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TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD
10:00 A.M. - 1:00 P.M.
FRIDAY, DECEMBER 5, 1980

The House met at 10:00 a.m.

Mr. Speaker in the Chair.

MR. SPEAKER (Simms): Order, please!

STATEMENTS BY MINISTERS

MR. SPEAKER: The hon. Minister of Fisheries.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: Mr. Speaker, last week in Brussels the Department of Fisheries and Oceans, along with officials from the provincial Department of Fisheries, the Fish Trades Association and the Fishermen's Union from this Province met with a delegation from the European Economic Community. Over the objections of the Fishermen's Union, the fishing industry from this Province, the Fish Trades Association and the objections of this Province, federal officials have now initialed a six year agreement with the Common Market, the European Economic Market. This agreement trades cod from our Northern cod and squid stocks in return for lower tariffs on specified amounts of Canadian frozen round cod and red fish, cod fillets and blocks and salt cod and herring. In return for modest market access, and, I repeat, in return for modest market access, Canada is being asked to allocate to the EEC, the EEC fishing fleet, a total of 94,500 metric tons of cod from our Northern cod stocks.

SOME HON. MEMBERS: Shame, shame.

MR. MORGAN: And 42,000 metric tons of squid over the next six year period.

MR. DINN: Terrible, terrible, terrible.

MR. MORGAN: The Government of Newfoundland is fundamentally opposed to this kind of an agreement and is urging the federal government to reject it. The allocation of Northern cod to foreign fishing fleets is based on the false premise that there is a surplus in that stock. There is no surplus to our needs in the Northern cod stocks. The Government

MR. MORGAN: of Newfoundland has together with the union and the Fish Trades in this Province insisted that there be no , I repeat, no foreign allocation from the Northern cod stocks yet the federal government now, through the federal Department of Fisheries and Oceans, is prepared to allocate these amounts of 94,500 metric tons of cod and 42,000 metric tons of squid to the EEC at a time when the offshore fleet in Newfoundland is worried. I think it is obvious to all members of the House how worried they are from recent statements made to the media. They are worried about a pending resource shortage and they may have to tie up their boats next October, their offshore fishing fleet. Now, in insisting in no allocations to foreigners from stocks within a 200 mile economic zone, the Province is not alone. The industry in Nova Scotia is adamantly opposed, the Fisheries Council of Canada joined with Newfoundland in opposition to this approach.

The agreement reached last week is a result

MR. MORGAN:

of a misguided trade policy being pursued by the federal Fisheries and Oceans. Despite this Province's long-standing objection to this policy, officials from that federal department have persisted in trading fish for fish in buying market access for Canadian fish products by allocating and allowing foreigners to fish in our 200 mile economic zone. In no other area of Canadian trade, of which we are aware, do we undercut our own industry by giving away raw materials which our competitors then use to produce their own finished product in return for market access for our finished product.

International trade negotiations in which Canadians have nothing to trade but fish allocations is, in our view, a surrender of our newly acquired fisheries resources. Our government has long contended that Canada should treat fish like any other export commodity. Canada should seek through its general trade policy to adjust tariffs on European imports into Canada in return for lower tariffs on our fishery products entering the Common Market. Therefore, the federal government in relegating fish export negotiations through this limited and misguided form of barter, is treating fish products as a second-class product.

Last year, the value of our fish exports from Canada was \$1.3 billion, second only to the wheat that was exported from Canada last year, second only to the wheat commodity, and that is hardly deserving of the poor treatment that is now being used in this national trade policy.

This initial agreement reached last week is particularly dangerous to Canadian and especially Newfoundland fishing interests, because it would establish for six years the rule that markets for Canadian fish may

MR. MORGAN: be sold for allocations of our Northern cod stocks.

At a time when Canada should be discouraging foreign efforts in our waters, this new agreement will now encourage Spain, Portugal, Japan and other fishing nations which are not members of the E.E.C., which have been gradually reducing their fishing efforts off our shores, to now line up and receive new allocations within our 200 mile limit. It is time that Canadian fish trade policy got off this treadmill. The so-called tariff concessions achieved last week, many of which, by the way, apply to round fish and not to finished product - in other words, round fish leaving here and going over for further processing in Europe - are not worth the price. The kinds of concessions we got last week are not worth the price of trading away fish resources that are not, I repeat, are not a surplus to the needs of our fishing industry.

MR. J. MORGAN: In order to forestall the confirmation of this dangerous agreement, the hon. the Premier will, in his compacity as Minister of Intergovernmental Affairs, recommend to the hon. Mark MacGuigan, Secretary of State for External Affairs and to the hon. Herb Gray, the Minister of Industry, Trade and Commerce that Canada make fundamental changes in its trade policy regarding fish products. And as Minister of Fisheries, I will be urging my federal counterpart, Mr. LeBlanc, to reject this agreement to to cease the practice of allocating fish stocks needed by our fishing fleet and not to trade it off to foreigners.

Now in closing, Mr. Speaker, what I say as of this morning was confirmed the meeting will take place in Montreal on Monday and Tuesday. The meeting will involve all the fishing interests in the Province, the companies and the fishermen, Fish Trades and union and governments. Although we have been, in the past, relegated, I guess or put back to the position of being an observer at these kind of meetings, because of the importance of this meeting in the trading off of Newfoundland cod stocks, it is my intention to be at that meeting in Montreal with the senior officials from our department and put forward our case in no uncertain terms.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER (Simms): The hon. member for Burin - Placentia West.

MR. D. HOLLETT: Yes, Mr. Speaker, First I would like to thank the minister for a copy of his Ministerial Statement. I think I will repeat again what a lot of my colleagues have said last session and again this time, I think it is only fair that any minister who is making a statement unless it is something of a very urgent nature just as a courtesy, not as a requirement, I think that those statements should be provided to the spokesman on this side.

MR. F. STAGG: You only make a few remarks anyway. That is all that is required. It is a farce.

MR. D. HOLLETT: I can appreciate the member for Stephenville's (Mr. Stagg) comment, Mr. Speaker, because he does not know enough about the fish to say anything about it but to call it a farce.

SOME HON. MEMBERS: Oh, oh.

MR. HOLLETT: Mr. Speaker, I would like to congratulate the minister, to start with, on the way his press release has been stated. It has been very well worded, well couched and everything else. He speaks of \$1.3 billion - Canada's fish exports; he did not say Newfoundland's. He talked about the number of metric tons that allegedly will be traded off, something like 15,000 tons a year. I do not think, without knowing all the details in this matter, that we should trade off that much fish. However, I remember the minister himself last session making quite an eloquent speech on the necessity for this Province and our country to have greater access to markets in Europe. I think he pointed out at that time the prices on the US market, the additional catching capability of the US fleet, the greater imports quality-wise, price-wise from other countries, and I think he said specifically that in our Province we have to have access to EEC if

MR. HOLLETT: our industry is going to prosper and be profitable in this Province.

MR. MORGAN: They will have traded all our resources off soon.

MR. HOLLETT: I said that just now, Mr. Minister. So, Mr. Speaker, until I get the opportunity to (a) see the minister's statement (b) to check it out some figures--which coincidentally I just happened to bring in the House this morning and will be going over quite closely on all those figures - I would like to reserve comment until later. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): I would like to take this opportunity on behalf of hon. members to welcome to the Galleries today nine Grade seven students and their teacher, Mr. Stewart Marks, from the Seventh Day Adventist Academy in the district of St. John's West. We hope they enjoy their stay.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. WINDSOR: Mr. Speaker, I am announcing today areas which have been nominated for various petroleum related activities as well as proposals I have received for specific petroleum related onshore development. As you will recall, nineteen areas were designated by government on October 17th for petroleum related activities. Thirteen of those were subsequently frozen under the Development area (Lands) Act. At the same time the hon. the Premier invited nominations for additional sites for various categories of petroleum activities, supply service base, concrete platform construction, steel platform

MR. WINDSOR: construction, module fabrication and assembly, and pipeline landfalls. Prior to the deadline for closure of nomination on December 1, 1980, nine new areas have been nominated for service base operations in addition to the eleven previously designated. These are Mortier Bay, nominated by the town of Marystown; Seal Cove, nominated by a consortium of McNamara-Whimpy; Hopedale, nominated by Labseaco Limited; St. Anthony, by A.H. Murray Company Limited; Main Brook by Harvey Offshore Services Limited and the Town Council of Main Brook; Carmenville, by the Hewlitt group of companies; Clareville, by the Clareville Chamber of Commerce; Shamblers Cove, by the Green's Pond Bonavista North Shore Development Association; Stephenville by the Department of Development, added to the list previously announced and Goose Bay, Bonavista Bay, nominated by Port Blandford-Winterbrook Development Association.

Five new areas have been nominated for concrete platform construction. These are Bull Arm, nominated by Lundrigans Limited; Corner Brook, by Lundrigans Limited; St. Albans, by the Bay d'Espoir Development Association, the joint town councils of Bay d'Espoir and the Mayor of St. Albans; Terrenceville, by the Terrenceville Town Council, and a site in the Come by Chance area by Lundrigans Limited.

Two additional areas for steel platform construction; St. Albans, nominated by the joint town councils of Bay d'Espoir, The Bay d'Espoir Development Association and the Mayor of St. Albans; and Botwood, nominated by the Botwood Town Council. The Town Council of Botwood have

MR. N. WINDSOR:

also nominated their area for module fabrication and assembly activities. In the case of a large number of the nominations, very little information accompanied the actual nomination. A physical evaluation of these sites will be made against the criteria set forth in the statement Policy and Plans for Control of Onshore Petroleum Related Developments and land will be frozen under the Development Area (Lands) Act as deemed appropriate.

The working group which has been established under the direction of Mr. Tom Whelan will undertake a physical assessment of all sites both those that were identified by government as well as those that were nominated by the public. Site profiles covering environmental, physical, social and economic data will be compiled for each site to enable an evaluation of the best sites for each category of petroleum activity. Members of this group will be visiting each site and will be in contact with the various proponents over the next couple of months.

In addition to the nomination of sites, four major proposals for specific petroleum developments have been submitted. I will deal with each of these proposals separately. Firstly, the DAC Group proposal for Mortier Bay. The DAC Group Limited composed of Davie Shipbuilding Limited, Aker Engineering of Norway and Crosbie Enterprises Limited propose to carry out a phased development on the Spanish Room peninsula in Mortier Bay. The site is proposed to be developed initially to cater to the needs for offshore services. Subsequent developments proposed will be in the direction of fabrication activities and offshore repair and maintenance of semi-submersibles, the ultimate aim being the full fabrication of floating production on exploration platforms. Development of the site will be phased in accordance with the needs of the offshore industry in its time schedule.

MR. N. WINDSOR: The DAC Group have requested exclusive utilization of a 300 acre area in Mortier Bay to carry out their development.

Secondly, Atlantic Seacare proposal for Argentina. Atlantic Seacare is a consortium of Job Brothers Limited, Ayre and Sons Limited, the Hewlitt Group and J.M. Chabot Incorporation, a Montreal based firm. The objective of Atlantic Seacare's proposal is to provide a fully integrated service base for all offshore activities. The proposed development is planned to be carried out in four phases over a four to five year period on the former U.S. Naval base of Argentina. 'Operation Argentina,' as it is known, is very similar to the DAC Group proposal in terms of supply, service, repair, maintenance operations and module fabrication. They differ in the long-term objective for full fabrication of production platforms.

Thirdly, Port Atlantis Limited proposal for Bay Roberts. Port Atlantis Limited is a three part consortium of Torngat Investments, Great West Life and Lavalin Incorporated. The objective of the Port Atlantis proposal is to develop a 400 acre industrial park and related port facilities to service offshore petroleum activities. The proposed industrial park will be located on the North shore of the peninsula between Bay Roberts and Spaniard's Bay, with harbour facilities near the bottom of Spaniard's Bay and adjacent to the industrial park. The

MR. WINDSOR:

project is slated to be constructed over a two to three year period. The service base is designed to offer a full range of industrial and commercial supply and service facilities.

Fourthly, McNamara - Wimpey proposal for the Seal Cove area. McNamara Corporation of Newfoundland, in association with George Wimpey International of London, England, have made a proposal for the development of a supply service base operation in the Seal Cove area that will operate in conjunction with their operation at McNamara Industries at Octagon Pond. This proposal consists of the development of a 70 acre site in the Seal Cove area for supply and service operations and the development of a 150 acre site near Octagon Pond for storage, pipe coating and the fabrication of sub-assemblies.

In addition to the above proposals, Lundrigan's Limited have nominated Corner Brook for a floating concrete platform, a production platform, as well as sites in the area of Come By Chance for gravity type concrete platforms. They have also nominated Bull Arm in Trinity Bay as another prospective site for gravity concrete platforms.

In making these nominations, Lundrigan's Limited have stated they prefer not to make a formal development proposal until such time as a contract has been finalized for a concrete structure.

As well, the Town Council of Botwood have put together a fairly comprehensive document in support of their nomination of their supply-service base operations, steel platform construction and module fabrication and assembly, with the intent of promoting their area to the various oil companies.

I would like to point out that, while I have received several proposals which are both project specific

MR. WINDSOR: and site specific, this does not in any way preclude the submission of competitive proposals for any of the sites nominated for the various categories of petroleum activity, nor does the submission of proposals at this time negate the activities outlined in the Premier's statement regarding environmental previews, socio-economic analyses and other activities slated to be carried out as part of the development approval process.

It is my understanding that none of the groups which have submitted proposals to date have either a commitment in principle or a contract necessary to the implementation of their proposed development.

In closing, I would like to assure the House that while government is sensitive to the requirement for expeditious approval of certain types of development, government intends to ensure that any such development is in the long term interest of the Province -

SOME HON. MEMBERS: Hear, hear!

MR. WINDSOR: - socially, economically and environmentally. And the protection and enhancement of our renewable resources remains as our strategic objective and a review of all oil related developments, and indeed our review of all proposed industrial developments will reflect our commitment in this regard.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): The hon. member for Torngat Mountains.

MR. WARREN: Yes, Mr. Speaker -

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: - first I must say that the Minister of Development (Mr. Windsor) did show more courtesy to me by giving me a copy of the press release than the Minister of Fisheries (Mr. Morgan) did to my hon. colleague.

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MR. WARREN:

Mr. Speaker, I could probably sum up this Ministerial Statement in one word, expectation. Because all it means is that again this government is arousing the people in those communities and saying, "Look, there is potential out there." But it actually is just false information because, as

MR. WARREN: the minister said in the last part of his statement-where he should have said it when he began his statement- was saying that there is nothing in principle and it is only just proposals. So that is the big thing and I hope that the people out in those communities do not expect jobs beginning probably within the next few days because none of the proposals are - like the minister said, they are only just a matter of a piece of paper coming into him and saying we propose to start a site. So, Mr. Speaker, again I would like to say that, going down through the list of those proposals, I am just wondering how many former Premiers and former cabinet ministers have already bought up acres and acres of land throughout this Province and are going to develop it so that we can see that is politically involved -

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

MR. SPEAKER (Simms): Order, please! A point of order has been raised by the hon. member for St. John's North.

MR. CARTER: I am not listening to the hon. gentleman but anyone who is would be disgusted at the veiled suggestions there. I urge that he should withdraw it right away.

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

MR. SPEAKER: To the point of order. The hon. member for LaPoile.

MR. NEARY: I presume, Mr. Speaker, truth is the best defence and what my hon. friend stated there is a fact, it is true that a former Premier of this Province is in the process, Torngat Investments, of buying all the land in Bay Roberts and the Premier of this Province announces a freeze after the purchases are made. That is the point my hon. friend is making. He is completely in order. It is just a difference of opinion between two hon. members, Mr. Speaker.

MR. SPEAKER (Simms): Order, please! The hon. member for LaPoile (Mr. Neary) has taken the words right out of my mouth. It is not a point of order, it is a difference of opinion between two hon. members. The hon. member for Torngat Mountains.

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: Furthermore, Mr. Speaker, I do not want for anybody to connect me with Torngat Investments. I represent the Torngat district, and not the Torngat Investments, and I am not a former cabinet minister who probably does have some investments in it.

Mr. Speaker, I thank the Minister of Development (Mr. Windsor) for this statement but, again, he is only just rising up expectations into the minds of the people of Newfoundland. Let us not take it for granted because we have first to get our act together and make sure that if the development is going to be offshore that we are prepared.

SOME HON. MEMBERS : Hear, hear!

ORAL QUESTIONS

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

MR. STIRLING: Thank you, Mr. Speaker.

I have a question of the Premier. Last night we witnessed a debate between the Newfoundland energy minister and the Quebec energy minister and in that debate, Mr. Speaker, there was an indication from the Quebec energy minister that in 1974 Quebec and Newfoundland were very close to an agreement on the Upper Churchill. The question I have for the Premier, who I believe was involved in it at the time as minister, is it true that they were close to an agreement? What was the agreement and will the government table a copy of that agreement?

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

PREMIER PECKFORD: First of all, Mr. Speaker, I think I would be remiss in my duty - and I am sure most of the members would agree with me - if we did not congratulate the Minister of Energy (Mr. Barry) for destroying and demolishing -

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: As a matter of fact, Mr. Speaker, I am amazed that Mr. Barube even agreed, because I know he is afraid of our Minister of Energy, he has admitted that on a number of occasions across Canada, and I was really amazed that Mr. Barube would even attempt to take on our Minister of Energy. And now that he did, of course, he showed that he is much the inferior.

MR. NEARY: He made our (inaudible)

PREMIER PECKFORD: Now, Mr. Speaker, the Minister of Energy can speak for himself on what he said on the debate last night as it relates to any pending agreements during that time or any verbal discussions that were held between ministers of the Government of Newfoundland. I do not know how well the Leader of the Opposition does his research but I do not believe I was Minister of Energy in 1974 and I would ask him to keep that in mind. If the Minister of Energy has more to add to the answer than I have just indicated, then, of course, the Minister of Energy can answer for himself.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: Mr. Speaker, a supplementary.

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

MR. STIRLING: I take it that the Premier is either not aware that there was an agreement or has refused to answer that they were close to an agreement.

MR. STIRLING: The question I asked was would the government table a copy of that agreement.

Something then, that the minister did get into in specifics that I believe deals with the present Premier, in which he said they have written a number of letters to the present Premier which he has not answered. Would the Premier indicate whether or not he has received any letters from Mr. Levesque, has he answered them, and will he table copies of all these exchanges?

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

PREMIER PECKFORD: I do not know what the Leader of the Opposition is getting at there this morning, Mr. Speaker. We have had communications back and forth with Mr. Levesque and Mr. Barube and Mr. Joron and all of them over the last year or so, communications on matters dealing with Labrador power development. There might be some available now that have not been tabled. I have no objections to tabling them. I do not think there is any information there which is of such import or of public interest that it should not be, and if there is, of course, we would have to refrain from doing so. But we have communicated back and forth verbally and in writing - the Minister of Energy (Mr. Barry) has with his counterpart and I have with the Premier of Quebec - on matters dealing with the Labrador power developments. There has been no acceptance by Quebec of our arguments and therefore, as I have said in a number of prepared statements in this hon. House, we have to ask the Canadian Government, as it relates to transmission principles, that the principle of transmission of energy products, whether they be hydro power or oil and gas, be recognized.

Secondly, we have for seven years tried to negotiate. We have taken court action to try to get a fair and equitable deal on the Upper Churchill and that has failed us; hence we have taken an additional

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PREMIER PECKFORD: initiative just recently as
it relates to new legislation, which hopefully will be
coming before this House next week.

PREMIER PECKFORD: But if there is any correspondence which is relevant that the Leader of the Opposition would like to have, then I have no arguments or no objections in giving it, with the one proviso that by making this correspondence public there is nothing there which would impinge upon further negotiations that the government might be having on this important topic.

MR. STIRLING: A supplementary, Mr. Speaker.

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

MR. STIRLING: Thank you, Mr. Speaker, I gather that that is a firm commitment to table that correspondence including the so-called unanswered letters. A final supplementary, Mr. Speaker: Last night the Quebec energy minister also said that they do not have a concrete proposal from this government on the Upper Churchill. Is that true and will the Premier table a copy of any concrete proposal that we have made to Quebec on the Upper Churchill?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, we have, for the last seven years, as I have indicated to the Leader of the Opposition, put forward the position to the Province of Quebec that we want to sit down and talk about the whole question of the problem with the Upper Churchill, as we see it. They have refused to even sit down on that matter. They refused to discuss that whole matter. They continue to reiterate their position that this is signed, sealed and delivered for sixty-five years as it relates to the power contract, and all the rest of it. And they do not even want to entertain any kind of suggestions for changes to it. That is why we have had to take various initiatives that we have taken and we have over and over

PREMIER PECKFORD: again reiterated our desire to sit down and to begin to talk about the Upper Churchill but they have refused to do so. Those are the full facts of the matter, Mr. Speaker.

As it relates to unanswered letters, I mean, the Leader of the Opposition, if he is going to preface his questions, he had better get his facts straight. I mean, he can allege that letters were not answered but if he is then, the Leader of the Opposition is then told by members of the -

MR. HODDER: We did not make that allegation.

PREMIER PECKFORD: Well, the Leader of the Opposition at least mentioned unanswered letters and by mentioning it he attaches his name to it, I would think, and therefore all I am saying to the Leader of the Opposition - I am sorry if it touches the nerves of the Opposition members, Mr. Speaker. If they want answers I would like to be able to give them in silence and for them to be listening to me. I do not like to get up and try to respond and hear four or five members opposite trying to respond to me or asking questions while I am trying to make an answer to an original question.

MR. HODDER: You should tell the truth when you talk.

PREMIER PECKFORD: Now, if the members of the Opposition want answers, then I would like to be able to get up and answer them without being interrupted four or five times in a very short answer.

There are no unanswered letters.

All letters have been answered by us.

MR. STIRLING: Has there been a concrete proposal?

PREMIER PECKFORD: There are no unanswered letters and we have been unsuccessful in getting the Quebec government to agree to negotiate at all any change whatsoever to the present situation as it relates to the Upper Churchill.

MR. NEARY: Mr. Speaker.

MR. SPEAKER (SIMMS): The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, the hon. the Premier seems to be rather testy today. Well, let us see if we can find out what he is testy about. Would the hon. gentleman tell us what happened yesterday between him and the officials of Mobil Oil that started off such a flurry of activity in the New York stock market yesterday.

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

PREMIER PECKFORD: Well, Mr. Speaker, it is nice to see that suddenly Newfoundland has become of age and we can have an effect upon one of the great stock markets of the world -

SOME HON. MEMBERS: Hear, hear.

PREMIER PECKFORD: - number one. Number two is, I do not know what happened yesterday between myself and Mobil.

SOME HON. MEMBERS: Oh, oh!

MR. S. NEARY: Supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, in recent discussions with Mobil Oil, did the hon. gentleman sulk like he did with ERCO and walk out of the meetings and threaten to cancel the permits of Mobil Oil if they did not knuckle under for the hon. gentleman?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I will stand proud in this House until the day I die or as long as I am here. I never walked out of any meetings dealing with ERCO and I am as proud as punch as one Newfoundlander that we are able to save the Newfoundland taxpayers \$150 million.

SOME HON. MEMBERS: Hear, hear.

PREMIER PECKFORD: If the hon. member for LaPoile (Mr. Neary) and some of his colleagues in the Liberal Party of Newfoundland were too scared to try to renegotiate for the benefit of the consumers of the Province of Newfoundland, that is their fault and they can stay forever in the mire of that kind of an approach to trying to get a fair deal for Newfoundlanders, and let us not ever forget that and we will never ever say that we could not sit down with any corporate citizen in this Province and try to renegotiate a better deal both for the member for LaPoile and for all Newfoundlanders. Secondly, as far as Mobil goes, we have

PREMIER PECKFORD: been talking to Mobil for - I have since 1975 - and we will continue to talk with them and discuss with them matters of importance to this Province and the future that Mobil has in this Province, the future that we think that oil and gas has in this Province. That is an ongoing discussion that we have with Mobil, that we have with Chevron, that we have with Columbia Oil and Gas, that we have with Gulf, that we have with BP and all the other companies that wish to do business in this Province and wish to extract some of our resources. So, discussions are ongoing with Mobil as they are with all oil and gas companies who wish to do business in this Province, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear.

MR. NEARY: Supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary, the hon. member for LaPoile.

MR. NEARY: Mr. Speaker, the hon. gentleman should be aware that this House and the people of this Province are entitled to know about these discussion and what happens behind closed doors. The people have a right to know that when you are talking about a very substantial matter in this Province. What about the threat by Mobil Oil that they were going to take the Newfoundland Government to court? Is there any foundation to that? And what is the hon. gentleman's response to that particular item?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, as I said we are discussing matters with Mobil Oil, as we are with Chevron, as we are with Gulf, and in due course and when it is appropriate this House and the Newfoundland people will know about all the discussions that we have with all oil companies and other companies who want to do business in this Province.

SOME HON. MEMBERS: Hear, hear.

MR. NEARY: A final supplementary, Mr. Speaker.

MR. SPEAKER (Simms): Do other members yield?

SOME HON. MEMBERS: Yes, yes.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, it may be too late

when the hon. gentleman tells the House about it and the people of this Province, he may have wrecked the Province, it is too late then. But I would like to ask the hon. gentleman another question. We were led to believe in this House and the people of Newfoundland were led to believe that the oil refinery was being passed over to Petrocan, that one of the main reasons it was being passed over was because it could use Hibernia oil. Now Mobil says, 'No, that is not true'. Now how does the hon. gentleman answer that little piece of deceit?

MR. SPEAKER: The hon. the Premier.

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PREMIER PECKFORD:

Two points, Mr. Speaker, on that.

Number one is, we do not negotiate over Open Lines and we do not negotiate in public.

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

And when we announce changes -

SOME HON. MEMBERS:

Oh, oh!

PREMIER PECKFORD:

Mr. Speaker. can I answer the question?

MR. SPEAKER (Simms):

Order, please!

PREMIER PECKFORD:

When we announce changes we have already signed on the dotted line. And when the ERCO deal was completed it was not done over Open Line or announced a week or two weeks before it was actually negotiated. The new deal was signed and then we announced it. We will do that for all other developments in this Province.

Secondly, I am absolutely astounded that the member for LaPoile (Mr. Neary) has not checked out, once again the Opposition have not done their research because if they had done their research they would have found out that this headline in the Daily News this morning is absolutely and totally false.

MR. S. NEARY:

It is not. That is not true.

PREMIER PECKFORD:

We have checked it out with technicians and all the rest. And we have a sneaky suspicion - and if the members of the Opposition and the member for LaPoile is going to fall into a little trap that perhaps is being established here, then he can fall by himself, I will not.

SOME HON. MEMBERS:

Hear, hear!

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

The hon. member for Windsor -

Suchans.

MR. G. FLIGHT: Mr. Speaker, my question is for the Minister of Mines and Energy (Mr. Barry) or for the Premier, whoever prefers to answer the question, but I will direct it to the Minister of Mines and Energy.

Before the Upper Churchill legislation was introduced or tabled in this House, was there any discussions held with Ottawa regarding the ramifications of that particular legislation? Did the Province consult Ottawa with regard to these ramifications?

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

MR. L. BARRY: Mr. Speaker, within Canada there is a federal government and there are provincial governments. In this Province we act as a provincial government, not just as a ward of Ottawa who does not do anything without the permission of Daddy Ottawa. We are a provincial government!

SOME HON. MEMBERS: Hear, hear!

MR. L. BARRY: And, Mr. Speaker, Ottawa was informed, as were other interested parties, at the appropriate time when, Mr. Speaker, the decision was made as to what was in the best interest of this Province, a decision made by this government elected by the people of this Province to do just that. Then we informed Ottawa what it was we planned to do.

MR. G. FLIGHT: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. member for Windsor - Buchans.

MR. G. FLIGHT: Mr. Speaker, just a very short preamble, that since this Province is depending on Ottawa totally and completely for funding of the Lower Churchill, it would seem to me that they would consult on a piece of legislation that would affect the development of power in Labrador. And from LCDC's report the indications are that

MR. G. FLIGHT: this project, the Lower Churchill, can only be financially possible with the credit support of Ottawa. To me that is germane. And the Premier says, 'Go back to school,' but that is a fact of life and he knows it is a fact of life.

Now, Mr. Speaker, did the tabling of the legislation, of the Upper Churchill legislation have any effect with any ongoing discussions that this Province or the minister or the Premier were having with Ottawa re: the development of the Lower Churchill power sites?

MR. L. BARRY: Could you repeat the last part of the question?

MR. G. FLIGHT: The minister was busy writing down his preamble, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear.

MR. G. FLIGHT: Did the tabling of the legislation, the Upper Churchill legislation, the proclaiming of that legislation, the tabling in this House, have any effect on the ongoing negotiations between the minister and Ottawa with regard to the whole picture, with regard to the federal involvement in the development of the Lower Churchill power sites?

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

MR. L. BARRY: Mr. Speaker, as far as I know it did not. I have not received any indication from the federal government that it did. And why should it? Is the hon. member saying that we should not do anything that Ottawa might disagree with?

MR. HODDER: He asked the question.

MR. L. BARRY: And there, Mr. Speaker, lies the difference in attitudes between this side of the House and that side of the House.

SOME HON. MEMBERS: Oh, oh!

MR. L. BARRY: Hon. members opposite as indicated by the member for Windsor - Buchans (Mr. Flight) if - Heaven forbid! - they ever had a shot at being in government, and we know that will never happen, their approach would be that they would not do anything that would disturb Ottawa. And if, for example, they were planning a hydro project and they were looking for funding for a hydro project that is going to meet the energy needs of Eastern Canada, that is in the national interest, if they were getting money from Ottawa for that, Mr. Speaker, they would not do anything to disturb Ottawa because they were getting something that would be in the national interest.

Mr. Speaker, I rest my case.

SOME HON. MEMBERS: Hear, hear!

MR. G. FLIGHT: A final supplementary, Mr. Speaker.

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

MR. FLIGHT: The fact is, Mr. Speaker, that Ottawa did not know, was not aware of this legislation, until after New York had been notified the legislation was being brought in and this legislation would be tabled in the House. Ottawa found out about this legislation after New York knew. They were not aware of it, Mr. Speaker, until the legislation was tabled in this House.

So, my final supplementary, Mr. Speaker, to the minister is, is there now presently ongoing, right now, with Ottawa, with Mines and Energy, discussions that would hopefully lead to a quick resolution of the Lower Churchill project, a quick start on the developments of the Lower Churchill power sites, right now with Ottawa any meaningful discussions going on between this Province and Ottawa?

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

MR. BARRY: Mr. Speaker, first of all I have to say that the statement which the hon. member opposite commenced his question with -

MR. FLIGHT: And I can back it up.

MR. BARRY: - is incorrect.

MR. FLIGHT: I can back it up.

MR. BARRY: Is incorrect, because purely

as a matter of courtesy -

MR. FLIGHT: It is not.

MR. BARRY: A short while before the announcement was made -

MR. FLIGHT: Briefings were being held in

New York -

MR. BARRY: - in the House of Assembly -

MR. FLIGHT: - at the same time.

MR. BARRY: - in New York, purely as a matter of courtesy I gave a wink to my colleague, the Federal Energy Minister, and they were aware of what was proposed, Mr. Speaker, just a very short time before. So just on a factual basis the member opposite has made an incorrect statement.

Mr. Speaker, because the federal government realizes that this government is acting responsibly, is acting in the best interest of the Province, is taking action to clean up a mess that I believe every Cabinet Minister in the federal government recognizes is a mess right now, the fact that Quebec has gotten \$2 billion out of the Upper Churchill since it started and this Province has gotten less than \$100 million. People realize, you know, even in Ottawa that that is unfair. And, Mr. Speaker, we are not puppets of the federal government. The federal government recognizes that and because they realize we are not puppets they treat us as reasonable, responsible, people and, yes, Mr. Speaker, they do have discussions with us about the Lower Churchill. These discussions will continue, Mr. Speaker, and all I can say is that any action, responsible, reasonable action to get a fair deal on the Upper Churchill has absolutely nothing to do -

SOME HON. MEMBERS: Oh, oh!

MR. BARRY: - absolutely nothing to do with decisions which might be made on the Lower Churchill.

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

MR. F. ROWE: Mr. Speaker, I would like to address a question to the Minister of Education.

MR. THOMS: Ah! The first one.

MR. F. ROWE: Mr. Speaker, in view of the present inequities and inequalities of educational opportunity existing in the Province now with just Grade XI, will the minister indicate

MR. F. ROWE: whether with the introduction of Grade XII these inequities will be increased or decreased or no change will take place whatsoever with respect to the existing disparities with the introduction of Grade XII?

AN HON. MEMBER: It would be better.

MR. SPEAKER (Simms): The hon. Minister of Education.

MS. VERGE: Mr. Speaker, the introduction of Grade XII, which is part of a complete reorganization and revision of senior high school starting with Grade X, will result in a significant improvement in the overall quality of the senior high school programme throughout the Province. That improvement will have spin-off benefits for the lower grades and we have already seen a great deal of progress towards uplifting the quality of schooling in every part of our Province and recent measures by this administration have been directed at giving extra help towards operating in areas of the Province where unusual heat and light and school transportation costs are experienced.

MR. F. ROWE: A supplementary.

MR. SPEAKER: A supplementary, the hon. member for Trinity-Bay de Verde.

MR. F. ROWE: I take it the minister is indicating that there will be a decrease in existing disparities with the introduction of Grade XII therefore. My supplementary, Mr. Speaker, to the minister is, will Grade XII then be introduced to all high school systems throughout the Province of Newfoundland and Labrador simultaneously?

MR. SPEAKER (Simms): The hon. Minister of Education.

MS VERGE: Mr. Speaker, yes, the reorganized high school programme which spans Grade X to Grade XII will begin at the Grade X level next September for high school systems throughout the Province. It must be pointed out that Grade XI is not now taught in every school in the Province. There are some very small schools where it is not feasible to teach Grade XI and it would follow that it would not be feasible to offer the total senior high school programme that is planned but the reorganized improved senior high school programme is designed for students in every part of the Province.

MR. THOMS: Even where there are only three or four students?

MR. SPEAKER (Simms): A final supplementary. The hon. member for Trinity-Bay De Verde.

MR. F. ROWE: Is that a final? Oh. Mr. Speaker, another supplementary. Will the institution of Grade XII, into now I understand every high school system in the Province, necessitate an expansion in school facilities such as library facilities, science facilities - well, most facilities, even classroom facilities, with the addition of Grade XII - will this require an expansion to existing schools physically - curriculum, obviously expansion - and staff expansion? And could the minister indicate to the House, Mr. Speaker, an estimate of the extra capital and current expenditure for this expansion that will be required with the institution of Grade XII?

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

MS VERGE: Mr. Speaker, the reorganized senior high school programme has as its chief feature an enrichment of the courses and programmes given to students at that level. To achieve this it has been projected from the start of planning, which has been ongoing now for over two years, extra buildings

MS VERGE: that would include both classroom facilities for the extra students who will be in the system when Grade X11 is taught for the first time in the school year 1983-84 and also extra support facilities for the additional programmes which will be offered. These would include library facilities, laboratory facilities, gymnasiums, lunch rooms, etc. There will also be a need for extra teaching personnel, both because of the additional students with Grade X11 three years from now, and also because the additional programmes which will be offered. As to cost, it would be premature for me to anticipate the budget. We are just in the process of preparing estimates.

MR.F. ROWE: Mr. Speaker.

MR.SPEAKER (Simms): A new question. The hon. member for Trinity - Bay De Verde.

MR.F. ROWE: The minister knows full well that there are a number of schools in the Province at the present time that are sadly lacking in facilities - and in some cases teachers - heating facilities, lab facilities, library facilities. Well, I do not have to give examples, I do not want to point out examples, but there are schools very close to this town - in fact in town - that are not fit for cattle let alone children. Now does the minister not feel that if she has any priorities for the improvement of education in this Province, that they should start with improving the situation in these existing schools that only go to Grade X1 now, improve these facilities first? I cannot see how the minister can come up with money for an extended high school programme into Grade X11 when we have such sadly lacking facilities in some of the schools that now only go to Grade X1 and I cannot therefore understand where the money is coming from for the extended programmes. Can the minister answer that question?

December 5, 1980

Tape No. 2692

AH-3

MR.SPEAKER (Simms): The hon. the Minister of
Education.

MS VERGE: Mr. Speaker, in the past ten
years since the PC party has been in office in this Province
approximately \$200 million has been spent to build new
schools in every part of our Province.

SOME HON.MEMBERS: Hear, hear!

MS.VERGE: And nobody can deny that this has
had a tremendous benefit for the quality of education in
Newfoundland and Labrador. Just in the past year, government
has made possible the construction of \$24 million worth of
new schools. The construction which is anticipated

MS VERGE:

for the enriched high school programme - and I have to stress that that will span Grades X through XII - will provide for support facilities, labs, libraries, which will benefit the present students of our population, which will benefit the present grades as well as the new grades.

I am confident that this whole exercise will have a tremendous uplifting effect for education throughout our Province.

SOME HON. MEMBERS: Hear, hear!

MR. HISCOCK: Mr. Speaker.

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

MR. HISCOCK: A supplementary question to the Minister of Education.

With regard to rural areas in this Province that have students in Grade XI of maybe ten, five twelve, fourteen students, and they do not have 50/50 shared evaluation, they only have the full 100 per cent written exams, can the Minister of Education tell us what the department has planned for these schools and these communities? Will they have to go to larger urban areas to take their Grade XI and Grade XII? They have Grade XI now, but will they have to go to larger urban areas to take Grade XII?

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

MS VERGE: Mr. Speaker, these decisions rest with the local school boards who are most in touch with the situations in individual schools. There are situations now in very small schools in rural areas where the full high school programme is not offered, where numbers do not justify a sound high school programme and where students must go to other communities with the assistance of bursaries made available by the Department of Education. This will be the case in the future as well.

MS VERGE: As to whether schools which now offer Grade XI will be able to offer the complete revised high school programme including Grade XII, that is a decision for local school boards who are in the best position to make these decisions.

MR. SPEAKER (Simms): We have time for one final question.
The hon. the member for Port au Port.

MR. HODDER: A supplementary, Mr. Speaker.
Last year in the House, I asked the minister and she promised to give me the facts on the report of the Property Committee on Grade XII. Now, I do not know - I was away from the Province for a couple of weeks this Summer - but I have not heard any firm figures that the Property Committee turned in. This was the committee that was supposed to come up with some figures on the cost of Grade XII.

I would also like to ask the minister, since this is the last supplementary, will this money being spent for Grade XII be extra over and above the cost of the high school system? Because the primary, elementary and high school is already hard pressed as we saw last year when she took federal government money for French and put it into general revenue. So, you know, will this be extra money or will be squeezing the other parts of the school system in order to institute Grade XII?

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

MS VERGE: Mr. Speaker, I would like to assure the hon. member for Port au Port, as I have assured parents, students and teachers throughout the Province, that government efforts to improve the level and standard of education from kindergarten on up will be ongoing. The effort to make improvements in senior high schools will be done simultaneously with improvements in the primary, elementary and junior high school grades. As to his pot-shot about spending on French programmes, I would like to remind the hon. member

MS VERGE: that every dollar given to this Province by the Secretary of State of the federal government was used for the extra special programmes and that was on top of major improvements in regular core French courses which we now offer from the Grade IV level up.

As to the report of the Property Committee of the Grade XII steering committee, that report was just finalized with refinement very recently, and that will be made available to members of this House in due course.

MR. SPEAKER (Simms): Order, please!
The time for Oral Questions has expired.

NOTICES OF MOTION

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

MRS. NEWHOOK: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill entitled "An Act Respecting The Assessment Of Real Property And The Imposition And Collection Of Certain Taxes In The City Of St. John's."

MR. SPEAKER: Further notices?

PRESENTING PETITIONS

MR. SPEAKER (Simms) The hon. member for Eagle River.

SOME HON. MEMBERS: Hear, hear.

MR. E. HISCOCK: Mr. Speaker, I rise to present a petition that arrived on my desk only a few days ago. It was mailed November 1st from Paradise River. And I would like to inform this House that I did have a meeting with postal officials yesterday concerning this and other matters, but this is concerning the \$2.50 administration fee for dispensing of drugs imposed by the new policy of drug prescriptions for senior citizens.

I would like to say to this House that we have over thirty names on this petition and the prayer of the petition is, "Where there is no drugstore here and we have no qualified pharmacist, and we were not informed beforehand as to the added expenses, we request the hon. House to do all that is in their power to reverse this policy that has caused added expense to the people who least can afford it and added administration work to the nurse and visiting medical staff in the nursing station."

I would like to ask the Minister of Health (Mr. House) when he is giving his reply to this petition for Paradise River, and all nursing stations in Labrador as well as here in the Province, that the \$2.50 fee itself, the administration fee has been reduced as far as I know by correspondence and by an influx of mail and petitions and letters from development associations, from councils, from the IGA itself. Can the Minister of Health inform us that not only is this \$2.50 administration fee done away with but is there any form of administration fee to senior citizens? I realize that in the dispensing of drugs by the nurses that the profit margin is of the mark-up of maybe 10 per cent, 15 per cent, it is only normal. But can

MR. E. HISCOCK: the minister inform us that not only is this \$2.50 done away with but is there any other costs of a dollar added on for any other administration purpose whatsoever?

Mr. Speaker, I present this petition on behalf of the residents of Paradise River who are isolated up in a very small community of only 90 people and basically only have one telephone, no wharves and other school facilities there. And I take pride in presenting this petition that again at least they may be isolated in one of the Northeast areas of our Province but that they do become involved in our political system by presenting petitions like this. Thank you, Mr. Speaker.

MR. SPEAKER (Simms): The hon. Minister of Health.

MR. W. HOUSE: Mr. Speaker, I want to speak to the petition and the petition is supported because of the fact that the problem has been resolved. I want to point out, Mr. Speaker, that the policy with regard to dispensing drugs where there is no regular drugstore - it is not as such a drugstore - was that we would dispense drugs on a non-profit, non-loss basis. And, of course, the Pharmaceutical Association in Canada deemed that it costs \$3.23 to dispense a drug and that deals with keeping records and the vial and the typing and the necessary work that is involved. Where we have people in hospitals or in stations that are there purposely to dispense, where there is no regular drugstore we decided that we would charge \$2.50 and they have to do the same thing. We think that is no profit, no loss. In the case of stations particularly in the Labrador area, the associated costs are not there; the nurse dispenses and there is no other cost. So all we are charging there and that is all it was meant originally was to charge for basically the cost and there is a mark up. I do not know what the mark up is, it may be 10 or 20 percent, I do not know. Where the senior citizens are getting free drugs there is just an associated one dollar

MR. W. HOUSE: prescription fee. And, Mr. Speaker, that has been in effect - as a matter of fact, we initially had planned that that would be the way. Well, I have not got to say I am supporting the petition because the prayer of the petition has been answered by a compassionate government, Mr. Speaker.

MR. SPEAKER (Simms): Any further petitions.
The hon. member for LaPoile.

MR. S. NEARY: Mr. Speaker, I rise to support the petition presented by my colleague, the member for Eagle River (Mr. Hiscock), on behalf of his constituents in Paradise River.

This matter of the drug policy of the Department of Health,

MR. NEARY: Mr. Speaker, is becoming a matter of grave concern for not only the people in Paradise River but people throughout the whole Province. The minister, Mr. Speaker, is following a very dangerous policy indeed in the amount of drugs that doctors and nurses are allowed to prescribe and the length of time involved in these drugs. The ministers knows what I am talking about, that he has his officials very subtly, they will not say you can get six months drug supply but what they do say is that we will pay - the department will pay-for a drug supply up to a hundred days and this is creating a lot of concern, Mr. Speaker, especially with the poison control people who are very concerned about this, having a hundred days supply of drugs on hand and this applies to senior citizens, people on social assistance and, I presume, the same thing applies to the residents of Southern Labrador.

For instance, Mr. Speaker, where you have people who have suicidal tendencies, here you are giving them a supply of drugs where they could take an overdose. You are giving a hundred days supply of drugs to people who may be senile. You are providing a hundred days supply of drugs that could be accessible to children. It is a very very dangerous policy indeed, Mr. Speaker, and I ask the hon. gentleman that the next opportunity he gets in this House, to address himself to that problem. That is a very - and the hon. gentleman is agreeing and saying, yes, it is -

MR. HOUSE: Ask the question.

MR. NEARY: Well, I am raising it now and I am giving the minister an opportunity to answer it because there is no answer, it is indefensible and I am glad to have the opportunity during the presentation of this petition,

MR. NEARY: Mr. Speaker, to raise this matter. I whole-heartedly support the prayers of the petition although I realize also that the \$2.50 has been withdrawn but my hon. friend raised some other very interesting questions -

MR. HISCOCK: It took almost thirty days for it to get here.

MR. NEARY: Thirty days, the hon. gentleman says But he raised some very interesting questions in connection with the government's drug policy and I support the petition and I hope that the minister will take into consideration some of the points that I raised and give us the answers at an early date as possible.

ORDERS OF THE DAY

On motion, second reading of a bill, entitled - "An Act To Authorize The Lieutenant- Governor In Council To Enter Into An Agreement With ERCO Industries Limited." (Bill 83).

Debate was adjourned by the Hon. the President of the Council.

The hon.the President of the Council.

MR. MARSHALL: Mr. Speaker, my few remarks yesterday in the five minutes I had, Mr. Speaker, I went into certain aspects of the history of the ERCO plant in Long Harbour in its establishment that I do not propose to go into in any depth on this morning because I do not wish to embarrass the Opposition any further than they were already embarrassed. But I think it is suffice to say, Mr. Speaker, in summary that when this ERCO plant was established at Long Harbour it was established at that time, incredibly, without there being known at the time the actual cost of Bay d'Espoir power which was to be used at that particular time

MR. MARSHALL: for the ERCO Plant and without any due regard for the environment. It is rather amusing to note that after the mistake was found, which was soon afterwards, the government of the day turned around and said that they were going to subsidize it by the monies they were going to get from Churchill Falls. As we all know, they could not do that because they gave that away as well. But be that as it may, I think it is just simple enough to say at this stage, Mr. Speaker, that the present situation which is being rectified at the present time arose because the election of the members of 1966, of the government of the day in 1966, was purchased really by this particular development, no thought was put into it, and the price, Mr. Speaker, was exacted and is still being exacted from the hides of the people of this Province, because this Province is indeed too poor a Province to afford the unequal and the inequitable and the unfair amount of the subsidy to which this grew. Now, we all know what the history was then. We know what the history of ERCO was, we know that the agreement turned out to be oppressive. It had a detrimental effect, Mr. Speaker, on the economy of this Province. It had a detrimental effect on ERCO Industries itself and indeed it had even a detrimental effect on the employees down there at Long Harbour and

MR. MARSHALL: to illustrate this I could quote from Professor Hattenhauer's report on the safety conditions and labour management relations at the Electric Reduction Company of Canada Limited, Long Harbour, on July 4th., 1972, when he said, "The agreement for the sale of electrical power to ERCO continued to enter the discussions throughout the enquiry and seems to have influenced some of the employees' thinkings and attitudes towards the company." He found that some interviewees had suggested that some employees' behaviour in the plant is guided by the motto, "It is our money anyway so we might as well take it." So this was the effect, Mr. Speaker, it had a real oppressive -

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

MR. SPEAKER (Simms): A point of order has been raised by the hon. member for Port au Port.

MR. HODDER: I understand under the rules of the House that if the minister quotes from a report, and he obviously quoted from that paper, that he would table it.

MR. SPEAKER: To the point of order, the hon. President of the Council.

MR. MARSHALL: If the hon. member wishes to be so silly and puerile with these points of order, I do not worry, Mr. Speaker, I can table it. As a matter of fact, the hon. member should have known about this report himself because it has been tabled in this House before, and it is before the House. But if he has not seen it I will table it again in the vane hope that he will be somehow or other edified by it.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: With respect to the point of order, those are the rules and obviously the President of the Council will adhere to the rules.

MR. MARSEALL: Mr. Speaker, as I say this particular arrangement had a detrimental and oppressive effect upon the industry down there. It needed to be rectified. We had two problems

MR. SPEAKER (Simms): with the environment and of course the financial provisions. The environmental really is not the main subject of this bill now, but I think it needs to be noted that as a result of negotiations, as the member for Placentia (Mr. Patterson) indicated, by the government with ERCO, that the danger has been diminished, mitigated and lessened to a great degree. But still the large subsidies continued, they continued and as each year went by they became a complete and intolerable burden to the people of this Province. As a result of the escalation and electrical costs, last year we had a \$14 million or \$16 million subsidy for one industry. The year after that it was to rise and it would have continued on.

So we could not accept this, Mr. Speaker. We just could not accept it. Other people had taken the same attitude, the previous administration of this party. I think the member for the Strait of Belle Isle (Mr. Roberts) when he was Opposition Leader, in one of his rare mea culpas in the House, when he indicated that it was a mistake. He saw it was a mistake. But nobody could succeed in doing anything about it. They could not bring ERCO to the table as much as all Newfoundlanders wished to do. It just could not be done. So I think the question has to arise. The hon. members opposite in their debate have tried to paint the fact that Albright, Wilson, which are the owners of ERCO, came in voluntarily and made this agreement and that this government had nothing to do with it.

Now I pay great attention, I give great credit to Albright, Wilson for their actions - I will get to that later on - but that is completely false to indicate that this government had nothing to do with bringing Albright, Wilson to the bargaining table.

Mr. Speaker, what happened was - the hon. members opposite would like to paint it that way, but as I indicated yesterday all the hon. members' speeches yesterday, all they are trying to do is just diminish what this is, a monumental

MR. MARSHALL: achievement for the people of this Province.

AN HON. MEMBER: Right. Right.

MR. MARSHALL: But I must say not only the hon. members; I was a little bit surprised when this House reconvened when we knew that the ERCO contract was to come, that is the government, before the House, and the statement was going to be made, that it even seemed to be missed by the press, the action that had been taken by this government which resulted in this contract being negotiated. And it is right here, crystal clear for anyone to see on the Order Paper itself, Mr. Speaker, it is Order 28, Bill No. 62, which will now not have to be enacted, but it is "An Act Respecting The Supply Of Electrical Power To Industrial Users Of Electricity And Enabling The Board Of Commissioners Of Public Utilities To Set Rates That Industrial Users May Pay For Electrical Power."

In this same session of the House, Mr. Speaker, the government moved to bring in a bill, so which it gave first reading, indicating that users of industrial power would have to pay a commercial rate, the commercial industrial rate, it would be

MR. W. MARSHALL:

referred to the Public Utilities Board and this, of course, would mean ERCO.

Now we did this, Mr. Speaker, after a great deal of consideration. We had to do it because Albright, Wilson had a contract and obviously as business people they were sitting on their rights. They had a contract, there was no way that this company could be persuaded to come to the table in a realistic way before despite many sincere attempts that had been made to do it. This government, the Premier gave a commitment during the election that the ERCO contract would be re-negotiated and he and this government and the Minister of Mines and Energy (Mr. Barry) and the member for Placentia (Mr. Patterson), in whose district this plant was, were absolutely determined, not, Mr. Speaker, entirely for the purpose of getting a fair rate of return as we should have gotten, but also for the sake of the industry itself, for the sake of the employees down there, for the sake of the viability of the industry in the future. So we considered this bill and we considered that you know this is where the act of responsibility comes in in government. We considered bringing in a bill like this and it obviously has certain affects. The Premier initiated it, the Minister of Mines and Energy helped initiate it, the government considered it, the front benches, that row and this row and the people back here the government members in caucus we debated it and we considered it and we considered that this is what would be done. And let there be no mistake, Mr. Speaker, that that is the reason why Albright, Wilson came to the table to re-negotiate and they came to the table as a result of the instigation of this government,

MR. W. MARSHALL: the government in conformity with its commitment made to the people of this Province to obtain fairness and equity with respect to their natural resources.

SOME HON. MEMBERS: Hear, hear!

MR. W. MARSHALL: And it came to the table, Mr. Speaker, and the hon. members there opposite can slough it over all they want to; the fact of the matter is that this bill and this saving to the people of this Province would not have occurred but for the actions of this government because Albright, Wilson needed a nudge. As I say I find it rather difficult - I can understand the hon. gentlemen there opposite because they do not want to give anybody any credit, they want to speak with forked tongues; they are for the bill, they say, they are going to vote for the bill but they want to speak against it - but, Mr. Speaker, I find it difficult in a way to understand how this really escaped the press of this Province. Because it has got to be written - really it should be written on the walls down there at the plant in Long Harbour and the Confederation Building, as I know it is in the minds of the people of this Province, that this new arrangement has been brought about directly as result of the instigation of this government and its determination to get fairness and equity to the people of this Province in their natural resources.

Now what did we do when Albright, Wilson came to the table, Mr. Speaker? The great revelation from the prophet in flight from Windsor-Buchans (Mr. Flight) yesterday -

SOME HON. MEMBERS: Hear, hear!

MR. W. MARSHALL: Mr. Speaker, the great revelation was trying to diminish it -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. W. MARSHALL: - trying to diminish, Mr. Speaker, there was still a subsidy being paid.

MR. FLIGHT: So there is.

MR. W. MARSHALL: Well, Mr. Speaker, there is still a subsidy being paid, certainly. This is not an agreement that we would have negotiated first off. The industry would not be set up on this basis, as the Minister of Mines and Energy (Mr. Barry) indicated, because the people of Newfoundland - there will still be exacted from the hides of the people of Newfoundland a price for the selfishness of the hon. gentlemen opposite in their 1966 election to government which is the reason why this particular agreement was there.

So what did we do, Mr. Speaker?

I could not tell the hon. member how much, Mr. Speaker, because yesterday the hon. member did not see any difference between 2.5 mils and 8 mils, or for that matter between 30 mils and 2.5 mils. But, Mr. Speaker, what did we do? I suppose we could have proceeded, if we wished to, and said that this is it, we will cancel the whole thing, but we had to remember certain factors; that Albright, Wilson is a responsible company. It was not responsible for the irresponsibility of the hon. gentlemen opposite when they negotiated the contract. It had a contract, it had established a plant. There are Newfoundlanders, Mr. Speaker, we have to bear in mind, who are down there working so we had a survey done, Mr. Speaker, we made an inquiry. And the question we asked was, 'At what point will the Electric Reduction Company of Canada come to the point of being a net contributor to the economy of the Province of Newfoundland in its arrangements with respect to power?'

MR. MARSHALL: And it was looked into, and the factors were the usual ones as were mentioned here in the House yesterday; the fact that we have several hundred employees down there, they are paying taxes, there is retail sales tax, there is income tax, there are the usual spinoffs and what have you, and you take all those together and the answer we got was -

PREMIER PECKFORD: Even with all those in.

MR. MARSHALL: - even with all those in that at the price of 8 mils in 1981, ERCO would be a net contributor to the economy of this Province. And that is what we negotiated. And the hon. gentleman there opposite, you know, the hon. gentleman cannot understand, he showed that so pointedly in his speech yesterday so I have no intention of trying to make him understand. The fact of the matter is, Mr. Speaker, as a result of this negotiation by the government, as a result of this bill that is now before this House, this agreement, that the Electric Reduction Company of Canada, contrary to what it was before as being a drain on this economy, is now for the first time and will be in 1981 a net contributor to the economy of this Province.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Now as a result of that, Mr. Speaker, as I say they were brought to the table, and that is the reason why it is 8 mils. Now it does not stay at 8 mils. It goes up year after year after year until at the end of the term it accelerates to 30 mils, which is twelve times -

SOME HON. MEMBERS: Oh, Oh!

MR. SPEAKER (BAIRD): Order, please!

MR. MARSHALL: There will be, as I indicated, there will be a certain cost. The people of Newfoundland will continue to sweat to a certain degree, there will still be exacted from their hides a certain price for the 1986 election, but we do not take responsibility for that, Mr. Speaker. We

MR. MARSHALL: are proud of the fact that ERCO for the first time is a net contributor to the economy. It is a good corporate citizen. The people down in Placentia, the people down in Long Harbour now go to work with a much more positive outlook, they now feel that they are not a net drain upon the economy, as the member for Placentia (Mr. Patterson) has indicated, and we stand ten feet tall as far as we are concerned because we have done this.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: So do not get on with that kind of negative outlook. We have negotiated an agreement with honour, Mr. Speaker. And I pay tribute here to Albright, Wilson as well. Obviously they were going to rely on that contract, they had a benefit, they were not responsible to the people of Newfoundland, and we had to move, the Premier and the Minister of Mines and Energy (Mr. Barry), and the government moved and moved quite strongly and quite dramatically with them and as a net result of this, this agreement was renegotiated. But I still pay tribute to them for sitting down in a rational way; I pay tribute to them also, Mr. Speaker, for grappling with problems of environment. We are not always completely and absolutely satisfied with the environmental effect of any industry, but they have made an honest attempt and they have shown both fiscally and socially that they are a good corporate citizen and we look forward to the positive contribution that they will make in the future to the economy.

So, Mr. Speaker, the hon. gentlemen there opposite should not try to diminish this monumental achievement. Instead of speaking with forked tongues and saying that they are going to vote for it - they say they are going to vote for it because they know that the people of this Province would probably petition or chase them out of office if

MR. MARSHALL: they did not. But at the same time, Mr. Speaker, what they do is they talk against it, they want to talk against it but they are going to vote for it. But, of course, we are used to that with the hon. gentlemen there opposite. They say they want us to have the offshore but at the same time they applaud the federal government when they say, "Take Newfoundland to court". They want us to have the offshore, they say, but they are supporting people who want to take us to court.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: They say they want the right to transmit power, yet they support a party in Ottawa which to date has denied us our basic rights. So there is nothing, Mr. Speaker, surprising with their attitude. The net result is a gain of some

MR. W. MARSHALL: \$140 million to the government. I am not surprised that the hon. gentleman there opposite does not think \$140 million is significant because they gave many millions of dollars away so I would not expect him to see the significance of \$140 million.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER (Baird): Order, please!

MR. MARSHALL: The industry now is a net benefit to this Province rather than a drain. And as I say, certainly there is a subsidy, but the 1966 election will continue to exact its price from the hides of Newfoundlanders but do not undermine this bill, Mr. Speaker. The hon. gentleman there opposite should not undermine this bill and how it came about or try to derogate it -

SOME HON. MEMBERS: Oh, oh.

MR. MARSHALL: - they should realize that it has been renegotiated as a result of actions that were taken by this government, that an agreement was renegotiated with honour to the net benefit of the economy and of the people of this Province.

SOME HON. MEMBERS: Hear, hear.

MR. MARSHALL: So, Mr. Speaker, they can go ahead, they can continue to speak against the bill and to vote for it; you know, they say they are going to vote for it but every speech we have heard to date is indicative, Mr. Speaker, and they can give their guffaws from the other side, this is their only what-is-its-name, but this is an indication, Mr. Speaker, that they were small men in government, very small men and minds in government that would enter into this agreement in the first place and they are indicating by their attitude and their inability to constructively handle the office of Opposition that there are still very small men in the Liberal Party across the way.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Baird): The hon. member for Grand Bank.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. L. THOMS: Mr. Speaker, I would like to have a few words in connection with the bill that has been so ably presented by the Minister of Mines and Energy (Mr. Barry).

I would like to set the record straight on one thing that the member for St. John's East (Mr. Marshall) has said. I believe that I stood in this House only a couple of days ago and I said at that time that I really, in a sense, do not care who owns, who has the legal claim to the offshore oil and gas.

MR. WINDSOR: You do not care.

MR. THOMS: I did not say I did not care. I said in a sense -

MR. WINDSOR : In a sense. I see.

MR. THOMS: - I do not care who owns the offshore oil and gas, that I believe that Newfoundland deserves the benefits from the offshore oil and gas and -

MR. WINDSOR: By right!

MR. THOMS: - what I am saying is it is irrelevant, okay? that we deserve the benefits from the offshore oil and gas and that the federal government, by whatever means are necessary, whether it is by a act of the legislature, whether it is a memorandum from the Prime Minister of this country to the Premier of this Province and the government of this Province, or whether it is by constitutional change, no matter how that right is to come about, Newfoundland should have the maximum benefits from the offshore oil and gas. Whatever is necessary to give us the maximum benefits from offshore oil and gas, and the principle control over offshore oil and gas, that is what the national government of this nation should do.

Now, the member for St. John's East, the President of the Council, stands up and he says, 'This

MR. L. THOMS: is not what the Opposition wants'. I believe we have a legal claim to it, I believe we have a moral claim to it, we have a right to the maximum benefits from offshore oil and gas. Whatever is necessary to enshrine that right, to give us that right, should be done by the Liberal government of this nation. And I will do, I will use whatever little influence that I have on the minister for Newfoundland, who I do not think deserves all the criticism that the Opposition gives him, to

MR. L. THOMS:

see that Newfoundland gets that right. Now what more of an undertaking do you want from the member for Grand Bank from the Opposition? What more of an undertaking do you want? But still time after time after time after time -

MR. STAGG: How many more times?

MR. L. THOMS: - narrow-minded people on the other side of the House -

AN HON. MEMBER: Write him a letter. Write him a letter.

MR. L. THOMS: - like the President of the Council, the member for St. John's East (Mr. Marshall), who shows his breeding in this House -

AN HON. MEMBER: We do not want just the royalties from them, we want to see the oil come ashore here.

MR. THOMS: - will stand up and say that we are against Newfoundland's ownership and control of offshore oil and gas. That is simply not true.

MR. WHITE: We will write him a letter, 'Les'.

MR. THOMS: But this is the way you keep trying to paint us.

MR. NEARY: We want more than royalties from them -

MR. THOMS: The way you keep trying to paint us.

MR. SPEAKER (Baird): Order, please!

AN HON. MEMBER: You lost one leader over that issue now.

MR. THOMS: Mr. Speaker, the member for St. John's East (Mr. Marshall) talks about the ERCO contract being entered into as far as the 1966 election is concerned. I take absolutely no responsibility for what the government of that day did, whether it is good, whether it was bad, anymore as

MR. THOMS: my friends here say, anymore than the present administration, and the present Premier (Premier Peckford) takes responsibility for the actions, good or bad, of the administration prior to St. Patrick's Day of March 17th., 1979.

MR. LUSH: He was a minister.

MR. FLIGHT: He was part of it, by the way, he was a minister in it.

MR. SPEAKER (Butt): Order, please!

MR. THOMS: He may want to deny that he was even a part of that previous administration. But I take no responsibility. As a matter of fact in the election of 1966 I think I was an articled clerk in the law offices of the member for St. John's East (Mr. Marshall), at that time. I was working with him.

MR. STAGG: Big deal.

MR. LUSH: If you have not a better comment than that say nothing.

MR. HANCOCK: Why do you not go home for the weekend, boy, and forget to come back, for God's sake. Give the House some dignity.

MR. THOMS: Mr. Speaker, you know -

AN HON. MEMBER: Yes, boy.

MR. THOMS: - there is nothing I would like better than the Premier of this Province to call an election right now -

AN HON. MEMBER: Hear, hear!

MR. THOMS: - no matter what would happen, just as long as I would have the opportunity, and the Leader of the Opposition (Mr. Stirling) would ask me to go out to Stephenville and campaign against its present member.

The embarrassment, Mr. Speaker, as you yourself know, the embarrassment that that man brought to the

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NM - 3

MR. THOMS: people of Newfoundland, and the
people of the West Coast -

MR. HISCOCK: Hear, hear!

MR. THOMS: - in the most ignorant display
I have ever seen -

MR. SPEAKER(Baird): Order, please!

I think we are discussing the
bill on ERCO. I have not heard any words related to it yet
this morning. I would suggest the member get on the subject.

MR. MOORES: Mr. Speaker, a little bit of
preamble is allowed.

MR. SPEAKER: Order, please!

MR. THOMS: Mr. Speaker, the ERCO bill could
be one of the things that will rid this Province of the
member for Stephenville(Mr. Stagg), will rid this House of
the member for Stephenville.

MR. LUSH: The people of Stephenville will
do that, no prompting at all.

MR. THOMS: Mr. Speaker, speaking on the bill
for ERCO I would like to congratulate my friend and colleague
from Windsor-Buchans (Mr. Flight). I think he put the whole
thing in perspective.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. THOMS: He did a fantastic job in putting
the thing in perspective.

SOME HON. MEMBERS: Hear, hear!

MR. THOMS: You could read that in the face of
the hon. Minister of Mines and Energy (Mr. Barry) as he
listened attentively to what my friend from Windsor-Buchans
said. The man showed that he did prepare and he did know
what he was

MR. THOMS: talking about, and did a fantastic job.

AN HON. MEMBER: Nobody -

AN HON. MEMBER: He did not refute it.

MR. THOMS: And of course my friend from LaPoile (Mr. Neary), I wish he were in his seat, another man who did a fantastic job in speaking in this debate.

My friend from LaPoile (Mr. Neary) Mr. Speaker, reminds me of the - I believe it was Goldsmith who said about the village teacher. It is in the old Royal Readers. I wish the students were still in the galleries so I could refer them to the old Royal Reader. Some real gems of wisdom came out of that. But as I sat and listened to my friend from LaPoile I could not help but remember the old phrase -

AN HON. MEMBER: Was it Grimm's fairy tales -

MR. THOMS: - I remember the old saying, my friend from LaPoile (Mr. Neary) is here now, and as I sat and listened to him I recalled the old saying

MR. THOMS:

'And still they gazed and still the wonder grew/That one small head could carry all he knew.'

MR. NEARY:

Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. THOMS:

Every time by far, Mr. Speaker, speaking on the ERCO bill or any other bill, by far the best parliamentarian in this Province today.

SOME HON. MEMBERS:

Hear, hear!

AN HON. MEMBER:

(Inaudible)

the hon.

the member for LaPoile.

MR. NEARY:

You will find out when (inaudible) back to Bell Island again.

MR. THOMS:

Mr. Speaker, my friend from LaPoile (Mr. Neary) - and this is for your benefit - I think was a little confused when he referred to the district of Humber West -

AN HON. MEMBER:

(Inaudible).

MR. THOMS:

- and that Fonce Faour had his eye.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Baird):

Order, please!

MR. THOMS:

- on the Humber West district.

As a matter of fact, Mr. Speaker, I believe that Fonce Faour has his eye on the district of Humber East, the one presently occupied by the Minister of Education (Ms Verge).

AN HON. MEMBER:

So does the P.T.A. over there too.

MR. THOMS:

Now, Mr. Speaker, I would predict that she is gone in the next election. There is no question about it. Our friend, Mr. Faour, will take care of the member for Humber East. And, Mr. Speaker, our friend from Gander (Mrs. Newhook) is gone because, whether she knows it or not, plans are already underway -

MR. TULK:

By the P.C. Association.

MR. THOMS: - by the P.C. Association
to replace the member for Gander (Mrs. Newhook).
So our two token women, Mr. Speaker, will be gone
after the next election.

MR. STAGG: Mr. Speaker, a point of order.

MR. SPEAKER (Butt): A point of order, the hon. the
member for Stephenville.

MR. STAGG: The hon. the member for Grand Bank
(Mr. Thoms), as usual, is using up as much time as possible
in irrelevancy, nothing related to the ERCO bill. Your
predecessor in the Chair pointed this out. He continued
to abuse the Chair. I would suggest, Mr. Speaker, that he
either be told to sit down or make his remarks relevant.

MR. HODDER: To that point of order, Mr. Speaker,
it is not a point of order, just a specious, childish,
ill-informed comment meant to harass the hon. member who
is speaking.

MR. SPEAKER: To the point of order. I believe
there is a legitimate point of order and I would ask the
hon. member to confine his remarks to the bill.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the member for Grand Bank.

MR. THOMS: Thank you, Mr. Speaker.

I was simply trying to set some
of the remarks made by previous speakers in their proper
perspective, Mr. Speaker, for the record.

Mr. Speaker, as I said before,
I think my friend from Windsor - Buchans (Mr. Flight) the
Opposition spokesman on Mines and Energy, put the thing in
perspective. Back in 1965 or 1966, whenever the original
contract was entered into, at that time, to encourage
industry into the Province, electricity was sold to ERCO
for 2.5 cents per kilowatt hour. But, Mr. Speaker, what
the government has failed to say, and tried to hoodwink

MR. THOMS: the people of Newfoundland on what they did not say was that that was the cost of the electricity at that time. It cost 2.5 mils per kilowatt hour to produce that electricity and it sold for 2.5 mils.

Now, Mr. Speaker, hindsight is a great thing. I would never lose a poker hand if I had hindsight. But that was the cost at that time.

MR. NEARY: That was the cost. You are right. Right on!

MR. THOMS: Now, it reminds me, Mr. Speaker, something like the Churchill Falls deal that the government makes a great to-do about. But at the time the Churchill Falls deal was entered into, oil was selling at something like \$1.40 a barrel -

MR. NEARY: Right on!

MR. THOMS: - or \$1.25 a barrel, somewhere between \$1.25 and \$1.40 a barrel.

MR. NEARY: Right on!

MR. THOMS: who, and, Mr. Speaker, there were some brilliant minds on both sides in connection with the Churchill Falls development, who could have foreseen that the world market - the price per barrel -

MR. YOUNG: (Inaudible).

MR. THOMS: Mr. Speaker, if the undertaker could please let me complete a sentence without interrupting I would certainly appreciate it.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Butt): Order, please!

MR. THOMS: Mr. Speaker, at that time, oil per barrel was somewhere between \$1.25 and \$1.40 a barrel. Now, who could have foreseen that the price today per barrel - and it is going up and up and up and up, I do not know where it is going to end - would be \$40 a barrel, the world price would be \$40 a barrel? Hindsight, Mr. Speaker, is a great

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MR. THOMS:
if I had hindsight.

thing. I would never be wrong

MR. NEARY:
is leaving now.

There is Rostotski's buddy, who

SOME HON. MEMBERS:

Oh, oh!

MR. THOMS:
about this particular bill, Mr. Speaker, is that I - whenever
I have been told by the Tories in this Province what a
great job the Premier of this Province is

MR. L. THOMS:

doing and this administration is doing, the Premier, the fighting Newfoundlander, as if we only had one fighting Newfoundlander, he has already said we have only got one honest politician and he is trying to create the impression that we only have one fighting Newfoundlander, I have always asked him to - I have always asked that person who has told me what a great job the Premier is doing to name me one single, solitary thing that this Premier and this administration has done since he became Premier of this Province, just one thing.

MR. NEARY:

He has attacked everybody in sight that is what he has done.

MR. L. THOMS:

I get a blank stare. I get a blank stare. But no longer, Mr. Speaker, will the Tories of this Province, will the Tories of this Province have a problem in answering that question. They can now say - I can tell you one thing, I can finally tell you one thing the Premier of this Province and the Minister of Mines and Energy (Mr. Barry) have done - they negotiated a deal with ERCO. So that instead of paying 2.5 mils per kilowatt hour we are now getting 8 or 10 mils per kilowatt hour for electricity that, at the present day prices, is costing this Province 30 mils, So are we saving \$146 million? When the bill was introduced Mr. Speaker, I was delighted, delighted, the Province is going to have another \$146 million that they could spend in this Province. Finally, finally after ten years, finally after ten years of commitments to the people of Grand Bank they were going to be able to get their much needed bridge. Yes, and I figured now, now the Minister of

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MR. L. THOMS: Transportation and Communications (Mr. Brett) need not take the snow plow out of Lamaline, not with the \$146 million there is no need of it.

MR. NEARY: Cancel the coloured pictures of the Premier.

MR. L. THOMS: That is the piece of road that the Minister of Justice (Mr. Ottenheimer) eight years ago promised would be paved from Lawn to Lourdes Cove, now it was going to be done. Now it was going to be done. I was not going to be penalized any longer, Mr. Speaker, for voting against the flag- that my district was finally going to get a few dollars.

MR. S. NEARY: Yes. They are going to buy coloured pictures of the Premier now out of the money (inaudible).

MR. L. THOMS: But what do I find out -

MR. S. NEARY: Newfoundland's answer to Somoza.

MR. THOMS: - what do I find? That instead of saving \$146 million it is still going to cost this Province \$10, \$11, \$12, \$20 million - whatever the figure is, that all we are really doing, all we are really doing is reducing the subsidy. The President of the Council, the member for St. John's East, said it once, twice, he said it three times; he sounded like a previous politician that we all know.

MR. NEARY: Charlie McCarthy.

MR. L. THOMS: He kept saying that the price being exacted is still being exacted from the hides of the people of this Province, but that was not the impression that I got first when this bill was brought in. \$150 million we are now going to have, another \$150 million a year.

MR. NEARY: Buy more pictures now.

MR. L. THOMS: But that is not the case at all, as my friend from Windsor-Buchans (Mr. Flight) so ably put it. I am not saying it is a bad bill, Mr. Speaker, it reduces the subsidy, but that is what it does. Mr. Speaker,

MR. T. THOMS: this bill also shows what can be done when reasonable men, when reasonable men negotiate an unfair contract. As I said before, the Upper Churchill contract is not just unfair, it is grossly unfair. We are getting \$100 million out of the Upper Churchill deal, Quebec has gotten \$2 billion according to the minister on television last night. That is just not unfair, that is grossly unfair. That contract should be and must be re-negotiated. Now, I heard from friend from LaPoile (Mr. Neary) that the company in this case refused to negotiate with the Premier of this Province and when you look at, Mr. Speaker, the confrontation politics that the Premier of this Province indulges in

MR. L. THOMS: to cover-up, is the biggest cover-up since Watergate -

MR. S. NEARY: Smoke screen.

MR. L. THOMS: The smoke screen, the cover-up, to cover-up the incompetence of the Premier and the administration in this Province.

MR. S. NEARY: To distract from the other issues, the major issues.

MR. L. THOMS: I would like to hear the Minister of Mines and Energy (Mr. Barry) either confirm or deny when he closes the debate in this, whether or not, in fact, the company did refuse to negotiate with the Premier of this Province.

MR. S. NEARY: They did.

MR. L. THOMS: If they did, Mr. Speaker, then maybe we can get the Premier to back off Quebec and let the Minister of Mines and Energy, who is a reasonable man - and I think the minister himself was very modest when he introduced this bill, I think most of the credit has to go him for what benefit we are going to get out of this re-negotiated contract. I saw the minister last night, Mr. Speaker, on television. I think he did an absolutely fantastic job in debating the matter of the Upper Churchill with Barube. I think he did a good job. But there was one thing that came through, Mr. Speaker, that here was a reasonable man discussing the problems associated with the Upper Churchill. This was not any maniac, paranoid, hysterical arm-waving person trying to discuss the Upper Churchill, here was a reasonable man. Not like the member for St. John's North (Mr. Carter), Mr. Speaker, nobody would ever accuse him of being a reasonable man. Nobody! But the Minister of Mines and Energy is a reasonable man.

MR. NEARY: Sometimes he can be rowdy too, you know.

MR. L. THOMS: He has been able - I cannot say re-negotiate or negotiate because if what my friend for La-Poile (Mr. Neary) says is correct, and I have no doubt but it is, then this was an offer that was made by ERCO and it was accepted by this Province without question.

MR. S. NEARY: ERCO voluntarily agreed to re-negotiate, but what they said was, 'We will not come back from England anymore to sit down with the Premier. We want somebody who has a little more common sense.' So they put Vic Young in.

MR. L. THOMS: I can understand why Albright, Wilson would say that. I can understand that. I can understand why they would want to negotiate with the President of Newfoundland Hydro and with the Minister of Mines and Energy (Mr. Barry), because we see the hysteria every day of the Premier of this Province. We saw it on television there a few weeks ago when he tried to stir up the people of this Province on the demoninational and the boundary question.

MR. S. NEARY: It did not work, it back-fired.

MR. L. THOMS: That did not work, of course it did not work. Mr. Speaker, I would like to hear the Minister of Mines and Energy address himself to the question of whether or not the Premier of this Province was refused in this manner. I would like to hear a little more about the negotiations. I would like to know whether or not this is the best possible deal that we could have gotten out of ERCO or whether or not it was just the first offer made by ERCO which was accepted by the minister.

MR. S. NEARY: It was. The only thing that changed was the escalation of the time.

MR. L. THOMS: Mr. Speaker, we heard in 1979 the expression, 'Forward into the eighties , Step forward into the eighties'. But the only thing in connection with this bill that we have heard is about the election in 1966. It is a good bill inasfar as it goes.

But, Mr. Speaker, members on the opposite side cannot resist the temptation every time they get up to falsely accuse members on this side of the House. As I said before, I had nothing to do, absolutely nothing nor did my friends for Torngat Mountains (Mr. Warren), St. Parbe (Mr. Bennett), Burin - Placentia West (Mr. Hollett), we had no say in the original contract. So why does the member for St. John's East (Mr. Marshall) have to get up and true to form spit out his venom at innocent

MR. THOMS: people? Fortunately, of course, we are in the House and we can stand and we can repudiate what the member says.

MR. STAGG:

(Inaudible).

MR. THOMS:

The member for LaPoile (S. Neary),

if you were one tenth the parliamentarian or politician that the member for LaPoile was, you would have no problems getting re-elected.

MR. NEARY:

He does have a problem getting

re-elected.

MR. SPEAKER (Butt):

Order, please!

AN HON. MEMBER:

(Inaudible) know when to open his

mouth and when not to.

MR. THOMS:

And if the member -

MR. SPEAKER:

Order, please!

MR. NEARY:

Six in a row, one defeat and then

one again.

MR. SPEAKER:

Order, please!

The member for Grand Bank.

MR. THOMS:

The member for Stephenville

(F. Stagg) can have his say when he has been as successful as the member for LaPoile.

MR. NEARY:

Right on.

MR. HOLLETT:

He will not be saying it in here.

MR. THOMS:

Mr. Speaker, I think that the

member for St. John's East (W. Marshall) when he said that the price is still being exacted from the people of this Province, is right. He is absolutely right. But the impression that has been given is wrong. The impression is wrong. I think the Minister of Mines and Energy (L. Barry), as I said, is to be congratulated on this bill inasfar as it goes. It does reduce the subsidy. It does reduce the subsidy. I find

MR. THOMS: it very easy, Mr. Speaker, to congratulate the Minister of Mines and Energy (L. Barry), awfully difficult to congratulate the member for St. John's East (W. Marshall) because, as I said, he stands in his seat and he blames me because he ecliptically says all members of the Opposition. And the member for St. John's East well knows that in 1966, when the contract was entered into with ERCO, that I was working at the law firm of the member for St. John's East for fifty dollars a month - fifty dollars a month is what I was being paid, Mr. Speaker - and they got a lot of work out of me. They got a lot of work out of me for that fifty dollars a month.

MR. MARSHALL: The hon. member knows that (inaudible) in my office he strayed politically. He is straying all the time.

MR. THOMS: Strayed for the better, Mr. Speaker. Strayed for the better.

MR. HANCOCK: I say thank God he had sense enough to get out.

MR. SPEAKER (Baird): Order, please!

MR. THOMS: But Mr. Speaker, we are supporting the bill. It reduces the subsidy and it is a good bill and the Minister of Mines and Energy and Mr. Vic Young are to be congratulated and again, Mr. Speaker, if we can get an agreement on other matters facing this Province, particularly the Upper Churchill, by having the Premier of this Province excluded from those negotiations, then if the Minister of Mines and Energy can accomplish that, then I wish him good luck.

AN HON. MEMBER: Hear, hear!

MR. THOMS: Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Butt):

The hon. member for Stephenville.

MR. STAGG:

Mr. Speaker, I had not intended to get involved in this debate but the abuse that was wrecked upon me by the member for Grand Bank (L. Thoms) forces me to my feet to defend not only myself but also to defend this government's economic development position and to contrast it in some respects with the develop or perish policy of the Liberals, the develop and perish policy of the provincial Liberals prior to 1972 and their clones who are presently opposite and who are at one with the develop and perish policy of the Federal Liberals, So I thought I might develop that theme and to indicate how relevant it is, Mr. Speaker, in case any of the hon. members, as I start to cut them to the quick, will try to interrupt me on points of order, this little talk of mine will be a comparison in some respects of the economic development policies of this government and the individuals who make up this government as opposed to the economic development fiascos of the previous government.

MR. STAGG: Now, Mr. Speaker, I come from an area of the Province that has been the subject of some of the Liberal economic development plans for the 1960s and the 1970s. I have lived there, lived on the Port au Port Peninsula for a major portion of my life and I now live in Stephenville, so I have been the subject of the economic development plans of Mr. Smallwood and the Liberals. I was so struck by the fact that this government and the people who are involved in it had succeeded in turning around an industry such as ERCO that I thought that I would look back and see how the previous government, and the Liberals in general, how they carried on their economic policies prior to 1972 just so that we will not forget forever.

In 1966, not too long ago, Joey Smallwood went out to Stephenville and he announced a lot of industries and I decided in my research that I would indicate to the House what some of them were because the viability of some of those industries is similar to the viability of ERCO. Mr. Smallwood announced the following industries -

AN HON. MEMBER: What is the relevancy?

MR. STAGG: Mr. Speaker, I hear a warbling over there that may well get into a caterwauling fairly soon. Relevancy - the relevancy of this is I am going to show the economic development policies of the Liberals as opposed to the economic recovery policies of this administration. So some of the industries that were cited for Stephenville on the eve of the 1966 election were; a truck body manufacturing firm employing one dozen men and possible fifty within a year; a firm for manufacturing electronic components, eighty persons at a start and maybe two hundred later on; a manganese iron ore smelting industry employing eighty men; an electric light bulb factory employing - I think it was seventy men;

MR. STAGG: a pulp and paper mill, of course, and a brewery, of course. Well, we have the brewery; the brewery has gone through three different owners since that time. In 1974 this government rescued the brewery. We have a pulp and paper mill in Stephenville that did get there rescued by the economic initiatives and the kind of approach that this government takes. So we do have these two, thanks to this government here, because the others were only fiascoes. A plant for the making of silica bricks. That was somewhat prophetic because the member for the district who was elected - and I will get to his election a little bit later - he was later known as 'Silica Bill'; A lime plant, which will employ fifty people; a factory for making paper bags employing thirty-five people; a galvanized link fencing company and two separately owned plants for herring meal and oil employing one hundred and fifty people. Some of these industries actually started, but they all failed. All of these industries that I am talking about now that were announced with great fanfare in 1966, some of them actually started, all of them failed. He said Holiday Inns would move into Stephenville. Well, Holiday Inns is still not there. The base hospital - here is one. - the base hospital will be converted and used as a hospital. That was done. There was very little else that could be done there although the people of Stephenville Crossing are still harbouring resentment in that regard. And there were several other industries.

Well, Mr. Speaker, that is the kind of thing that the people of this Province were subjected to from 1949, I suppose, until 1972. What has been the policy of this government? What is the policy of this government? Number one, the policy of the government is to see what we can reclaim from the wasteland, the economic wasteland left by the Liberals. Now I would say

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MR. STAGG: that the Liberals of 1972 are
identical to the Liberals of 1980: There is no real change
in them, Mr. Speaker, they are all the same. I can see
them over there. They have the same self-serving attitude

MR. F. STAGG: I would be very upset, I would probably leave the Province if through some fluke they ever managed to get power. And what about the economic plans of the federal government, their friends in the federal government? Well, they have an interesting concept too as far as the fishing industry is concerned, the developing of the fishing industry in Newfoundland. They have the policy of exporting coals to New Castle, that is the policy of the federal Liberals. Their policy is, in order to develop markets for our processed fish, what we do is we export to the people to whom we sell this processed fish the raw product. That is the economic policy of the federal government and that is the economic policy of hon. gentlemen opposite who supported the federal Liberals so vigorously in the last election. So, Mr. Speaker, they are all the same, a Liberal is a Liberal is a Liberal. And a Liberal in 1966 is a Liberal in 1980, there is no change in them.

SOME HON. MEMBERS: Oh, oh.

MR. STAGG: So let us have another look at Liberal tactics in economic development. And I will go back to the elction of 1966 again in the great and historic district of Port au Port which I represented for some four and a half years and may represent again - who knows ?

Premier Smallwood as he then was, sent a letter around to the people of Port au Port in support of his economic plans for the Stephenville area and I am going to quote from that letter -

AN HON. MEMBER: Read it all out.

MR. STAGG: - I should read it all out but it is fairly lengthy. It says, let me get an appropriate place to start here, 'If places in the district of Port au Port are to be prosperous and happy, a great deal of work must still be done. Will you help me to do it?' -

AN HON. MEMBER: Do you have another copy?

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MR. STAGG: Yes, I have another copy here for the table.

AN HON. MEMBER: Heave it out, boy, heave it out.

MR. STAGG: And that should be part of the record.

And he said to the people of Port au Port, 'Will you help me to do it? Do you want me to do it or do you want to send me a message saying, 'Stop. We do not want your help; go and work for Bell Island or some other part of the Newfoundland that needs your help. We do not need your help and we do not want your help.' And this is a letter to every voter in the district now and this is economic development in Port au Port in 1966. 'Is this the message you will send me on September 8th when you elect your member for your district.'

SOME HON. MEMBERS: Oh, oh.

MR. STAGG: 'That will be the answer you will give me if you elect the Tory candidate or the Independent Liberal candidate because they parachuted the Liberal candidate in there. 'If you want to, send me a message saying' -

SOME HON. MEMBERS: Oh, oh.

MR. STAGG: - 'Yes, Joe, we want your help, we want you to keep on working hard for this district and the people in it. The only way you can send me that message is to elect a Liberal Party's candidate, Mr. William R. Callahan. I can work with him in the House of Assembly and he can work with me and the two of us will work together for you and the district and we will succeed. Please do not elect anyone but Mr. Callahan, please do not vote for anyone but Mr. Callahan. I thank you from the bottom of my heart.' Now, what kind of thing is that? That is a letter that went out to every voter in the district of Port au Port prior to the 1966 election.

SOME HON. MEMBERS: Oh, oh.

MR. STAGG:

When the American Air Force Base was closing down and Mr. Smallwood had assembled his Cabinet in St. Stephen's gymnasium and had announced all of these industries, that was the Liberal policy. That was followed very shortly thereafter by the ERCO fiasco. The ERCO fiasco was dealt with in considerable detail by the Hattenhauer Industrial Inquiry Commission, the Report on Safety Conditions and Labour and Management Relations at the Electric Reduction Company of Canada Plant at Long Harbour,

AN HON. MEMBER:

Are you going to table that now?

MR. STAGG:

that has already been tabled because the President of the Council (Mr. Marshall) had to table it because the Opposition did not want us to refer to it. This was appointed, by the way, this Industrial Inquiry was appointed on July 4th, 1972, by Mr. Maynard, who was Minister of Industrial Development at that time. From 1967 until 1972 Long Harbour was a blot

MR. STAGG: on the industrial activity in Newfoundland. It had the red herrings, literal red herrings, the phosphorus in Long Harbour and it was written up as the type of industrial development that is to be deplored in a Province such as Newfoundland.

In chapter two of that they deal with the power question, the power question on ERCO, and I am going to deal with it in much the same way as the President of the Council (Mr. Marshall) did. But Mr. Hattenhauer was struck by the attitude of some of the people at ERCO at that time. It said, "Some of the employees had this attitude, 'It is our money anyway so we might as well take it.' Many of the employees at ERCO are evidently not aware of the facts of the power arrangement and whenever these were discussed there was an implicit suggestion that ERCO management had not been ethical and above board in its dealings with the Province" and so on. And then Mr. Hattenhauer goes on to explain why the ERCO people had been open and above board and he refers to the advertisements that were sent out across the world about the availability of cheap power in Newfoundland. And here is one that deals with it. It is appended to it at page eighteen, the power advertisement.

"Power," it says, and this is prior to the 1966 election. This is the Liberal method of developing industries in the Province.

And the hon. members opposite are no different. They are no different. If there had been any appreciable difference in them, I do not think the people of the Province would need to be reminded of the past, but they are no different. They are slavish adherents to the same philosophy. So here is this power advertisement talking about sale of the Upper

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MR. STAGG: Churchill power which had already been sold to Hydro Quebec.

"Power from Labrador's mighty Churchill Falls, 10,000 horsepower, 50 million kilowatt hours as low as 3 mills for firm power at year round ocean ports in Newfoundland." Can we blame any of these international companies for coming in here? Can we blame ERCO for coming in here and taking advantage of this sort of thing? Well, obviously not. That was the philosophy of the government of the day.

It has been pointed out to us by the President of the Council (Mr. Marshall) that these advertisements were sent out before it was known what the final cost of power would be. Can you imagine going out and making advertisements of that type for the purpose of enticing people into your Province? I guess it just happened because he knew he was going back to the country.

Now, Mr. Speaker, that is the kind of thing that happened in the Liberal days. That is the kind of thing that happened in the Liberal days. And we have to contrast that with the kind of thing that has happened since 1972 with this administration.

One of the things that I will always be indebted to this government for is the determination that they showed initially in fulfilling their promise to the Newfoundland people in the Stephenville area, to put the Linerboard mill on stream and to have it operate, which they did. But I must say that the problem that Mr. Hattenhauer found in ERCO that the people felt that, "Well, it is our money anyway and why be loyal to the industry." That was prevalent, that was a problem, that was a psychological problem in the Stephenville area because the industry was being so heavily subsidized by the Province and that was because of the deal that we got into.

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MR. STAGG:

Now this government in 1977

had the initiative, the determination and I guess the
bravery to close down the Linerboard mill. At the time it
was a blow to the economy but there was a certain sense of
inevitability about it, and I was a resident of the area at
the time. And in keeping with their philosophy, in keeping
with the philosophy of that government, which is quite different
from the ERCO philosophy, Mr. Speaker, quite different from the
ERCO philosophy, they went out and found a viable operator for
that mill and I think probably sometime in the Spring we all
may be invited over to the opening. I certainly hope that
members of this House are invited over to the opening when the
Abitibi mill at Stephenville goes

MR. STAGG:

on stream. That is the kind of philosophy, that is the kind of approach that this government has taken. It does not go out and ballyhoo projects simply for electoral purposes and the people of the Province, even though they would prefer maybe in a short run to hear some really positive, something that could really get you going in the short run. They prefer the long-term and orderly development of this Province and the manpower statistics which the Minister of Labour and Manpower (J. Dinn) gives out regularly, they show a dramatic improvement in Newfoundland vis a vis the rest of the country. And that is because of a number of things, not the least of which is the kind of economic development policies and the people who individuals and companies abroad find in this Province and also the feeling of reassurance and confidence that our own people have in Newfoundland.

So, what about the PC record since 1972? Well, I can name a few; Linerboard, saved; ERCO, saved; Churchill Falls, salvation is nigh. I would say that industrial development in Newfoundland is born again under this administration.

And what about the fishery? The fishery is becoming one of the most vital industries, it is assuming its rightful place in the economic development of this Province. It is assuming its rightful place, thanks to the philisophical commitment to the fishery that this government has. the philisophical commitment and the practical and actual commitment that this government has to the fishery.

MR. THOMS: Tell us how you embarrassed
(inaudible) on the West Coast (inaudible) .

MR. STAGG: The hon. member for Grand Bank
(L. Thoms) asked me to tell how I embarrassed the West Coast

MR. STAGG: when I appeared before the DREE committee. Well, as I said before, I will be glad to send the transcript of my appearance before the DREE committee to all my constituents and indeed I am certainly hoping that the Vice-Chairman of that committee, Mr. Tobin, will send me a copy of the proceedings so I can do so. Because as I indicated there, Mr. Speaker, the kind of economic development policies that DREE had in Newfoundland in 1969 until the present are consistent Liberal policies - throwing money at problems, not enough money at some political problems, particularly the political problem of the then member for Burin-Burgeo.

So I have no problem with my appearance before the DREE committee. I must say that hon. members opposite, there were three or four of them, of the Liberals there, Mr. Speaker, and they were all running for the Leadership at the time and falling all over one another too, falling all over one another trying to curry favour with the Chairman. And I stood alone.

MR. THOMS: Yes, you did stand alone. Not even the members of your own party would stand with you.

MR. STAGG: Now, Mr. Speaker, what about the offshore oil development? What is this government's position on that? Are we sending people around the world with leases in their back pocket so they can raise money in foreign banks? Are we doing that sort of thing? No, indeed we are not. We have regulations in effect, Mr. Speaker, we have regulations in effect. We have people who are monitoring at all times and we have the sort of thing that the Minister of Development (Mr. Windsor) came out with this morning, a designation of the various places around the Province where you can have -

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

MR. SPEAKER (BUTT): Order, please! A point of order.

MR. STAGG: where you can have economic development. This is quite different from the ERCO philosophy, Mr. Speaker.

MR. SPEAKER (Butt): Order, please! The hon. the member for Windsor-Buchans.

MR. FLIGHT: Yes, Mr. Speaker, the point of order is we are debating the ERCO bill and the Speaker will realize that the member spent the last four or five minutes talking about offshore oil and the development sites and that kind of thing. The Speaker already ruled this morning on the same point of order and directed the speaker to be relevant. And, Mr. Speaker, the member is not being relevant and I would suggest that he go back and discuss the ERCO bill.

MR. SPEAKER: To the point of order?

MR. MARSHALL: Mr. Speaker, -

SOME HON. MEMBERS: Oh, oh!

MR. MARSHALL: - the hon. member, all I can say is I thought the hon. member was much more capable than me of getting up and speaking in

MR. W. MARSHALL:

his own defence. I mean, what the hon. member was speaking about, he was speaking about the outrageous and careless manner in which the -

MR. G. FLIGHT:

It is not relevant. It is not.

MR. W. MARSHALL:

ERCO industry was brought into play and he was also indicating how this came about. Because, Mr. Speaker, as he has indicated it was part and parcel of the grand design to get the hon. gentleman elected in 1966 and the public of the Province are still paying for it.

MR. SPEAKER (Butt):

To that point of order, I believe that the hon. member for Stephenville (Mr. Stagg) was drifting away somewhat from the bill that we are debating, and I would ask him to confine his remarks to the bill.

The hon. member for Stephenville.

MR. F. STAGG:

Thank you, Mr. Speaker. I was about to dovetail my remarks together so that there could be no charge of irrelevance when the member for Windsor - Buchans (Mr. Flight) who I believe is smarting under this intellectual attack of mine -

SOME HON. MEMBERS:

Oh, oh!

MR. F. STAGG:

- jumped to his feet in a vain attempt to thwart me from making my points.

Well, Mr. Speaker, the point that I am making, and I will continue to make here and elsewhere is that the development policies of this administration as they are epitomized by the Ministerial Statement of the Hon. H. Neil Windsor, Minister of Development, in this very House this morning, are in stark contrast to the kind of economic development policies that were prevalent in Newfoundland during the Liberal regime and to the men under the leadership of the man to whom many of these people opposite still lend adherence. I despair that this Province would ever put these people back into power again.

MR. STAGG: Now dealing, Mr. Speaker, with some of the political aspects of who is going to beat whom in the next election, because this was considered relevant for some period of time with the last speaker, the hon. member for Grand Bank (Mr. Thoms) is indicating that the economic policies of this government as epitomized by the ERCO Bill and other things are going to lead to our downfall in the next election. Well, I must say, Mr. Speaker, that the latest I have heard about it is that the political poll that has been done by the Liberal Party themselves is that they have four sure seats in the Province and three maybe's; four and three is seven and there are fifty-two seats so that is forty-five to seven. Now one of the seats that is almost sure to go to the PC's in the next election is the seat of the member for Grand Bank, who demonstrated his metal when he was appointed to the Flag Committee of this House, Mr. Speaker, brought in a flag for the people of this Province, unanimous recommendation of the Flag Committee, and then when he thought he might get on Open Line and make some headway in that direction he said, 'I do not like the flag anymore'.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (BUTT): Order, please!

MR. STAGG: So are the people - the people of Grand Bank who were previously represented by the hon. T. Alex Hickman, the present Chief Justice of this Province - are they going to settle for that kind of representation? And I suggest, Mr. Speaker, that they are not. They will realize that the kind of policies that this government - the new ERCO policy, the new Churchill Falls policy, the new fisheries policy, the new paper mill policy - the new policies generally of this government are going to be the kind of policies that are going to sweep this government into power. We are going to be powerless to stop it, we are going to be powerless to

MR. F. STAGG: stop it! When the statutory period runs out and the Premier reluctantly must call an election because you have to call an election every five years, Mr. Speaker, - we prefer to get on with the job and do the things we are doing but statutorily you must have an election. So in 1984 we will have an election - 1984 or thereabouts - and unfortunately for members of the Opposition - hopefully they will be pensionable by that time because they are going to be swept out. There are only four of them safe now and we have just started.

SOME HON. MEMBERS: Hear, hear!

AN HON. MEMBER: Am I one?

MR. F. STAGG: No, you are not one of them. We have just started on this new economic policy and you have four safe seats and three doubtful seats, Four and three are seven, there are fifty-two seats, forty-five to seven! I believe, Mr. Speaker, that by the time the next election rolls around we may in effect have a re-visitation of the Alberta election of a couple of years ago when Mr. Lougheed got something like seventy-five out

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MR. STAGG: of seventy-eight seats. This is the sort of thing that I fear, I genuinely fear, Mr. Speaker, that my speaking out against the policies of the government, and showing the paucity of ideas that hon. gentlemen opposite have, that they are destined for political ruin. They are destined for political ruin. And what are we going to do with forty-five seats? By that time I might want to become a Cabinet Minister, Mr. Speaker. Who knows? I might be saying, "Premier" -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER(Butt): Order, please!

MR. STAGG: - ' look, I would like to sit in the Cabinet' and there are forty-five guys here. What am I going to do?' So look, would the hon. members opposite please get their act together and on the next poll hopefully they should bring themselves up to at least fifteen, because I do not want that many people over on this side of the House, Mr. Speaker. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Torngat Mountains.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Would you give us some money so we can have a poll done?

MR. WARREN: Yes, Mr. Speaker, I rise to support this bill. Mr. Speaker, in speaking in support of this bill it is very difficult to stay on the contents of the bill without making some remark concerning the remarks made by the member for Stephenville (Mr. Stagg). At least one thing we can say about the member for Stephenville, he does approach all matters with his mouth open and his mind closed at the same time.

Mr. Speaker, in support of this bill I believe what the Minister of Mines and Energy (Mr. Barry) has done is portrayed to the people of the Province that here is a great deal, here is the saviour of all mankind. But we are not letting the people know all the economics because as I found out yesterday from my hon. friend from Windsor-Buchans (Mr. Flight), it is still going to cost the people of this Province quite a few dollars. In fact, I would challenge the Minister of Mines and Energy to send a letter to Newfoundland Hydro and say, "Look, we want you to cut twenty per cent off the electrical rate for the consumers of this Province, for the average human being in this Province." Now this is when the people will say at least this government is doing something.

Mr. Speaker, I cannot go without mentioning the hon. member for Placentia (Mr. Patterson). Yesterday he got up and he said in 1966, I am not going to quote it word for word, but he said in 1966 the former Premier of this Province was going around out there with dynamite for the thing in his pocket. Now, Mr. Speaker, that was untrue. That was untrue. I will tell you who was going around in 1974 with dynamite in his pocket - the present Minister of Mines and Energy (Mr. Barry), when he went on both sides of the Labrador Strait

MR. WARREN: and blew two holes, in 1974, and these two holes are still there and it cost \$110 million. Now this is who was going around with dynamite in his pocket. And that is action by this administration.

MR. BENNETT: And they cannot build a road down here.

MR. WARREN: So, Mr. Speaker, if you are talking about dynamite, let us put the dynamite where it belongs.

AN HON. MEMBER: You fellows are dealing with dynamite.

MR. WARREN: The member for Stephenville (Mr. Stagg) mentioned the fantastic record of the former Premier of this Province, Mr. Smallwood. Now I remember last time in June, 1979, just before this election was called, that it was said, "The Come By Chance refinery will open in ninety days." That was a promise. I have not seen the Come By Chance oil refinery open yet. Also a new fish plant for Nain; no new fish plant in Nain yet.

MR. THOMS: Have they got the bridge through -

MR. WARREN: Paving of St. Mary's-The Capes gravel roads, no paving up there yet. New hospitals, I do not see any new hospitals.

Mr. Speaker, I think at least one thing we can say that we are having a very hard, hard time

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MR. G. WARREN: to criticize this government for action. How can you criticize a government when there is no action? You know, this is a government without action. This is what should be the slogan: It is a government without action. Look- no hospitals, no road construction, no bridges.

SOME HON. MEMBERS: Oh. oh!

MR. G. WARREN: Mr. Speaker, I would say, Mr. Speaker, that this government is in power until the day the Premier calls the next election, and that could be tomorrow or it could be three years down the road, but I have a funny suspicion, I have a funny suspicion that it is going to be more like three years away because I would say he is a little bit scared, he is a little bit scared in calling an election now because, as my hon. member from LaPoile (Mr. Neary) mentioned yesterday, there are 10, 11 or 12 solid seats that are going to just return right back to the Liberal fold when an election is called. Now, Mr. Speaker, that poll showed that there was four solid P.C. seats in the Province. Tell the truth about the poll because we have the truth up in our office about there are only 4 solid P.C. seats, not 4 solid Liberal ones, but 4 solid P.C. seats. So let us get our facts straight. Now, Mr. Speaker, you talk about this government, a government of action. In support of this bill, Mr. Speaker, we hope that there is going to be money or there is going to be a reduction in the hydro rates and there is going to be a reduction in the cost of food across this Province, cost of oil and so on. Here is an example, what the Minister of Social Services (Mr. Hickey) has done with the \$35.00 supplement that he received from the federal government, you know, it came down from the federal government and the people that are staying in the government owned homes have \$5.00 out of it and the other \$30.00 was put into the Consolidated Revenue Fund or whatnot with this government. Now, this is the kind of action you get from this government, Mr. Speaker. Now, Mr. Speaker, I

MR. G. WARREN: wonder if the government also will try and use this bill for their by-election presumably that is coming up in the Bellevue district. Well, I have good news, I have good news for you, that I know the Bellevue district quite well and I guarantee you now that -

MR. HOUSE: You are willing to resign?

MR. G. WARREN: Okay, yes, I would resign today and run if the Minister of Health (Mr. House) would take me on. So, Mr. Speaker, the Bellevue district the people in Bellevue are not going to be hoodwinked, they are not going to be hoodwinked no more on the Come By Chance deal. Now, Mr. Speaker, the Minister of Energy (Mr. Barry) should not expect to bring this bill in and expect the people in the Bellevue district to say "Oh, my goodness. This P.C. government have brought back a lot of money to us". But put it on their table and make it a bread and butter issue Mr. Speaker, Mr. Speaker, when one listens to the member for Stephenville (Mr. Stagg) one wonders why this government is so inactive, why this government is so inactive. I can remember three or four things that this government have done that we could call government by confrontation, government by confrontation.

AN HON. MEMBER: Action by confrontation.

MR. WARREN: Action by confrontation. Okay, we will use the word action by confrontation. Let us look at the flag, Mr. Speaker, for example. About 90 per cent of the people of this Province were against the flag and this government said, yes, we are going to bring it in. So that is what is called action by confrontation. Mr. Speaker, we can go back through history for the past thirty-one years.

MR. STAGG: Go back to your district.

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RA - 3

MR. G. WARREN:

Well, yes, I am going to go back to my district and I am going to let the people in my district know what this government is planning to do with this bill. What they are doing, they are just trying to fool the people. They are trying to fool the people. There are going to be savings alright but it is still going to cost the tax payers of this Province many, many dollars. So let

MR. WARREN: this government, as I said earlier, advise Newfoundland Hydro, Look, take twenty per cent off the electricity rates are going to be reduced by twenty per cent for the ordinary customer in this Province. That is the way this government can show action.

Mr. Speaker, it is surprising that you could hear a bow-wow once in a while on the other side saying a giveaway. Well, there is one good thing we can say, that the former Liberal government of this Province did put industries in this Province. They put industries in here and they employed people and that is more than this government is doing. They employed people -

MR. SPEAKER(Baird): Order, please!

MR. WARREN: - there were people in this Province who had jobs. So, Mr. Speaker, you can see when a government is doing something they get good criticism. Now, we can see that this government is not getting any criticism because they are not doing anything.

Mr. Speaker, this government brought in the new Municipality Act; now I understand that there are a lot of changes going to be made. This is doing something else and a lot of confrontation, Mr. Speaker. This government has brought in the Matrimonial Property Act which is not going over all too favourably with this Province.

MR. MORGAN:

(Inaudible)

MR. WARREN:

Now, Mr. Speaker, I do not mind being interrupted by some members but I do hate like heck to be interrupted by the Minister of Fisheries (J.Morgan) because, Mr. Speaker, he reminds me of a fish that he should be familiar with, a sculpin, which has a big mouth, and he is the same way.

MR. WARREN: Now, Mr. Speaker, another thing, yesterday I asked the Premier a very simple question - I did not think it would cost the treasury of this Province too much money. I asked would he consider doing some translations from the English language to Inuktitut and the Indian language.

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

MR. SPEAKER (Baird): A point of order, the hon. House Leader.

MR. MARSHALL: Mr. Speaker, the bill before the House now is the Electric Reduction Company of Canada Bill. It is a bill to ratify the agreements signed by the government and I fail to see how questions which arose in Question Period yesterday, not even germane to this bill, have any relevance to this particular matter. The hon. member now, he might try to get up and say that this is a bill and this bill should be translated into Inuit, or what have you, but I think he is stretching it quite a bit far when he goes into that area.

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

MR. SPEAKER: To that point of order?

MR. WARREN: Yes, Mr. Speaker, to that point of order, I do not think it is a point of order because exactly what I am saying now, Mr. Speaker, is in response to the bill where this government is saying they are saving thousands of dollars then why cannot some of that money be used for the translation for the native people of this Province?

MR. SPEAKER: To that point of order, while some degree of flexibility is allowed, I would ask the member to get back on the subject.

MR. WARREN: Yes, Mr. Speaker, I asked the Premier yesterday would some money be allotted to do the translation of this language into the native tongue.

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

MR. SPEAKER (Baird): A point of order, the hon. the House Leader.

MR. MARSHALL: Mr. Speaker, the House has to operate according to certain rules. Your Honour just gave a ruling with respect to the matter being brought up by the member for Torngat Mountains (G. Warren) and he proceeds to go on. I do not know whether he understood Your Honour's ruling, but Your Honour's ruling was that he should get back on the subject.

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

MR. SPEAKER: To the point of order, the member for Trinity-Bay de Verde.

MR. ROWE: I agree with the hon. the House Leader on the other side, Mr. Speaker. This House should operate according to certain rules, and the certain rules that we have had here this morning, with all due respect to the Chair, when the present Speaker was not in the Chair in the last part of the debate, the hon. member for Stephenville (F. Stagg) got up and he was completely irrelevant. There were a number of points of order raised on the fact that he was irrelevant, and he was allowed to carry on with broad latitude. And I submit in talking to the point of order, Mr. Speaker, we cannot have, with all due respect - I am not challenging the Chair - with all due respect, we cannot have three different sets of rules in this hon. House and that is what we are having here this morning. It is about time it was brought to somebody's attention.

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

MR. SPEAKER: To the point of order the hon. the House Leader.

MR. MARSHALL: I cannot let that go because that can be interpreted the way it is received.

The fact of the matter is if any member

of this House is out of order, it is perfectly within the purview of any other member to get up and draw that person to order. The fact that somebody in the hon. member's mind may have been out of order when he was speaking, he should have risen at that time to a point of order. The fact of the matter is that the issue now on this point of order is that the hon. member was ruled out of order and he seemingly - I do not think deliberately, but I do not think he understood the ruling of Your Honour,

MR. W. MARSHALL: Mr. Speaker, your ruling was, he had been irrelevant and he should get on with the debate and this is what he should do.

MR. SPEAKER(Baird): To the point of order.

MR. F. ROWE: Mr. Speaker, if I may?

MR. SPEAKER: I think we have heard enough discussions on it.

MR. F. ROWE: Oh, sure!

MR. SPEAKER: The Chair is ready to rule. While some degree of flexibility is allowed on both sides, I would suggest to the member to get back on to the subject.

MR. G. WARREN: Yes, Mr. Speaker, I am supporting this ERCO Bill because it is going to save the Province X number of millions of dollars. So therefore I am hoping that some of this money can be used to translate the material that is needed for the native people.

MR. OTTENHEIMER: You are defying the Speaker's ruling.

SOME HON. MEMBERS: No, no!

MR. G. WARREN: Mr. Speaker

MR. OTTENHEIMER: Mr. Speaker. A point of order.

MR. SPEAKER: A point of order.

MR. OTTENHEIMER: Mr. Speaker, it was just ruled, the Chair has ruled to speak on the subject matter. And although, you know, it is possible to endeavour to twist and endeavour to sneak in by the back door what cannot be done by the front door, this can only result in the loss of respect for the rulings of the Chair and I think it is incumbent that the House has a responsibility to uphold the rulings of the Chair. The ruling of the Chair was that the hon. member should speak on the subject matter and by verbally trying to twist it in and say because I support the bill, because this will allow money for translation for this and translation for that is indirectly defying the ruling of the Chair and since one cannot directly defy the ruling, of the Chair, I would suggest one cannot indirectly do so either.

MR. F. ROWE: Mr. Speaker.

MR. SPEAKER (Baird): The hon. member for Trinity - Bay de Verte.

MR. F. ROWE: Mr. Speaker, I totally agree now with the Minister of Justice (Mr. Ottenheimer). But the problem is, Mr. Speaker, that contrary to what the hon. the House Leader (Mr. Marshall) said a few minutes ago, we had members on this side of the House -

SOME HON. MEMBERS: Oh, oh.

MR. ROWE: - Mr. Speaker, I am allowed to be heard in silence.

MR. SPEAKER: Order, please!

MR. ROWE: Contrary to what the hon. the House Leader mentioned a few moments ago, we have members on this side of the House this very day rise on points of order based on irrelevancy displayed by members on the other side of the House and they were allowed to continue on. And I do not mean to challenge the Chair or anything else, but we do have, this morning in this House, three different sets of rules as a result of three different people occupying the Chair at various times. I am simply saying are we going to go by three different sets of rules or are we going to go by the same set of rules? And I submit that if hon. members opposite are allowed to carry on for a full half hour, completely irrelevant to the bill, we should be allowed to do the same thing.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

To the point of order, the Chair has ruled that some degree of flexibility is allowed and it was suggested that the hon. member go back to the motion. I would suggest that we go back; we were discussing the ERCO Bill, while the Chair has the responsibility to see that this House observe proper

MR. SPEAKER (Baird): decorum, also the members have such a responsibility. If they are not prepared to live up to their responsibility, I can certainly well do mine.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER: The hon. member for Torngat Mountains.

MR. G. WARREN: Thank you, Mr. Speaker. Again I will say that -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. WARREN: - I am in full support of the bill because on the one hand it is saving the Province hundreds of hundreds of thousands of dollars and I hope that this government can see fit that this saving of the electrical energy - the money towards electrical energy - from the plant in Long Harbour can be used to assist the ordinary human beings in this Province.

SOME HON. MEMBERS: Hear, hear.

MR. WARREN: Mr. Speaker, this government - we just saw an example from the two lawyers, Mr. Speaker, on the action of this government. This government is not full of action, this government has done very little, how can you criticize a government that is not doing anything? So, Mr. Speaker, this is why -

MR. OTTENHEIMER: (Inaudible) to that

MR. WARREN: - this may be a bad deal in its day and so therefore even under a new legislation that this government is bringing in now is not as bright and rosy as the government and the Premier of this Province and the Minister of Mines and Energy (Mr. Barry) are trying to portray to Newfoundlanders.

MR. ELIGHT: : And it is still bad

MR. WARREN: And it is still a bad deal.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

December 5, 1980

Tape No. 2713

SD - 4

MR. G. WARREN: Mr. Speaker, when one takes this bill and looks at it and sees, like my hon. friend from Windsor - Buchans (Mr. Flight) pointed out yesterday how much really are we saving over the next thirteen years? And the big question I have in support of this bill is make sure that

MR. WARREN: the revenues saved will go on the tables of the consumers of this Province.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (SIMMS): The hon. Minister of Mines and Energy. If the hon. member speaks now he closes the debate.

MR. BARRY: Mr. Speaker, this government has so much work to do that while there is nothing I would like better than to spend the next twelve months debating the agreement that we now have before the House, while I think that this piece of legislation is a showpiece and that this House of Assembly should stay open for years to let the people of this Province see the benefits that this government are bringing from this firm and reasonable approach to renegotiating a bad deal put into place by a previous Liberal administration, while I would love, Mr. Speaker, to spend months and months debating this, we have bigger things on the way, Mr. Speaker. We have bigger things on the way, one of which, I understand, will be introduced on Monday, which is the process, Mr. Speaker, to see that the electrical energy of the Upper Churchill is made available to the people of this Province. Now we have fixed up one arrangement and we are now going , after getting the rabbit, we are now going after the elephant, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. BARRY: So if hon. members opposite want to waste time in picayune debate, artificial, cosmetic amendments and so on, this government - we have a team of tigers here, Mr. Speaker, they cannot wait to get at the

MR. BARRY: problems facing this Province. They cannot wait to get at the bread and butter issues that are out there, that the people of this Province elected us to solve. Now, Mr. Speaker, we are moving and although this is a tremendous achievement, although this should be debated, and would be in past years debated year after year after year -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. BARRY: - Mr. Speaker, we are going on, we are going on to bigger and better things.

SOME HON. MEMBERS: Hear, hear!

MR. BARRY: Mr. Speaker, I guess the only criticism that I could get out of the remarks made by hon. members opposite was the criticism that somehow this was a worse deal than had originally been entered into. The member for Windsor-Buchans (Mr. Flight) set out this picture that the price of energy is going to increase - his figures are all wet but that the price of energy is going to increase. And I think he said that maybe the price of energy would be 100 mils in 1993. And, Mr. Speaker, he ends somehow through the new math that he employs, he somehow figured out that because in 1993 we, under this agreement would be getting 30 mils instead of the 2.5 mils that the previous crowd had agreed to, that ever if it went to 100 mils that we would be worse off, that this is a worse agreement. Under the old agreement not only, Mr. Speaker, did the crowd opposite agree to sell power for 2.5 mils the first year of the contract Mr. Speaker, it was a twenty-five year contract. They agreed to sell power at 2.5 mils in not just 1968, in 1969, in 1970, in 1980, in 1981, Mr. Speaker; this coming year they had agreed to sell power at 2.5 mils.

December 5, 1980

Tape No. 2714

AH-3

SOME HON. MEMBERS:

Shame! Shame!

MR. BARRY:

And, Mr. Speaker -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Simms):

Order, please!

MR. BARRY:

Oh, Mr. Speaker, they now attempt to sever connection with the Liberal party of the past. I

see the member for St. Mary's - The Capes (Mr. Hancock) is sitting -

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. BARRY:

Oh, we are getting close to the nerve now.

MR. MORGAN:

Look at the crackies! Look at the crackies! Feed them! Feed them!

MR. SPEAKER:

I have to repeat something that I have said in the past with respect to interruptions. When interruptions become loud and frequent, I think it is fair to say that the Chair should interrupt and I am sure all hon. members will want to help to preserve the decorum of the House. And the actions that are now underway do nothing to preserve the decorum

MR. SPEAKER (Simms): of the House, and I bring that to the attention of all hon. members. All hon. members have the opportunity and right to speak in silence. I would ask hon. members to respect that right.

The hon. the Minister of Mines and Energy.

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

MR. SPEAKER: A point of order, the hon. the member for St. Mary's - The Capes.

MR. HANCOCK: Thank you, Sir. I have to sit here and be responsible for something that happened before I was born, Mr. Speaker, and I am getting fed up with having to listen to it, to be honest with you.

AN HON. MEMBER: (Inaudible).

SOME HON. MEMBERS: Oh, oh!

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

MR. HANCOCK: I was halfway, Mr. Speaker - I was here and I was halfway - well, I am into the seat now, Mr. Speaker, and I am going to say what I had on my mind.

MR. SPEAKER: I will hear the hon. member's point of order.

MR. HANCOCK: Well, a point of privilege then, Mr. Speaker, if I am not on a point of order.

MR. SPEAKER: Order, please!
You have risen on a point of order.

I will have to make a ruling on that first.

MR. HANCOCK: Okay, I have a point of order, Mr. Speaker.

I cannot sit here, Mr. Speaker, and be accused of things as the minister just accused us of of not being responsible or having any input into the Liberal Party in the past, Mr. Speaker.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Simms):

Order, please! Order, please!

MR. HANCOCK:

I do not think I should have to listen to it any more. I have been accused of being a part of the Liberal organization that had wrongdoing, and we agree that you only make mistakes when you try to do something, Mr. Speaker. Maybe they have made mistakes in the past but I should not be held responsible for the mistakes that were made in the past, Mr. Speaker, and I do not want to be accused of any. Thank you.

MR. MARSHALL:

To the point of order, Mr. Speaker.

MR. SPEAKER:

To the point of order, the hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, that is no point of order. As a matter of fact, Mr. Speaker, that happens to be a grave and serious infringement of the rights of this House. The hon. the Minister of Mines and Energy (Mr. Barry) is speaking in this House on this bill. If the hon. the Minister of Mines and Energy says something that is out of order, it is perfectly competent for anyone to get up and draw it to Your Honour's attention. In this particular case, what the hon. member is doing is coming up, not on a point of order, but for the purpose of engendering debate as to something that he does not like that the hon. the Minister has said. He had his opportunity to speak in the debate. He is infringing the rules of this House by this very point of order, and, Your Honour, I do believe that this type of point of order is a type of point of order which, in effect, leads to disorder in the Assembly.

MR. STIRLING:

To that point of order, Mr. Speaker.

MR. SPEAKER:

To the point of order, the hon. the Leader of the Opposition.

MR. STIRLING:

As the member for St. John's East (Mr. Marshall) very well knows, it is a technique that he

MR. STIRLING: has used many times himself, he is an expert at it, and the real fault is that the debate is over on this Resolution and that the member introducing it has gotten off into something that has nothing to do with this particular Resolution and he is provoking the kind of outburst that came from my colleague on this side. The member for St. John's East (Mr. Marshall) is completely out of order in suggesting that rising on this point of order was an abuse of the rules of the House.

MR. SPEAKER (Simms): With respect to the original point of order, the Chair, of course, has no control over what members want to or do not want to listen to. With respect to the point of order, I would rule that there is no point of order, but the member was taking an opportunity to make some statement.

The hon. the Minister of Mines and Energy.

MR. BARRY: Mr. Speaker, from the five years or so that I have been in this hon. House, I have begun to recognize that the points of order increase proportionately to the validity of the point that is being made, and I think that that is a fair assessment.

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

MR. MORGAN: You are making a fool of yourself boy. Sit down.

MR. SPEAKER: Order, please!

A point of order has been raised by the hon. the member for Grand Bank.

MR. THOMS: Mr. Speaker, Your Honour has already ruled on that particular point of order. It is over, it is done with and now we have the minister discussing the point of order. It does not seem to me that that should be permitted.

MR. SPEAKER: With respect to the point of order, I did not understand that the minister was speaking to the

MR. SPEAKER (Simms): point of order, I understood he was speaking in the debate.

The hon. the Minister of Mines and Energy.

MR. BARRY: The point I was making, Mr. Speaker, and I will repeat the point - it is by coincidence the member for St. Mary's - The Capes (Mr. Hancock) happened to be sitting in the seat of the hon. member that I next want to refer to, because it appears that there is a little schizophrenia developing over there. The member for LaPoile (Mr. Neary) got up and regaled the House with the recitation of how that previous arrangement which he supported was of full, complete and total benefit to the people of this Province, and he went on at some length listing the statistics. Now, I can understand why the member for St. Mary's - The Capes would be embarrassed by this. I can understand why the member for St. Mary's would become uncomfortable, but I ask him, for heaven's sake, to wash his dirty linen in caucus and not reveal this terrible split that is going on over on the other side of the House.

SOME HON. MEMBERS: Hear, hear!

MR. BARRY: I mean, these are matters that really are

MR. L. BARRY:

a little embarrassing for members on this side. Mr. Speaker, the point that I am making is that in this debate - I sat here after making my few brief remarks and I listened to members opposite get up - and the member for LaPoile (Mr. Neary) got up and listed the benefits of that original contract which he supported as a Liberal member, which was entered into by a Liberal administration. Now if there is a split and if members opposite are saying that they cannot support the political steps that were taken by the party to which they bear political allegiance, I would invite them to come on over, come on over!

SOME HON. MEMBERS:

Oh, oh!

MR. MORGAN:

No, no! We have enough!

Stay over there!

MR. SPEAKER (Simms):

Order, please!

MR. L. BARRY:

At least, Mr. Speaker, I would be prepared to raise the matter with our caucus as to whom we would be prepared to admit.

Mr. Speaker, first of all, the member for Windsor - Buchans (Mr. Flight) started by saying that there was a blended price in the Province of 30 mils, I believe, 30 mils. Now I do not know what he is blending, Mr. Speaker, maybe he is making a milkshake, but he did not put in all the ingredients or he did not do his sums properly or something. The average systems cost, Mr. Speaker, and it is not secret in this Province this year is in the area of 21-22 mils. That is the -

MR. FLIGHT:

Which one?

MR. L. BARRY:

It is between 21 and 22, Mr. Speaker, to be precise. And if the hon. member wants me to I will bring it down to nine decimal places for him. But it is not 30 mils, it is not 30 mils!

MR. L. BARRY:

Now, Mr. Speaker, it also has to be kept in mind that all of the large power users, because they utilize on a higher load factor throughout the full day as opposed to ourselves - we go home, we get up in the morning, you turn on the stove for breakfast and then you turn it off and then you have it on again at lunchtime, you turn it off and then you go back supper-time and you have some appliances on in the evening and you have a load going up and down as a result of this domestic use at different times of the day. And industry is there and it is there generally consistently pulling down the same load throughout the day. And utilities all over the world recognize as a result that there should be, in terms of the rate that is set in arriving at the value of the service that is provided, that the rate is not the same rate as it would be for a commercial or a residential consumer. But lumping them altogether, as I understood the hon. member for Windsor - Buchans (Mr. Flight) was attempting to do, the average systems cost is around 22 mils.

Now, Mr. Speaker, I guess the point that he was trying to make was that the amount, the mil rates contained in this agreement does not make a profit for Newfoundland Hydro. Mr. Speaker, has anybody gotten up and said that it makes a profit for Newfoundland Hydro? Mr. Speaker, again the new math or whatever math the member for Windsor-Buchans employs I challenge him to explain how, if this government is is going to receive an additional \$146 million over the life of a contract previously entered into, how is that bad for this Province?

December 5, 1980

Tape No. 2716

DW-3

MR. BARRY: \$146 million, 1-4-6-0-0-0-0-0-0.

MR. MORGAN: He made a fool of himself on the radio this morning, a complete fool.

MR. BARRY: I have heard that approach before, \$146 million, naught-naught-naught-naught-naught - naught after 1-4-6.

MR. MORGAN: Do you understand that now?

MR. BARRY: Now, Mr. Speaker, that is the message, that is the message which the people of this Province have gotten and have accepted, Mr. Speaker, in recognition that this government has taken a contract, entered into by the same party to which members opposite bear allegiance.

AN HON. MEMBER: - the Liberal side -

MR. BARRY: And, Mr. Speaker, however much they squirm, however much they feel embarrassed, in Canada -

SOME HON. MEMBER: Oh, oh!

MR. ROBERTS: 'Whilst the light holds out to burn/
The vilest sinner may return.'

MR. BARRY: In Canada, despite the best wishes of members opposite, and despite what you might consider is the occasional attempt by the federal government, it is still not legitimate to rewrite history, Mr. Speaker, in this Province.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

The Chair is having great difficulty in hearing the hon. minister.

MR. BARRY: I am having difficulty hearing myself.

In this country, Mr. Speaker, in this democracy, unlike Orwell's Nineteen Eighty-four scenario, it is not possible to rewrite history and members opposite stand pinned to the wall of history as supporting an administration which entered into that sale of 2.5 mil power in 1968 -

SOME HON. MEMBERS: Hear, hear!

MR. BARRY: - in 1979. in 1993.

MR. BARRY: They are pinned to the wall of history, Mr. Speaker, under the full glare of the public scrutiny of the people of this Province and that is why - what did that survey show?

MR. POWER: Four to seven seats.

MR. BARRY: Four to seven seats in the next election.

AN HON. MEMBER: Four to seven seats for the Liberals.

MR. BARRY: As a matter of fact -

MR. SPEAKER (Simms): Order, please!

MR. BARRY: As a matter of fact, Mr. Speaker, we have not had an opportunity to raise this with the Premier but myself and my colleague here to my left, the Minister of Lands and Forests (Mr. Power), we are going to suggest to the Premier that in Bellevue district, and it might be an idea, Premier, that you try and persuade the Leader of the Opposition to refrain from entering a candidate, and we would do the same, and we would try and get either an NDP, or a Social Credit, or some other representative in the House, or see if we can get a little opposition going here to keep us on our toes.

SOME HON. MEMBERS: Hear, hear!

MR. BARRY: Mr. Premier, I ask you to give serious consideration to that.

MR. STIRLING: Some brave when you are the last to speak.

MR. BARRY: Mr. Speaker, we will all have another shot at this subject. This subject is not going to go away. The members opposite are not going to be able to hide this achievement of this government. It is going to be front and centre for a long time. It is going to be shining in the political consciousness of the people of this Province for a long, long time, Mr. Speaker, a long, long time.

MR. FLIGHT: The subsidy will come up again.

MR. BARRY: Mr. Speaker, another factual error was that at the time back in 1968 that the original agreement had been entered into, that the cost of supplying power from Bay d'Espoir, forgetting the system as a whole, that from Bay d'Espoir power could be supplied at 2.5 mils, Mr. Speaker, that is an error, that is incorrect. Even in the first year of that contract, Mr. Speaker, they were not recovering the cost of service, not even in the first year. And even if they had been, Mr. Speaker, even if they had been, to see members opposite still get up and take the approach that even if they were recovering the cost in that year that that was a good deal. Mr. Speaker, there was nobody anywhere in the world in government at that time who was entering into a twenty-five year contract without escalation or a sixty-five year contract as we have on the Upper Churchill. And that same attitude is still there. It must be sticking onto the seats or something of the Liberal Caucus chairs. I mean it must be an attitude that as soon as you join the rank and file of the Liberal Party it is like a mist, it sticks onto you. That attitude is there. They cannot get away from this attitude. And, Mr. Speaker, the attitude was so bad that on the Upper Churchill contract not only was there no escalation in the mil rate, it de-escalated and they sold oil - and one member opposite, I think it was the member for Grand Bank (Mr. Thoms), got up and he admitted, "Well, at the time the price of oil was around \$1.45 a barrel. "

MR. BARRY: And it was around \$1.45 a barrel at the time, around the time of the Upper Church-ill contract and what was the contract on the Upper Church-ill? It was \$1.80 oil declining over the first forty years to \$1.20 oil for the last twenty-five years, Can you imagine? Can you imagine? Even though the member for Grand Bank (L.Thoms) admitted that the price of oil at the time was around \$1.45 a barrel, his political mentor, a former leader of the party to which he bears allegiance, entered into a contract or supported a contract that saw, Mr. Speaker, the energy -

SOME HON. MEMBERS: Oh, oh!

MR. BARRY: - equivilent declining to \$1.20 a barrel. I mean, how could that sort of thing happen? How could it happen? Well, Mr. Speaker, it could happen because of that attitude, that attitude that still exists like a miasma, Mr. Speaker, like a bad fog on that side of the House, this attitude that as long as you have a sweet-talking wheeler-dealer come in and as long as you get a bit of action, a little bit of hype for a year or two years, particularly before an election, Mr. Speaker, particularly before an election, then no matter what the price as long as you get a bit of action, as long as you get a bit of political hype -

SOME HON. MEMBERS: Oh, oh!

MR. BARRY: - then it does not matter, it does not matter what the terms of the deal are as long as you get a little bit of political hype, you do it. You do it for short-term, political expediency.

Mr. Speaker, that unfortunately is the problem that members on the other side of the House, have that the people of this Province are no longer satisfied with political hype before an election. They want

MR. BARRY: performance. And, Mr. Speaker, what we see in this bill is performance.

SOME HON. MEMBERS: Hear, hear!

MR. BARRY: Mr. Speaker, I have to end, unfortunately, it is getting on to one o'clock. I can only say, Mr. Speaker, again let nobody misunderstand me. In the Premier's statement, in my statement introducing the bill, I pointed out, if I had my way, if I was writing on a clean slate, if I were starting from scratch, if I were negotiating an agreement from day one, Mr. Speaker, we would not have -

MR. THOMS: No, we would have a worse deal.

MR. BARRY: Worse deal, Mr. Speaker!

Mr. Speaker, we would have a better deal, let nobody misunderstand that. But, Mr. Speaker, there is nobody in this Province, I believe, including members opposite, which presumably despite their criticism is why they are voting for it, there is nobody can deny that where a private company has a contract signed, sealed and delivered for a certain mil rate and you can re-negotiate that to get an extra 146, naught, naught, naught, naught, naught, naught, that is performance. Thank you.

SOME HON. MEMBERS: Hear, hear!

On motion, a bill, "An Act To Authorize The Lieutenant-Governor In Council To Enter Into An Agreement With ERCO Industries Limited.", read a second time, ordered referred to a Committee of the Whole House presently by leave, (Bill No. 83).

MR. SPEAKER (Simms): Hon. President of the Council.

MR. MARSHALL: Mr. Speaker, just before you move from the Chair, we will be debating on Monday that other great achievement of this government, the Upper Churchill.

SOME HON. MEMBERS: Hear, hear!

On motion the House at its rising adjourned until tomorrow, Monday at 3:00 P.M.