he was going to sneak it through.

MR. NEARY: That is right. And so, Mr. Speaker, this is
a very, very dangerous thing we are doing here, putting this authority -
yes, no wonder the hon. gentleman will laugh - putting this authority

Mr. Neary: in the hands of an incompetent. The government, Sir, the Minister of Justice will live to regret it.

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

MR. FLIGHT: I have a very few brief words to say on this at this stage. I would remind the minister that in a similar situation last year when the Minister of Rural Development attempted to take onto himself -

AN HON. MEMBER: That was the reversal of it.

MR. FLIGHT: Oh, no! it is identical - take onto himself the right without going to Cabinet, without going anywhere, and approving applications for rural development loans.

MR. MURPHY: That was exactly the reverse.

MR. FLIGHT: All right. Just let me finish and we will see. So anyway in third reading, if the House will remember, in third reading notice was served on the minister that we would have no choice but to keep talking and talking, you know, all Summer if he did not withdraw that particular piece of legislation. And the minister knows the results, he withdrew it, and it has not seen the light of day since.

And, Mr. Speaker, maybe what we should do is serve notice on the minister that he is in for the same kind of treatment as the Minister of Rural Development received last year. Just listen to this; "(i) to borrow money from time to time on the security of any or all of the property of the corporation or otherwise." What does the 'otherwise' mean, Mr. Speaker?

MR. HICKMAN: It is in the explanatory note.

MR. FLIGHT: I am asking the minister.

MR. RIDEOUT: That is what you should be doing.

MR. FLIGHT: That is the explanatory note.

MR. NEARY: That is what frightens the life out of him, the explanatory notes.

MR. FLIGHT: What is the 'otherwise'?

Mr. Flight: Now the corporation up until now I would presume have been able to use any property held by the corporation as collateral for loans. But this goes on 'or otherwise'. 'Otherwise' what?

AN HON. MEMBER: Read the essence of it.

MR. FLIGHT: Well, I will. When the minister gets up he can explain. And I intend to support, Mr. Speaker, the remarks made by my two hon. colleagues, that there is no reason. Another thing he will have to explain is why this is necessary. The St. John's Housing Corporation seem to have been operating in a reasonable manner and performing the various duties that they were expected to perform in reporting to the minister. Why suddenly would the minister want - is he jealous of the corporation? Why does the minister and Cabinet suddenly want veto powers over the Housing Corporation? I mean, that is exactly what they are establishing here. So, Mr. Speaker, it is up to the minister to answer -

MR. NEARY: Political plums (inaudible) pay-off.

MR. FLIGHT: You know, it is tempting to say exactly that. It is tempting to say that the only interest, the only purpose of this bill is to put the ministry again into a position where they can hand out political plums and they will decide what properties are sold and what properties are built and who builds them or what type of property or construction projects the Housing Corporation can get into.

So, Mr. Speaker, that is all. I would just serve notice on the minister that he may run into a very serious situation on third reading of this particular bill.

MR. NEARY: In Committee we are going to hang her down. A six months hoist. Hang her down in Committee.

MR. FLIGHT: Hang her down!

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

MR. R. MOORES: The hon. the Leader of the Opposition said the other day, Mr. Speaker, "Now I have seen it all." The minister must have the face of a robber's horse to think that he can come into this House tonight and almost callously try to sneak what is in fact a usurpation, what is in fact a usurpation of the authority of the St. John's Housing Corporation.

SOME HON. MEMBERS: Oh, oh!

MR. R. MOORES: Prior to the introduction of this bill, Mr. Speaker, the St. John's Housing Corporation presumably was working quite efficiently and quite smoothly without the minister's intervention. True, the minister sits on the Board of Directors and does have some advisory input. Certainly I would think he has some decision-making and -

MR. DINN: Appointed by the Lieutenant-Governor in Council.

MR. R. MOORES: It does not matter who they are appointed by.

MR. DINN: What do you want (inaudible).

MR. R. MOORES: It does not matter who they are appointed by, the fact is -

MR. RIDEOUT: He wants to overrule his own appointment.

MR. R. MOORES: Yes. The minister's has come from the status of being merely an input, an advisory input, and a partial decision maker to one now as of a dictator.

SOME HON. MEMBERS: Hear, hear!

MR. R. MOORES: - where he can in fact, at his own discretion and by his own will, inflict whatever he desires upon the St. John's Housing Corporation in the way they spend their monies, in the way that they earn their monies, and the way that they invest, and essentially in the way they make any of their decisions relating to construction of property.

AN HON. MEMBER: Craig Dobbin.

MR. MOORES: I would think, Mr. Speaker, that the hon. Minister of Municipal Affairs would have more sense than to try to sneak this in tonight, to try to bring it in under a cloak of darkness. And as my hon. friend from Windsor-Buchans (Mr. Flight) stated, this is not unusual for any minister on the opposite side. They tried to do the same thing last year with the Rural Development bill and now brazenly try to do it with this bill. But in effect the implications of this bill are far more extensive in that the St. John's Housing Corporation has assets, liabilities and what have you millions and millions of dollars and affects the lives of many citizens in this city.

MR. NEARY: You have to be a PC now to get an apartment.

MR. R. MOORES: That is right. Like my colleague from LaPoile (Mr. Neary) said, Mr. Speaker, certain developers in this city who have been having problems in the past few years in this recession period with profits, with construction work, are now given an almost carte blanche with regard to construction relating to the St. John's Housing Corporation. I would think that the minister should review -

MR. DOODY: He knows the difference but he cannot keep a straight face.

MR. R. MOORES: I think that the minister should seriously consider reviewing -

MR. HICKMAN: I do not mind reviewing.

MR. T. MOORES: - the introduction of certain clauses in this bill and should effectively but out of the business of the St. John's Housing Corporation other than the extent of his butting in right now.

Thank you, Mr. Chairman.

MR. RIDEOUT: Well spoken.

- MR. SPEAKER: If the hon. minister now speaks he closes the debate.
- MR. DOODY: Wait until we get into clause by clause, then we will have some time.
- MR. DINN: Mr. Speaker, battered, bruised, barraged -
- MR. NEARY: Insulted.
- MR. DINN: - by that onslaught from hon. gentlemen opposite, I am seriously considering withdrawing this major piece of legislation which gives the Lieutenant-Governor in Council some control over a Crown corporation. Hon. members opposite when they talk about other Crown corporations say, "There they are out there flinging money here and flinging money there with no control. The government has no control over Hydro, no control over this and no control over that," and we get into a Crown corporation that have to submit their financial statements at the end of the year to the Lieutenant-Governor in Council, through me as a messenger -
- AN HON. MEMBER: That is a good point. Number three, deal with number three.
- MR. DINN: And number three, Mr. Speaker, all the powers listed under number three were powers that were given to the St. John's Housing Corporation. Right now we are saying that sections (f) to (i) will be submitted through the Minister of Municipal Affairs and Housing for the approval of the Lieutenant-Governor in Council, and that is wrong. We should not control a Crown corporation in this Province.
- AN HON. MEMBER: But we know you guys.
- MR. DINN: We should not. If they want to spend -
- MR. NEARY: No, the House should control it.
- MR. DINN: - \$26 million or \$40 million, or they want to do this or they want to do that there should be no control over the Crown corporation, they should just go about and spend the public money with absolutely no control over the corporation.

MR. DOODY:

Order, please!

MR. DINN:

But I am surprised, Mr. Speaker, I am absolutely shocked and surprised -

MR. FLIGHT:

I just want to say (inaudible).

MR. DINN:

I do not mind an hon. member, especially the hon. member for LaPoile (Mr. Neary) getting up and talking about me being incompetent. That does not bother me at all. There was a whole book written on the hon. member and we have all had a read of it and we all know what the hon. member is capable of doing when he was in the ministry. And I hope to God, Mr. Speaker, that he never has the opportunity to go back in the ministry as part of a government to do what he did on Bell Island, as outlined in the Mifflin Report.

SOME HON. MEMBERS:

Hear, hear!

MR. DINN:

Anyway, Mr. Speaker, since there was very little brought up by the hon. members opposite I move second reading.

On motion, a bill, "An Act To Amend The St. John's Housing Corporation Act," (Bill No. 14) read a second time, ordered referred to a Committee of the Whole House on tomorrow.

MR. HICKMAN: Order 9.

Motion, second reading of a bill, "An Act To Repeal The Government - Pyramid Mobile Homes (1959) Limited (Confirmation of Agreement) Act," (Bill No. 12).

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

MR. HICKMAN: Mr. Speaker, the explanatory note of this bill speaks for itself. I move second reading.

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

MR. NEARY: This Act repeals the Government-Pyramid Mobile Homes. I presume this Act is designed now to wipe off the face of the earth another industry in this Province. Is that the purpose?

MR. HICKMAN: It has long been wiped off, it is gone.

MR. NEARY: Oh, they are gone.

MR. RIDEOUT: The ones that this government started up now are gone down the drain.

MR. NEARY: That is right, Mr. Speaker, it is another example of the 'shut her down' policy of this administration, starting with the steel mill back in 1972 down at the Octagon, and it has just been one industry after another shut down - one after the other, a 'shut her down' government, a 'shut her down' administration.

MR. RIDEOUT: Who started them and who is shutting them down?

MR. FLIGHT: The Minister of Padlock.

MR. NEARY: The golden padlock, Sir, has gone on Pyramid Homes, and this is the final act now, a bill to repeal the Government - Pyramid Mobile Homes (1959) Limited (Confirmation of Agreement). Now what I would like to know, Mr. Speaker, What about all the DREE money that went into that Pyramid Homes?

AN HON. MEMBER: Yes.

MR. NEARY: Is there going to be any effort made on the part of the Government of Canada to recover the money that was conned out of the Canadian taxpayers to set up this industry down in Argentina on the

MR. NEARY: Northeast side of the United States Naval Base? And what about provincial money? Was there any provincial money went into this? 'None at all,' the minister says. I am not so sure about that.

MR. DOODY: \$8,000 or \$9,000.

MR. NEARY: I beg your pardon?

MR. DOODY: I think there was \$8,000 or \$9,000 went in there for sewerage lines and water lines.

MR. NEARY: Sewerage and water. And I believe - let me see, who was it went down with it? I believe it was the minister himself who went down with all the fanfare and the balloons and the flags flying and the bands -

MR. DOODY: Three balloons, two flags.

MR. NEARY: - telling us about this great industry that they were starting down in Argentina, all the hundreds of people who were going to be employed down there, the commencement of a new era for Newfoundland. Down she goes!

MR. DOODY: There they are, gone!

MR. NEARY: She's gone. Starting out with the steel mill at the Octagon -

MR. DOODY: Thirteen million dollars that one cost ^{us}.

MR. NEARY: Yes, that is right, Mr. Speaker. Then, let me see, what one came after that?

MR. DOODY: The battery plant.

MR. NEARY: No, it was not.

MR. DOODY: The rubber plant.

MR. NEARY: No, if we had to have a rubber plant a few years ago -

MR. DOODY: The shoe heel factory out on the West Coast.

MR. NEARY: Let me see, what one came after that. No, it was not the Linerboard mill I do not think.

AN HON. MEMBER: Orange juice (inaudible).

MR. NEARY: Pyramid Homes went before the Linerboard mill. There was Pyramid Homes, the Linerboard Mill, Come By Chance Oil Refinery, the logging operations in Labrador, the Newfoundland Forest Products, I believe it was, in Stephenville and in Hawkes Bay, the hockey stick factory that the hon. gentleman's buddy had out in Stephenville, Mr. Howie Meeker, who is now out living in British Columbia, that great Tory, that gentleman who ran for the Tories up on the Mainland.

MRS. McISAAC: It is hard to keep track of them.

MR. NEARY: And now - oh, the latest one, Sir, the latest one - hon. gentlemen have not mentioned the latest one, Pelcon -

AN HON. MEMBER: That is right, Pelcon, the big one.

MR. NEARY: - that conned so much money out of the Newfoundland Development Corporation on the assumption that they had a contract with the United States Navy. And I would like to see that contract.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Hon. gentlemen may not know about Pelcon. They make underwater connectors. This was all top secret, security all over the place. In order to get in down there you had to go down to the RCMP and be fingerprinted, get your security button and your photograph taken before you were allowed in. And I understand now that the gentleman has sold his secrets, sold his inventions to some outfit in Europe and she is shut down. The receivers have four people working in the building.

AN HON. MEMBER: Shame!

MR. NEARY: Four. She shut down. How much? \$500,000 - \$1 million? How much of the taxpayers' money is in that industry?

MR. FLIGHT: Green Bay Mining, \$1 million.

MR. NEARY: Mr. Speaker, I have the share list here somewhere on my desk. It would be interesting to see who -

MR. DOODY: The share list for Clarenville, is it?

MR. NEARY: No, it is the share list

Mr. Neary: for another industry, Pelcon - D.R. Baird, F.F. Baird, A.H. Crosbie, C.G. Eaton, R. J. Hickman, S.G. S. Hughes- I believe that is the gentleman who managed the company down there.

AN HON. MEMBER: Still they are closing.

MR. NEARY: J. M. Jenson, S.S. Peters - is that Stuart Peters the gentleman that the Premier brought back to this Province? J.K. Pratt, G. K. San, J. A. D. Western, H.H. Winter, all the big shots. Look, there is a whole list of them, Sir. All the big shots.

MR. SPEAKER: Order, please!

Obviously there will be motions before the House when numerous matters can be discussed, but strictly speaking - not even strictly speaking, just speaking - as a requirement of relevancy I would ask hon. members to restrict their remarks to the principle of the bill, which of course affects Pyramid Mobile Homes Limited.

The hon. member for Lapoile.

MR. NEARY: Anyway, Mr. Speaker, this is just another nail in the coffin of the Administration. It was a great disappointment. It was a bust after the boom in Argentina.

MR. DOODY: A what?

MR. NEARY: A bust.

MR. DOODY: A bust?

MR. NEARY: A bust.

You know, Mr. Speaker, it is a funny thing; this was the hon. crowd, Sir, that came into office, they were not going to make any prior announcement about industries or anything like that. They were going to wait until they were operating. They were not going to say anything about him. And we heard more gab and we heard more gob about Pyramid Homes in Argentina - this was supposed to be the star in their crown -

AN HON. MEMBER: That is right.

MR. NEARY: - and the hon. gentleman was down, and I remember hearing him saying what a great future this industry had, the hon. Minister of Transportation,

MR. F. ROWE: Pyramid power.

MR. PATTERSON: Would the hon. member permit a word?

MR. NEARY: Permit a word? The hon. gentleman can have the floor if he wants it.

MR. PATTERSON: No. On the Pyramid Homes.

This government did not close that. That place closed because of bad management. I was working there. I installed all of the cranes in that place, overhead cranes. I know all about it from the day it opened, and this government did not go out and close it or any other government. The markets went soft, bad management at the top, and that company lost \$2 million.

AN HON. MEMBER: Keep the record straight.

MR. PATTERSON: Yes, keep the record straight.

MR. NEARY: Mr. Speaker, it is a funny thing, Sir, when an industry closes, when this administration is in power it is bad management, but when one closed when we were in power it was our fault. We were scoundrels, and rogues, and crooks.

AN HON. MEMBER: Right. Right.

MR. DOODY: That is unparliamentary. You are not allowed to say that about yourselves.

MR. NEARY: But when it closes down, when they put the golden padlock on an industry, oh that is poor management, mismanagement.

AN HON. MEMBER: That is right.

MR. NEARY: Not the fault of the government. It is not the fact that the government would not buy there product.

MR. DOODY: Are you allowed to call the government scoundrels, and rogues (inaudible). That is unparliamentary.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, it was just one in a long list, Sir, of industries that had been shut down by this Administration, maybe not directly, but since this Administration took over, one of a long list; St. Lawrence, Buchans is well on the way.

AN HON. MEMBER: Two.

AN HON. MEMBER: Bell Island.

MR. NEARY: No, not Bell Island. The Linerboard Mill.

AN HON. MEMBER: Three.

MR. NEARY: The Oil refinery at Come-By-Chance.

AN HON. MEMBER: Four.

MR. NEARY: The logging operation in Goose Bay.

AN HON. MEMBER: Five.

MR. NEARY: The Hawkes Bay operation.

AN HON. MEMBER: Six.

MR. NEARY: Pelcon, I just mention that one.

AN HON. MEMBER: Seven.

MR. NEARY: And God only knows, Mr. Speaker, how many more that we cannot get lists of. The only ones that we hear about are ones like Pyramid Homes, Mr. Speaker, Blow Me Down By-Products out in Bay of Islands.

MR. HOODRON: Bad supply of materials and packing.

MR. NEARY: Here we are, Sir, now we are getting to it. Every industry that closed down when the Liberals were in it was their fault, But it is bad management and they could not get the raw material, mismanagement when they close it down.

MR. RIDEOUT: The operators took their cue from the government bad management. They took their cue from the government.

MR. NEARY: Is the hon. gentleman saying that Mr. Tom Dunphy could not manage Blow Me Down By-Products?

MR. RIDEOUT: Blow away.

MR. NEARY: And all this equipment scattered all over the place, scrapped, bulldozers cannibalized equipment belonging to the taxpayers scattered all over the place, a half a million dollars. You know, Mr. Speaker, just on that one project alone, this is the Argentia one I am talking about, or, Sir, you could take the one out in the Bay of Islands,

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MR. NEARY: or you could take the one in Come by Chance or the one in Stephenville or Pelcon or Goose Bay, any one, take any single one of these and that would be enough to bring a government down in any civilized country in the world. That would be enough, Sir, to cause riots in the streets in any civilized country in the world. And this crowd just sit over there, they sit over there and laugh at it, scoff at it. They just brush it off. What kind of an hon. crowd are they, Sir? They have no feeling, they just do not care.

MR. DOODY: Do not get yourself all worked up now. You will have to have another cup of coffee before you go to bed.

MR. NEARY: No, I will not have another cup of coffee, Sir. I do not drink coffee before I go to bed. I drink it in the morning and I drink it when the House is sitting to try and keep me awake.

MR. DOODY: Well, you need something. That is obvious.

MR. NEARY: So, Mr. Speaker, here we have it now, Bill No. 12, "An Act To Repeal The Government-Pyramid Mobile Homes (1959) Limited (Confirmation Of Agreement)!"

MR. DOODY: (Inaudible) three copies to Montreal.

MR. NEARY: And how is Mr. George Billard doing?

MR. H. ROWE: He won.

MR. NEARY: Another Liberal to send up to Ottawa as soon as the election is called.

So, Mr. Speaker, we do not take very much pleasure tonight on this side of the House in seeing this bill. It is a sad night, it is a sad situation and the hon. gentleman from Placentia (Mr. Patterson) looks like a very sad gentleman over there, to see the last act that will put under the ground forever, that did not have the services of the hon. member for Harbour Grace (Mr. Young) but is being buried forever, put away forever, Pyramid Homes.

MR. YOUNG: Respect the dead now.

MR. NEARY: I respect the dead, Sir, and I have great respect for this bill.

MR. NEARY: Mr. Speaker, I would like to know if the hon. gentleman can tell me what has happened to all the equipment and all the material and supplies that they had on hand out there that I understand was auctioned off, given away, stolen. I would like to know what has happened to it all? Do they owe the government any money in taxes or otherwise? What about the lease? Have the leases now been surrendered for the buildings they had on the base? And what about the Government of Canada? I wonder if they will make any effort at all to try to recover the DREE money that was conned out of them and put into that industry?

MR. DOODY: It was suggested to them.

MR. NEARY: It was suggested to them. By this administration? Oh, there is a bit of information, Sir, that is interesting. The Minister of Finance at the time, who happens to be the Minister of Transportation now, is admitting to the House that they suggested to the Government of Canada that they try to recover the DREE money that was put into that industry, conned out of the taxpayers of Canada.

MR. DOODY: It was not conned out of them.

MR. NEARY: It was not conned out of them. Well then why should they try to recover it?

MR. DOODY: Because they were moving out off the Province.

MR. NEARY: Because they were moving out off the Province. What has that got to do with it?

MR. DOODY: They were taking the equipment with them.

MR. NEARY: And have they taken the equipment?

MR. DOODY: So it appears. It is no longer out there.

MR. NEARY: Is there not any way that this government could have stopped them from moving their equipment?

MR. DOODY: No.

MR. NEARY: Well where is the equipment now? Where have they set it up now?

MR. DOODY: Elsewhere. I do not know.

MR. NEARY: Well did the hon. gentleman get in touch with the Government of Canada, DREE, and say, 'Look, they are moving this stuff out

MR. NEARY: off this Province and why do you not stop them?
Repossess the equipment -

MR. J. CARTER: Is the hon. gentleman trying to fly?

MR. NEARY: No - and repossess the equipment and try to recover some of the taxpayer's money or stop them from moving it out.

MR. DOODY: Or what?

MR. NEARY: Pardon?

MR. DOODY: Or what?

MR. NEARY: For what?

MR. DOODY: Or what? I just want to finish the sentence for you.

MR. NEARY: To repossess the equipment, to try and sell it and recover some money belonging to the taxpayers. Could they not have done that?

MR. DOODY: I do not know. That is the Government of Canada.

MR. NEARY: Well was there any action taken to the minister's knowledge?

MR. DOODY: No, not to my knowledge.

MR. NEARY: There was no action taken on it. Well that is a pity, Sir.

MR. DOODY: Yes.

MR. NEARY: We have had too much of that in this Province.

MR. DOODY: That is right.

MR. NEARY: Too much it.

MR. DOODY: But the Government of Canada was certainly alerted when we heard that they were collapsing on us.

MR. NEARY: Were they alerted in writing?

MR. DOODY: Oh, I do not know. Maybe we sent smoke signals up. I do not know. Maybe there is somebody up in the building with semaphore flags. Do not be so foolish, boy.

MR. NEARY: Well I would not want to get handy to the hon. gentleman's breath when he is sending up the smoke signals.

MR. DOODY: You would not want to get handy to my breath at any time.

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MR. NEARY:

No that is right.

MR. DODDY:

Because you have felt the sting of it before.

SOME HON. MEMBERS:

Hear, hear!

MR. S. NEARY: So, Mr. Speaker, it is indeed, Sir, a sad, sad day. It is a sad night and I would like to hear what the hon. member for Placentia (Mr. Patterson) has to say about this situation. They are down there now struggling, trying to get industry on the north side of the Argentinia base. They cannot seem to get approval from anybody to get a lease for the buildings down there to set up a fish plant.

MR. PATTERSON: What you are saying is right.

MR. S. NEARY: What I am saying is right and the hon. gentleman, I hope, will get up and lash out against his colleagues -

MR. PATTERSON: Not his colleagues, MacGonnegal down there and his buddies (inaudible).

MR. S. NEARY: - and if necessary - let me finish now - lash out against his colleagues and if necessary the Government of Canada and their officials -

MR. DOODY: Can we take it as said, Your Honour?

MR. S. NEARY: No, we cannot take it as said, not yet.

MR. PATTERSON: Give me a couple of minutes and I will brief you on that.

MR. S. NEARY: Well, certainly I would be glad to sit down and give the hon. gentleman the couple of minutes before eleven o'clock or the hon. gentleman can carry on tomorrow.

MR. SPEAKER: Hon. member.

MR. PATTERSON: I appreciate the hon. member's concern for what happened up at Argentinia with the Pyramid Homes. I certainly had great hopes for it when it came in there and it looked to be what could have been a very promising business, no doubt. There was a demand for mobile homes - and not so much for the mobile home but for the double wide. They built very beautiful houses there and there seemed to be a market at the time but there was bad management at the top, there was bad management all through, in the marketing, for instance. They set up marketing here in Newfoundland, but what they should not have done. They should have sold their houses right at the plant at plant prices which would have knocked \$3,000 to \$4,000 off the trailers. There was really

MR. PATTERSON: no management. I saw the thing and I said to the manager there one day, I said, "Look, boy, this place has to go on the rocks, there is nothing else left for it." And eventually it did go on the rocks.

Now their involvement with the DREE people there, I think, was \$340,000. But I will agree with the member for LaPoile (Mr. Neary), they did move out in a very subtle way. They took a few pieces of equipment and they sent it up to their plant in Alberta, and a few weeks later they sent a few pieces of equipment up to New Brunswick, and a few weeks later and eventually the whole thing crumbled. All the equipment went out. Now what they have on the - there is not a thing in there belong to mobile homes. I saw a few trailers that were lying out at the railway station there this last two years. I do not know who owns the trailers. I think some group of lawyers here in St. John's. I could name them but, you know, it is none of my business. It would not do anything to -

MR. S. NEARY: You mean they own them or they were shipping them off?

MR. PATTERSON: Well, I do not know. They were involved with the company, I believe, somehow and they probably bought out the surplus buildings, surplus materials.

AN HON. MEMBER: Not shot lawyers!

MR. DINN: Now is that nice? You should not be talking about your leader that way.

MR. PATTERSON: As for the delay with the application made by a Mr. Hurley for a fish plant at Argentia, I have done everything possible for him, the Minister of Industrial Development is working on it, we are all working on it. We are bogged down, we cannot get up and when we do get off our knees we are knocked again because of Mr. MacGonnagal and Mr. Cashin down in DREE and that is what we are trying to get rid of.

MR. S. NEARY: I will have to give the hon. gentleman credit because he has done his part

MR. PATTERSON: Yes, that is right! It is certainly to my advantage to get something moving up there. We have 1,200 people registered with Canada Manpower, that is not very good. Hurley can go in there with his business and he can set it up and he can put fifty men to work

MR. PATTERSON: tomorrow and I would not doubt but next year he will put another fifty men to work.

MR. G. FLIGHT: Adjourn the debate.

MR. HICKMAN: Is the hon. gentleman finished?

MR. PATTERSON: Yes.

MR. HICKMAN: Anyone else want to speak on this?

MR. SPEAKER: Is the hon. gentleman moving the adjournment or not?

MR. HICKMAN: I was going to -

MR. S. NEARY: He does not know.

MR. W.N. ROWE: There may be some other things that need to be said on this, so I will take the liberty of adjourning the debate.

MR. HICKMAN: You can never get any work done in this House this way.

MR. SPEAKER: It being 11:00 -

MR. HICKMAN: Mr. Speaker, may I with the leave of the House, and I cleared this with the hon. the House Leader, with respect to motion number 6 may I by leave strike the words 'the hon. the Minister of Justice' and substitute therefore 'the hon. the member for Grand Falls' (Mr. Lundrigan).

SOME HON. MEMBERS: What for?

MR. HICKMAN: Because the matter that is being referred may deal with my department and I therefore should not be on it. This is not debating the motion. I just checked so that when the motion is debated we will have the correct name there. By leave.

MR. S. NEARY: (Inaudible) we get a couple of more lawyers off (inaudible).

MR. SPEAKER: It being 11:00, the House -

MR. HICKMAN: Is it agreed?

MR. SPEAKER: I understand that the amendment to the resolution, or the alteration in the resolution more properly speaking has been agreed to.

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Agreed. It being 11:00 the House stands adjourned until tomorrow, Friday, 12:00 A.M.