

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
3:00 p.m. - 6:00 p.m.
WEDNESDAY, MAY 2, 1979

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Otteneheimer): Order, please!

MR. NEARY: Mr. Speaker.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, before we proceed with the order of business, Sir, I would like to raise a point of personal privilege and my point of personal privilege, Sir, has to do with statements made outside of this hon. House by a member of the House in the person of the member for Grand Falls (Mr. Lundrigan) who I see strutting down the corridor now, Sir, and who will be in his seat shortly.

The statements were made this morning, Sir, on an action line programme whose moderator is Mr. Jamieson, brother of the member of Parliament.

MR. W. ROWE: Bribed -

MR. NEARY: I beg your pardon.

Mr. Speaker, in my opinion the statements made by the hon. gentleman involved slander and libel, not through innuendo, Mr. Speaker, this was not just a matter of opinion between two members, this is a matter, Sir, of misuse and abuse of the privilege of this House.

The statements, if any hon. gentlemen happened to hear them, the charges were made that I was responsible as an elected member of this House for keeping millions of dollars outside of Newfoundland -

AN HON. MEMBER: Hear, hear!

MR. NEARY: That I was responsible for keeping -

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

MR. LUNDRIGAN: Mr. Speaker (inaudible).

MR. NEARY: Mr. Speaker, I beg your pardon, Sir, -

MR. SPEAKER (Otteneheimer): Order, please!

MR. NEARY: - that I was responsible for keeping industrialists outside of this Province, a broad general statement with no specific facts, nothing to back it up, Sir, just statements that were made completely irresponsibly by the member for Grand Falls (Mr. Lundrigan). And in the process of making these charges and allegations, Sir, the gentleman also said that I slandered and lied about the President of EPA, and one or two other industrialists, businessmen in this Province, which is completely untrue and false and irresponsible.

Now, Sir, either the hon. gentleman withdraws his remarks and apologizes to the House or Your Honour send for the tapes. And I am sure that before Your Honour can make a ruling that Your Honour will have to send for the tapes.

It is the most vicious attack, Sir, ever made by an hon. member of this House on another member, a low -

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

I must point out to the hon. gentleman that any specific matter cannot be debated now but what the hon. member is entitled to do is to submit the data which in his opinion substantiate a prima facie case and any debate would then follow if in fact there were an affirmative ruling.

MR. NEARY: Right, Your Honour. I should have known better. But in the meantime I could have taken this matter up with the CRTC, Sir, and I will as far as the moderator and the station itself is concerned because they have a hearing coming up in June to extend their licence into Conception Bay.

Mr. Neary: so I will deal with that matter in another way, I will deal with that matter through the CRTC. But I believe, Your Honour, that the House should deal with the slanderous and the libelous statements that were made by the member for Grand Falls (Mr. Lundrigan) against myself and against the member for Buchans (Mr. Flight) and against other members of the Opposition. And I would like for Your Honour, before Your Honour makes a ruling to send for the tapes and listen to the tapes and I am sure that Your Honour will come to the conclusion that my privileges and other members privileges of this House have been breached.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (MR. OTTENHEIMER): The hon. House Leader.

MR. MARSHALL: Mr. Speaker, that is not a point of privilege. The hon. gentleman on the opposite side who occupies a position of Opposition House Leader should refer per changed to authorities which is Beauchesne, the Fifth Edition, Page 12, Paragraph 19, Sub-paragraph (3) which clearly says, "Statements made outside of the House by a Member may not be used as a basis for a question of privilege."

SOME HON. MEMBERS: Oh, oh!

MR. MARSHALL: Now it is there. It is simple. It does not require any interpretation at all, Mr. Speaker. And I would respectfully suggest that questions of this nature should be nipped in the bud immediately because it is not within the purview of this House to determine as a matter of privilege statements that are made outside the House. If we did this we could get into a lot of areas such as areas of something that is rather scandalous, I heard last night made outside of the House about these courts in the United States being next to God, not like the courts here, this type of thing. So if we got into that area there would be some very sorry repercussions.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Grand Falls.

MR. LUNDRIGAN: Mr. Speaker, on that question of privileges.

It is the first time I have heard of any challenge to a member being asked

Mr. Lundrigan: to repeat the statements in the House that he made outside of the House.

SOME HON. MEMBERS: Oh, oh!

MR. LUNDRIGAN: But I am quite prepared later on in the debate, given the opportunity, to repeat any statements I made outside the House -

SOME HON. MEMBERS: Oh, oh!

MR. LUNDRIGAN: - so that Your Honour can properly then rule as to whether I am in order. The member cannot attack the entire world on a daily basis and expect to go unscathed.

AN HON. MEMBER: Oh, oh!

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

MR. LUNDRIGAN: And, Mr. Speaker, given the first opportunity I will repeat for the member here in the House any comments I made outside. I might add a little flurry of activity as well.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

I will give my decision on this matter in due course.

PRESENTING PETITIONS

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

MR. WOODROW: Mr. Speaker, I have a petition from 676 taxpayers on the North Shore of the Bay of Islands in the district of Bay of Islands,

MR. WOODROW: and the prayer of the petition reads as follows: "We, the undersigned residents and voters of the communities of Cox's Cove, McIver's, Gillams, Meadows, Summerside and Irishtown in the district of Bay of Islands, do hereby petition our provincial government to allocate funds to the Department of Transportation and Communications for the recapping of the Northshore Highway from Ballam Bridge to Cox's Cove."

Mr. Speaker, I would like in making a few comments on this petition to say that it is some years ago now since the first pavement was put down on this road, on this highway on the Northshore, the Bay of Islands. And I am not, Mr. Speaker, unmindful on the amounts of money spent in the district of the Bay of Islands on the roads, both on the North and the South shores. However, in 1978 the department put down chip seal, down to about, roughly speaking, ten or twelve miles and it did not prove to be all that successful. In fact it was, Mr. Speaker, as you know, unsuccessful in the city of St. John's and there is still a lot of controversy going on about it even up to the present time. So the highway needs a total recapping job and the petitioners are asking that if possible so much be done each year, so much this year, next year and until the job is completed.

Mr. Speaker, I am going to lay the petition on the table of the House and ask the hon. Minister of Transportation and Communications (Mr. Brett) for his kind consideration in this matter for the people on the Northshore of the Bay of Islands as soon as funds can be made available.

Thank you, Mr. Speaker.

MR. SPEAKER: (Mr. Ottenheimer)
Conception Bay South.

Hon. member for

MR. NOLAN: Mr. Speaker, I rise to support the prayer of the petition as submitted by my hon. friend opposite and while doing so, and since he made reference

MR. NOLAN:

to chip seal which, as he says, has caused some considerable controversy in St. John's where it has been laid previously and, since he has indicated, in his own area on the North Shore where it has been unsuccessful, it might be interesting to have the Minister of Transportation (Mr. Brett) address himself to this problem now here in the House. What is the position of the department regarding chip seal? What has been their experience? Do they intend to continue using it or not? Obviously, the people of Cox Cove, Gillams and the other areas mentioned by my hon. friend, for the North Shore highway, is one that is a most serious one and obviously in need of attention. I believe it was 500 and some names that were listed?

MR. WOODROW: Six hundred and seventy-six.

MR. NOLAN: Six hundred and seventy-six names, not an amount to be ignored even if it were far less, and by the way, when one talks about roads, Mr. Speaker, there are any number of roads in many areas that are in need.

The situation is that we have heard time and time again about various plans that are going to be tabled in this House on roads that are going to be done in various districts and various communities. Now where is it? We did not have it last year, we did not have it the year before. I mean, where is the list? We are now told that we are involved - and maybe the Premier can deny this - we are now told that various so-called P.C. groups in various areas are now coming forward to describe the needs for certain areas. Now if this is the game the hon. the Premier or the Minister of Transportation or anyone else wants to play, well, then we are going to have one hot time in the old town. And this might be a time for the hon. the Premier, since he is new in office,

MR. NOLAN: to nip this in the bud and to take a responsible attitude on the needs that are crying out for action, not only in Cox Cove and Cilliams, as my hon. friend stated, but in many other areas of this Province. We have roads that have been ignored, absolutely ignored, oftentimes on purely political grounds, and it is time that this was changed. Maybe I am mistaken, but I am naive enough to believe that perhaps the hon. the Premier might want to take a new look at this kind of politics that has been played in this Province. A dusty road, one with potholes, mud, no ditching and so on, and no paving, is as torturous and aggravating and depreciates property for a P.C. just as much - or a Liberal or an N.D.P. or anyone else. And it is time this discrimination stopped, and the time is now, to use your phrase.

So I would hope that the hon. the Minister of Transportation (Mr. Brett) will now address himself to the problem on the North Shore highway, as outlined by my hon. friend. And not only that, let us look forward, and soon, to a tabling in this House of what roads are to be done and when they are going to be done, and let us not go through the political promising nonsense again because the people out there are looking for answers

MR. J. NOLAN: and they are not going to be put off,
So I certainly support the petition, Mr. Speaker

NOTICES OF MOTION

MR. SPEAKER: (Otteneheimer) Hon. President of the Council.
MR. W. MARSHALL: Mr. Speaker, on behalf of my colleague,
the Minister of Fisheries (Mr.W.Carter), I give notice that I will
on tomorrow ask leave to introduce the following bill, "An Act to
Amend the Fishing Industry Advisory Board Act,1975," and on behalf
of my colleague the Minister of Justice (Mr. T. Hickman), I give
notice that I will on tomorrow ask leave to introduce the following
bill, "An Act To Enable Gaden's Limited And Labatt Breweries Of
Newfoundland Limited To Become Federal Corporations."

ORAL QUESTIONS

MR. SPEAKER: The hon. member for LaPoile.
MR. S. NEARY: Mr. Speaker, my question is directed
to the hon. the Premier, Sir. It has to do with the matter we
discussed yesterday during the Oral Question Period, the final days.
Would the hon. the Premier indicate to the House if the former Premier,
that is the albatross Premier, removed any files from the eighth floor
when he quit his job?
MR. SPEAKER: Hon. Premier.
PREMIER PECKFORD: Mr. Speaker, no, You know, that question
is somewhat repulsive. I mean, obviously the former Premier did not
remove any files from the office of Premier or anywhere else. The
answer is absolutely no.
MR. S. NEARY: Supplementary question, Mr. Speaker.
MR. SPEAKER: Supplementary, the hon. member for
LaPoile.
MR. S. NEARY: Mr. Speaker, the hon. Premier of the
Province and the ministers are entitled to remove their own personal
files. Did the former Premier remove his own personal files from the
the Premier's office?

MR. SPEAKER:(Ottenheimer) The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, obviously I take it that when I move an office I could take whatever were my own files.

When the hon. gentleman asked the question he did not specify what kind of files and I did not know if he expected me to suddenly find all the different types of files around the world that an individual might have at his disposal as the First Minister of the Crown. The answer to the original question was 'no'. If the hon. member had been more specific in referring to personal files, I suppose he did. I have not come across any personal files in the office on the eighth floor, below here, that belong to the former Premier, so I just assume that he took whatever personal files he had which were his.

MR. S. NEARY: A supplementary question, Mr. Speaker.

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

MR. S. NEARY: Mr. Speaker, the hon. gentleman, somehow or another, is doing again a little fancy stickhandling. Maybe I am not making myself clear, Let me ask the hon. gentleman if the former Premier did, indeed, take any files from the eighth floor. Did the hon. Premier, for the time being, check to see if any files

MR. S. NEARY: were removed? Yesterday I produced a letter that was sent to Mr. Shaheen signed by the former Premier. I laid it on the table of the House so the hon. gentleman could have a look at it because the hon. gentleman said he had never seen it, and it was signed by the former Premier of this Province. What I want to know, Mr. Speaker, if any files at all had been removed, if the hon. gentleman has checked with the secretaries to see if any files indeed were removed from the eighth floor.

MR. SPEAKER (MR. OTTENHEIMER): The hon. Premier.

PREMIER PECKFORD: I did not deliberately go out of my way to check to see if any of the files were removed. There is a registry in the Premier's office, a separate office called the registry, and there is a person who works in there full-time on files, filing all the information that comes in, after what action is necessary is done and it is put there. Not the registrar, nor the director of administration, nor any of the people who have worked on the floor have indicated any removal of files of any kind or another, and because nobody has come forward I just assumed that all the files are there like they always were that belong and are officially a part of the Premier's office.

MR. S. NEARY: A supplementary question, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. S. NEARY: Mr. Speaker, would the hon. gentleman indicate if the former Premier's secretary is still on the eighth floor and if so what is that particular person's present duties?

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, the former Premier had a number of positions in the office and I think the hon. Opposition House Leader is referring to his personal assistant rather than his secretary -

MR. S. NEARY: Well, receptionist.

PREMIER PECKFORD: - and I think under the estimates it would be referred to as his personal assistant. And the personal assistant to the former Premier is not now working in the Premier's office

PREMIER PECKFORD: but is now working with Planning and Priorities Secretariat on the seventh floor.

MR. J. NOLAN: A supplementary, Mr. Speaker.

MR. SPEAKER (MR. OTTENHEIMER): A supplementary, the hon. member for Conception Bay South.

MR. J. NOLAN: Yesterday I asked the hon. the Premier about certain positions in the Premier's office or offices right throughout the Province of Newfoundland and Labrador and since there are some - I do not always go by the rumour factory, obviously, but was Mr. Rex Murphy on the public payroll of this Province and, if so, at what cost, what was he paid? Was there a public car involved? Did a member of the civil service go and bring the car back? And any other items that might be surrounding this - if in fact there is any truth to it at all, and I wonder if the hon. the Premier, while he may not have the information readily available, would be kind enough to provide us with that information.

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Yes, Mr. Speaker, I am not aware whether Mr. Murphy worked for the government or not, I understand, sort of remember that last year for a period of time Mr. Murphy, and I think the former Premier did mention this in the House at the time, that Mr. Murphy was working, doing some work for the former premier and I know that Mr. Murphy is not now working for the

PREMIER PECKFORD:

Premier's office or for this Premier, nor is he working for anybody else in government to my knowledge. Whether there are some rumours about about cars or about other things, I am just not aware of them at all.

MR. NOLAN:

A supplementary.

MR. SPEAKER: (Mr. Ottenheimer)

for Conception Bay South.

A supplementary. Hon. member

MR. NOLAN:

Is the hon. Premier saying no, that an official of the Civil Service of this Province did not go and bring back a public car? And perhaps he could also tell us if certain funds may be withheld, for some reason, that have not been paid to that gentleman and, if so, why not?

PREMIER PECKFORD:

idea, Mr. Speaker.

I have not the faintest

MR. NOLAN:

agree to find out?

Would the hon. the Premier

PREMIER PECKFORD:

MR. NEARY:

MR. SPEAKER:

MR. NEARY:

MR. NEARY:

with the answers that I have been getting in connection with the files. It is very important that all the records, at least copies of all the letters and correspondence or records, be left in the Premier's office. And this is not meant to be repulsive in any way at all. I am just trying to find out if the hon. gentleman checked to see if indeed any files or any correspondence, any letters or anything was removed from the eight floor, from the Premier's office when the former premier left? That is all I am asking the hon. gentleman. Has he taken the trouble to find out and is it not important that the hon. gentleman find out?

Absolutely, Mr. Speaker.

Mr. Speaker, a supplementary.

A supplementary. Hon. member

I am not altogether satisfied

The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, I have enough faith and trust in the former premier that any files that are officially a part of the Premier's office that that hon. gentleman would not take them, number one. Number two is that we have a very -

MR. NEARY: Well he tried to take everything else, did he not?

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

PREMIER PECKFORD: Mr. Speaker, secondly, we have a very competent person who looks after the registry in the Premier's office, who has been there under the former administration of Mr. Smallwood, under the administration led by Mr. Moores and now is still a part of the present administration, a very efficient, competent person who has been looking after files, official files of the Premier's office dealing with all the major issues of the day for a long period of time. I am sure that if there had been any files that had been removed, or information or correspondence removed, that he would have informed me for those two reasons. Now that the hon. Opposition House Leader brings it up, I suppose because he considers it to be important that some people in the Premier's office might not consider that to be so important that they would have already raised it with me after three or four weeks in office, I will this evening or tomorrow morning just broach the question with them and ask them to review it. But I am sure in my own mind, totally confident, absolutely confident, one hundred and fifty per cent confident that everything is in order. Otherwise these very competent people, who are part of the Civil Service would have informed me differently.

MR. NEARY: A supplementary, Sir.

MR. SPEAKER: A final supplementary.

MR. NEARY: After three and a half weeks, Sir, I am surprised to hear the hon. gentleman say that he is not sure. This seems to be a pat answer that we are getting from the hon. gentleman, he is never sure of anything. Well, Sir, I want to

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MR. NEARY: ask the hon. gentleman is it not customary when you are transferring power that as a matter of courtesy, if nothing else, that the gentleman who is moving out, if he was going to take anything with him would advise his successor what he was taking? Was there any discussion?

MR. NEARY: Did the hon. gentleman oversee the transfer of power or did he just let the thing drift on, let nature take its course and not try to find out if anything was being removed from the eighth floor of Confederation Building? And indeed the answer he is giving me, Mr. Speaker, I would assume the hon. gentleman is not sure.

MR. SPEAKER (Otteneheimer): The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, the hon. Opposition House Leader is free to put whatever interpretation and judgement he sees fit upon comments made in this hon. House and elsewhere and therefore any value judgement that he comes to is entirely up to him to defend and support and reconfirm at whatever time he wants. That is up to the Opposition House Leader. I can only reiterate that I am sorry if the hon. Opposition House Leader is not satisfied with my answers.

Mr. Speaker, during the transfer from one premier to another, the former premier and I sat down for hours downstairs here going over the transfer and the information that he wanted to pass on to me as it related to major issues of the day in his view and his advice to me on things. I went over that with the former premier and he took his personal files. There was no information, only the files dealing with certain current problems were left there for me.

MR. NEARY: Oh, I see! He did take files!

PREMIER PECKFORD: I never saw the hon. the former premier take files.

MR. NEARY: It is a different story now.

PREMIER PECKFORD: I answered in a previous question that I supposed I assumed that the former premier took his personal files.

MR. NEARY: Are you sure?

PREMIER PECKFORD: I have already answered that.

MR. NEARY: Are you sure he took them?

PREMIER PECKFORD: There are no files in the desk downstairs right now -

MR. NEARY: Well what did he take?

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

PREMIER PECKFORD: - which have on them "personal" belonging to the former premier. So I suppose there were so files in those drawers.

MR. NEARY: But do you know what he took?

PREMIER PECKFORD: I do not do those kind of witch hunts, Mr. Speaker.

MR. NEARY: No, it is not a witch hunt.

PREMIER PECKFORD: All I know is that I have a competent staff which would have advised me if there were some irregularities in the filing system in the Premier's Office.

MR. NEARY: Well, you had better check it out. You had better check it. That is my advice to you.

PREMIER PECKFORD: And I know that if there are personal files owned by an individual who possesses or is a part of an office, who fills an office -

MR. NEARY: You do not know what he took.

PREMIER PECKFORD: - that when that person leaves that office I suppose he would leave there all the files relating to the office and position and take those files which belong to the person.

MR. NEARY: But are you sure?

PREMIER PECKFORD: I do not know how many files, if any, the former Premier took. You know, personal files, I do not know.

MR. NEARY: Oh I see. Now you do not know.

MR. SPEAKER (Otteneheimer): The hon. member for Fortune-Hermitage, followed by the hon. member for Terra Nova.

MR. J. WINSOR: My question was intended for the Minister of Fisheries, As he is not in his place perhaps the Premier could enlighten me on this subject. In light of the fact, or so I understand, that the agreement between the federal government and the provincial government was signed in December, would the minister tell the House if plans are ready for the marine haul-out at Harbour Breton and when tenders are likely to be called?

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, I will have to take that question as notice and find out later on this afternoon in consultation with people in the Department of Fisheries and the Intergovernmental Affairs secretariat. I will undertake to do that, Mr. Speaker, before six o'clock and provide an answer for the hon. member before that time.

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

MR. LUSH: Mr. Speaker, I would like to direct a question to the Premier in an effort to determine what changes we can expect from his government as opposed to the former administration. The former premier announced, sometime last year

Mr. Lush: I think, the formation of an Advisory Committee, a group of business people that were going to advise the Premier and the Cabinet on matters concerning economic development and other matters of public concern. I wonder if the Premier can inform the House what is the status of that committee now? Is that committee gone or whether it is still intact?

MR. SPEAKER (MR. OTTENHEIMER): The hon. the Premier.

PREMIER PECKFORD: Yes, Mr. Speaker, that question was asked a couple of weeks ago, and my response at that time was I am in the process of meeting with that Economic Advisory Council, reviewing their mandate as outlined by the former premier. And in due course, through the budgetary process decisions will be made relating to the mandate of that organization—whether in fact its mandate will be enlarged, whether in fact its mandate will change, whether in fact a composition of the council will remain as it is now - all these issues will be reviewed obviously as Cabinet and Treasury Board deal with the Budget. And I will be making then a full statement as it relates to the role, the continued role, if any, of that organization at that time. To date they have a report coming to me. I think, I had one on my desk a few days ago relating to various areas of government that they have commented upon. I think they have been looking at the lands policy of government, given government some advice on it. I think they have been looking at a number of other areas of economic stimulation that the government could undertake, as advice to the government. And so they have done some work already on behalf of government for government, but the whole question of its future existence, its future mandate is to be reviewed by Cabinet and Treasury Board in the normal budgetary process.

MR. LUSH: A supplementary.

MR. SPEAKER: A supplementary.

MR. LUSH: In looking at and reviewing this committee, would the Premier undertake to tell the House whether he plans on changing its structure? Because this committee is very narrow in its scope, it is only representative of the business community, there are no labour representation,

Mr. Lush: no people from education, just the business community.

MR. SPEAKER (MR. OTTENHEIMER): The hon. the Premier.

PREMIER PECKFORD: Yes, Mr. Speaker, I do undertake to look at the composition and the overall mandate of that council. And in addition to that I have also consulted with people outside of government as it relates to the Province of Newfoundland's participation in different economic organizations nationally and regionally to ensure whether these are really working out or not. For example, the Economic Council of Canada, I understand in an announcement

PREMIER PECKFORD: until several months ago, and they are due to come down and meet with me now in a week or so, are studying the whole economic status, if you will, the whole economic situation of Newfoundland, a special review that they are doing, a special report - Atlantic Economic Council, which takes in four Eastern provinces and Newfoundland's role in that, and whether in fact some additional organization or other organization involving business and labour and so on should be put together, which would reflect large business, medium-size business, small business, the labour movement and other people who are interested who would provide on the outside, at armslength from government, ongoing studies and reports on a quarterly basis or a monthly basis to government on economic matters.

So I am quite aware of the intent of the hon. member's question and feel that it is time for government at this critical point in our history, if you will, economic history, number one; and number two, because we are now going through the whole question of money matters as it relates to the Budget, to try to come up with some policy relating to advice from other sectors of the economy involving big and small business, the labour movement and other such agencies who might be interested in providing some information and making that done through some permanent, if you will, linkage or vehicle rather than through the way that it is done now where the Federation of Labour has an annual brief, the Board of Trade - like yesterday - had an annual brief: Is there some way we can get all of these agencies together into one kind of organization to do various studies and to be talking on a more regular basis, four or five times a year or whatever, to government and making their recommendations

PREMIER PECKFORD: public, but at the same time being armslength enough to be able to make them public without the politics of the thing getting involved?

MR. LUSH: A supplementary, Mr. Speaker.

MR. SPEAKER: (Mr. Ottenheimer) The original questioner, a supplementary.

MR. LUSH: Prior to setting up this particular committee and immediately after the election of the Parti Quebecois in Quebec, the former Premier also made a public statement to the effect that he was going to set up a committee to look into the possibility of staying in or getting out of Confederation, and on questioning him here in the House, he said here in the House - and the remarks can be found in Hansard - that he was going to set up a committee although he fudged somewhat and said it was not to look into whether we would separate from Canada but merely to look into the cost of staying in versus the cost of getting out. And he said here in the House that he was going to set up that committee definitely. So my question to the Premier is, Was this committee set up or was it ever talked about in Cabinet, or is it just a dead issue now?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I am not sure that the hon. member is quoting me at all correctly. I think there was a condition attached to it. And I think

PREMIER PECKFORD: the hon. gentleman should perhaps provide or make some quotes when he bases a question -

MR. LUSH: Not you, the former Premier.

PREMIER PECKFORD: Oh, the former. Well, as I understood that one as well, the information there is that it was in the event that Quebec separated from Canada what would be the cost to the Government of Newfoundland and Labrador and whether, in fact, in that unlikely event, the Province of Newfoundland and Labrador should consider some other arrangement with Ottawa and the rest of what would then be Canada. I know of no particular committee that was set up as a result of that, but I think the former premier was thinking out loud that if in the event that Quebec did make some definitive moves towards separation, over and above what they have already made by the election of the Parti Quebecois, which seems to be doing very well out of Ottawa and the rest of Canada up to now as it relates to ongoing a new federal/provincial programmes. So I guess, I would surmise that the former premier did not see fit to go ahead with the establishment of that committee because the conditions under which he wanted to see it established did not reach such a degree that would see the feasibility of the necessity of having such a committee established.

MR. J. NOLAN: A supplementary, Mr. Speaker.

MR. SPEAKER (MR. OTTENHEIMER): A supplementary, the hon. member for Conception Bay South.

MR. J. NOLAN: I was interested in the remark made a moment ago by the hon. Premier referring to small businesses. And my question is based on the fact that we have a great number of small business people in this Province, as I am sure the Premier knows. We oftentimes have big businesses, big corporations and so on who oftentimes go into business with very little personal money involved, oftentimes with grants federal and provincial and so on. They get in trouble and then they are bailed out, holus-bolus oftentimes, by either the federal or provincial agencies concerned. Now my question is for the

MR. J. NOLAN: man and the woman, for example, who mortgages their house and starts their business and puts it all on the line, who looks after them if they get in trouble? And is the Premier, or does he have anybody who is looking at the situation insofar as small business people are concerned who have got everything they own in this world into it. And apparently if they do go into some trouble because of no fault of their own, who looks after them? That is the question many business people ask today: why is it there seems to be a select group who can do what they like and somehow can find favour with whatever administration may be in power and they can be looked after while they go down the drain? Would your Advisory Committee look at that one?

MR. SPEAKER (MR. OTTENHEIMER): The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, it may very well be a good idea but I do not know if in recent years we have found, on a provincial level at least, where large corporations have put hardly none of their own money into the provincial economy and used the taxpayers' money only, and then if something did happen to them then that the provincial government would write it off. There are very few examples of that. I can think of some in the past, nationally and provincially, but in recent years I do not think it has been. And on the whole question of small businesses, if one looks at the present programme on resource-based industries through the Department of Rural Development, any person who wants to get involved in a resource based industry has the opportunity to apply and hopefully if the venture is proven to be viable the \$12,500 in very low interest loan or no interest loan plus \$12,500 outright grant based on very little equity being put in by the applicant in the first instance, so that there has been some attempts made to try to, if in fact there had been some breaks for a large business they are now in place also breaks for small businesses. Of course, this can be extended all the way up

PREMIER PECKFORD: up into the Newfoundland and Labrador Development Corporation where you are into medium size businesses up to \$1 million. But I understand the problem that the hon. member is focusing in on but I think to be fair that there has been a pretty earnest attempt in recent years to try to reflect in programmes some grant and seed money for the small businessman so that he does not have to go to the extent of mortgaging a house and some of his own personal affects.

MR. J. NOLAN: A supplementary.

MR. SPEAKER (MR. OTTENHEIMER): Final supplementary, followed by the hon. gentleman for Trinity - Bay de Verde (Mr. F. Rowe), Burgeo - Bay d'Espoir (Mr. Simmons), and Windsor & Buchans (Mr. Flight).

MR. J. NOLAN: Perhaps I can be a little more specific for the hon. the Premier. I remember on one occasion a certain group coming in and they, as I remember, said that if they did not have a certain amount of money within a certain period of time that 250 people would be laid off. It seems to me, as I recall, I am probably referring to a fish plant or some of the fish processors and so on. I mean, I have seen this game work time and time again in this Province and

Mr. Nolan: I am sure the hon. Premier has too. I mean, if well-intentioned people are prepared to put everything they have in this world on the line to start a business, and if through no fault of their own they get into trouble - what I am trying to get at is there are some people who have been bailed out time and time again, and what the ordinary business people, and even politically, if you want to look at it from a purely selfish politically point of view, there are more of them than there are the big fellows - now what rights do they have? And that is the question I believe we have to address ourselves to because it is discussed by small businessmen frequently.

MR. SPEAKER (MR. OTTENHEIMER): The hon. the Premier.

PREMIER PECKFORD: You know, it depends a lot on the nature of the business. If it is a normal retail commercial business, it is very difficult for government to get involved in the participation of that. Usually governments in recent years, in the last ten or fifteen years if they were going to make some decision on bailing some company out, it has been made on fairly strong social grounds as it relates to employment, as the hon. member mentioned of 200 or 300 people, or whatever, involved. And in most cases the company that has been bailed out has not got where it got by not putting some of its own money in; in most cases they have no money left of their own, and just about everything mortgaged. So, you know, I would have to see the particular example and I would have to see the nature of the enterprise involved. If it is a strict retail establishment then I do not think the government should be getting involved in it. If it is a resource based industry, and many jobs are at stake and where the possibility still exist to create new dollars, then I think we have a social responsibility to get involved and perhaps in certain instances bail somebody out.

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

MR. F. ROWE: Mr. Speaker, a couple of days ago the Premier indicated to the House that he would tell the House within a couple of days whether or not the Cole contract had received Cabinet approval or not. I am wondering now, Sir, it being a couple of days later, whether

Mr. F. Rowe: the Premier could indicate to this House whether or not that Cole contract for a ten year period, costing the taxpayers \$475,000 over a ten year period with various other fringe benefits, did in fact receive the approval of Cabinet?

MR. SPEAKER (MR. OTTENHEIMER): The hon. the Premier.

PREMIER PECKFORD: Yes, Mr. Speaker, it did.

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

MR. SPEAKER: A supplementary.

MR. F. ROWE: Could the Premier indicate, Sir, whether he was present at that particular Cabinet meeting?

MR. NEARY: It does not make any difference, he is responsible anyway.

MR. F. ROWE: Well, I will let that go as the first one.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I share a responsibility, as does every minister of Cabinet, in decisions that were made by that Cabinet that that person is a part of. I do not think, Mr. Speaker, that the public interest will be served if I get into answers to questions in this hon. House which involve who was present and who was not present when certain Cabinet decisions were made. I think this would be very unfortunate if that ever occurred. The system of government is such that a Cabinet, a group of individuals around the table, make decisions. What happens while those decisions are made in that room is entirely secret and confidential and must remain so if the system is really to function properly in my view. But in providing information as to whether decisions were made, and what the decisions were, of course they are very much a part of the information flow that should occur in this hon. House. But as far as attendance at various Cabinet meetings, I do not think that that is a kind of situation and information that should be provided under the system that we live under right now.

MR. F. ROWE: Mr. Speaker, a further supplementary.

MR. SPEAKER (MR. OTTENHEIMER): A supplementary.

MR. F. ROWE: Could the Premier indicate, Sir, whether or not now since we have had a chance of administration, so to speak, and a new Cabinet in a manner of speaking, and a new Premier, whether or not the new administration would reconsider this particular contract, because the Premier did indicate some time this week that they are in the process now of reconsidering some of the policy of the previous administration, whether or not the Premier and his Cabinet are reconsidering this particular contract, whether they condone it, whether the present administration condones it, and whether there is any possibility of rescinding this particular contract at a time when there is so much unemployment in this Province? When this government can afford to give such a handout, the only thing I can say is congratulations to Mr. Cole, and shame on the government.

MR. SPEAKER: The hon. the Premier.

MR. NEARY: A great negotiator.

PREMIER PECKFORD: Mr. Speaker, as I have indicated in this House on quite a few occasions now in the last number of days and weeks, that when any new Cabinet takes over and another individual is in the First Minister's chair, obviously there will be an emphasis on certain things, and a de-emphasis on others, that there will be new directions taken on a whole range of issues. And in the course of reviewing my role as Premier and the Cabinet, and in the course of now reviewing staff

PREMIER PECKFORD: requirements and programmes, the whole question of contracts of this nature and other positions in the service-or either under contract or in the public service will be reviewed, and I intend to in the same instance therefore review that particular one that the hon. member refers to.

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

MR. SPEAKER: (Mr. Ottenheimer) A supplementary.

MR. F. ROWE: Just to get it perfectly clear now, Mr. Speaker: Am I to understand that the present administration is in fact reconsidering and reviewing this particular contract with Mr. Cole?

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, all programmes that are in existence right now as it relates to the spending of money, as it relates to ongoing stimulation for the economy, as it relates to programmes that are in place, they are all under review and that would include obviously the one that the hon. member refers to.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: Hon. member for LaPoile.

MR. NEARY: Mr. Speaker, there were a number of items disclosed that were passed by the Cabinet in the final days of the Moores administration, a number of items that have not been announced as government policy and would not have come out unless we raised them in the House yesterday. Now since yesterday has the Premier had an opportunity to find out what other items that were not mentioned in this House yesterday that were passed in the final days of the Moores administration that the Premier has found distasteful and unable to live with? Are there any other items passed in the three weeks, the final three weeks of the Moores administration and, if so, what are these items?

MR. SPEAKER: (Mr. Ottenheimer)

The hon. Premier.

PREMIER PECKFORD:

That, Sir, is a very repulsive question to me and I do not intend to answer it.

ORDERS OF THE DAY

MR. SPEAKER:

It being Private

Member's Day we will proceed to the debate on Motion 1. Going by the process of rotation, an hon. gentleman to my right was speaking the last time. I recognize the hon. minister.

MR. MORGAN:

Mr. Speaker, first

of all I will say that I recall a few days ago prior to the opening of this House of Assembly I listened to the Open Line shows and all the radio media and on practically every news broadcast there was a certain member of the Opposition, at least one, two and maybe three calling for the opening of the House of Assembly to discuss the important matters involving the economy of the Province, primarily the unemployment situation and the inflation problem that we have and the high cost of living. I do not know if it the lack of concern today that we have a motion on the floor of the House put forward by the Leader of the Opposition to discuss unemployment when I see so very few members on the opposite side in their seats. Maybe it is because of the lack of confidence in their leader or it could be a lack of concern for the problem we are now discussing.

AN HON. MEMBER:

That could be.

MR. MORGAN:

Yes, you were crying, "We want

the House open." I noticed yesterday and also Monday that there were very few members on the opposite side in their seats. No concern. They want the House open, they want to discuss the issues, debate the issues and now we have a chance to debate the issue they stay away from the House of Assembly.

Mr. Speaker, my hon.

colleague this morning, I think on an Open Line show, my colleague from Grand Falls (Mr. Lundrigan) said something I also agree with. We do have problems of unemployment and hopefully the leadership to be shown today by

MR. MORGAN: all politicians is to try to create and establish the proper kind of environment to bring in investors, to make sure we see investment taking place that is going to help and boost the economy. But I am afraid that some of the tactics that I have heard and seen played by certain members, not all the members of the Opposition, certain members, that these tactics are indeed hurting, they are hurting this Province. They are hurting the Province's name. For example, I recall in the last year's debate, or the last sitting of this Assembly, in the debate the Leader of the Opposition saying this Province is on the rocks. These quotes are in Hansard, they were carried in the press, in the media, in the press media. "The Province is on the rocks," says the member for Twillingate (Mr. W. Rowe). Another quote, the hon. gentleman from Bay d'Espoir (Mr. Simmons) "Let us abolish the Department of Industrial Development. Abolish the department, the Province is one industrial junkyard." That was carried in the press media, maybe in Halifax, maybe in New Brunswick, maybe in Ontario. And yesterday in the Assembly, and I will be speaking tomorrow

MR. MORGAN: on this very topic, on a different topic, but yesterday we were debating a bill bringing in a fairly significant industry to a certain sector of the Province which is going to improve the economy of the Island portion of the Province, and all we could hear about was the comments 'skulduggery', 'graft', 'corruption', 'scandal'.

AN HON. MEMBER: Right.

MR. MORGAN: The hon. gentleman from LaPoile (Mr. Neary) stood in his place yesterday and he spoke for more than three quarters of an hour and all he talked about was 'scandal', 'skulduggery', 'corruption'.

AN HON. MEMBER: Right.

MR. MORGAN: And he was referring to one of the most reputable, I guess, companies in North America - Price Abitibi.

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

MR. SPEAKER (Mr. Ottenheimer) A point of order.

MR. NEARY: Sir, if the hon. gentleman is going to repeat and quote what I said in the House, the hon. gentleman has to quote me correctly. The skulduggery and the corruption and the graft that I spoke about was not against Abitibi or against Mr. Desmarais, as my hon. friend tried to convey the impression this morning; it was against International Forest Products who ripped off the taxpayers of this Province for close to \$30 million. There is where the graft and corruption is.

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

This is obviously a difference of opinion and a matter for debate, but not a point of order on which the Chair can rule.

The hon. Minister of Lands and Forests.

MR. MORGAN: Thank you, Mr. Speaker.

The point I am making,
Mr. Speaker, is that these kinds of comments made by any
hon. gentleman in this Assembly -

MR. NEARY: Are true.

MR. MORGAN: - referring to any potential
investor, referring to any potential investment that is
going to help the economy of this Province -

MR. NEARY: But who made these remarks
about a potentially -

MR. MORGAN: - these kinds of comments,
this kind of attitude, if you wish, and these kinds of
impressions -

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

MR. SPEAKER: (Mr. Ottenheimer) A point of order.

MR. NEARY: Mr. Speaker, if the hon.
gentleman, Sir, will allow me. Who made these comments
against potential investors in the Province?

MR. MORGAN: Hitting a sore point or what?

MR. NEARY: Were they made at all
or were they just the figment of the hon. gentleman's
imagination?

MR. SPEAKER: Order, please! I must point out
that this is not a point of order. Sometimes when an hon.
member is speaking, another hon. member may ask, 'Will the
hon. member yield?' and then put in a question or make a
comment or ask him to consider a certain thing. If the
hon. member yields, then naturally the gentleman goes
ahead. If the hon. member does not yield then that is
the end of it, but that is the way it should progress,
I think.

The hon. Minister of Lands
and Forests.

MR. MORGAN:

Thank you, Mr. Speaker.

Mr. Speaker,

yesterday I sat in this Assembly and listened to the hon. gentleman, the same hon. gentleman who is now interfering, listened without interruption, without any comments.

SOME HON. MEMBERS:

Oh, oh!

MR. MORGAN:

I would prefer, Mr. Speaker, if I could make my few comments in this debate this afternoon without interruption from the hon. gentleman from LaPoile (Mr. Neary) or, in fact, the others on the other side.

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

MR. MORGAN:

Mr. Speaker, these attitudes and these kinds of impressions and these kinds of comments are, indeed, hurting the potential of bringing in investment to our Province.

MR. NEARY:

What about taking on Brinco?

MR. SPEAKER:

Order, please!

MR. MORGAN:

We have a motion before the floor of this Assembly, brought in by a man who is - I suppose he is now leader of the Party over there, Leader of the Opposition, asking for a select committee to be appointed to travel around the Province to gather information, to make recommendations to this House of Assembly as to how to overcome the present unemployment situation. So, Mr. Speaker, this resolution now before the House is asking for a select committee to find solutions. Well, let us stop and take a look at our situation today as a province. The 1970s, not only in Newfoundland but throughout North America, have been very challenging times, I would go so far as to say, throughout the Western World. We have had spiralling inflation. We thought that we were going to control inflation as a country. The steps that were

MR. MORGAN: taken by the federal national government to control or curb inflation had a very unfortunate effect on the situation regarding employment in the country. And the regions like the Atlantic Canada region were the regions that would bear the brunt of the action being taken to curb inflation. We have seen a very upward trend of the unemployment figures in Newfoundland. We have also, indeed, seen a very upward trend in the unemployment figures across Canada. In 1975 there were 613,000 -

MR. SIMMONS: (Inaudible).

MR. MORGAN: Mr. Speaker, if I could have the hon. burp from Burgeo keep quiet over there, please?

MR. SPEAKER: (Mr. Ottenheimer) Order, please! The hon. gentleman has requested that he speak without interruption, and when an hon. member requests that, other hon. members have to accede to it.

MR. MORGAN: Thank you, Mr. Speaker.
Mr. Speaker, in 1975, for example, no longer than four years ago,

MR. MORGAN: there were only 613,000 Canadians unemployed in the Country of Canada. Now I know that the Federal National Government had to show some responsibility and take some action to try to curb inflation, but the measures that they took -

MR. FLIGHT: You jumped on.

MR. SPEAKER (Otteneheimer): Order, please!

MR. MORGAN: These measures created unemployment across the Country. And it is fine for people in this Province to say, "Oh, well blame the unemployment situation on the federal government." No, I am not doing that. I have no intention of doing that. But what I am saying is that our unemployment situation today is in relation to the overall unemployment situation across Canada. 613,000 in '75 and now as of no longer than two weeks ago we have a little over 1 million, 1 million Canadians looking for work. And we have too large of a number in Newfoundland looking for work. In fact in our Province today our unemployment figure is much too high. We have a total of 39,000 Newfoundlanders looking for work.

Let us look at the figures in our Province today. These are the exact figures. In 1971 our total labour force was 137,000. Today, as of March 1979, a few weeks ago, we now have a total labour force of 193,000. In 1971 we had unemployed in our Province 12,000 people, 12,000 of the work force was unemployed in '71. As I mentioned earlier, right now we have a total of 39,000.

MR. FLIGHT: Three times the total in six years.

MR. MORGAN: But also look at the fact that our labour force has increased substantially since '71. Our labour force now, for example the number employed, has

MR. MORGAN: increased substantially. In 1971 the total number of people employed in this Province was 125,000.

MR. FLIGHT: They were not going to Alberta, see, then 'Jim'.

MR. MORGAN: And now, Mr. Speaker, our total number employed on March 31st., 1979 is 154,000, a difference, not a large difference but a significant one, of 29,000. 29,000 more people employed this year in 1979, March 31st., than there were in the same period in 1971. And taking into consideration we have had a work force increase of 56,000 that is not a good figure. And I am the first one to say it. But looking at the overall situation and what we have done in the past number of years we have taken steps to improve the situation.

For example, just this past year, let us look at the immediate past, this past year in 1978-79, the year ending March 31st., I will give two examples of where jobs have been created in this Province. For example, the Newfoundland and Labrador Development Corporation, despite the fact that the Opposition members preach doom and gloom, despite the fact they seem to have no confidence in our future as a Province -

MR. FLIGHT: You sent them to Alberta, 'Jim'.

MR. SPEAKER (Ottenheimer): Order, please! Order, please!

If the hon. minister -

MR. MORGAN: That the Newfoundland and Labrador Development Corporation -

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

MR. MORGAN: I am sorry, Mr. Speaker.

MR. SPEAKER (Ottenheimer): I would point out that I think the custom of referring to hon. members by their first name across is something that if hon. members wish to preserve the parliamentary nature of this gathering, then obviously it is unknown and unprecedented. And it is the type of thing which maybe every now and then will happen through forgetfulness, but it does occur to me that it is probably too prevalent and I do not mean only the hon. gentleman who was the last to do such, somewhere along the line somebody had to be the last one to do it before I intervened and I do think hon. members on both sides and all hon. members should put a stop to that habit. Because once those things start they continue to snowball and the whole nature of this kind of assembly could change quite rapidly.

The hon. Minister of Lands and Forests.

MR. J. MORGAN: Thank you, Mr. Speaker. Mr. Speaker, the Newfoundland and Labrador Development Corporation is a corporation funded federally/provincially. In fact this corporation has seen fit, this past year, to make thirty-four loans in this Province to twenty-six projects totalling \$7,900,000 this past one year, that is for the year ending March 31. Now these loans and that amount of money has created a total of 583 full-time permanent jobs, 583 by that one corporation alone. Over and above that, these loans also created 232 part-time jobs.

MR. S. NEARY: How much per job?

MR. J. MORGAN: Mr. Speaker, that is one example. Again I will quote these figures, the Newfoundland and Labrador Development Corporation made thirty-four loans, showing a confidence in our economy, showing a confidence in what we have here to invest in, a total of \$7,984,000 and created 583 full-time jobs and 232 part-time jobs. That is just one past year.

Also, another agency, which is, in this case, funded strictly by the Provincial Government, the Rural Development Authority, which the Opposition has often times stood in the House and critized and condemned because they are helping rural Newfoundlanders and helping the economy of rural Newfoundland and for no other reason they have been opposing it.

That Authority, just this past year, approved 307 applications for loans and grants. The total amount of funds allocated to these applicants was \$3,238,000. That amount of money created 395 full-time jobs and 577 part-time. As I mentioned, that Loan Board or Loan Authority is strictly the responsibility of this administration and, in fact, was established by this administration and is a policy of aiding and helping small business primarily in the rural areas of our Province.

So, putting these two together, these two agencies, just these two agencies just mentioned, Mr. Speaker, this past year we created 978 new jobs, full-time new jobs in this

MR. J. MORGAN: Province. It is fine for the Opposition to say we are not doing anything and that is the Opposition's role. They will be on the media tomorrow saying: "Oh, well - they will call it now, I guess, the Peckford Government - it is doing nothing about unemployment, nothing at all, get rid of the the present administration." But these are the facts and I think it is important for these facts to be listened to by the Opposition. But if you do not believe what I am saying - I hope that you do because why would any member of this House stand and lie in this place - they can be checked out by the agencies concerned, they can verify it. And one of these agencies is, in fact, a federal/provincial agency. But now, the fact is that that is good performance to some extent but we want better performance than that, as an administration. And we intend to get better performance in overcoming a problem we now recognize as a very serious problem, the problem of unemployment.

We have had some tough times, as I mentioned earlier, and I feel, somewhat, that we have been burdened by a federal national government that is not being sensitive enough to the needs of the Atlantic region of Canada. They have not established policies for the aid of helping the economy. We have seen all kinds of grants coming out in LIP and FLIP and Winter Works and others. Last year, for example, we saw the spending of \$55 million in this Province on the so-called 'Make Work Programs' where a man or woman went to work long enough to be qualified for Unemployment Insurance benefits and then after that they were on unemployment waiting for the next Winter Works Program to come along. Those are only Band-aid measures. What we needed was some kind of policy to be established that would create incentives for those people wanting to invest in the Atlantic region.

Like, for example, why did not the Trudeau Government, over the past two or three years, look at the possibility of exempting the corporations or companies who

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MR. J. MORGAN:

wished to invest or wanted to invest
in the Atlantic region, exempt them from corporate taxes? Corporate
taxes today on the

COMPROMISE TAPE Today m

MR. MORGAN: *[Signature]* the manufacturing sector in the country of Canada is around about 42 per cent. And if the government over the past number of years would have established a policy exempting the corporations and companies who wanted to invest in this region, in this Province from paying that 42 per cent corporate tax until they got a good return on their investment, maybe 100 per cent or 150 per cent return on the total investment, then that would have attracted investment to the region and to our Province. Or they could have invested a substantial amount of funds in the development of some of our resources we have. I look particularly at the Labrador portion of our Province and at the hydro potential down there.

They have given us recognition, a recognition of what we have there and, in my view, a mere recognition of a \$5 million investment to establish a Crown corporation. But I am convinced, in the past number of years we could have had that Churchill Falls, Lower Churchill Falls development ongoing. If the federal government were sincere about developing the resources in the Atlantic region and creating industry and establishing industry in the region, they would have assisted us financially three or four years ago in getting that major project moving.

It is recognized. I certainly hope it is not a mere recognition, I certainly hope after the election that the new government in Ottawa will not only be recognizing the potential with a \$5 million investment, but will assist us fully in getting that major project moving which will be a major enhancement to the overall economy of this Province.

MR. MORGAN: There is the question of the offshore resources. Sure we have exploration work going on now at a record high level, but the question of the rights to these resources is still unresolved. And the fact that the federal government is looking at the Province of Newfoundland and saying, "We want part of these resources out there off your coast. We intend to get part of your resources off your coast," that is not being sensitive to the poorer region of Canada, where one of these days we can become a province that will contribute back to the overall economy of the country. And these are the kinds of policies we see from the present national government.

But despite all these problems in dealing with the federal government, the national government, despite these problems we have had, despite the burdens of the lack of policies, in most cases, to develop our economy we have done two things over the past number of years as a government. And sometimes it is difficult to explain to someone living out in the rural parts of the Province why we are doing them.

Number one, we have exercised fiscal responsibility. At the same time, we developed and are now carrying out plans to develop our economy by giving emphasis to our natural resources.

It has been difficult for any politician to go to a rural area, in fact, any riding of the Province and say, Look, we cannot give you water and sewer this year, we cannot give you a new hospital this year, whether it be a new hospital on the Burin Peninsula, or in the Clarendville region, or in Placentia, or in Channel - Port aux Basques, or in Bonavista, or the extension in Grand Falls, we

MR. MORGAN: cannot give you these things this year because we want to hold back and try to show some fiscal responsibility in managing the funds that we have, limit our borrowing. At the same time, we are going to divert some of the funds we can obtain into the resources that will eventually give us the taxation base, or the revenue base to give you these things in the future. It has been hard for me to do, as a politician, in my own district. But we have done that.

We are quite opposite to what the Liberal Party is now putting forward. I listened the last number of months and I have heard the Liberal Party talk about the following things they are going to do if they became the governing body. I think that is a very big 'if' at the present time. But they are going to pave all the roads in the Province in five years.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: They are going to build the hospital required for Clarendville. They are going to build the hospital required for the Burin Peninsula. They are going to build a new hospital in Placentia. They are going to build a new hospital in Channel - Port aux Basques. They are going to build a new hospital, or the second phase, in Bonavista. They are going to give the extension out in Grand Falls.

MR. NEARY: Right!

MR. MORGAN: At the same time, Mr. Speaker, they are going to subsidize the cost of electricity to the consumers in the Province.

MR. NEARY: We are going to tie up the Norma and Gladys.

MR. MORGAN: Would you ask that 'Burp' to be quiet please, Mr. Speaker.

MR. SPEAKER(Cross): Order, please!

MR. MORGAN: Mr. Speaker, they are also going to subsidize the cost of drugs to consumers. They are also going to abolish school taxes. They are also going to bring back mothers' allowances. And they are going to go on and on.

MR. NEARY: We are going to get -

MR. MORGAN: Mr. Speaker, if I could only have silence.

MR. NEARY: (Inaudible).

MR. SPEAKER: Order, please!
I would ask the hon. the member for LaPoile (Mr. Neary) to refrain from interrupting.

MR. MORGAN: Thank you, Mr. Speaker.

Mr. Morgan: These are the kinds of policies being put forward by the party aspiring to become the government. At the same time and in the same breath, on the opposite side of their mouths, if you want to put it that way, they are saying, Oh look at the government borrowing, all the money they are borrowing. They are spending, spending, spending. But what they are telling us and telling the people of this Province about the way they would run things if they ever became the government, and I would say it would be disastrous and unfortunate for our Province if they ever became the government -

MR. H. COLLINS: It will never happen.

MR. MORGAN: - and that is very remote at this time. But if they would practice what they are now preaching, if they became the government again, and some of them were there in the previous administration, they would go out and borrow, borrow, borrow and come back and spend, spend, spend. Now that kind of situation we cannot survive. Any individual who goes to the bank and borrows, or a loan company and borrows, borrows, borrows to buy boats and camper trailers and large cars and Summer cottages beyond their means eventually will find they will lose the whole thing, lose everything.

So these are the kinds of policies that differ that party in the Opposition from the party that is now in government. We believe in showing some fiscal restraint, fiscal management and at the same time placing emphasis in the areas of investment that require the investment to create jobs, and not to go out and merely pave a road here and there, give water and sewer here, a new hospital there because it means or it could mean the election of certain members to our party and to the House of Assembly.

MR. NEARY: What about the tunnel under the Strait of Belle Isle?

MR. MORGAN: It is far better - I am sure the hon. Premier, I have often heard him say it - that it is far better for us to be in government today knowing we are making the right decisions for the future of our Province than to be here making the wrong decisions and then eventually finding ourselves out of government. I would rather be outside of government in Opposition or outside of the House of Assembly, knowing that I made the

Mr. Morgan: right decisions when I was here as part of government, than to remain here in power knowing I made the wrong decisions, not for our benefit as a Province.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: Now, Mr. Speaker, despite these cutbacks in social programmes, despite these cutbacks in the supplying of infrastructure and services in the Province, we did indeed also embark on some fairly large construction programmes. We are now carrying out a fairly substantial construction project in Hinds Lake, a hydro development project, \$80 million. A fair number of jobs. We are carrying out a major upgrading of the Trans-Canada Highway, a total spending of approximately, over a three year period, \$60-odd million. These are large projects. They are helping one aspect of our economy, the construction industry. And the fact that Ottawa cutback on their marine works, call them fishing marine facilities, cutback on that budget, they cutback on their federal public works projects generally, and all these kinds of job creation projects in the construction industry, combining that with the fact we cutback somewhat, there are a number of people today in the construction trade that are unemployed because of that reason. But I think that both governments, in this case, had no alternative but to show some restraint. And it had to be done and it was done.

So like I mentioned, we came through some difficult times. However, Mr. Speaker, it is not all doom and gloom. There is no need for any politician today, in my view, to be pessimistic about our future. If they would sit and listen to what this government's plans are, and what its policies are - I recall yesterday while listening to the Board of Trade for about, maybe two and a half hours in the Cabinet Room, and the kind of spirit of co-operation I sensed is the kind I believe will give this Province the future it deserves. Government working hand in hand with an organization that also shows concern for the

Mr. Morgan: future of our Province, concern for the problems we have like unemployment.

If the Opposition members, and some of them over there are, I think, genuinely sincere about the problems we have, if we could work together more so than just getting up and attacking the policies because in some cases they happen to be good for some parts of the Province, like we saw yesterday in the House, when we saw the attack on the Linerboard mill situation in Stephenville.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: Working together, surely we can all sense the importance of our fishery. Last year the Fisheries Loan Board made a record number of loans to

MR. MORGAN: fishermen around the Province, an all-time record. That is very positive stuff. There is one little negative part right now. I said so a few days ago at a meeting with some federal authorities, that I am hoping the present freeze on the licencing of inshore fishermen will be lifted soon because I can list off at least maybe fifty potentially young fishermen who are wanting to get involved in the fishing industry but they cannot because they cannot obtain fishing licences. Only a few days ago I heard Mr. Trudeau on a TV broadcast, and he was speaking to a group of people in Vancouver, British Columbia and he said, "Get off your rear and get out and find jobs and go to work." Here we are in Newfoundland where we have all kinds of people who want to go to work, who know they can make a good living from that aspect of our atonomy, the fishing industry, and they cannot get licences, simply because Mr. Trudeau and his ministers' policies will not allow them to get licences.

MR. H. COLLINS: That is a good Liberal.

MR. MORGAN: That is the only negative part I can see today on the fishing industry. Everything else I can see is positive. Everything is positive. And we are going to go forward in a very positive way with fishery development, with or without the co-operation of the federal government but hopefully with the co-operation of the Clarke Government after May 22nd. But we will develop the industry for a bright future.

The forestry industry. The forestry industry has great potential as well. I will be speaking more on these terms tomorrow when I speak on the

MR. MORGAN: Labrador Linerboard Bill before the House of Assembly. But the fact is that the two large companies, Price and Bowaters, they have shown confidence in our forestry industry by carrying out some major improvements to their pulping techniques they are using in their mills, making general improvements to their mills and carrying out improvements to their pulping techniques, supplying of pulp. These are examples of their confidence in that industry.

For example, we as a government, and we were criticized for it, brought in a programme two years ago to help the sawmilling industry in the Province, an industry which was sort of falling by the wayside for a number of years. We decided we were going to assist them with working capital and we were criticized by the Opposition, it was a bad programme. Well, right now in the Province we have 1,400 sawmillers, sawmill operations. Some of them one, two, three, some twenty-five and thirty. Most of them are smaller operations, up to five people. These are all jobs, Mr. Speaker, all jobs. And we are helping them proceed as much as possible with the policies we have, with the limited funds we have. That is in the forestry industry.

The forestry industry, by the way, as I mention the potential, I think we have yet to tap the potential of the forestry industry in Labrador, particularly in the hon. gentleman's area from Naskaupi. Only a few weeks ago the Department of Forestry awarded a study, a contract valued at \$97,000, cost shared with the federal government, ninety-ten, ninety per cent paid by DREE, to look at the overall potential of the Goose Bay - Happy Valley area. We are convinced as a department, as a

MR. MORGAN: government, that there is great potential down there for the forestry industry. If I recall correctly the inventory shows 140,000 cords or cunits of wood that is now available. What we are going to do with it will be determined by the study. Hopefully it will be exported. Hopefully, we will have jobs in the Happy Valley - Goose Bay area.

Mr. Speaker, for the first time there is a tourism industry. Surely nobody can deny that both levels of government, federal and provincial, have shown the initiative and have now established incentives for the tourism industry in our Province. That is going to mean new jobs. It might not be recognizable overnight. You might not see tomorrow morning, or this coming Summer a tremendous increase in the number of people employed in the industry but you will in five years. That is being properly developed.

With regard to our minerals we have a record number of claims and a record number of exploration companies working in our Province today,

MR. MORGAN: a record number. That shows, at least, they also have confidence in this Province. It is not all doom and gloom.

Mr. Speaker, we have heard so much talk about the offshore resources and I have heard the Opposition members say, many of them, the offshore resources would mean nothing to Newfoundland. Well, I can see the reason why, with the present Liberal Government in Ottawa and their attitude over the past number of years. But the fact is, Mr. Speaker, that this year alone, in 1979, Mr. Speaker, we are going to be employing in the offshore of this Province in drilling and exploration work 700 Newfoundlanders. Now, if that is no benefit to our Province that could be a matter of debate, but that is a view of the Opposition. So, Mr. Speaker, these are the kinds of -

MR. SIMMONS: (Inaudible) a year.

MR. MORGAN: Mr. Speaker, please. The 'burp' from Burgeo again, Mr. Speaker. Mr. Speaker, could I have some order please?

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

MR. MORGAN: So, Mr. Speaker, these are the examples and the results of the policies and programmes and plans that this government is carrying out to create employment in our Province. And the fact that we are carrying out these programmes now - surely the people who have been complaining and have been critical about developing plans - you cannot develop plans overnight. The most important thing of all is that if we have something here which is going to build the economy of our Province, let us make sure it is developed in a proper, planned way. The plans have now been laid, they are now being carried out and the results are showing. So, Mr. Speaker, for the Opposition to bring in -

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: Can I have some order, Mr. Speaker?

The hon. gentleman from Burgeo

MR. MORGAN: (Mr Simmons) comes in here and he burbles and gurgles when he is sitting in his seat. When he stands up he burbles and gurgles.

Speaker, to have some order?

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

MR. MORGAN: So, Mr. Speaker, it shows me that the Opposition is so bankrupt in ideas and policies and recommendations as how to run this Province and how to establish policies and plans to develop the economy, of how to overcome the problems of unemployment that they have now to ask for a select committee to travel the Province and ask everybody out there for recommendations and suggestions. Well, I would say that if the Liberal party had the same kind of co-operation and co-ordination that this party in government has with different organizations throughout the Province, that they would not need a select committee. We work in co-ordination with development associations, we work in co-ordination with Chambers of Commerce, the Boards of Trade, councils, all organized groups, Federation of Labour, all these groups. We work together. They make the recommendations to us and we listen. They also listen to us, vice versa. So I will say, in closing my few remarks in this debate, that there is simply no need for this resolution to be brought in by the hon. gentleman from Twillingate (Mr. W. Rowe) asking that a select committee be appointed to travel around the Province to get large cross sections of the general public to give us their views and opinions as to how to overcome the problems that we have. They elected us, the people out there, all of us, not only the government side, all of us, as members of the House. They expect us to make decisions, they expect us to show leadership, to give them guidance. Surely, if I went back to a fisherman out in Blake Cove in Bonavista Bay and said, Mr. Keough or somebody else out here, some of my good friends, we have a problem in the forestry industry, will you give us your recommendations? We can not solve the problem, can you help us? That is exactly what the Opposition is

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MR. MORGAN: asking for. They are bankrupt in ideas, bankrupt in policies and presently leaderless. That is their problem. Our problem is that all we need and all we are going to ask is a little patience from the people who are not getting the services they so rightly deserve like, for example, water and sewer, like, for example, new hospitals. But they can see the results of our policies, they are coming forward

MR. MORGAN: now with the jobs being created. And, Mr. Speaker, the problem of unemployment is being fully recognized by this administration, fully and totally. We have concern for the problem. That is the reason why we met yesterday, as I mentioned, discussing the promotion and development of small businesses in the Province, for at least an hour and a half of discussion with the Board of Trade, because we have concern for these problems. We showed our concern and they showed theirs. We intend to work with them and others to develop these kinds of policies. The end result will mean that one of these days in the not-too-distant future, it will clearly show in history that the policies and programmes established under the second administration since Confederation and the third now, this is a new administration now - that the policies and programmes of a properly planned, organized development of what we have to offer the rest of the country of Canada will put this Province one of these days as a proud part of the federation that we have. Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Mr. Cross) The hon. the member for Trinity - Bay de Verde.

SOME HON. MEMBERS: Hear, hear!

MR. F. ROWE: Mr. Speaker, to be quite frank with you, I did not know whether the hon. the member for Bonavista South (Mr. Morgan) was speaking to the motion before us or making a federal campaign speech on behalf of the P.C. Party of Canada.

Sir, he mentioned two areas in which this administration opposite have been successful in gaining a total of somewhere in the area of 900 full-time and part-time jobs; one area was through the Newfoundland and Labrador Development Corporation. Now, Sir, the

MR. F. ROWE: hon. member should be reminded that 75 per cent of the funds from the Newfoundland and Labrador Development Corporation comes from the federal government, point one. True, all of the funds from Rural Development comes through the provincial channel for a total of something in the order of 900 full-time and part-time jobs. And, by the way, Sir, he criticized the Opposition for criticizing the Rural Development Authority.

Let it go on record, Sir, that not one single member on this side of the House of Assembly has ever criticized the Rural Development Authority or its concept or its ideas.

MR. NEARY: Hear, hear!

MR. F. ROWE : What we have asked for frantically, and we have not gotten, was a list of the loans in order to ascertain whether or not the guidelines set down by the Rural Development Authority were, in fact, being followed. Because we have discovered over the past several years that in certain cases, certain political friends got loans not necessarily within the framework or the guidelines as laid down by the Rural Development Authority. That is the only criticism - not of the Rural Development Authority, but of the way it is being handled.

MR. SIMMONS: The abuse.

MR. F. ROWE: The abuse of it. And we still, Sir, do not have a list of the loans over the past several years, for what purposes they were used and what types of rural industries were set up. Now, Sir, I find this absolutely incredible. The member for Bonavista North (Mr. Cross) stands up and talks about the great policy of his government -

AN HON. MEMBER: The member for Bonavista South.

MR. F. ROWE: South. I would not insult the member for Bonavista North (Mr. Cross)! The member for Bonavista South (Mr. Morgan) stands up and heaps praises upon his own administration for creating upwards of 900 jobs. Sir, need I remind hon. members of the House that we have 35,000 people unemployed in this Province? And this member opposite is proud over the fact that the policies of his administration have achieved, have solved one thirty-seventh of the unemployment problem in this Province. Is that what he is proud about? That is the only example that the hon. member could scrape up, Sir, because most

MR. F. ROWE: other jobs, as the member should know and all hon. members opposite should know, the majority of the jobs in this Province are as a result of money, as it involves any government expenditure, it is a result of federal government expenditure.

For example, Sir, if one just takes a look at page 27 of the most recent budget, at the current and capital revenues, you will see that under current revenues for this year 1978-79 the federal percentage is 47.7 and the provincial percentage is 52.3. Just less than half the current revenues of this Province come from the federal government, that is current revenues.

Now, Sir, let us look at the important one when we talk about economic basis. Let us look at capital revenues in this Province. Do you think, Sir, that one-quarter, 25 per cent, of the capital revenue comes from the federal government? Mr. Speaker, do you think that 50 per cent of the capital revenue comes from the federal government? Do you think that 75 per cent of the capital revenue comes from the federal government? If we had such a sound economic base, Mr. Speaker, as the member for Bonavista South (Mr. J. Morgan) has indicated, you would expect that approximately 75 or 80 per cent of the capital revenue would come from provincial sources. Not so, Sir. The estimated capital revenue from the federal government for this year 1978-79 is 90.5 per cent, 90.5 per cent. And what is the provincial revenue? What is the contribution of this administration opposite when it comes to capital revenue? 9.5 per cent. That is some base to be proud of.

Sir, this administration is milking the people of this Province dry. \$300 million -

AN HON. MEMBER: (Inaudible)

MR. F. ROWE: No, I am going back to the Government. Tax sources from the Provincial Government; \$185 million is being milked from the people through retail sales tax; \$142 million, personal income tax, gasoline tax; \$41.5 million,

MR. F. ROWE: corporate income tax; if we have a good corporate base in this Province, only \$23.5 million. And, Sir, forest management tax, \$2.6 million; inland revenue and stamps, you know, insignificant amounts. Sir, we do not have an industrial base, an industrial financial base in this Province. The hon. member opposite gets up and speaks against this motion, attacks the Federal Government when they are providing 90.5 per cent of the capital revenue to this Province this year, thank God for Ottawa, Sir, that is all I can say. And he has the gall to criticize the Trudeau administration for its restraint programme and the restraint has not applied to the Atlantic region as heavily as other areas of this nation. But, Sir, who was the very first provincial Premier to jump up and support Prime Minister Trudeau when he announced his restraint programme? Who was the first Premier across Canada, the first provincial Premier? The former Premier opposite, Sir, of which the administration still remains. It is nothing but political hypocrisy, Sir, for the member for Bonavista South (Mr. J. Morgan) to get up and criticize a Federal Government for restraint when the first voice of support came from his own former boss. And, Sir, he talks about fiscal restraint on the other side. The debt in 1972 was \$.7 billion.- am I correct Rog? - or approximately \$.7 billion. The provincial debt back in 1971-72, it was less than one billion;

MR. SIMMONS: \$.9 billion.

MR. F. ROWE: \$.9 billion - less than \$1 billion.

The present provincial debt, Sir, is in excess of \$2.7 billion

Mr. F. Rowe: and growing. So this administration in seven and a half to eight years has quadrupled the Provincial debt. So what is all this fiscal restraint and responsibility that the member for Bonavista South (Mr. Morgan) is talking about? It is complete hogwash. Complete hogwash.

No fiscal restraint, Sir, and worse still, still relying upon Ottawa for 90 per cent of the capital revenue coming into this Province. And having solved one-thirty-seventh of the unemployment insurance problem in this Province this year, what a shameful record, Sir. What a shameful record!

And what have they done new, Sir? What have they done new? Imagine a government eight years after taking power taking credit for opening up something that they themselves closed down, the Linerboard mill, under some dubious circumstances, we felt. And by the way, Sir, let me just retract here for one moment. I wish to go on record on behalf of my colleagues on this side of the House as being for, and not what they try to paint opposite, being extremely happy for the people of Stephenville and the Bay St. George area. At least there is some employment around the bend there. The contract is now signed, sealed, and delivered. And it is our duty, Sir, it is our duty as the Official Opposition in this Province to uncover and make public anything that represents a waste of money or a loss of money that comes from the taxpayers of this Province. And this is why my colleague for LaPoile (Mr. Neary) felt quite free, over the last couple of days, to take on a head-on attack on the nature of the agreement with Abitibi and the present administration. Because we know now that the people are going to get the work, but it is still our responsibility to provide, when we get even further proof, some of the circumstances under which this agreement was signed. And my friend, I can assure you, Sir, will get the proof and will get the documentation. And they can try to smear him all they like by associating him with one John C. Doyle. But, Sir, I do not know which Prime Minister said it, I think it might have been Churchill, something to the effect that he would sup with the devil for the good of his country. And if we got to

MR. F. ROWE:

get information that is in the best interests of this Province we will talk with and we will get information from the people who some feel are not necessarily savoury characters in this country or in this Province. And the analogy to be drawn there is, any police force, obviously, had to talk with both sides to get the information they wanted to find out.

I am not defending John C. Doyle. I am not a lawyer. I am not saying he is innocent. I am not saying he is guilty. But for the good of this Province, Sir, do not try to drag a great red herring across this hon. House when my friend here is trying to reveal some facts simply because he is getting information from South of the border. That is such an irrelevancy and a great red herring it is absolutely sickening.

Now, Sir, what is this motion all about? The motion is about unemployment and methods by which we can try to increase the employment situation in this Province. Now, Sir, I heard hon. members some weeks ago get up and say, "Look we know what we are doing over here", the members opposite, "We do not need to go around and interview some poor little old Newfoundlanders and Labradorians and get their ideas. We can solve our own problems. We have our own ideas." The fact is we have 35,000 people unemployed, whatever percentage that is. "We have our own ideas, we do not need to go around with a select committee."

AN HON. MEMBER: 20.3 per cent.

MR. F. ROWE: It is more than that. "We do not need this select committee to travel around the Province." Sir, what an insult to the people of Newfoundland.

MR. F. ROWE: Now, if I thought, Sir, that this government were capable of sound administration and leadership and guidance, and had some good programmes of their own, I would actually get up and speak against this motion. But our problem, Sir, is that we have no faith in this administration opposite, and the only solution since we are not in government is to set up a select committee and go to the people. Now, another solution is go to the people period, put her to the test. I do not know if there is a case in Newfoundland's 400 years of history where we got a Premier elected by 200 or 300 people at a meeting down the street there. That is what we have here now, Sir. He has not sought a mandate - elected by 200 or 300 people at a P.C. convention to run the Province - he has not sought a mandate, has not come up with any solutions. The great, sweeping changes we were promised we have not seen, cannot get any information out of the present Premier. There are no policy directional changes, no changes in political philosophy that I can ascertain. But, Sir, just listen to some of the things that have happened or have been promised over the last few years by this administration that require us to ask the government to set up a select committee to go before the people to get some of their ideas and possible suggestions for solutions to the unemployment problem in this Province.

Sir, I have gone through the various speeches, campaign speeches, the old P.C. Times rag that was put out there for a while - I do not know if it is being put out now anymore, just during elections; I have gone through Budget Speeches, I have gone through Throne Speeches and I have gone through various press releases - I only got up as far as around 1975 - and I have come up with 169 documented broken promises -

MR. FLIGHT:

What?

MR. F. ROWE: - 169 documented broken promises from 1972 to 1975.

MR. SIMMONS: Would you believe that?

MR. F. ROWE: Now, Sir, for example -

I will name dates and things like that so that it can be put to the test. In 1973 in a speech it was promised that the steel mill would be maintained - 'The government will maintain the 200 jobs at the Donovan's Steel mill.' What has happened there, Sir? Reason number one why we want this select committee. In 1974, the press conference, Sir, the Premier of the time announced at a press conference over on the West Coast a great cement plant. 'Work towards the start up of a huge cement plant on the Port au Port Peninsula is progressing favourably.' I ask hon. members, Sir, where is the foundation even to that cement plant at the present time? January, 1975, another speech, Sir, offshore concrete platforms. We talk about offshore resources - 'Two foreign firms are examining the possibility of constructing huge offshore concrete platforms in this Province.' Sir, coined from the words of the Premier in January, 1975. That strikes me as a funny year. Was that the election year?

MR. SIMMONS: Yes.

MR. F. ROWE: An election year.

MR. DINN: That was four months after the election.

MR. F. ROWE: That was four months after the election. He was even making promises after the election. 'Two foreign firms are examining the possibility - How can that be after the election when the election was in September, 1975 and this is January, 1975?

MR. DINN: I just thought you would fall for that one.

MR. F. ROWE: You just thought - well, you know, I do not know how stupid I look. Mr. Speaker, but I do not look half as stunned as the hon. member opposite.

MR. SIMMONS: 'Gerry' you will never understand that calendar, boy - all those months.

MR. F. ROWE: I have heard of reverse takeovers and reverse logic, the hon. member just supplied us with an example, Sir.

But, Sir, a few months before the provincial election, two firms are examining the possibility of constructing huge offshore concrete platforms in this Province, coming from the mouth of the Premier.

Industries of deep water ports at another press conference, October, 1974: 'Many industries are negotiating using deep water ports

MR. F. ROWE: in Newfoundland. Most of them will become a reality. Has any hon. member seen any deepwater ports developed in this Province since October, 1974? It was supposed to be a reality within the near future in 1974. "An aluminum industry or something similar will be attracted to Newfoundland probably in the Bay d'Espoir area", again from the mouth of the Premier, November, 1973. "A birch plant - a \$10-14 million veneer birch plant creating 350 to 400 jobs - would see a veneer birch plant and particle board plant established in the Province", 1973 speech in September. "A hardwood industry", again in September, 1973. There must have been a by-election at that time. "There is a very real reason to believe there will be substantial development in the hardwood industry in the near future", again the Premier. "Come by Chance Oil -". Sir, the Come By Chance Oil Refinery, this is just unreal. I have to skip through here. In November in the P.C. Times, that famous or infamous rag that the P.C.'s put out, in November, 1973, it was announced that first agreement renegotiated saving the Province many dollars and releasing government funds previously committed in guarantees for the purpose of building the Come By Chance or reopening the Come By Chance Oil Refinery except - this was in the P.C. Times, November, 1973 -

AN HON. MEMBER: Not reopening.

MR. F. ROWE: Yes. P.C. Times, November, 1973, again "Negotiated on more favourable terms to the Province and this will result in an additional 1,000 full-time, high-paying jobs". You know what that was for, Sir? A second oil refinery, a second oil refinery. "Many more jobs will be provided in secondary employment in the area of Come By Chance

MR. F. ROWE: with the two oil refineries", P.C. Times again. P.C. Times again, "Large construction ports - the second oil refinery will ensure the Province large construction forces, more employment for many more years at a very high wage".

AN HON. MEMBER: (Inaudible).

MR. F. ROWE: Well.

Listen to this, Sir. When was this one? This was during the 1975 election. The government promised during the 1975 election that a new petro-chemical complex will be built to use and refine the by-products of the two oil refineries at Come By Chance. Then a press conference later, Sir, 1974, the second oil refinery in Come By Chance will materialize.

Sir, if you keep going through these releases and press releases and P.C. Times, you come across about twelve different announcements about the oil refinery and it is still not open - still not open. They rejected Shaheen. They are looking at the First Arabian deal and hoping to have something by June, is it? I would not hold your breath on that, Mr. Speaker.

Deepwater ports - reasonable electric rates.

MR. SIMMONS: I hear they will not even shake hands with Tamraz these days.

MR. F. ROWE: A new petro-chemical plant, Sir. Now listen to this one, Sir. Come By Chance, what a place this was going to be according to this administration and they criticized the previous administration for some of their ideas. In 1973 the Premier announced that the government - revealed anyway that they had received a new proposal for the establishment of a third paper mill at Come By Chance. So here now we have a third paper mill at Come By Chance, two oil refineries and a petro-chemical complex.

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Tape No. 984

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MR. F. ROWE:

CBC national radio, March 3, 1974,

Premier announced a caustic soda plant, a caustic soda plant. Better if he had announced a club soda plant. A caustic soda plant, Sir, would be established using the hydro-electric power from the Lower Churchill. It would be established using the hydro

MR. F. ROWE: electric power from the Lower Churchill. Getting back to the oil refinery, Sir, another grand headline in the newspaper. "North America's largest new refinery to be erected in Newfoundland, a 300 barrel per day one-half mile South of the present oil refinery. Joint signing announced by the Government of Newfoundland and Labrador, Shaheen natural resources and Technip." This was announced on March 20, 1974 in Conne River. Probably the hon. member to my right can just tell me what happened. The PC's promised for Conne River a causeway, a sawmill, a woodcutting and carpentry shop operation and a programme for the construction of prefabrication. Any of that down there?

AN HON. MEMBER: (Inaudible) their promise and the other two have not been kept.

MR. F. ROWE: There you go, Mr. Speaker. In the Fall of 1975 a revised approach to the Gull Island project, "Immediate construction of the Lower Churchill Hydro site", campaign speech 1975, "Immediate clearing and construction of the transmission line across Labrador", campaign speech 1975, "Immediate construction of a tunnel under the Strait of Belle Isle." What did they do, Sir? All the PCs did, I can remember, the former Premier got up there in his raincoat blasting of the dynamite on both sides of the Strait of Belle Isle. And, Sir, the hon. member for Bonavista North (Mr. G. Cross) got elected during a by-election based on two promises - a stadium for Wesleyville and this great industry of a blueberry pie factory for Gambo, which was announced in the middle of the by-election.

Sir, I am listing off these great announcements, because that hon. crowd opposite has the gall to scoff at us for introducing a resolution whereby we are asking them to go before the people to get some ideas because not one of

MR. F. ROWE: their ideas mentioned so far, that I have mentioned anyway, not one has come to fruition, not one single announcement. So if they are not going to vote for this particular motion to go to the people, get some ideas, I suggest they make it just simple and swift, Sir. Call the election, we will straighten her up. We will straighten her up and we will cut some of the fat off the budget, an awful lot of fat off the budget, and we will get the people employed again.

Sir, in the area of Social Services, I suppose, for the want of a better expression, the things that I have announced so far which amounted to - there are twenty-seven major announcements in the area of industrial development that were to supply jobs to the people of this Province, and the result of this great programme has been announced by the member for Bonavista South (Mr. J. Morgan) this afternoon. The hon. crowd opposite have solved one thirty-seventh of the unemployment problems in this Province and not one of these great announcements has come to fruition, not one of these promises has been kept, not one. A stadium for Wesleyville; at least that would supply some construction jobs. A stadium for the Southern Shore. When were they made? By-election campaign promises!

Throne speech 1972, the beginning of the disaster with the PC administration, 'the goal of this Government is not to have the highest unemployment rate in Canada but to reach full employment.' That was contained in the Throne speech of 1972. Do we have the highest unemployment rate? Yes, we must have the highest unemployment rate - eight years later, seven years later, I beg your pardon. Will not increase public debt; I mentioned that earlier in reference to the public debt of this Province.

Sir, in the area of health which again can provide a social service but also a

MR. F.B. ROWE: spin-off benefit that can provide employment and other spin-off secondary employment opportunities. This administration promised year after year after year a regional hospital for Clarendville, for Bonavista, for the Burin Peninsula and for the South coast. None of them, Sir, have come. Why not? Because the government opposite, according to the member for Bonavista South (Mr. Morgan), have been practicing restraint and they do not want to put the government bellies up.

Sir, what I cannot understand is how John Crosbie, in 1969 and 1970, could go around this Province raving and ranting and roaring that the Province was on the verge of bankruptcy with a \$.7 billion debt and this crowd were still, apparently, not bellies up with a \$2.7 billion debt, in spite of their so-called restraint.

Labrador Highway:

"The government will commence a major road-building programme in Labrador with the objective a first-class highway running from Happy Valley to the Quebec Highway system". Another government promise which would have provided employment.

Housing Needs:

"Measures to meet housing needs will be presented to the House of Assembly". I have not heard of them yet.

Low Rental Housing:

"The PCs will provide a concentration of low rental housing". Another campaign speech statement.

Serviced Land In

Urban Newfoundland: "Another programme will involve providing serviced land in urban areas". Well, Sir, out there in my rural district and in urban areas as well, I have not seen too much in the way of great

MR. F.B. ROWE: provincial plans
for serviced land in urban or rural areas.

"Hawkes Bay
sawmill will be activated employing 150 people".
I think my hon. friend - I am not revealing any
secrets here - informed me - who represents the
district today - that it is really a reasonable
operation, a Summer operation.

"A new modern
sawmill at Roddickton is announced which will employ
in excess of 100 people".

A polytechnical
institute is going to be built. Work to begin on
a new polytechnical institute, year after year right
up to Throne Speech 1974. The hon. members opposite
started in the 1971 and 1972 Throne Speeches.

Residences: "To
begin work on residences for the College of Trades
and Technology and Polytechnical Institute". To
begin immediately in 1973, 1974 and 1975. It would
have provided jobs and a place for these young
students to stay.

A Province-wide
educational television system which obviously would have
employed people.

A regional college for
Grand Falls.

Sir, in the area of
the fisheries the hon. Minister of Fisheries (Mr. W.
Carter) finally got his answer at the leadership
convention when he found out that he did not con the
people of this Province into thinking that everything
that has happened to the fisheries in this Province
was a result of his making. He got his answer loudly
and clearly.

MR. F.B. ROWE: Sir, the government, and I cannot blame the present minister for this, back in 1972, "The government will introduce legislation to establish a corporation to own or lease rights on a newer fleet of trawlers". That is the Throne Speech of 1972 - which, presumably, would have employed thousands of Newfoundlanders.

In Harbour Grace, Moores, April 1973, another trawler fleet is mentioned. "A trawler programme is an established fact. The initial plan is for the construction of twenty trawlers for use as a government fleet to pool catches or for leasing to companies". This is Moores in Harbour Grace in 1973.

In January 1973, before that, a \$40 million trawler fleet. "Government intends to introduce legislation to establish a \$40 million fund for trawler construction". A new assistance

MR. F. ROWE: programme for inshore fishermen, new markets for our fish, new income support programme for the fishermen." And I am looking for this other one. I must not have documented it. In 1977, Sir, in the PC Times - talk about announcements about trawler fleets, Sir, in the PC Times in November of 1977 a \$60 million trawler fleet. "Government has decided to establish a trawler programme at a cost of \$60 million over the next three years." That is the fifth trawler fleet programme that I have announced, Sir. And then, Sir, later on - before this, even before this, four years earlier, before this, in the PC Times "Many hundreds of jobs on fishing trawlers based on a \$60 million trawler fleet programme." I suppose if you say something long enough and hard enough people begin to believe it. This must be the psychology they are operating under. "Twenty new ships to be built immediately," in November 1973. And the member for Kilbride (Mr. Wells) over there, Sir, took it on himself - I do not think he was a minister at the time, in an article in the Evening Telegram announced to the world and Newfoundland that the Navy should patrol the fishing areas. As if he had any jurisdiction over the Navy. The member for Kilbride (Mr. Wells), sitting in the provincial legislature announced in the Evening Telegram that the Navy should take over the patrol of the fishing areas. It is not a bad idea I might add, not a bad idea. "Fish to be processed in the Province and a mineral processing programme. PCs will encourage mining companies to refine and process within the Province and create new jobs for people."

Sir, I could go on, and on, and on, with promises, but look, Mr. Speaker, can I simply say this, that just sitting home on one weekend, and strangely enough with nothing to do, and fingering through various Throne speeches and Budget speeches, PC press releases and PC Times - I do not know why I actually file away PC Times in the privacy of my home but it makes some comical reading, Sir, at bedtime. It is not as good as the

MR. F. ROWE: from a good financial, fiscal, economic base on industry, or rural Newfoundland or anything else.

Sir, I find it extremely sad that this Government, eight years later, has failed utterly to provide the people of this Province with the badly needed jobs that are required. And, Sir, what is even sadder is that this list of the 169 documented broken promises from 1972 to 1975, it would be doubled if I went from 1975. If I continued on my research from 1975 to 1979, I am sure it would be doubled. And I am sure if I researched what was said on Twillingate and New World Island alone, during that by-election, it would be tripled, the promises that were made up there. Practically every single Cabinet Minister, Sir, was running around New World Island and Twillingate Island promising everything from - can you imagine, Sir, the Premier of this Province telling a fisherman, "Yes, no problem, I will get your salmon licence for you," and he has no more to do with salmon licences, Sir, provision of a salmon licence to a fisherman in this Province than I had to do with the provision of a salmon licence to somebody off in Japan, fishing off Japan. It comes completely under federal jurisdiction.

What I am getting at, Sir, is that the sad and dismal aspect of all of this is that we had a nice guy Premier, tremendous smile, an affectionate guy, I liked the former Premier, he was a very personable chap. He could get along quite well with people. He would belt you on the back and make you feel at home.

AN HON. MEMBER: Only on the back.

MR. F. ROWE: He could belt which every way you wished to belt with him. But the point is, Sir, what has been the result? The result has been that the people of this Province, their expectations have been raised so high, so very high, their expectations are very high, they look at the great

MR. F. ROWE: future of this Province and day after day goes by and we keep seeing the unemployment rate increase. This business of the offshore mineral and oil bit, let us not fool ourselves, Sir. When we are talking about exploration we are talking about ten to fifteen years, When we are talking about exploitation after successful exploration we are talking about another ten or twenty years. The benefits to be gained, Sir, by this Province as a result of offshore mineral and oil exploration and exploitation, let us be honest with ourselves, are down the road the great benefits to be derived. I hope they do not happen too soon because rapid development in a so-called rural part of the nation, this highly industrialized, highly technological rapid development could ruin the very way of life of our Province. And to be quite frank with you, I do not want to see uncontrolled rapid development. I would like to see controlled, moderate, sensible development of the offshore mineral and oil wealth, hopefully, off our shores so this Province can gain. But let us not go around waving the flag about the hundreds and the thousands of jobs that are going to be immediately available to the people of this Province.

I rang up Dr. Stuart Peters there four or five weeks ago about the supply vessels because there were several people in my office looking for jobs on the supply vessels. I said, "How many jobs are there available for this?" He said, "There are two or three hundred jobs." Am I right - two or three hundred jobs?

AN HON. MEMBER

No.

MR. F. ROWE:

No! Now this is just Dr. Stuart Peters. Then there is another chap in charge of several other companies, Mr. - I cannot remember his name, but one chap is co-ordinating all the other oil firms and Dr. Stuart Peters is taking care of the offshore supply vessels. He said, "Two or three hundred jobs are available. Now, this is four or five weeks ago.

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SD - 3

AN HON. MEMBER:

You just said two or three.

MR. F. ROWE:

If I said two or three it should be four or five. I said, "How many applications do you have in there?" And I have to correct myself again for the record, it was the secretary I was talking to. She said, "We have in excess of 2,500 applications

May 2, 1979

Tape No. 989

GH-1

MR. F. ROWE: for two or three hundred jobs.'

MR. DINN: It is over 2,800 now.

MR. F. ROWE: It is over 2,800 now, my friend -

MR. DINN: (Inaudible) 700 jobs at least.

MR. F. ROWE: Well, that is the total.

MR. DINN: That is not the total jobs,
that is the total Newfoundland jobs.

MR. F. ROWE: That is the total - yes, the
total Newfoundland jobs for the whole works. I am talking
about the offshore supply vessels that are being
co-ordinated by Dr. Stuart Peters. The hon. minister
is talking about the total program. So I would suspect
that when you talk about the total program we are talking
about four or five or six thousands applications on hand.

MR. DINN: No, 2,800.

MR. F. ROWE: Well I am telling you there are
2,500 sitting over in Dr. Stuart Peters' office.

MR. DINN: He gets the same list and they
are all co-ordinated from my department -

MR. F. ROWE: Well, that was not the
impression that I was given.

MR. DINN: - and it is updated all the time.

MR. F. ROWE: Well, why then do I have to
make representation to two different people if it is being
handled only by one.

MR. DINN: Well, if you could read the ads
in the paper you would not have to because -

MR. F. ROWE: I read the ads, my dear fellow.
Mr. Speaker, I apologize for
this expression.

The ads, Mr. Speaker, are
pinned on my bulletin board down in my office so I know

MR. F. ROWE: whereof I speak. And, Sir, I support this particular motion wholeheartedly for the reasons that I have given and I hope that hon. members opposite do not do what the member for Bonavista South (Mr. Morgan) did and that is get up and make a political speech for poor old Joe up there on the mainland. He is not going to make it anyway. Trudeau will be returned. The boys are boxed in over opposite, Sir. They do not know what to do, do not know what to do. They know Joe is going to win.

MR. SIMMONS: The PCs are third in the popular vote -

MR. F. ROWE: They do not know when to call the election here in this Province because of certain volatile situations.

AN HON. MEMBER: (Inaudible)

MR. WHITE: No, boy.

MR. DOODY: You said six (inaudible),

MR. WHITE: At least six.

MR. F. ROWE: I thank hon. members, Mr. Speaker, for completing my speech because I only have minus ten seconds left.

But, Sir, before I sit down I simply say that for the reasons that I have given, namely, all of these broken promises that involve the supply of employment opportunities, I think that this motion is extremely necessary and I hope that it will receive the full approval of the House. And unless the government or any member opposite can provide us with proof positive of examples of where they will be putting on stream tomorrow morning at least half of the required jobs in this Province, I will continue to vote for this particular motion.

MR. SPEAKER: (Ottenheimer) Hon. member for Grand Falls.

MR. LUNDRIGAN: Mr. Speaker, I welcome the resolution which is before the House for the simple reason that it does give us an opportunity to look at the unemployment question in a debating forum. In a sense, I suppose, there is no need of even a vote because this is a committee, although it is not resolving itself into a committee because the legislature itself is a committee of the representatives of the people and on a daily basis questions about the economy and unemployment should be ongoing. In that regard, I guess, there is no need of voting for or against the resolution because we are doing exactly what the hon. member is looking for, having a debate and receiving comments, and hopefully, if we are doing our work as members of a legislature, we are in touch with our constituents and are aware and conversant with their feelings as well.

Mr. Speaker, I listened to the member. I have no difference of opinion with the member in the sense of wanting to argue with him, but I just listened for 45 minutes now. I did not interfere with him and I do not think anybody did and I was waiting sometime during the 45-minute period for the member from Trinity-Bay de Verde (Mr. F. Rowe) to present to the legislature what he and his party stand for in terms of economic development, job creation, what proposals they had, what they feel are the differences that they have with respect to the stance of the present government so that at least we could get some kind of what we could call a political saw-off. Here we are here with a particular approach. Here are the people in the opposite party with another approach. I did not hear a single, constructive suggestion from the hon. member.

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Tape No. 989

GH-4

MR. LUNDRIGAN: I listened to the hon. member go down through a list of what he called broken promises and identified areas of things that had not been achieved. I heard him say what was wrong with everything that has been done and I never heard a comment at all about what he stands for, or his party, in terms of economic development.

I did pick up one important point, Mr. Speaker. He went on to apologize for the remarks of the member for Lapoile (Mr. Neary) and indicate

MR. LUNDRIGAN:

that despite the impression given by the member for LaPoile district (Mr. Neary) that he, in fact, was against the deal with respect to Labrador Linerboard, that in fact he, the member from Trinity-Bay de Verde (Mr. F. Rowe) agreed with the recommendations that have been put forward and have been accepted by the government and, in fact, supported the deal on the Labrador Linerboard. I believe he might have been quoting from their own publication of recent weeks where they have tried to take credit for the opening of the Labrador Linerboard. Did anybody happen to see that particular document which was really a joke because Newfoundland people saw through that clearly. Of course, they did not use the words that it was a hypocritical move or hypocrisy, because they possibly would not want to use that kind of comment. But they did see clearly that the government had made the achievement of reopening Labrador Linerboard and the Liberal Party across the way tried to take credit for it.

This week we heard the member for LaPoile go on with a two day debate indicating that they were against the particular proposal that had been accepted by government in the opening of the Labrador Linerboard, and today we get the apology from the member for Trinity-Bay de Verde in trying to say that, in fact, they are not. I appreciate the difficulty that the particular Opposition finds itself in at the present moment because, obviously, when there is a leadership convention you have a sort of a lack of direction and you have every member potentially a leadership candidate and, of course, members might differ. The member for LaPoile obviously differs with the particular policy that is being presented by the member for Trinity-Bay de Verde and that might be acceptable. But, Mr. Speaker, the member for Trinity-Bay de Verde gave me one inkling, a clear indication, about the difference between the approach that he perceives the government to take in development and the approach that is being taken by the government itself.

He went on to say that the government are trying to take credit for reopening the Labrador Linerboard that they closed down. And he said, "How can they take credit for it? They closed it

MR. LUNDRIGAN:

and now they have got it reopened." He said, "There is nothing different." He has not seen in all of the debate we have had - we have been at it now for four or five years, pretty well since the government took over there has been a move to try to do something to get this particular industry on a firm footing - and he has not yet seen that there is a fairly fundamental difference between what is happening now in Stephenville and what happened eighteen months ago. He has not seen the difference. I think he spelled out the essential difference between what the government are trying to do and what he himself perceives as the role of government. And there is where very subtly without meaning to let the cat out of the bag he has given the clear difference.

Now, I heard yesterday, and I have been listening to members talk in recent days and recent weeks about the fact that Labrador Linerboard should never have been closed down. Can you imagine! There are not ten people in Stephenville who do not recognize that the move was one of courage that had to be done, not ten people in Stephenville. We have spent in the last six or eight weeks, most of us in this particular party, have spent a lot of time around Stephenville and around the Province. I did not find a person in Stephenville of varied political stripes, who did not recognize that for the first time since the first peg was driven in Stephenville they see a solid future for their industry on the West Coast of this Province.

SOME HON. MEMBERS: Hear, hear!

MR. LUNDRIGAN: They see it themselves.

SOME HON. MEMBERS: Hear, hear!

MR. LUNDRIGAN: Mr. Speaker, the people in Stephenville are against - and that is why you have people like the member for Port au Port (Mr. Hodder) and other members right now reluctant to stand beside the remarks that are being made in this Legislature regarding what is happening in Stephenville. It is hard to believe, Mr. Speaker, that eighteen months ago this Province was confronted with one of the most

MR. LUNDRIGAN:

difficult decisions that had to be made. And I have to recap a little bit of the history of it. When the member for Harbour Main-Bell Island (Mr. Doody), the Minister of Finance, and I was in Industrial Development at the time, introduced the solid reality that something had to be done about Labrador Linerboard, I will tell you there were not very many smiles in Mudville. Because the people in all of the party, inside the Cabinet and outside the Cabinet were aware of what kind of a tragic move had to be made in facing the reality of a forty-odd million dollar cash drain on our Province that particular year.

Mr. Speaker, the government faced the reality and it was a difficult thing. I have talked quite frequently about the member for Harbour Main-Bell Island and the present Minister of Mines and Energy going to the West Coast, as I did too as a Director of Labrador Linerboard, along

MR. LUNDRIGAN: with my colleague from Naskaupi (Mr. Goudie) and, I believe, my colleague from St. Barbe District (Mr. Maynard) and telling the people with the leadership of my friend from Harbour Main - Bell Island (Mr. Doody), that we had to close Labrador Linerboard.

If we had not closed Labrador Linerboard a year and a half ago, and face the facts of it two and a half years ago, I would hate to think about the circumstances that would face our Province today on a financial basis.

We were able to move away from it. The ultimate aim at that time was to try to save the Province from financially bleeding to death. That was the ultimate aim at that point, and everybody remembers the big clash of debate.

I remember the member for Stephenville (Mr. McNeil) himself making quite a plea to the government to recognize the fact that Stephenville would be in desperate trouble as a result. But we had to face the fact of the patient bleeding to death. Something had to be done to stop the bleeding and that is what was done.

At that time, and I think the Premier of the day made the comment that the Province would be prepared to accept any offer, pretty well, for Labrador Linerboard with the knowledge that it would be operated on a sound basis, long-term basis without any cash drain from the Province. That was the condition, open, long-term permanent jobs for the people involved in the industry. The flow of revenue that would come from the Province and the sale was so far removed from our thinking, because it looked so difficult to get anything for

MR. LUNDRIGAN: Labrador Linerboard, that I am pretty certain in saying that Labrador Linerboard could have gone for a song a year and a half ago.

An example of how government should function, and I say to our present Premier that it is an example of how to, perhaps, cut through some of the red tape and the indecisiveness of government, with specially well directed task forces that aim at a problem like Labrador Linerboard, with industry people from the top management people from this country of ours, with our own people from various government departments, with reporting systems set up so that they went at it and they kept Cabinet informed and in a matter of a month, in the matter of a year we were able to poll the entire world community and the pulp and paper industry and come up with proposals that were acceptable to government.

I could envisage at that time three years to move from the closedown to the chance where we had a buyer for Labrador Linerboard. We were able to pick up a \$43 million bill for the sale of a facility that eighteen months ago cost us forty-odd million dollars in one year. To me it is one of the things that, if nothing else happens in my few years relating to government, is a contribution that we have made to this Province of such significance that history itself will indicate it as an example of good government and good management.

Here we are today with the member for Trinity - Bay de Verde (Mr. F.B. Rowe) indicating that he does not see any difference: The government closed it down and the government opened it.

MR. LUNDRIGAN: The government did not open it. The government presented an opportunity where the thing has been moved from a government industry which had been breeding failure to an industry which is owned by a private corporation that can interact throughout the world with their marketing and their transportation and their woods management and all of the other capabilities that they have generated in a century of woods activity. That, Mr. Speaker, is the essential difference between what it was and what it is today.

And I say to the member for Trinity - Bay de Verde (Mr. F.B.Rowe), from the bit of experience I have had myself, if he thinks that he can take over this government or this Province and solve the economic problems by government input, then he is absolutely on the wrong track, it cannot work. The government of this Province cannot solve the economic problems that confront us today. The government can play a role but the government cannot solve it. As a matter of fact, the government cannot even play the major role.

And I tell the member for Trinity - Bay de Verde, if you took the entire provincial budget right this year of \$1.3 billion and gave it all to industry - if I said, Look, we are going to go out there and we are going to develop all of those industries - we would fail, it will not work. That is not the way to go about economic development. It has to be slow, it has to be steady, it has to be planned. You have to take your time. You have to be prepared to tolerate a measure of failure but it is long-term. And for the member to end up his remarks by saying unless we can

MR. LUNDRIGAN: give evidence during the day that at least half of the jobs will be at least filled tomorrow morning, or evidence that we can fill them or he will not vote for the resolution, certainly he must be joking. Certainly he has to be joking. Because you certainly would not tell that to your people that you were teaching a few years ago.

And I wonder what has happened to the member that he has lost his sense of reality somewhere along the way between the days when he was teaching young people and what he is doing today in politics?

Now, Mr. Speaker, I made a couple of comments about the

MR. J. LUNDRIGAN: business of scaring away capital and scaring away investors, and I would like to say to the member for LaPoile (Mr. S. Neary) that I think he is a very confused parliamentarian. He is so confused that he can not differentiate between people who are ripoff artists, people who are criminals, people who are corrupt, people who are deceitful, people who are below the belt - he can not differentiate between these and other people -

MR. S. NEARY: You can tell the -

MR. J. LUNDRIGAN: -and he has them all, Mr. Speaker, painted with the same brush. He has them all with the same brush. Everything involved in the -

MR. S. NEARY: (inaudible)

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

MR. J. LUNDRIGAN: -entire business world, if there is success attached to it at all, the hon. member has to brand it as corrupt. Something wrong with it! Throw it out! Destroy it! Get rid of it! What is wrong with the hon. member for LaPoile, Mr. Speaker? What has happened to him? Has he been involved in politics too long? Is there a possibility that he has been so much involved in this groove that he is in, this groove, that he can not understand that there is some good that might be going on somewhere in the world.

MR. S. NEARY: Yes, there is, but it is not over there.

MR. J. LUNDRIGAN: Now, Mr. Speaker, I have told him on quite a number of occasions that if he were to channel his energies and his ability - and he is a man of ability and a man of energy - if he were to channel his energies and his abilities constructively along the lines of trying to help this Province, Mr. Speaker, I think we would have a

MR. J. LUNDRIGAN: great thing going for us. But he can not find anything good involved with anybody. Paul Desmarais was a man who went unscathed for a quarter of a century, perhaps the person who is held up in the world community as the most successful Canadian businessman, a person who has built up great involvement with the Canadian Pacific enterprise Consolidated Bathurst, Mr. Speaker, he owns Great-West Life, he is involved in half the - Most of the business community of Canada recognize him as the number one corporate citizen, and he never got scathed until he poked his face into Newfoundland and became the Chancellor of the University. Most people who know about universities -

MR. S. NEARY: (inaudible)

MR. J. LUNDRIGAN: Mr. Speaker, would you ask the hon. member over there to try to control himself?

MR. SPEAKER: (Cross) Order, please!

MR. J. LUNDRIGAN: If he can try to control himself -

MR. S. NEARY: When I get the Abitibi stocks -

MR. J. LUNDRIGAN: I would not want him named.

MR. S. NEARY: When I get the Abitibi stock

orders -

MR. SPEAKER: Order, please!

MR. S. NEARY: I hope the hon. gentleman did not

so - (Inaudible)

MR. SPEAKER: Order, please!

MR. J. LUNDRIGAN: Mr. Speaker, I was not fortunate enough to hit that one, but I have a few great winners I would like to discuss with the hon. member - International Helium - I told him yesterday he should make a fortune off International Helium.

Mr. Speaker, the point of the matter is we were fortunate the other day in attracting to our -

May 2, 1979

Tape 992

RT-3

MR. S. NEARY:

You hit the jackpot on

Abitibi.

MR. J. LUNDRIGAN:

Mr. Speaker, I have never owned

a share of Abitibi.

MR. S. NEARY:

Nor Consolidated Bathurst? How

can you deny it!

MR. J. LUNDRIGAN:

Mr. Speaker, I have known for the

last two years through my knowledge of the corporate community of Canada that Price Abitibi is one of the finest companies with great growth potential. I, unfortunately, never had the courage of my convictions because I like the riskier areas - I am a bit of speculator - I never had the courage to move in and get some Abitibi, and I lost a golden opportunity to make some money. Now, Mr. Speaker, I wish I had done what I knew I should have done half a dozen, or eight, or ten months ago, because that company is going to get stronger and bigger and better. Top management. Supported very heavily in the world community as one of the greatest, the largest, paper-producing company in the world. Top management. And I was very fortunate not to have -

MR. NEARY:

We know all about that.

MR. LUNDRIGAN:

Now, Mr. Speaker, he has made a

charge and an accusation against me that I have ripped off funds through getting shares of Abitibi. I have just indicated that if I had had the courage to do what I should have done, I should have gone and gotten some Abitibi stock, and I did not, Mr. Speaker. So here he comes up with that charge. He thought he had a little something.

MR. S. NEARY:

We will see.

MR. J. LUNDRIGAN:

Mr. Speaker, that kind of stuff does

not faze me in the least. Not even if it were true would it faze me, Mr. Speaker.

MR. S. NEARY:

Okay, let us hear you deny it.

MR. J. LUNDRIGAN: Mr. Speaker, I just denied it, and if I did I would be delighted not to deny it if I had any. I would be delighted.

But, Mr. Speaker, let me go on and indicate something. We were fortunate enough to attract as chancellor of our university a person of great renown because a university depends so heavily on being able to go out into the business community and receive the benevolence of the business community for its development, its programmes, and its research in particular, we were fortunate to attract the number one corporate citizen, and in the records of the House of Assembly of this Province, what do we have? An attack by the hon. member as if there is some kind of a massive deal taking place on the West Coast of our Province accusing him of getting a payoff because that was his gift, that was his payoff to be appointed chancellor. How are we going to attract people into our Province to take the risks? Because I say, Mr. Speaker, what we have to do as Government is not to go -

MR. LUNDRIGAN:

out and spend government dollars building industries that will fail. How much evidence do we need that you cannot build an economy by government input? How much evidence do we need in our own Province that you cannot build? We tried it. It has been tried outside and I tried it when I was in Industrial Development. The best you can do involved in government is provide a climate. Now, I want to say about that little business of a climate - provide a climate where people feel that their investment is secure, good government, decent people -

MR. NEARY: And you do not (inaudible)

MR. LUNDRIGAN: - people, Mr. Speaker, where you can become involved and -

MR. NEARY: (Inaudible)

MR. LUNDRIGAN: - and you can go unscathed.

MR. NEARY: (Inaudible)

MR. LUNDRIGAN: Listen to what I am saying and learn something -

MR. NEARY: (Inaudible)

MR. LUNDRIGAN: - what people are saying about you.

MR. NEARY: What about Brinco?

MR. LUNDRIGAN: Mr. Speaker, where people can come into our Province and feel, Mr. Speaker, that there is a place for them and that they are able to associate with government. They can sit down with parliamentarians, as we all are, and feel secure. People do not want to be associated in this Province -

MR. NEARY: What about Brinco?

MR. LUNDRIGAN: What about Brinco?

MR. NEARY: Yes, what about it?

MR. LUNDRIGAN: What is all about Brinco,
my friend?

MR. NEARY: (Inaudible) out of the Province.

MR. LUNDRIGAN: Why do you not listen to what
I am saying and get up and crack away at Brinco?

MR. NEARY: Kicked out of the Province.

MR. LUNDRIGAN: Mr. Speaker, the danger across
this country of ours today there are many people, particularly
in the U.S. context, who want to get involved in the frontier
part of North America. Newfoundland is a bit of a frontier
part of Norther America - very small population - 150,000 square
miles - a half a million people or little better - trans-
portation system emerging - capital poor - no money - very
few people here. If you take all of the capital in our
Province by the entire business community, we could not
acquire a small multi-national corporation - capital poor -
a country relatively capital poor. In a province where
there are big opportunities but areas where you have to take
risks, people have to be willing to take great risks.
Anything you touch here, whether it is the mineral activity,
if you are talking fisheries - massive investments, hydro -
massive investments, offshore oil and gas - mind-boggling,
the capacity of these companies to stand and to develop,
mind-boggling.

MR. NEARY: (Inaudible)

MR. LUNDRIGAN: And what do they expect,
Mr. Speaker? They expect to come to an area where they
will be treated and feel like any contribution they make
will be appreciated, that they can get along with government
and they can pursue their corporate goals with some
dignity. The minute somebody touches this Province, the

MR. LUNDRIGAN: minutes the Minister of Industrial Development sits down with a businessman, that businessman is running the risk of being vilified the next day in the public assembly of the people-the next day!

MR. NEARY: Anybody that is going
(inaudible)

MR. LUNDRIGAN: It does not make any difference -

MR. NEARY: - above board (inaudible) -

MR. LUNDRIGAN: - if Martin Luther King, as I said today on the open-line program, came in here in his heyday he would not last 24 hours before he would be pinned to a cross -

MR. NEARY: (Inaudible)

MR. LUNDRIGAN: - by the hon. member for Lapoile
(Mr. Neary).

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

The hon. member can certainly handle himself in debate quite well but, I mean, these interruptions are just taking the whole House, you know, down below any level. Now I quote to Your Honour Beauchesne on interruptions in debate, page 317, which sets forth, "If a member desires to ask a question during debate, he must obtain the consent of the member who is speaking. If the latter ignores the request, the former cannot insist. He cannot make a denial during the speech." These interjections are causing the whole tenor of the debate to fragment. The whole tenor of the debate then sinks below the level that it ought to sink and the hon. member for Lapoile (Mr. Neary) has been continually interrupting the member for Grand Falls while he is conducting his speech. The procedure is quite simple, Your Honour, that if the hon. member continues to interrupt he is to be called to order and if he persists in trying to turn the House into what amounts to be a beer garden by shouting over his inter-

MR. MARSHALL: jections he can be named and the appropriate thing taken. I would hope it would not come to that, but we cannot have the House continue on in this tenor.

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

Mr. Speaker, Your Honour knows that that is not a point of order, Sir, that all the hon. gentleman is trying to do is to prevent the member for Grand Falls (Mr. Lundrigan) from blowing his cool. That is why he got up and sort of raised the point of order, which is very specious as Your Honour knows, to try to stall for time -

AN HON. MEMBER: Frisivolous.

MR. NEARY: - frivolous - so the hon. member for Grand Falls (Mr. Lundrigan) will not blow his cool and that is the whole purpose of the exercise, Sir. It has nothing to do with the decorum of the House. It has nothing to do with a point of order, Mr. Speaker. If the hon. gentleman, who interrupts me back and forth and we spar back and forth, if the hon. gentleman wanted to be heard in silence, he would have brought it to Your Honour's attention. He would not need the assistance of the Government House Leader.

MR. R. MOORES: He provoked the interaction.

MR. SPEAKER (Cross): To that point of order, certainly our own Standing Orders call for a member when he is speaking to be heard in silence. I do realize that there was

MR. SPEAKER: (Mr. Cross) excessive shouting a few minutes ago and I would ask members to my right in particular and to my left to refrain from interrupting.

MR. NEARY: A point of order.
Your Honour knows, Mr. Speaker, that the rules of debate in this House are that you do not attack a member personally, Sir, and for the last ten minutes or so we have seen about the lowest form of debate in this House when a member zeros in on another member and starts to try to undermine his credibility and attack him personally and try to smear him. And that is what has been happening, Your Honour, and as long as that sort of debate takes place in this House and has a tendency to lower the decorum of the House that the hon. gentleman is so concerned about, well then we have to respond, Sir, we have to defend ourselves. So I ask Your Honour to ask the hon. member for Grand Falls (Mr. Lundrigan) to lift the standard of debate.

MR. MARSHALL: That is not a point of order.
What the hon. gentleman is trying to do - he does not own this House although he has made a good fist at it certainly since he has been in Opposition of attempting to-but what the hon. gentleman is doing. he disagrees with what is said in debate and he gets up facetiously on a point of order and points out his disagreements. Now there are times and there are places, if things are said which the hon. gentleman takes issue with that he has his opportunity to get up and engage in the debate and then if he makes an observation which members on this side do not like then they have no right to get up on a point of order. Points of order raised like the hon. member has just risen there are the type of points of order that lead to, in effect, disorder in the House itself because they constitute, in the guise of taking advantage of the rules that are set down, in effect what he doing he is upsetting the rules, the whole decorum and the privileges of the House itself. That is the privilege that a member has of getting on his feet and making his speech without being interrupted unless it is a legitimate point of order and not by

MR. MARSHALL: way of explanation as he is doing.

MR. SPEAKER: (Mr. Cross) There is no point of order that the Chair can rule on at this point in time. Since there was no point of order that the Chair could rule on, I would ask the hon. member for Grand Falls to continue his speech.

MR. F. ROWE: A point of order, Mr. Speaker. I am really your guidance on this and probably the clerks at the table could assist, Your Honour. But my understanding is, and I cannot find the appropriate citation in Beauchesne, that a member cannot debate the substance of a bill that is already under consideration. Now my understanding is that we are in the presence of debating the second reading level "An Act To Provide For The Ratification Of The Sale Of The Labrador Linerboard Limited And The Conversion Of The Linerboard Mill To A Newsprint Mill." That bill is already under consideration in this House of Assembly. Now I did make passing reference to the Linerboard mill, I will admit - passing reference, about ten seconds. The hon. member for Grand Falls (Mr. Lundrigan) has confined himself wholly and solely to the debate on the Linerboard mill that is already under consideration. I submit, Sir, that the member cannot debate the substance of a bill already under consideration and he should refrain from debating that particular aspect with reference to this private member's motion.

MR. LUNDRIGAN: Mr. Speaker, on that point of order for a second or two.

MR. SPEAKER: Hon. member.

MR. LUNDRIGAN: I recognize the hon. member is finding it a little difficult to sit there and hear the truth. It is a diversionary tactic on his part what he is doing right now. I recognize that too and, Mr. Speaker, if he wants me to get away from Labrador Linerboard I will do that, I will go on to something else, but the issue has got nothing to do with Labrador Linerboard and neither has it anything to do with a point of order.

MR. NEARY:

Mr. Speaker, a point of order, Sir. I am surprised that the hon. Government House Leader, Sir, who professes to be so well informed on the rules of this House, did not bring one of his members to task, namely the member for Grand Falls (Mr. Lundrigan) for being completely out of order for the last fifteen or twenty minutes. The gentleman was referring to a previous debate, Mr. Speaker, and anybody, even a new member of this House, even a junior member knows that you cannot refer to another debate going on in this hon. House. And I would submit the gentleman was completely out of order. I was interested in what he had to say. I wanted to hear what he had to say. He did not make the charges in the House that he made outside the House and I am still interested in hearing what he has to say. But he is completely out off order by referring to another debate, Mr. Speaker, that is going on in this House that will be resumed tomorrow at three o'clock when the House meets. I am sure Your Honour may want to take a minute to check that out. I am sure I am right, that you cannot, Sir, refer to another debate that is going on and that is what the hon. gentleman was doing.

MR. SPEAKER: (Mr. Cross)

To that point of order.

Certainly the resolution that is under debate now is a resolution on unemployment and

MR. SPEAKER (Cross):

certainly wide ranging, There has been a broad range, there has been a great allowance of leeway due to that fact. So I would say that there is no point of order at this time. I would ask the member for Grand Falls (Mr. Lundrigan) to continue.

MR. LUNDRIGAN: Mr. Speaker, I was talking about an issue and I will have a constructive comment or two at the end of what I am about to carry on with in a few minutes. I was trying to make one basic observation and if I can in forty-five minutes I will consider I have made some contribution, and that is that maybe the essential role of a government in industry and with labour in an economy is to provide the right climate where the individual businessman, a person who knows his business, has capital to risk, can find himself at home. I was trying to point out what is happening in our Province, Mr. Speaker, where the more successful you are here in this Province, the more you are hung out to ridicule, the more you are hung out to abuse.

MR. NEARY: By whom? By whom?

MR. LUNDRIGAN: Mr. Speaker, I will give you little examples, I will not go too long. For example, it was only about a year ago that the member, maybe eighteen months ago, the member for Kilbride (Mr. Wells), who was looked on by the people of this Province as the essence of integrity and ability and decency, was held up in the eyes of the House of Assembly as having been involved, because of his business activities, in some kind of a fashion which was not acceptable to the member for LaPoile (Mr. Neary). We have seen situations here without mentioning names of individuals, Mr. Speaker -

MR. NEARY: A point of order.

MR. SPEAKER: (Ottenheimer) A point of order.

MR. NEARY: Mr. Speaker, I cannot see, Sir, how this situation, if the hon. gentleman is going to refer to loan sharking, how this can be tied in with unemployment. What the hon. gentleman said in the last few minutes, what does it have to do with unemployment, Mr. Speaker, a resolution that we are debating on unemployment in this Province and to have a select committee of the House appointed?

MR. NEARY:

What the hon. gentleman is saying, what does it have to do with unemployment? It might have to do with the unemployed, not unemployment.

MR. LUNDRIGAN: Mr. Speaker, the member could possibly understand it if he would give me an opportunity.

MR. SPEAKER (Ottenheimer): I thought the hon. member for Grand Falls (Mr. Lundrigan) was going to speak on the point of order.

MR. LUNDRIGAN: No, not on the point of order. I am not wasting time.

MR. SPEAKER: On the point of order, the basic principle of this resolution deals with unemployment in the overall economy of the Province. During the past number of weeks this has been given a very, very broad interpretation by all hon. members and while obviously it would be out of order for an hon. member to develop his speech and the sole purpose of his discussion, or even the main purpose of his discussion, with respect to something which was not or could not be related to the economy, at this particular time the brief reference the hon. gentleman has made, I would not be in a position to say that it is not to be, or he will not or it is not about to be related to the economy. You know, if it was a matter on which he has spoken on for quite some time that could well then be the result. But in this specific instance I think it would not be possible for me to make such a ruling.

The hon. member.

MR. LUNDRIGAN: The specific point I am making - the member knows what I am getting at, exactly - and that is that business people in this Province, the investment people, if we continue to go the route of the hon. member for LaPoile (Mr. Neary) in attacking every individual who happens to have any dealings with business in this Province -

MR. NEARY: Mr. Speaker, a point of order. That statement, Your Honour, is incorrect, untrue, inaccurate, erroneous and it is -

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

I cannot allow points of order to develop into an alternative method of debate. The hon. gentleman,

if he has not spoken in this debate then obviously he is entitled to so do and may take the sharpest issue with what the

MR. SPEAKER (Ottenheimer):

hon. gentleman to my left has said. But unless an hon. gentleman yields, then it will be necessary for another hon. member to await his turn in the debate in order to refute what the gentleman sitting opposite has said.

MR. NEARY: A point of order.

MR. SPEAKER: A point of order.

MR. NEARY: It is my understanding of the rules of this House, Sir, that you are not allowed to utter an untruth. The hon. gentleman just uttered an untruth and I ask Your Honour to ask the member to withdraw it, apologize to the House and lift up the standard of his debate and not get down in the gutter, in the cesspool where he is at the moment.

MR. SPEAKER: Order, please!

This specific point actually came up just a few weeks ago when the hon. member for Trinity-Bay de Verde (Mr. F. Rowe) - basically the same point and that is why I am so familiar with the reference to it. It has to do with contradictory statements by hon. members.

MR. SPEAKER: (Ottenheimer) No hon. member can call another hon. member a liar, or make any allusion to that. However, one hon. member may say one thing, and another hon. member may say something completely contrary and as long as there is no imputation of motive then both statements stand in the sense that neither is unparliamentary. I will point out Page 114, Beauchesne:- "It has been formally ruled by Speakers that a statement by a Member respecting himself and particularly within his own knowledge must be accepted, but it is not unparliamentary temperately to criticize statements made by a member as being contrary to the facts: but no imputation of intentional falsehood is permissible. On rare occasions this may result in the House having to accept two contradictory accounts of the same incident." It would appear to me that once again we find ourselves on one of those rare occasions.

MR. J. LUNDRIGAN: Mr. Speaker, as I was saying, it was only a little while ago we saw a situation where, as I was pointing out to the House, we had a particular member attacked in the House for being involved in business. I sat through days of debate about Craig Dobbin and it got to the point where you would almost think that Craig Dobbin was some kind of an alien from another planet. A businessman in our Province. I am not aware of anything that the man has done illegal, or wrong, or anything that has not been above board. I am not aware - if there is anybody aware I am sure proper actions would have to be taken. Andrew Crosbie and other businessmen in this Province who have been responsible for hundreds of millions of dollars worth of investment over a period of years, new dollars, construction jobs by the thousands - I sat here and I listened to all kinds of abuse. And I remember one time even, Mr. Speaker, when Andrew Crosbie headed up the Canada Summer Games that turned out to be a national event of significance and renown

MR. J. LUNDRIGAN: that all Newfoundlanders were proud of, and I sat here in this House and listened to that being abused day after day as some kind of an evil feature of the individual involved. I pick up the paper on yesterday morning and I read in The Daily News, and I quote:- "Mr. Neary says he intends to find out more about secret meetings and secret deals which he claimed were all leading to the Bahamas. 'There is a pattern developing in the West Indies and the Bahamas he said,'" and he goes on talking about a meeting held at the Britannia Hotel in Nassau in the Bahamas, and he quotes:- "Frank Moores, Bob Cole, Craig Dobbin and Eastern Provincial Airways' Harry Steele."

MR. S. NEARY: That is right.

MR. J. LUNDRIGAN: Now, this is the first entry that Harry Steele has made into the business community in the sense that he is part of the group now. He has become part of the group. And I feel badly for Harry Steele if for nobody else involved only because of course, perhaps, I have been over the years, for years and years and years, way back before business, aware of the fact that if we had fifty Harry Steeles in the Atlantic Provinces with the integrity, the honesty, the decency, the ability, the drive, the energy, the character, the background, and the upbringing of Harry Steele we would not have to be talking about the Government in Newfoundland and Labrador providing the economic stimulus to take our people off the unemployment rolls.

But if this keeps up, how can you expect an individual who is only starting, who is only a boy in terms of the corporate age, forty-odd years old, how can you expect that individual to want to plough back into and help develop a province like ours of Newfoundland and Labrador? And I can go on - it does not make any difference - yesterday it was Paul Desmarais. Charlie Tittlemore, one of the great men looked upon by the business community and the paper industry

MR. J. LUNDRIGAN: in Canada as the number one gentleman, great abilities, all the experiences, worth his weight in platinum in the business community - Mr. Speaker, these people have no right to be good business people. If they have any association with Newfoundland obviously there is something wrong with them, there is something crooked about them, and there is something below the belt involved.

I am saying to the member for LaPoile (Mr. S. Neary) and I am saying to the members across the way that the biggest problem we have in this Province is that the people involved in the business community, the investment community, do not want to associate with developing of this Province because they will be vilified. They will be vilified and they will be abused, and they will be nailed to the cross. Character assassination on a daily basis! And these people, Mr. Speaker, the number one thing they trade in is reputation, good reputation, the good will and the stature of a company is the number one thing and, of course, that is always epitomized in the top management of a company.

How can we get people here, coming in to sit down and deal with governments, negotiate, talk about tax rates and talk about all the kinds of things we need to develop our economy when they know the minute they walk out through the door of the Confederation Building they are held up for public ridicule? Mr. Speaker, that is the thing we have wrong with us in this Province. In the Province of Alberta - If members like the hon. member were in the Province of Alberta, Mr. Speaker, they would have had him out to pasture for years if we were in the Province of Alberta. There is where the businessman feels at home.

MR. LUNDRIGAN:

There is where he wants to spend his money, there is where he is treated with respect. And if the member for LaPoile (Mr. Neary) or the member for Grand Falls (Mr. Lundrigan) thinks that we are going to develop the industries as government we are crazy. Government is not going to develop industries. The best government can do is to try to make it easy for the people who know how to run businesses, know how to invest, know what it is like to administer and run, to make it easier for these people to develop the economy. That has got to be the role of government. And I went through this as a bit of an idealist who always thought - and maybe a bit of a socialist too - that the government could move in and do it. The government cannot move in and do it. We are not capable of being involved in business and I think Aubrey Mack summed it up, Mr. Speaker, when he said, "The one way to ensure", Aubrey Mack, our great Newfoundlander said, "The one way to ensure that crime does not pay", he said, "is to let the government run it". And that is about the summary of what I would feel about government's involvement in industry. The best government can do is to provide the climate, pave the way for the people who are the experts to get involved and do the job. That means you do not write off the word 'profit' as a dirty word either, Mr. Speaker.

I was just going to make an observation about the Province and some things maybe we can do and can talk about. One of the best ways we can get involved in stimulating an economy is through the tax system that was given to us over 100 years ago and has been modified during that period on a number of occasions. I feel, and I have said this publicly before, that perhaps a lot of the ways that we go about trying to help industry is a matter of a bureaucratic nightmare and a matter of inefficiency and red tape rather than using the tax system. And if you were to go to Ottawa today and talk to the people in Industry, Trade and Commerce they will point out to you about forty different ways in the department where they want to help industry, All kinds of grant programmes, all kinds. I would not even begin to try to define it but the Minister

MR. LUNDRIGAN:

of Industrial Development (Mr. Maynard) could give a run down on all of them. Now they are beginning to find out that rather than go that route it might be better to back away from all of this bureaucratic cost and use the tax system, give the businessman more profit, more opportunities for new monies flowing into his business so he can reinvest it as business people like to do.

MR. NEARY: Is that what they are doing at Abitibi?

MR. LUNDRIGAN: Let me just go on and say that the DREE Programme, and I am not talking about the programmes we signed to help with infrastructure, but the DREE Programmes, the grant programme, we have got to reassess it, we have got to look at a new way so that all the business people can take advantage of the system and not the business of having the businesses that know how to deal with the government, have the accountant and the top people involved knowing how to handle an application and to get the grant. The bureaucratic costs are equal to the grants that handed out and are inefficient, time consuming. By the time an industry gets off the ground they have lost their advantage. They are a year down the road, inflation hits them, the costs have escalated and away they go. And I would say it is about time for the federal government - and I say this as a private member, not as a member of a government - that it is about time that the Government of Canada looked at the grant system in DREE and found better ways of making these advantages available to all of the business community. And the one way to do that is to have a selective tax system where people in our region like Newfoundland and Labrador can get a better tax break, a higher return on their investment, more profits flowing in to them as a result of establishing in our Province of Newfoundland and Labrador. Use the tax system. It is there, it is efficient, it costs nothing to administer and it is already available to us. That is the route we have got to go. That is the route you are going to see governments go in the future in our country to make an advantage for establishing in the Province of Newfoundland and Labrador.

MR. LUNDRIGAN:

Another system which has to be brought in, which is being administered by my friend in Rural Development is to take a page out of Rural Development as a national programme to make monies available to industries cheaper in certain regions than they are today. Fourteen, fifteen per cent money is working for somebody else, working for the bank or working for somebody else. You cannot expect, Mr. Speaker, a businessman to go out and borrow this \$100,000 and pay \$14,000 or \$15,000 back to the bank. That is almost his profit margin.

In our regions you have got to have better incentives on a loan basis so the loans are more easily available, you have got to have the lending institutions regionalized, we have got to take more risk in a Province like Newfoundland and Labrador. You have got to have the banks that have been directed by the federal government, and they are an instrument for development, willing to take more risks, write off more losses, be more adventuresome, get out of the business of, as the member for St. Mary's-The Capes (Mr. W. Carter) used to say, the lingerie business and the business of mortgage investment. Get into the risk area. And I have talked to

MR. LUNDRIGAN: managers in the Province, in the banks, as I have done over a period of years and they tell me they are not even equipped to deal with risk areas, new ventures, fisheries and matters of this nature, because they are concentrating, as they are across the country and getting involved in the loans that are guaranteed, the mortgage outfits and the small loans for consumer goods and the like. And this is where the lending institutions have to take more risk and have to be directed on a national basis to write off more loans and more losses as they should be doing in their Province. The opposite, of course, is the truth, that they will not get involved. This will be the first place they will restrict credit when we get tight money across our country. These are the kinds of things we have to get our teeth into - better climate. Cut a lot of the red tape. Eliminate a lot of the programs that are involved, Mr. Speaker, where it is a matter of trying to find ways to give grants, and use a tax system to the advantage of all the business people. And the lending institutions have to be more adventuresome.

But, Mr. Speaker, if I were to prioritize them, as we all say in our big words that we are using today, I would say that the number one thing we have to do in this Province is provide a better political attitude. That is what we have to do, and I say to the member for Lapoile (Mr. Neary), who has a misdirected sense of justice, that if he were to sit back and sit back when he goes home tonight and look at what he is doing, he is doing more damage on a daily basis than all the good government can do by turning off people, discouraging investment, millions of dollars lost for investment costing our people jobs around this entire Province, Mr. Speaker.

MR. SPEAKER: (Ottenheimer) The hon. member for Windsor-Buchans.

MR. FLIGHT: Mr. Speaker, I have listened intently to what the hon. member for Grand Falls (Mr. Lundrigan) had to say and it takes a lot of patience, Mr. Speaker, to listen to it.

It was interesting for the minister to hear him in his first - of the member to hear in the first ten or fifteen minutes of his dialogue - monologue - telling us how it was a great thing the government did closing it down and how it was a great thing they did opening it up. He deliberately avoided telling us why they had to close it down because he was part of the administration that allowed the intolerable corruption, graft, waste, mismanagement and everything else that brought about the closure of Linerboard.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: He himself when he sat as minister of Industrial Development was party to paying out \$475,000, Mr. Speaker, to get out of a contract under which nothing was delivered. He was aware of the feather-bedding that was going on in Linerboard, Mr. Speaker, while he was a member of the administration. So it takes a strong stomach, Mr. Speaker, to stand up and listen to the member for Grand Falls telling us what a great job that administration did in first of all closing down the Linerboard and secondly opening it up. He would have done justice to the cause, Mr. Speaker, if he would have spent five minutes telling us why the government found themselves in a position to have to close it down.

MR. FLIGHT: He supported also, Mr. Speaker, the deception, complete and total, deliberate deception of how it would have cost - his figures were \$47 million a year to keep Linerboard going when he knows it would have only cost in the vicinity of \$23 or \$24 million. The balance would have had to be paid anyway to service the debt. That is the kind of deception that that member is prepared to associate himself with and that is the way they sell the situation to the people of this Province. And Mr. Speaker, it took some thick skin to sit and listen to that kind of dialogue that we heard from the hon. member and there are other aspects of this speech that I intend, Mr. Speaker, now that I have established my right on next private members' day, to go into. I hope he is in the House because there are going to be some more remarks with regard to Abitibi Price's relationship in this Province and I intend to address myself in this House next Wednesday to what that hon. member said publicly outside of the House today. What I say in this House relative to Price (Nfld.) I will be prepared to say publicly in my own district and his as of next Wednesday. I may indeed say it publicly outside of the House prior to that, but in this House I will go on record as to what I see happening with regard to our forest industry in this Province.

And, Mr. Speaker, with that

I adjourn the debate.

MR. SPEAKER: (Ottenheimer) The hon. member has moved the adjournment of the debate. Is it agreed we call six o'clock?

It being six o'clock the House stands adjourned until tomorrow, Thursday, at 3:00 p.m.