

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
3:00 P.M. - 6:00 P.M.  
Wednesday, November 10, 1982

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR.SPEAKER ( Russell): Order, please!

ORAL QUESTIONS

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

MR.NEARY: Mr. Speaker, we are astonished that the Minister of Finance (Dr.Collins) or the Premier- this is day three- have not made a statement on the economy or on the cutbacks or layoffs or whatever it is they are going to do to try to recoupe \$70 million brought about by their mismanagement of the fiscal affairs of this Province. So, Mr. Speaker, it looks like we might just try to zero in on individual ministers to see if we can find out so that the people out there will know what is happening. I think it is shameful to keep them suspended in midair while the House has been sitting now for three days.

Let us start with the Minister of Energy (Mr. Marshall). Could the Minister of Energy give us a progress report or tell us what is happening on the Upper Salmon? Is that project going ahead and will it be completed? Are there any problems with the completion of the Upper Salmon hydro project?

MR.SPEAKER: The hon. President of the Council.

MR.MARSHALL: I am pleased to advise the House and the hon.member that the project is right on target. We anticipated it will be open early in January. It is progressing, as I say, exactly as was planned.

MR.NEARY: A supplementary.

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

MR. NEARY: Would the hon. gentleman tell the House if there are any problems with any of the contractors who are involved in the major construction of the Upper Salmon?

MR. SPEAKER (Russell): The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, I am not aware of any problems with major contractors who are involved in the construction of the Upper Salmon at all. I have no knowledge at all. I would imagine though that all contractors, as well as all the business community of the Province, are having a very difficult time and they are trying to labour under the yoke of the burden of the high interest rates and the high inflation and the economic down turn nationally that this Province is not immune to. But aside from that, I am aware of no real problems that any contractor is having.

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MR. NEARY: Mr. Speaker, a supplementary.

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

MR. NEARY: The hon. gentleman is not aware of a major contractor involved in that project making a claim for an extra, an additional \$7 million in order to complete the work on the Upper Salmon? Is the hon. gentleman aware of that? Perhaps the Premier might be aware of it.

MR. SPEAKER: The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, there is a claim, which is not unusual with projects of this nature. It is in the process now of being considered and weighed and I am not in a position to give a report with respect to it because I do not think it would serve the public interest at the present time. Because this is a matter of negotiation and eventually it might even be arbitration, so I do not think it would serve the public interest for me to get into that at the present time.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: The hon. the Leader of the Opposition, a supplementary.

MR. NEARY: Would the hon. gentleman care to tell the House, in connection with this claim by one of the contractors on the Upper Salmon for an additional \$7 million, if it has been dealt with by the officials, if it has been dealt with by Newfoundland Hydro, and, if so, what was their decision on this so-called claim? Did they consider it to be a valid claim or did they say that the work had to be completed within the terms and conditions of the contract?

MR. SPEAKER (Russell): The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, in response to that I just have to repeat the previous answer given to the hon. gentleman, that this matter is now in the process of consideration and it would be an inopportune time for me to comment on it and be directly against the public interest. All I can do is reiterate my original answer to the hon. member to the effect that the Upper Salmon project is on target and is progressing favourably, particularly when you consider the economic and other situations that it is subjected to, as is every other activity in the Province.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, would the hon. gentleman tell the House if, on the contract in question, public tenders were called for that contract and, if so, was the contract awarded to the lowest bidder; and if that is so, following the Public Tendering Act in this Province, then why would the contractor come back and ask for an additional \$7 million? Would he not be expected to complete the work under the terms and conditions of the original contract?

MR. SPEAKER: The hon. the President of the Council.

MR. MARSHALL: I am quite happy to say that, as contrasted with the experience in this Province for the first twenty years after Confederation, that that contract, as well as all other major contracts, are subject to the Public Tendering Act and subject to public tender, And the lowest tender was awarded, And for the edification of the hon. gentleman, when you have contracts of this

November 10, 1982

Tape 2139

EC - 3

MR. MARSHALL: nature with respect to complex  
work of the nature involved, the complexity of the terms  
and the contract itself very often

MR. WM. MARSHALL:

admit themselves to the process of either arbitration or negotiations with respect to extras and various other things. This is the process that is going on now and it is no different than any other contract of this nature, of this magnitude. It is perfectly normal, it is completely aboveboard and in accordance with the policy of this administration to assure that all contracts of this nature are awarded by public tender.

MR. S. NEARY: Mr. Speaker, a supplementary.

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

MR. NEARY: Would the hon. gentleman care to tell the House at what stage, now, this claim has progressed? Has it gone beyond the stage of the officials? Is it out of the hands of the officials of Newfoundland Hydro? And is it now put in the area where it will have to be a political decision? Can the hon. gentleman tell the House that?

MR. MARSHALL: Mr. Speaker.

MR. SPEAKER: The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, it is not in the area of a political decision, which is what the hon. gentleman is trying to insinuate by his questions. It is a perfectly normal process in contracts of this nature that contractors would have the right to go under the terms of the contract that has been awarded for the purpose of any extras or any interpretation of the contract. And that is precisely and exactly what is happening here, no more and no less, and this is what will happen. Whatever the contractor is successful in getting by

MR. WM. MARSHALL: way of extras or otherwise will come as a result of the rights which were engrafted in the contract which he entered into in the first place and which it acquired under the public tendering system. As to the present stage; it is in the present stage now of the claim being presented and it is being presented to Hydro and it is being considered. A decision will be made in due course. The decision, as I say, will be made on the basis of the terms of the contract itself in relation to events which have occurred since the contract was entered into.

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

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

MR. NEARY: Would the hon. gentleman indicate to the House if the claim, so called, or the alleged claim is now on the minister's desk? Has it gone through the stages of the officials of Newfoundland Hydro and or is it on somebody else's desk waiting for a decision?

MR. MARSHALL: Mr. Speaker.

MR. SPEAKER: The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, I thought I had made the situation quite clear. The claim is at the present time with Newfoundland and Labrador Hydro and is in the process of being considered by them. If and when a decision is made, it will be made, as I say, strictly and absolutely in accordance with the terms of the contract.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, would the hon. gentleman care to tell the House if the officials of Newfoundland Hydro



November 10, 1982

Tape No. 2140

MJ - 3

MR. S. NEARY:                    have asked for legal advice on  
this matter and, if they have, where they sought the legal  
advice? Was it from their own lawyers or from the Department  
of Justice? And if so, would the hon. gentleman care

MR. NEARY:

to tell the House what advice was given to the officials and Newfoundland Hydro on this matter?

MR. SPEAKER (Russell): The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, insofar as legal advice is necessary, legal advice will be rendered. This is a matter of a contract that has been awarded and a matter of interpretation of contracts. As with respect to the interpretation of any contract, particularly of this magnitude, you would anticipate Newfoundland and Labrador Hydro will where necessary obtain the advice of lawyers. If they need legal advice, they have advisors within the corporation itself; they have two or three very competent and very able lawyers who are able to give the officials the necessary guidance with respect to it.

MR. NEARY: Mr. Speaker, the hon. gentleman is doing some pretty fancy figure skating on thin ice there now, I can tell you.

MR. WARREN: Is he ever!

MR. NEARY: I asked the hon. gentleman a specific question, if legal advice had been sought. The hon. gentleman did not give me an answer, so I will ask the hon. gentleman another question. Has this matter been brought to the attention of the hon. Premier? Has it been discussed with the Premier? And is the claim laying on the Premier's desk waiting for a decision of the Premier? Is this the status of the so-called claim now?

MR. SPEAKER: The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, that is not the status of the claim now, it was not the status of the claim two months ago, and it will not be the status of the claim in the future. It is the practice of this Premier to allow

MR. MARSHALL: the public tendering system and the operations of government to continue unimpeded in accordance with the rules and regulations that have been set down by the Public Tendering Act. And all the little innuendo which the hon. gentleman wishes to give is only going to serve one purpose further, it is going to put the hon. gentleman there opposite-because the people of Newfoundland I think has had sufficient of that. There are eight members there opposite and it is going to put them farther and farther outside the House of Assembly.

So the hon. gentleman if he wants to can make all the little innuendos he wants. Each and every contract that has been awarded on the Upper Salmon project has been awarded in accordance with the rules and regulations set down by the tendering procedures. The performance of those contracts will be carried out in accordance with the letter of the law, and any claims for extras, which are not abnormal in any contract, will be made in accordance with the terms of the contract and will be judged completely and absolutely independently.

MR. NEARY: Supplementary, Mr. Speaker.

MR. SPEAKER (Russell): Supplementary, the hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, the hon. gentleman now is pooh-poohing these questions and calling them innuendoes the same as he did when I presented him with some documentation given to me by the former Captain of the Ocean Ranger. And the day before yesterday one of the radio operators said the hon. gentleman would not listen, he pooh-poohed it. He said the Captain was off his head. And the hon. gentleman was proven wrong on that and he may be proven wrong on this matter too. The hon. gentleman should remember that. And yesterday asking me who wrote speeches. Well it certainly was not the man who is now the spy for Quebec Hydro who wrote the speeches, who wrote them for the Premier when the hon. gentleman was Minister of Mines and Energy.

MR. WARREN: Right on.

MR. NEARY: A spy for the Quebec Hydro who wrote the Premier's speech when he -

AN HON. MEMBER: Is that what he said?

MR. NEARY: At least he said he did.

MR. SPEAKER: Order, please!

Does the hon. Leader of the Opposition have a question?

MR. NEARY: I just merely state that, Mr. Speaker, to try to pin the hon. gentleman down and to get the hon. gentleman to realize the seriousness of this situation. All we are trying to do is protect the public treasury.

Now would the hon. gentleman care to confirm the amount of that so-called claim? Is it the figure that I stated? Is it in the vicinity of \$7 million or \$8 million?

MR. SPEAKER (Russell): The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, as to the speech given by the hon. gentleman and his speech writer yesterday, I can say one thing anyway; they were similar because the content of the speech matched the mode and manner of the delivery. But, Mr. Speaker, with respect to the claim, I do not have the exact figures here but I know the claim is in the vicinity, in the magnitude of between, I think, \$5 million, \$6 million, \$7 million or \$8 million. But, you know, it is one thing to make a claim, it is another thing to have it recognized. As I say, the claim will be assessed in accordance with the provisions of the contract and the provisions of the contract will apply. This contract was entered into bore a clause - I do not remember what number it is - the same type of clause that is in all construction contracts. When legitimate unforeseen events occur there is the right of the contractor to apply for extras and that is all that has happened in this particular case.

MR. NEARY: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary, the hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, my understanding is that this contract was awarded in good faith as a result of public tender. It was a contract to complete the work that this particular contractor had to do on the Upper Salmon. Now would the hon. gentleman care to tell the House if the proposition has been put to him or the Premier that, if they do not get this \$7 million or \$8 million, that this contractor is likely to go bankrupt? Has the hon. gentleman been informed of that or has the Premier been informed of it?

MR. SPEAKER (Russell): The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, here I would just like to note the preliminary comment made by the hon. gentleman, He says, "It is my understanding that this contract was awarded, in good faith, by virtue of public tender." But I would suggest that anyone who listened that the questions that led into it would give anyone in this House the impression, and he was trying to give the impression, that it was otherwise, But because the questions have been answered that way, now the hon. gentleman has to release a little bit of the dirt and innuendo that he is so capable of spewing across this House. The fact of the matter is now the hon. gentleman, after all this line of questioning, says, "I know the contract was awarded in good faith." So what was the point of the questioning in the first place other than to try and cast aspersions against the government? That is one thing if it is legitimate, but what about the private company that is involved on the other side of the thing? He does not care, Mr. Speaker, as long as he paints everybody like his buddy, John C. Doyle, and his friends who were an albatross around the neck of the administration when he was in government itself.

Now having made that statement, I forget the question that was asked by the hon. gentleman other than to say, Mr. Speaker, I know it was a repetition of his previous questionings and I believe I have already answered it.

MR. NEARY: Mr. Speaker, the hon. gentleman, when he talks about dirt and innuendo, has to remember that we are talking about \$7 million of taxpayer money, and that is pretty expensive dirt and innuendo. And if the hon. gentleman

MR. NEARY: would answer the questions, then maybe we would not have to resort to this line of questioning.

I would like to ask the Minister of Justice (Mr. Ottenheimer) if he has been asked for advice on this matter, or if any of his officials, legal counsel in the Department of Justice have been asked for advice on this matter? Because this contract was given to complete the work. There were no extras involved in it. It was given. And if there are any extras they will be given strictly on a political basis and not on the merit of the claim. And that is what I am getting at and the hon. gentleman knows that.

SOME HON. MEMBERS: Ah.

MR. NEARY: Ah, yes, yes, yes. We will find out, Mr. Speaker, in due course.

MR. WARREN: You are in trouble today -

MR. NEARY: So I am asking the Minister of Justice if he has been involved in this matter. We know where the claim is. I know where the claim is right now. And the hon. gentleman knows that I know where it is. The claim has gone through the officials, gone through Hydro, gone through the minister's hands.

MR. SPEAKER (Russell): Order, please! The Chair I think has been more than lenient. The normal procedure is to allow two or three supplementary questions to the original question, and the Chair has permitted at least ten or a dozen supplementaries for the hon. Leader of the Opposition (Mr. Neary), and a considerably lengthy preamble. So I would ask the Leader of the Opposition to be more specific with his question.

The hon. Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, the Department of Justice, to the best of my knowledge, has not been asked for any legal advice. Of course, the hon. gentleman knows that the Newfoundland and Labrador Hydro do have their own legal counsel. We have, not been asked for advice, to the best of my knowledge.

MR. NEARY: Mr. Speaker, I am going to ask the hon. Minister of Energy (Mr. Marshall), who believes, as he is attempting to lead us to believe, that they are so honest and aboveboard, that if they are like that would the hon. gentleman care to table all the correspondence and all the memos and the contract between this company and Newfoundland Hydro and lay it on the table of the House so that we can all have a look at it, and lay on the table of the House this so-called claim that is now being made for extras that were not called for in the original agreement? When the contractor was given this agreement it was to finish the contract and not to come back looking for extras. What would be the consequences if the contractor does not get that \$7 or \$8 million? What will be the consequences? Will they be able to finish the project or will another contractor have to be called in to finish the project?

MR. SPEAKER (Russell): The hon. President of the Council.

MR. MARSHALL: Mr. Speaker, just so that I can get on a few things, the hon. gentleman, you know, here again is his innuendo that he has made in this series of speeches, First of all the question that I did not respond to a moment ago, and it is on the record, would the contractor go bankrupt. This is the type of questioning that can affect a private company, a company that is legitimately involved in business. So the hon. gentleman there opposite says, 'Would it go bankrupt or would it go into liquidation?' Another innuendo from the hon. gentleman the master of innuendoes, the master of twisting! Would I care to table



MR. MARSHALL: material in the House? Yes, Mr. Speaker, This government is completely open and has no objection whatsoever to tabling the contract, tabling anything in connection with the matter. But I am going to tell the hon. gentleman right now that we are not going to table it immediately right now while Hydro is seized of the matter and is in the process of negotiations because it would not be in the public interest. Another innuendo -

MR. NEARY: It would not be in the government's interest.

MR. MARSHALL: Another innuendo, Mr. Speaker, the hon. gentleman said that I have seen it and it has been on my desk, when I have told the hon. gentleman it has not been on my desk. There are three or four little back steps the hon. gentleman has to make now, From the fact of public tender, it was awarded in good faith, but when he started the Question Period it was not. He can take another back step. He does not have to go too far and he will be out the door, which I know is the faith that awaits him if he has the courage to run in the next election.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: If he lives that long, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I should not have to respond to that. All I have to do is remind the hon. gentleman of the Ocean Ranger, when he did not respond to my letter that I wrote him about the serious situation on the Ocean Ranger. The hon gentleman did not bother to respond so we will keep reminding the hon. gentleman of that. He can pooh-pooh it all he wants, but will the hon. gentleman, before a

MR. NEARY:

political decision is made to give this company \$7 million or \$8 million that they are not entitled to, will the hon. gentleman come into this House and have it debated before the decision is made down on the eighth floor here in Confederation Building?

MR. SPEAKER(Russell): The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, first of all I will take the hon. gentleman just slightly more seriously than the vast majority of Newfoundlanders do, and this is why I am responding to his questions right now.

With respect to the decision that is made, this is a matter that goes through the process of the contract itself. I am not going to respond to the innuendoes cast by the hon. gentleman except to say and reaffirm to this House that this was a contract, which the hon. gentleman acknowledges after first having given the innuendo that it was not, that has been awarded by public tender; the term of the contract under which the contractor is approaching Hydro is a normal term for contracts of this nature.

MR. NEARY: We will find out how normal it is.

MR. MARSHALL: Mr. Speaker, the performance of the contract will be in accordance with the terms of the contract, any claims for extras will be in accordance with the terms of the contract. We will be guided by arbitration if necessary, we will be guided by legal decisions. And any attempt that the hon. gentleman is trying to make to say that this will be dealt with on a purely political basis is completely without foundation. Mr. Speaker, all I can say, and I would like to say it takes one to know one, but he would know it full well, but this is not the type of administration that he has been used to.

SOME HON. MEMBERS:

Hear, hear!

MR. NEARY:

Mr. Speaker.

MR. SPEAKER(Russell):

The hon. the Leader of the Opposition.

MR. NEARY:

Mr. Speaker, the hon. gentleman makes me laugh, he makes me laugh when he refers to John C. Doyle. This crowd have their John C. Doyles over there too, and one of them is involved in this contract. They have their John C. Doyles.

AN HON. MEMBER:

(Inaudible).

MR. NEARY:

Yes, I know that.

MR. MARSHALL:

(Inaudible).

MR. NEARY:

Ah! The hon. gentleman does not like that, but he does not mind flicking it as us. Well, we will flick it right back.

If this \$7 million or \$8 million is awarded it will be a political decision, it will not be based on the merit of the contract.

PREMIER PECKFORD:

No, it will not.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

Mr. Speaker, on a point of order.

MR. SPEAKER:

On a point of order, the hon. the Premier.

PREMIER PECKFORD:

The Leader of the Opposition (Mr. Neary) should not be allowed to get away with what he is saying now. Let it be clear for the record, Mr. Speaker; there will be no political decisions on any contracts awarded by Newfoundland and Labrador Hydro. No political decisions! It will not occur in my office, in the cabinet room, or anywhere in this building, it will be done by independent arbitration. None! Zero! Zero!

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:                   And the Leader of the  
Opposition (Mr. Neary) can try all he likes to make it  
otherwise, but this government is clean and will remain  
clean, and the Leader of the Opposition will not be able  
to prove it otherwise.

SOME HON. MEMBERS:                   Hear, hear!

MR. SPEAKER (Russell):               Order, please!  
That is not really a valid  
point of order.     It is a matter of clarification and a  
difference of opinion between two hon. members.

MR. NEARY:                           Now we are getting somewhere,  
Mr. Speaker. We are told by the Premier that it will not  
be a political decision made on the eighth floor, or made  
in the private dining room of this building,

MR. NEARY: it will be made based solely on the contract. Now, could the hon. the Minister of Energy (Mr. Marshall) tell us on what grounds? What are the grounds?

PREMIER PECKFORD: I (inaudible) independent (inaudible).

MR. NEARY: No, Mr. Speaker, I am asking the hon. the Minister of Energy to tell us on what grounds is this contractor asking for these additional funds? What is the basis for the claim?

MR. SPEAKER (Russell): The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, I am not going to fight the claim with the contractor now and put Hydro's position with respect to something -

MR. NEARY: We are not fighting.  
All we want to know is what is the basis of the claim.

MR. MARSHALL: The basis of the claim is under the contract and, as the hon. the Premier has indicated, it will be decided in accordance with the terms of the contract, which ultimately would lead to arbitration. That is all I can say to the hon. gentleman.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, could the hon. gentleman tell us under what term of the contract? The hon. gentleman must know the basis for the claim. Was it because they underbid? Is it because of high interest rates? What is the reason for it? Why are they making this claim? And could the hon. gentleman tell us under what section of the contract the claim has been made?

MR. SPEAKER (Russell): The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, as I said before, this is not a political decision so I am not privy to the exact term of the contract and the exact nature of the claim. It has gone before Hydro and will be dealt with in accordance with the normal ways. The hon. gentleman can rest assured that nobody will get any claim under any contract, be it this one or any other one - and I think there is another one pending as well, which is a normal thing - unless it is entirely and absolutely in accordance with the terms of the contract itself.

MR. HODDER: Mr. Speaker.

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

MR. HODDER: A question for the Minister of Health, Mr. Speaker.

In relation to the \$70 million short fall which the government found that they had incurred recently, and in light of some of the media reports, I would like to ask the minister what instructions have been given to hospitals in the Province with regard to cutbacks in those institutions?

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

MR. HOUSE: Mr. Speaker, as a preamble to the question, of course, with regard to the \$70 million short fall, the fact of the matter is the hospitals have been asked to live within the budget that they were given in June of this year, which was \$270 million, which was 15.5 per cent above the

MR. HOUSE:

budget for the previous year. And we said this in June and we said it again in September. A couple of weeks ago I met with the Hospital Association and reiterated that and, of course, I have asked them to come back to us, still within the framework of that \$270 million, and the portions that they have been given. They are in the process now of cutting back and seeing what actions they have to take.

One of the things that we have suggested, of course, is that we be part of this particular process so that we can assure that there are going to be adequate services throughout the Province. And I am reasonably assured that there are going to be adequate services in the hospitals.

SOME HON. MEMBERS:

Hear, hear!

MR. HODDER:

Mr. Speaker, a supplementary.

MR. SPEAKER (Russell):

A supplementary, the hon. member for Port au Port.

MR. HODDER:

The minister says that the hospitals will be living within the \$270 million which was budgeted earlier this year. Is the minister saying that the layoffs and the cut backs by nurses, which we hear are being considered in the Province, that the government knew that this would occur when the budget came down last year?

MR. SPEAKER:

The hon. Minister of Health.

MR. HOUSE:

Mr. Speaker, when we gave our Budget last year we knew that it would be a tight budget, but we asked them to live within it and, of course, I have a reasonable assurance that everybody is doing the best they can. There are some hospitals going to have it a little tighter than others, but as I said we are working with them and they are taking excellent measures to try and live within it.

MR. HODDER: Mr. Speaker, I would ask the minister again what instructions have been given to the hospitals allowing them to come within their budget? What suggestions have been made by the Department of Health? I would ask him as well, since the clock is ticking by, will there be any cutbacks in senior management? Will they be cut back in any way or lose time in any way? Will there be cutbacks in air ambulance, in vital statistics, or in the public health inspection in the Province? And could the minister, when he speaks tell me about the proposed expansions of hospitals, I believe in Clarendville and Bonavista? Will they be affected in any way?

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

MR. HOUSE: Mr. Speaker, as a result of the problems that we have run into - this is the Province - with the lack of revenues coming in that were projected, I might add when people talk about the federal input and equalization, we are getting 10 per cent more I think in this particular process, in EPF and equalization, than we got last year, and our hospital budget is 15.5 per cent.

Now, of course, we are reasonably happy that we were able to come up with that amount then. Now with regard to the various other aspects of the Health Budget other than the hospitals, what are we doing? The total government is looking at their budgets and we are reassessing what can be done in air ambulance and anything else



MR. HOUSE: to cut down on any fat, if you can call it that. So instructions have been given to everybody in every department to see what savings can be effected. But with regard to hospitals being constructed, these are capital projects and everything of capital nature in the Department of Health is onstream and going ahead as planned.

MR. NEARY: Supplementary, Mr. Speaker.

MR. SPEAKER (Russell): Supplementary, the hon. Leader of the Opposition.

MR. NEARY: Could the hon. gentleman, the Minister of Health (Mr. House), tell the House what the situation is regarding patient care? Can the hon. gentleman assure this House that there will be adequate patient care in light of cutbacks, curtailment of services, lay-off of staff? And can the hon. gentleman tell the House if the people who are undertaking to try to recoup this \$70 million will do so in order of priority? Will they first get rid of the non-essential items in the Estimates before they start hitting defenseless people like sick people? And what will happen when they close down the operating rooms? Do people have to wait now until February in this Province before they get sick?

MR. SPEAKER: The hon. Minister of Health.

MR. HOUSE: Mr. Speaker, I know it deserves an answer, I suppose it does. As a matter of fact, Mr. Speaker, we are not talking - you know, I think there is a panic created, Of course, you can create a panic anytime you want to: All you have to do is listen to some of the open line programmes - they are great fodder.

The fact of the matter is we are not cutting back. The news came out yesterday we were cutting back \$7 million of the \$270 million budget. That is not true. The fact of the matter is the

MR. HOUSE:

process we have gone through we are discussing with hospitals. and I can give assurance that there will be not such things as operating rooms being closed. Now the fact that one hospital says that they will be closing down the OR, for instance, for a period of time, the Christmas period - it was always closed down. But if there are emergencies it will be open, just like Sundays now, Right now operating rooms are closed on Sunday, but if there happened to be an emergency, they are opened.

So I can give assurance, Mr.

Speaker, that we are taking every step to ensure - and I think we are having success - that all emergencies will be looked after, all critical care will be looked after, and we will be able to give quite adequate health care delivery service.

MR. SPEAKER (Russell): The time for Question Period has expired.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The hon. Minister of Rural, Agricultural and Northern Development.

MR. GOUDIE: Mr. Speaker, in compliance with the Livestock Insurance Act, I want to table the Livestock Owners Compensation Board Statement of Revenue and Expenditure for the year ended March 31st, 1982.

ORDERS OF THE DAY

MR. WM. MARSHALL: Order 5, Mr. Speaker.

MR. SPEAKER (Russell): It being Wednesday, Private Members' Day, we move to Motion Number 5 to be presented by the hon. the member for St. Mary's - The Capes.

SOME HON. MEMBERS: Hear, hear!

MR. L. HEARN: Mr. Speaker, for the record I will read the resolution:

WHEREAS the development of the inshore fishery is the only realistic way of solving rural Newfoundland's unemployment problems; and

WHEREAS Federal Government policy on the inshore fishery is detrimental to this effect, especially as it relates to the harvesting of the northern cod stock;

BE IT THEREFORE RESOLVED that this Government request the Federal Government to adopt a much more reasonable stand as it relates to this matter.

Now if you look at the wording of the resolution, Mr. Speaker, we said, "WHEREAS the Federal Government Policy on the inshore fishery is detrimental to this effect,"-and everyone in this House has agreed for quite some time that this is true-<sup>"</sup>especially as it relates to the harvesting of the northern cod"- even our colleagues across the floor have agreed with this. We also state, "BE IT THEREFORE RESOLVED that this Government request the Federal Government" -not demand the Federal Government, we are requesting the Federal Government just "to adopt a much more reasonable stand". Now I reiterate this just in case the boys across the floor say, 'Well, look. You are jumping on the feds again. Here you go fed-bashing.' We are just proposing a very reasonable request.

MR. L. HEARN: Today we have heard a tremendous amount of vibrant arguments from across the floor. I suggest that they use some of this energy that they all of a sudden have found to convince their colleagues up in Ottawa to ask the federal government, the boys who control the situation, to make some changes as it relates to the Northern fishery. Why do they not go after Mr. Tobin up there, Mr. Baker, Mr. Simmons, Mr. Rooney? Maybe the hon. member for Terra Nova (Mr. T. Lush) will ask Mr. Rooney to put in a word for us in relation to the Norther cod. The hon. member for Bellevue (Mr. W. Callan) apparently is not on good terms with Mr. Rooney, so it is no good of asking him. And, of course, all of them, along with us, will be requesting the hon. small Minister for Business,

MR. HEARN:

Mr. Rompkey, to get to work, to get off their butts up there and do something for the fishery in Newfoundland, the lifeblood of this Province.

Mr. Speaker, the fishery in Newfoundland is the reason, I suppose, why this Province was first settled. It is the reason that this Province will persist and exist long after the oil is gone, long after the minerals in the ground are gone. It is the lifeblood of our people and it is something that I think perhaps all of us, federally and provincially, are to a certain extent neglecting.

The main thrust of the resolution, Mr. Speaker, concerns the harvesting of the Northern cod. Now many of the small plants along our coast, especially on the Northeast Coast and extending right down to the plants in my own area, down to the Trepassey plant which is now closed, depend upon this Northern cod stock. Back in 1981 a quota system was put in place where we saw our own Newfoundlanders, our own fishermen being told, "Look, boys, you know when you catch so much that is it. You are finished, close her down the middle of the Summer if it happen to be so." And to think that the remainder is allocated to trawlers landing outside the Province, providing jobs outside this great Province of ours, and more especially to foreign countries. It is a little hard to understand that Canadians who are supposed to stand together, and we heard Mr. Trudeau talk about the great country we have and the unity we should express within this country, to think that he is saying to you, "Boys, you cannot catch your own fish. You cannot provide jobs in your own Province by catching this fish."

In 1981, when the quota was set, we had a number of fish plants all of a sudden each one trying

November 10, 1982

Tape 2150

NM - 2

MR. HEARN: to get what they could out of it.  
What did we see? We saw exploitation of the Northern cod stock. We saw trawlers coming in loaded to the gunnels, fish spoiling simply because they could not process the fish that they caught. Consequently the next year they got a little more sense and they said, "Now, boy, share it out. Share it out so that you can spread it out." As far as it went that was great and it worked to a certain extent. But it did not go far enough. It did not say, "Boys, there is a lot of fish there

MR. HEARN: that you should be able to catch that you are not allowed to catch." Fish that will keep the plants open, fish that will keep the Trepassey plant going during October, November, and December, when it is now closed down, when there is a market, Mr. Speaker. There is a market for cod, but they cannot catch the cod. Why can they not catch the cod? Because too much of it is given to the foreign countries. Too much of it given to the countries that are selling that same fish on the markets to which we would sell our product. They are bringing over our fish and cutting our throats on our markets. Not only that, but 9,500 metric tons of that fish is going to the EEC, And not only that, not only is it going to them this year, this is part of a long-term agreement; it will go to them next year and the year after unless somebody does something about it. The same group that are now saying to us, 'Boys, we cannot buy your seals. It is terrible, you fellows over there killing seals, We are not going to buy them.' All of a sudden we see what is happening. In Newfoundland right now we realize the effect that it is having on the potential market this year, if there is going to be a seal fishery at all. And here we are saying, 'Boys, you know, if you do not want us to kill our seals, we will not kill them. But you can have your fish anyway. ' You know, they have their loaf and they are eating it too.

So it is about time that somebody stood up to them. We have been trying to do our best. Yesterday you saw a resolution presented, and you saw a telegram, I suppose, being sent. But we have to convince the boys up-along do something also.

When we look at what the federal government is doing for the Province above and beyond the allocations of Northern cod, look at the problems we were into this year directly related to the Northern cod; you saw plants

MR. HEARN:

close all over the Island.

What part did the federal government play in getting them open? They certainly got St. Anthony open. The big question is: Why? Because it is in Mr. Rompkey's own area. You saw them give a guarantee, a guarantee, Mr. Speaker, to the Lake Group, while at the same time this government, this little government of ours gave \$5 million to the Lake Group to get them off the ground.

What about all of the other plants that are closed? Closed, number one, because they have no assistance, except once again what this little government of ours gave them to get them going, gave where they could as far as they could. We still have several not open because they are above and beyond our capabilities. Where is the assistance from up-along? It is not there. It is not there either in the form of money nor is it there in the form of allocations.

Several plants around our Province this Summer closed because they could not make a quick extra dollar on other species, caplin,



MR. HEARN:

squid, etc. Why could they not? Some people say, 'Oh, they should not be allowed to process caplin at all. They should not be allowed to process squid. Because at the same time you had your cod glut, you could not handle the cod fishery and, consequently, our own inshore fishermen suffered.' Yes, they did, there was no doubt about that, and it is a terrible thing that it happened. But try to tell me that with proper management and proper co-ordination there should be any reason why this should happen! We see here a giveaway to the Russian fishermen, 5000 metric tons of squid; the Cuban fishermen also; 14,700 metric tons of squid to the Japanese, whereas at the same time our own little plants could be handling the caplin and squid that we are giving away. For what? For nothing. We are not getting any return on our investment, on our giveaway at all.

Mr. Speaker, it is sort of hard to realize that these things are going on. The argument might be that if we let our own inshore plants, our small processing plants that are viable operations, that are making a dollar, if we let them handle these allocations of squid and caplin, they would not be able to buy the cod from the boys. Sure they would. Sure they would, if things were properly spread out, co-ordination is brought in; if the federal government will co-operate with our Department of Fisheries, which is trying so hard to get things in perspective, if they would try to arrange a proper holding system, a proper transfer system of this cod that is being caught, the excess caplin and squid that are being caught so that today we have a glut and nobody can handle the fish but tomorrow we are begging for it. Two weeks after we were throwing fish over the wharf,

MR. HEARN: Mr. Speaker, up in St. Mary's - The Capes and other districts around the Island, two weeks after we were throwing fish over the wharf, we had plants right across this Island of ours begging for fish. We have many plants closed now because they have none of this raw resource, yet we could throw away tons of the resource during the Summer. Do not tell me that this can not be properly manipulated so it can be spread out, properly processed, and provide the jobs that are so needed around the Province.

One of the famous quotes from the federal fishery people is 'too many fishermen chasing too few fish'. I ask you, Mr. Speaker, what is the answer? Is it to take them out of the boats and put them on LIP projects? Because that seems to be their answer. And, as we know, things like that have this country where it is right now.

MR. NEARY: What about your own plant down there? What have you done about that?

MR. HEARN: Mr. Speaker, I heard a question and I am very, very glad that the question was asked, because I was just about to answer it but I did not like to go blowing the horn of our own provincial Department of Fisheries or my own. Immediately when the plant closed in Trepassey, we set up a series of meetings to get the exact facts and figures as to what happened. Do you know why the plant in Trepassey is closed, Mr. Speaker?

MR. NEARY: That is provincial jurisdiction down there.

MR. HEARN: Provincial jurisdiction!

MR. NEARY: That is right.

MR. HEARN: The member says provincial jurisdiction. It is closed right now because it cannot catch cod, cod that is given away to the foreign countries. There is a market right now for cod. Phone Fishery Products, They will tell you right now that if they could catch cod at this moment they could operate the plant in Trepassey. But I will have you know that the plant in Trepassey will be opened again very, very soon, not only will it be open, Mr. Speaker, but it will be bigger and better than ever because of the hard work and the endurance of the provincial government, and of the member in the area. We do not sit back and let things happen. We do something about it.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Why are you removing the cutting line?

MR. HEARN: Mr. Speaker, questions that are asked in a vacuum, irrelevant questions, you know, I cannot take time to answer such questions. Because when you look at the total situation in relation to the fish plants across the Island, and you ask why are they removing a cutting line, why are they removing a wash basin, why are they removing three pitch forks that they should not be using, why are they removing the old broom behind the door, you know? We have in this Island of ours a number of big companies that operate plants in several areas. These companies one time or other find the going pretty tough. The Leader of the Opposition (Mr. Neary) is finding it a bit tough now that he is leading.

SOME HON. MEMBERS: Hear, hear!

MR. HEARN: Mr. Speaker, sometimes it gets to the point when the going gets tough you have to try and share and share alike.

AN HON. MEMBER: When the going gets tough, the tough gets going.

MR. HEARN: That is exactly it, that is why we are moving right now. They have to share some of their equipment. Sometimes they have to share some of their personnel. We have Fishery Products right now operating certain plants on the Island, operating them to such a capacity that they can right now provide the market with all the product that they can sell. There is absolutely no sense in

MR. HEARN:

building up a high inventory that you cannot place on the market. All you are doing, number one, is running yourself in debt due to interest rates, and, number two, you are telling the market, 'Boys, we have an excess of fish here.' And, of course, high supply, low demand, low price, and consequently they are asking to put themselves out of business.

When and if equipment is needed in any plant, and you can check any company for this, they sometimes borrow from one area to keep the other going. When the time comes for the Northern cod to be harvested again, in 1982, shortly after the the new year's allocations, you will see the fish plant in Trepassey operating, and you will see whatever cutting lines are necessary to operate that plant, to cut what fish they are going to handle, will be installed.

Time will tell, of course, and I look forward to getting up in January, February, March and saying, I told you so.

MR. NEARY: How naive

MR. HEARN: Mr. Speaker, I am sure where naivete comes into this, but I will have the hon. the Leader of the Opposition (Mr. Neary) know that fish, to me, is not something that I eat for dinner. It has been my livelihood up through the years, it was the livelihood of my ancestors, and it is the livelihood of the Province.

MR. NEARY: You had better tell the Premier that, He has oil on the brain.

MR. HEARN: If, however, we could convince a number of members in this House that the fishery should hold such an important place as it deserves, and more especially if we could convince the people who make the

MR. HEARN: decisions in relation to harvesting that this resource can, and hopefully eventually will, provide for Newfoundlanders the jobs in the catching capacity, the processing, and I am not just talking about cutting a few fillets, I am talking about full processing, then some day this Island of ours will be as rich as we all hope and know that it is going to be, not only with the oil that we will be bringing in in a few years time, those resources will be used to boost up this fishery. But the fishery was there long before the oil, it will be there long after the oil provided we can all be sensible about the whole thing and work together in harmony to make sure that this resource is properly harvested, properly processed and that the finances derived are properly used.

Mr. Speaker, I thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER(Aylward):

The hon. the member for Fogo.

MR. TULK:

Mr. Speaker, I hardly know where to begin. I want to, first of all, congratulate the member on the presentation of his resolution. I congratulate him not on what he said but on the fact that at least he believes what he said. It may not be true, but at least he believes it. I believe the member for St. Mary's - The Capes(Mr. Hearn) is a very sincere fellow. He means to do well in this House. But I want to tell him that I believe he has been led astray by the verbiage and the garbage that comes from the Premier and the foreign Minister of Fisheries(Mr. Morgan) that we have in this House.

He is wrong in his approach, Mr. Speaker, completely wrong. Why? Because this resolution is a resolution that has been on practically every year for the past six or seven years in other words. It has been there in other words. His resolution is a smokescreen.

MR. TULK: It is a smoke screen to deflect from his own government's inability, their own inability to deal with their own responsibilities. And let me tell them quite clearly that the plant in Trepassey is not the responsibility of Romeo LeBlanc or DeBane or anybody else. It is the responsibility of the Newfoundland Minister of Fisheries (Mr. Morgan).

MR. NEARY: Hear, hear!

MR. TULK: He really says nothing in this resolution, as I said before, that has not been said for years, Mr. Speaker. Everybody in this House, I am sure, believes that the Newfoundland inshore fishery is the lifeblood of Newfoundland. I wish though that he would convince that man sitting down in that chair that it is because really he believes that the lifeblood of Newfoundland is oil and gas.

MR. NEARY: Mostly gas we get from the Premier.

MR. TULK: Mostly gas and hot gas from the Premier at that.

MR. SPEAKER (Aylward): Order, please!

MR. TULK: Mr. Speaker, what the member has raised there are all motherhood issues and, as I said before, Mr. Speaker, they are designed to deflect the debate and thinking in this House and in Newfoundland from their own incompetence and their own inability to manage the sector of the fishery for which they are responsible. The member is serious but I believe he is misled, he is being misled.

MR. BAIRD: Are you for or against?

MR. TULK: For or against, Mr. Speaker?

MR. BAIRD: You do not know. You do not know.

MR. TULK: That is all you can hear from

MR. TULK: that side is, 'For or against?  
Are you for it or against it?'

MR. HODDER: Are you for or against the Fisheries  
College for Corner Brook? Answer that one.

MR. MORGAN: (Inaudible) reason.

MR. TULK: Mr. Speaker, I ask you to  
keep the Yahoos quiet on the other side. I mean, I do not  
mind tangling with them but I want to say something  
serious.

MR. SPEAKER (AYLWARD): Order, please!

MR. TULK: Let us look behind that  
smoke screen. Where are the main problems in the Newfoundland  
fishery today? Where are they?

AN HON. MEMBER: Catch allocations.

MR. TULK: Catch allocations? No,  
Mr. Speaker. The main problems in the Newfoundland  
fishery are in the marketing of fish and the processing  
of fish.

MR. NEARY: Hear, hear!

MR. TULK: And the marketing of fish  
leads to the problems that we are presently experiencing  
in processing. Whose responsibility is that?

AN HON. MEMBER: Provincial.

MR. TULK: Provincial responsibility. I am  
glad the member realizes that. Keep one thing in mind and keep  
keeping it in mind and keep telling the provincial Minister of  
Fisheries (Mr. Morgan) that when the fish come out off the water  
and come onto the land it is his responsibility, nobody  
else's. So you can put up all the smoke screens that you  
like on that side of the House, you can build up everything  
that you like against the federal government, but the  
real truth is that you have to accept the fact that  
processing in this Province is your responsibility. So  
therefore you have to accept the responsibility that  
you are responsible for the closedown of the fish



MR. TULK: plants in this Province.  
Fish plants all over this Province are shutting down.  
Fish plants such as Fermeuse - was lack of supply the problem  
in Fermeuse, Trepassey, St. Lawrence, Harbour Breton,  
Ramea? Was that the problem in Lewisporte.

MR. NEARY: Is that the problem in Ramea?

MR. TULK: That fish plant has been  
open for fifty years.

MR. BAIRD: What was the problem in St. Anthony?

MR. TULK: The problem in St. Anthony.

MR. NEARY: What is the problem in  
your head?

MR. TULK: What is the problem in St.  
Anthony? St. Anthony was opened by -

MR. NEARY: You have too many dead  
brain cells.

MR. BAIRD: There is more in yours.

MR. NEARY: Have you got a dead brain  
cell inside there?

MR. BAIRD: I have cells anyway.

SOME HON. MEMBERS: Oh, oh!

MR. TULK: The member asks a very valid  
question: What happened in St. Anthony?

MR. TULK: Well, Mr. Speaker, we know what happened in St. Anthony this Spring. When the federal government said, 'We are going to move in and open St. Anthony', the childishness who sits in that seat over there said, 'No, no, because you did not talk to us.' No odds about the people, 'You did not talk to us.' Mr. Speaker, they moved in and they opened it -

MR. WINDSOR: For how long?

MR. TULK: I want to tell the Minister of Development (Mr. Windsor) something, that the fish plant in St. Anthony this year is operating in the black - does surprise him? - operating in the black. In other words, it is making a small amount of money this year. Is that happening all over this Province? No. And would it have happened if this government had had its own way? No. All this government is interested in, Mr. Speaker, is just taking the fishery and using it to play politics in the same way as they tried to do yesterday with the seal fishery, in the same way as they tried to do with offshore oil and gas and so on.

Mr. Speaker, let there be no doubt, as I said before, that the member is right. The member is right in his first resolution when he says that the inshore fishery in this Province is the only realistic way of trying to solve the unemployment problem in the Province, it is the only realistic way of trying to do it.

Mr. Speaker, I want to tell him again that no smoke screen resolution, no platitudes about Northern cod, no platitudes about caplin, no platitudes about squid will allow us to solve that problem. It is not that simple. Mr. Speaker, I want to tell the Minister of Fisheries (Mr. Morgan) something too - he has left the House but I want to tell him - that neither will the Kirby Task Force. The Minister of Fisheries has been sitting back all this Summer and when a problem crops up -

MR. NEARY: Doing nothing.

MR. TULK: Absolutely nothing only travelling. When a problem crops up the first thing you hear the Minister of Fisheries (Mr. Morgan) saying is the Kirby Task Force will take care of that, the Kirby Task Force will do this, the Kirby Task Force will do that, and I hope they will address this and I hope they will address that. Now, Mr. Speaker, that is another delaying tactic, that is another smoke screen. I can tell the Minister of Fisheries that while he fiddles and while he yodels his way around this country and around the world the fishery burns -

MR. NEARY: Chubby Charlie.

MR. TULK: - and Kirby will not solve all of his problems. The problems that fall under provincial jurisdiction - let me give him a warning - that Mr. Kirby will not solve the problems that fall under his jurisdiction. Let me tell him that, let me give him that warning. They have to be taken care of by provincial people and they will not go away.

Mr. Speaker, I hope it is true that the Kirby Task Force will take care of some of the problems in the Newfoundland fishery. And there will probably be issues in the Kirby Task Force that I will disagree with; if so I will say so. I hope he takes care of some of them. And I hope that the one in particular that he does take care of is one that the Leader of the Opposition (Mr. Neary) and I went to Ottawa to present in a brief to the Kirby Task Force on the fishery. I hope

MR. TULK:

they take care of one, at least that they take one of the problems that we are experiencing in Newfoundland that is really a provincial responsibility, but I hope they take it away from him, that fellow over there, because he has messed around with it long enough. I am talking about marketing.

SOME HON. MEMBERS: Hear, hear!

MR. TULK: Now, Mr. Speaker, when we went to Ottawa this Spring one of the recommendations of our brief to the Kirby Task Force was, and I will read what it says, 'The large companies must be forced to permit the emergence of a federal/provincial marketing agency that would act in the best interest-'

MR. MORGAN: Table it, do not read it.

MR. TULK: No problem.

MR. NEARY: We will be proud to table it.

MR. TULK: Proud of it.

"That would act in the best interest of fishermen and processors alike. The Marketing Board would have control of the resource with an eye to assuring distribution throughout the Province and control of the quality of fish from the moment it leaves the sea until it is sent to the market. The Board will then seek out markets for the fish in all four corners of the world and use a comprehensive and co-operative approach with the processors to assure the best price for the fish caught. It would consist of both governments and the industry, and even the union, all holding a share. The federal government would have the major share, however."

Now, Mr. Speaker, that is not a revolutionary idea. But I would hope that the federal government, and this is an honest hope, that the federal government would take marketing out of the hands of this yoyo, Mr. Speaker -

MR. NEARY:

The yodler.

MR. TULK:

- out of his hands and really put it together into a structure that does something about the marketing of our fish. I hope he does. I believe Mr. Kirby perhaps will. I hope he does. If he does not come with our recommendation, then certainly, Mr. Speaker, I hope he comes pretty close to it.

Mr. Speaker, another recommendation that we made to the Kirby Task Force, which we have been making in this House for the past number of years, is that we hope, and again I hope it helps solve the problem addressed by my friend in this first 'Whereas' in this resolution, and that was this, that we hope, again contrary to what the Minister of Fisheries (Mr. Morgan) in this Province wants - or at least on one day he wants and the next day he wants something different - we asked the Kirby Task Force to expand the role of the Canadian Saltfish Corporation. And this is how we did it, Mr. Speaker, and I quote from the brief, 'The single most important example in the Newfoundland and Labrador fishery of co-operation and innovation is the Canadian Saltfish Corporation, created in 1970 for the expressed purpose of revitalizing a moribund industry.'

MR. TULK: ' While the industry and demand in subsequent years for salt fish was a fortuitous event, it is not unreasonable to say that there would have been continued chaos in the salt fish industry, and fishermen would still be receiving minimal return from the salt fish industry, instead of the bounties of a thriving industry now in place as a result of the CSC.

'What we propose is a similar organization to market fresh and frozen fish, or the expansion of the Saltnfish Corporation's terms of reference, to take advantage of its experience and acquired expertise.' Mr. Speaker, I would hope again that the Kirby Task Force takes a good look at that recommendation.

Now, Mr. Speaker, again, though, I want to come back to the provincial government, the provincial Minister of Fisheries, and tell the member for St. Mary's-The Capes (Mr. Hearn) on that side of the House, that they can stand in this House until doomsday and throw up all the smoke-screen resolutions, I mean, what a travesty yesterday when the Premier of this Province tables a resolution on the sealing industry. It was designed purely to take a kick at the federal government, to take a kick at the Federal Liberal Party, to get off its election platform for the next federal election. That is what it was designed for.

Mr. Speaker, that is not good enough for the Newfoundland fishery. If he wants to play negative politics and win the next federal election, so be it.

Mr. Speaker, I want to come to the policy of this government themselves, and I want to come to one clear example of the inability of this government to deal with the fisheries, one very clear, very negative, very tragic example of what has been happening. Mr. Speaker, the federal

MR. TULK: government for the last number of years, I suppose you might say under the regime of Romeo LeBlanc, has had a licencing policy in this Province for fishermen which none of us completely agree with, and none of us completely disagree with, yet we have heard the Fisheries Minister (Mr. Morgan) in this Province criticize for years that policy. He is against full time, part-time fishermen. He does not believe in that. Yet in his regulations for the Fisheries Loan Board he was the first person to define what really a full-time fisherman is in Newfoundland. He was the first person to do it, yet he was against it. But he tried to do through the backdoor what he did not have the gumption to do through the front.

They were against restricting the number of boats. Mr. Speaker, as I said before, I admit that it does cause some problems, it causes problems for me as a member of this House.

What would be the policy if the provincial government had control of the fishery? Mr. Speaker, everybody has been wondering about that for years. You criticize but what would be your policy if you had control? Now, Mr. Speaker, I wondered about the same thing.

MR. B. TULK: I sat here and I said, 'Well, surely the Premier of this Province, who believes so much in the Northeast coast of this Province, who believes so much in the fishery of this Province'- or so he professes - 'must have a policy on licencing.' Well, Mr. Speaker, he does. I found out on July 6 this year just after the House closed what exactly the policy of this government is. Now, Mr. Speaker, let me read to you again. Let me read to you from a joint press release, I believe, by the Minister of Fisheries (Mr. J. Morgan) and the Premier. There is a heading here entitled Licencing; 'Federal licencing policy places restrictions on the individual and the number of individuals in the fishing industry.' Indeed it does. 'The provincial government has taken the view that the right to fish is a local birthright.' That is a nice platitude. 'However, we realize that fish stocks must be conserved and therefore rational harvesting plans must be followed.' Now, Mr. Speaker, they realize there is a problem - let everybody fish but there is a problem. Let me go on; 'We feel this can be accomplished by licencing the fishing effort rather than the fisherman themselves.' Noble thought! 'This means that we would put limitations on the number of larger boats and the amount of gear, not the number of fisherman. We also believe that anyone should be able to catch a few fish for domestic consumption as a matter of right.' Now, Mr. Speaker, there is not a person in the federal government or anywhere in Newfoundland who has ever disagreed with that. That is so stupid to think that anybody would try to stop a person from going out and catching a few codfish to eat. If the Premier wants to go jigging I do too, I love it, let us go.

Let me go on; 'Because the bulk of our inshore catch comes from larger, twenty to sixty-five foot boats, we do not favour restricting the number of small



November 10, 1982

Tape No. 2159

MJ - 2

MR. B. TULK: boats under twenty feet in the industry. This policy of restricting the effort rather than the fisherman has a tendency'- now, Mr. Speaker, I wish there were some fisherman listening because what an insult the next thing is going to be - 'has a tendency to provide mobility in the fishery, weeding out the poor or inefficient fisherman.'

MR. TULK: 'A given person may abandon the effort, but the licence is still there for some enterprising person who wishes to take it over and carry on. This system of approaching fisheries licencing hopefully will provide for more enterprise and dynamism in the fishery than does the overly restrictive federal system while at the same time respecting certain of the social factors associated with the local industry.'

Mr. Speaker, there is no problem, there is no problem with that kind of licencing scheme, no problem at all. For the first thing, this government does not put a cent into boats under twenty feet, so it will not cost them anything to put fishermen in the boats, people in the boats. When there is a total amount of fish allocated, they are not going to restrict the boats under twenty feet. If you are in a boat under twenty feet, they are saying to fishermen in this Province, 'Fish away.' No difference how many, it does not matter. Whether 1,000 people want to fish, whether there are 2,000, 10,000, 15,000, 50,000 or 100,000, 'Fish away. Come on. If you fish in a boat under twenty feet, come on.' And, as I said, Mr. Speaker, it will not cost them a cent. But, Mr. Speaker, the real tragedy of that kind of policy, or non-policy, is this, that it shows the real attitude of this government towards fishermen in the Province. It says, 'Give a man a boat or let him get his own boat, put him through the expense of gear or whatever else is needed, perhaps an engine to go fishing, and if there is not enough fish for him to catch and if he cannot make a living at it then we will starve him out of the boat or he will starve himself out, We will weed him out. We will keep the licence there for somebody else to come along and get into the same kind of mess. But that is our policy on licencing; anybody who wants to fish can fish, anybody, it does not matter.' And if he abandons

MR. TULK: that fishery, then the next word is some other enterprising person will take over, in other words, some person, I suppose, who is not - what? Not as lazy? Is that what they are saying?

Mr. Speaker, in summary then let me say this, that the attitude of this government towards fishermen is to say, 'Let us put them all in the boat and we will starve some of them out; but that does not matter. We are allowing everybody to fish and respecting certain social factors with outport Newfoundland.' Now, Mr. Speaker, the only social factor dealt with in that kind of policy is a romantic notion, a romantic notion held by the Premier of this Province, I suspect, that a fisherman who is working himself to death is already poor, he is poor but he is happy, and what does that matter? Because he can catch moose and rabbits anyway. That is the romantic notion that is contained in that. That is their policy on licencing, Mr. Speaker.

I have a number of other things that I would like to say about this resolution. From where I sit,

MR. TULK: let me say this to the provincial government, to the provincial minister, if you are going to do anything for the Newfoundland fishery quit playing your political games to win a federal election, quit your political trickery, quit your romantic notions and get down to really doing something. Thank you.

MR. MORGAN: Mr. Speaker.

MR. SPEAKER (Aylward): The hon. the Minister of Fisheries.

MR. MORGAN: Mr. Speaker, first of all I would like to commend the member for St. Mary's - The Capes (Mr. Hearn) in putting forward the resolution, because there is nothing so important to rural Newfoundland, as indicated in his resolution, as the fishing industry.

I think in the last year and a half to two years the fishing industry has gone through a crisis situation. In fact, to some extent there still is a crisis in the fishing industry. I think the most trying time of my career in politics has been the last year and a half to two years. I have been in a number of portfolios, responsibilities, but I must say that the problems encountered in the fishing industry that I have been involved with in the past year and a half have been some very trying times for me as an individual and as a minister.

It has taken practically all of my time, night and day. Anybody who can stand in this House of Assembly and say otherwise would be totally incorrect. Meetings, numerous meetings, delegations, seminars, discussions night and day, not only in Newfoundland and different parts of Canada, in some cases in the markets outside Canada. But when we saw a crisis coming approximately a year and a half ago, it was brought to the attention of the federal government in a very sincere way, sitting down in discussions and meetings with the federal

November 10, 1982, Tape 2161, Page 2 -- apb

MR. MORGAN: level of government. And  
we saw the appointment as a result of our representations  
and our concerns, what we saw happening in the fishing  
industry, of a fairly important task force on the  
fishing industry.

MR. MORGAN: One of the key men in the upper echelons of the civil service of the federal government was chosen to head that task force or study on the fishing industry and its problems in the Atlantic region in the person of Mr. Micheal Kirby. And I must say that shortly after he was appointed I was somewhat skeptical about it. But approximately a month or so after that I realized that the task force and the people on it, like Dr. Art May from the federal Department of Fisheries and now the new Deputy Minister, a fine Newfoundlander; people like Peter John Nicholson, who was a very senior official with the Nickerson firm in Nova Scotia, Father Des McGrath from the Fishermen's Union in Newfoundland - to mention a few of them - I realized that they were indeed going to identify and address the problems of the fishing industry. And this government, with the help of a number of departments besides my own, with the Premier as more or less head of the group we put together - the Premier, as a matter of fact, as head of the group - a very important submission. We addressed every aspect of the fishing industry in our submission to the Kirby Task Force. We left nothing out, no stone unturned in clearly recognizing and identifying the problems. And I am convinced that the Kirby Task Force did indeed do a good job in identifying the problems. In fact, they addressed the problems in detail. I recall having a total of nine different meetings with the Kirby Task Force as this Province's Minister of Fisheries, taking with me officials from a number of departments besides my own. So it was clear to all concerned that we felt the Kirby Task Force was indeed going to make its report and address the problems adequately. Well, Mr. Kirby now, of course, has made his report. He has finalized it, he has moved on to become a Vice-President of the CNR, and he has made his report to the federal Cabinet. I am privy to some of the recommendations in that report and the contents of it. I

MR. MORGAN:                                have not made them known, I do not intend to make them known publicly ; that is the role of the task force itself. But indeed I am very concerned today when I know that these recommendations are not being acted upon to date. And we do have problems. The Opposition can stand up here and try to score brownie points and say, 'Well, the Newfoundland Government's responsibility is in the processing sector. If a plant is closed it is there responsibility. Why not get these plants open?' Well, let us look at why these plants are closed, Mr. Speaker. Why are they closed? The plant in Trepassey is closed - why? Because there was not an adequate supply of fish to have processed in that plant. At the same time when that plant was closed and jobs lost in the Trepassey area, we have foreign fishing fleets taking Northern cod stocks out of our waters - at the same time.

MR. J. MORGAN:

Why is it that Harbour Breton has been closed for the past number of months? Why is Ramea closed? It is a combination; the financial difficulty of the company plus the major problem of all the South coast plants, a lack of an adequate supply of raw material. Why is that? I told Mr. LeBlanc, at many meetings with him, it is because of the mismanagement of the stocks in the Gulf region, a mismanagement by the government that manages the resource and the stocks of fish. The quota allocations to the sidetrawlers have been reduced on an annual basis to the point we can no longer keep the plants open year-round. That problem is common to all the following plants. I will list the smaller ones first: There is Hermitage, Belleoram, Harbour Breton, Ramea, Gaultois, Fortune and Grand Bank and there is Burgeo. Burgeo is a bit different because they have modern trawlers that can go to the Northern cod off the Northeast coast of our province in 2J - 3KL NAFO areas and take the fish down from there in the Winter. But it is a common problem to all the South coast plants and it all revolves around the management of the resource itself. We have been saying for some time, 'We want a meaningful say in the management of the resource,' but we have been denied that. So sure the plants are closed, but the responsibility is not just ours. But we recognized our responsibility over the past year, indeed we did. The gentleman who proposed the resolution today pointed out that the only involvement - and he was correct - the only involvement of the federal level of government to date in helping resolve the problems of the processing sector of the fishing industry has been to reopen a plant in St. Anthony and to give a government guarantee of \$13 million to the Lake Group Company. A government guarantee.

MR. S. NEARY:

What about Fishery Products?



MR. J. MORGAN: There is not one cent from the federal government to Fishery Products of any other company in Newfoundland.

MR.S. NEARY: There is a Crown corporation that has (inaudible).

MR. MORGAN: Mr. Speaker, the hon. gentleman is, as usual, totally confused. The Canadian Development Corporation is not a Crown corporation. And, Mr. Speaker, the hon. gentleman has his problems now in Port aux Basques, let him address that problem, the T. J. Hardy operations. What is the problem there? Again, the same kind of a problem - the lack of an adequate resource for his plants because of the Gulf management of the stocks.

MR. NEARY: You are like the Premier - you do not understand.

MR. MORGAN: Now , Mr. Speaker, I ask the hon. gentleman to keep quiet and listen carefully.

MR. MORGAN: He thinks he has friends in Ottawa. Many of his friends in Ottawa are my good friends as well, and right now they happen to be referring to him as a Newfie joke. His Liberal friends, so-called, think he is a Newfie joke.

Now, Mr. Speaker, unless that report is going to be addressed by the federal level of government, and unless the federal level of government is going to be willing to put forward financial assistance, equity financing in the fishing industry in Atlantic Canada, I said so a few days ago and I will say it now -

MR. NEARY: That is your jurisdiction.

MR. MORGAN: Mr. Speaker, if they refuse to do that and take their monies and put the money in make-work programmes, temporary make-work programmes, moreso than in the resource sector, which is a very poor priority, we are going to see some very serious repercussions. Surely, Mr. Speaker, surely if the federal government can afford to invest \$500 million in a company like Dome in the oil and gas industry, and if they can find the necessary hundreds of millions of dollars to arrange for a Crown corporation, Petro-Canada, to acquire BP, surely they can find approximately \$75 million to \$100 million for the needs of our industry. Surely they can. Surely they can.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: Because, Mr. Speaker, they have a very serious responsibility because the problems we have in the fishing industry were created by the federal government. They were created by the federal government. And the Opposition keeps on saying that the Newfoundland Government is responsible for marketing, the Province is responsible for marketing. Well why is it, Mr. Speaker, if we are responsible for marketing, why is it that the federal government

MR. MORGAN: can choose on their own, without consultation with us, to decide to give away 9,000 metric tons of Northern cod to get markets, to get markets, Mr. Speaker?

Mr. Speaker, I do not want to be presumptuous on what the new policies are going to be in Ottawa based on the Kirby Task Force, or based on the belief and philosophies of the new minister now, But I will say and I have to say in all sincerity, Mr. LeBlanc, I met Mr. LeBlanc I guess I would say about twelve or fourteen times in the last two and a half year period, and I was totally surprised that, if I will say nothing else for him, he created chaos in the fishing industry. You will not talk to one fishing company but it will tell you, the union will tell you the same thing now, and what has he decided to do, Mr. Speaker, he decides to quit and move on to a less pressured portfolio.

The industry was in a total chaos a year and a half ago and still is, but he decides to move on. Now I do not know what Mr. De Bané stands for; I will in the next two days though when I sit down in private meetings with him. I will. I will, Mr. Speaker. But if he stands for this kind of a policy, Mr. Speaker, which came to my attention twenty-four hours ago, he is going to have one battle with this minister here in this Province.

MR. NEARY: That is not unusual.

MR. MORGAN: I thought he was going to be opposed to giving away Northern cod. Why did I think that? Because the Liberals of Newfoundland stood with the government last year and said, 'We are opposed to giving away Northern cod to the foreigners. We are opposed to it. It is our cod. We want it in our plants.'

AN HON. MEMBER: That is right.

MR. MORGAN: But now on the table, on my desk is a proposal from the federal minister. What is he saying? Instead of like last year reducing it from 15,000 tons been giving away last year, he wants to increase it to 20,000 tons this year.

SOME HON. MEMBERS: Shame, shame!

MR. MORGAN: 20,000 metric tons he wants to give away to the foreigners.

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: There is the new minister. That concerns me indeed. If that kind of a policy is going to prevail, Mr. Speaker, where they are going to give away our resource, we will see plants closed in Trepassey, plants closed in Fermeuse, plants closed in Triton, and plants closed in Twillingate because of the lack of fish, is that a good policy? There is a very common sense answer, I am sure. It is not a good policy to give away a resource and that resource can be taken harvested and processed in plants here in Newfoundland.

Now, Mr. Speaker, I know there is very limited time in this debate, but the question is always asked, What is the Newfoundland Government doing with the fishing industry? What are they doing? Are they always complaining? What are they doing?

MR. TULK: Nothing.

MR. MORGAN: The hon. gentleman says, 'Nothing' as he passed the door. He is a spokesman for fishermen in the Province. His district is a fishing district, Fogo Island. He says, 'Nothing'. While gentlemen -

PREMIER PECKFORD: Fogo Island - they wanted to move them off Fogo Island ten years ago.

MR. MORGAN: The hon. gentleman will not sit in the House and listen because he knows it is too positive what I am going to say.

MR. TULK: If you are going to say something sensible I will.

MR. MORGAN: Let me tell him a few things that the Newfoundland Government has done in the past year for the fishing industry.

MR. TULK: (Inaudible) harvesting licences (inaudible).

MR. MORGAN: Mr. Speaker, the harvesting of the fish stocks are the responsibility of the federal government. We all know that. Now what have they done to help the fishermen over the past year? What have they done, Mr. Speaker? There have been no subsidies for boats. What did we do, Mr. Speaker? So far this year we have put forward \$5 million to go in the pockets of fishermen to help in purchasing better boats and better equipment. Five millions so far this year.

MR. TULK: You loaned them \$5 million. You did not give them \$5 million.

MR. MORGAN: What are we doing to help build facilities, Mr. Speaker? We spent \$2.5 million this year to build facilities. What kind of facilities? I will tell you what kind, Mr. Speaker. The kind that the federal government should be building. It is their responsibility to build and

November 10, 1982

Tape 2165

PK - 3

MR. MORGAN: construct. In some case small wharves, community stages, ice making facilities. We built to date in this Province four regional ice making facilities, two under tender right now in a contract.

MR. WARREN: Where to?

MR. MORGAN: For the Northeast Coast of the Province.

MR. WARREN: What places?

MR. MORGAN: Mr. Speaker, the hon. gentleman from Labrador should keep his mouth shut right now unless he wants total embarrassment.

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: Mr. Speaker, we built these facilities in the Province without one cent of help from Ottawa, yet Ottawa wants all jurisdiction over the fisheries. They want to maintain control over the harvesting sector and all fishermen and their activities, but they will not give them any facilities. Two and a half million dollars from this government alone this past year, Two and one half million dollars! All the money spent to date on Labrador, except for approximately \$175,000, along the Labrador Coast everything else came from this government.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: The plants are maintained and operated and subsidized by the taxpayers of this Province in Labrador. If it were not for us there would be no plant operations down there, no jobs for the hon. gentleman's own riding in fact.

Now, Mr. Speaker, in the processing sector, what have we done? We saved between 4,000 and 5,000 jobs this present year by putting up \$29 million - a little province with half a million people, limited revenue, we do not have the big revenue resource base like other provinces, but we did not neglect the fishing industry, we found ways to keep those plants open. And, thank God, many of them now are coming back and saying, 'You kept us alive, boy, and we are on our way to the future now because we are doing some things right and we have some

MR. MORGAN: good markets and things are looking better, ' In fact, so bright that some of the companies have come back and told us that they do not need the guarantees now, which is a good sign.

Now, Mr. Speaker, I wish I had a longer time to go on but my time is up, I understand. I am just getting started, really, on the fishing industry because I can go on all day and all night. But, Mr. Speaker, the situation is that the harvesting sector has to be properly managed, the resource and the harvesting methods have to change, there has to be more efficiency in the processing sector, there has to be a clear recognition from Ottawa that the fishing industry is indeed the most important resource industry in Atlantic Canada.



MR. MORGAN: It must be recognized and recognized soon. We must work together in the market place. I will tell you one thing, Mr. Speaker, there is nobody can look at this Minister of Fisheries and say he is not working with all parties concerned in Newfoundland because I am doing that. I worked hand-in-hand with the Fishermen's Union.

MR. NEARY: Did you hear that?

MR. MORGAN: I worked hand-in-hand with the Fish Trades Association. I worked hand-in-hand with the salt fish producers and the independent owners and operators. Almost on a weekly basis we were having meetings and discussions and consultations. If only the federal people could do the same thing, come down and work with all groups in Newfoundland, we would have a vibrant fishing industry in the future.

Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

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

MR. WARREN: Mr. Speaker, it is a pleasure for me to rise and debate this resolution that was put forward by the member for St. Mary's-The Capes (Mr. Hearn). Mr. Speaker, I think I am going to dwell probably for my twenty minutes on the first 'whereas' in the resolution, "Whereas the development of the inshore fishery is the only realistic way of solving rural Newfoundland's unemployment problems."

Mr. Speaker, we just heard the Minister of Fisheries (Mr. Morgan) blasting for about twenty minutes what he as Minister of Fisheries has done for the fishery in Newfoundland. Mr. Speaker, the answer is, Well done. Mr. Speaker, he has really done a good job.

MR. NEARY: He is going to close  
down the industry.

MR. WARREN: As the member for St. Mary's-  
The Capes (Mr.Hearn) dwelt quite a bit on his particular  
district in mentioning this resolution,I wish to probably  
dwell a little bit on my district.

You know, Mr. Speaker, this  
Minister of Fisheries (Mr.Morgan) has caused 137  
fishermen in my district to pay back unemployment insurance  
benefits that his department made a mistake on in 1980.  
Mr. Speaker, I want to table information where the  
provincial Department of Fisheries has caused 137  
fishermen in my district to be overpaid UIC benefits  
to the tune of in excess of \$47,000.

MR. TULK: Are you listening over  
there to that?

MR. WARREN: Mr. Speaker, look at a  
young man in Makkovik , Mervin Anderson. He has to  
pay back \$1323. Mr. Speaker, there are all kinds of  
figures, \$948. What happened, Mr. Speaker? I will  
tell you , Mr. Speaker, what happened.

MR. WARREN:

The minister's department, which operates the two fish plants in my district, Mr. Speaker, this will show you if the minister had full control over the fishery what he would do, that he cannot even do calculations on unemployment insurance benefits.

It all boils down to, Mr. Speaker, in 1980 a representative from the minister's department went into Makkovik and Nain and said, "Okay, this is the way you do your books. This is the way you do your calculations."

MR. NEARY: And that was the wrong way.

MR. WARREN: And, Mr. Speaker, what happened? Two years later now they have to pay back UIC benefits, because the calculations were wrong.

MR. NEARY: Well, the Premier has been wrong so often they may as well be wrong too.

MR. TULK: He will be in here tomorrow or the next day trying to blame that on the Federal Minister of Revenue.

MR. WARREN: Oh, yes, Well, I have already talked to the minister, and the minister said, "Well," he said, "you know the unemployment insurance officials did not go into Makkovik and tell them the difference." You know, that was his answer that unemployment insurance officials from Happy Valley-Goose Bay were requested several times to go into Makkovik and Nain and meanwhile it was an official of his department went in and showed the local workers how to do the payroll. And what happened? The minister went on radio and television and blamed it on the local people in the community, blamed it on the local people he had working in the plants.

MR. TULK: He did not sue them, did he?

MR. NEARY: They are like the Premier, they do not understand.

MR. WARREN: So, Mr. Speaker, can you see how a government, how a minister, could ask for more control over the fisheries when they cannot even do calculations for UIC benefits?

MR. TULK: He could not run a trout farm.

MR. WARREN: Yes, I would venture to say he would have a good hard job trying to run a small trout farm.

So, Mr. Speaker, just now the minister said about all the money that his department put into the fishery in Newfoundland in the past year. The federal government, just to give comparison, the federal government spent \$66 million, \$11 million more this year than last year, \$11 million more on the fishery. What about the provincial government? How much did the provincial government spend on the fishery?

You know what, Mr. Speaker, all you have to do is take your budget and you look at your budget and you will discover that the Provincial Department of Fisheries is spending less on the fisheries, spending less. Now here we are, we are going to kick out the federal government because they only spent \$11 million more this year than last year. However, we will not spend as much as we spent last year. So, you can see, Mr. Speaker, how he can blame the poor federal government for making the wrong calculations on the UIC benefits, for blaming the poor federal

MR. WARREN: government for not having a salt shed built in Makkovik. I sent a telegram to the minister there in May month, long before the fishing season opened, and I predicted to him what would happen if there were large catches of cod fish in the Makkovik area. The minister sent me back a telegram and he said, 'I cannot get federal approval. I cannot get federal approval.' And there is provincial jurisdiction on land facilities. However, Mr. Speaker, it was interesting when I asked the minister just now where were the four ice-making machines put in place.

MR. TULK: There was one put in Twillingate.

MR. WARREN: That is right. I asked him and he would not give me an answer. There were none on Fogo Island. There was one put in place in Twillingate because the member there now is a Progressive Conservative, that is why.

SOME HON. MEMBERS: Hear, hear.

MR. WARREN: Now we can hear the Minister of Transportation (Mr. Dawe) saying, 'Yes, that is the way we play our game. We only help those who vote Progressive Conservative'. I think you, as Minister of Transportation, should be ashamed of yourself to admit it. You should be ashamed of yourself. You should be ashamed to admit that you are saying, 'Look, if you vote PC you will get what you want.' The people are not that naive anymore.

MR. TOBIN: Do you not think the people of Twillingate want an ice-making machine?

MR. WARREN: Oh, no. I do not have any qualms at all about Twillingate getting an ice-making machine. Neither would I have any qualms if Fogo got one either. Fogo needs one just as bad as Twillingate needs one.

MR. TULK: There are only 5,000 people, 300 small boats, 16 million tons of fish a year landed.

MR. WARREN:

Mr. Speaker, it would seem that as soon as this side mentions anything at all that really hurts them, they get awfully upset. The member for Burin - Placentia West (Mr. Tobin) boy, he is awful touchy. It seems like he must have come into the Legislature by the backdoor somehow, and now he is upset because he knows he is going to get out just as fast as he came in.

Mr. Speaker, I want to address this resolution as much as possible and I would like to commend the member for St. Mary's - The Capes (Mr. Hearn). I believe the member for St. Mary's - The Capes, for half an hour, Mr. Speaker, tried to tell the hon. House that we need a viable fishery for rural Newfoundland.

Mr. Speaker, I believe that my colleague from Fogo (Mr. Tulk) believes that. The fishery is the mainstay of rural Newfoundland.

MR. WARREN: However, we cannot depend on the present Minister of Fisheries (Mr. Morgan). That is our problem in rural Newfoundland, that our present Minister of Fisheries has made such a shambles, has made such a complete shambles of the fishing industry; in fact he admitted that he is giving less money to the fishery this year than last year. So if the minister is really concerned about the development of the fishery, why is he giving less? Why is he giving less? I am wondering then, Mr. Speaker, and I am sure my colleague from Fogo (Mr. Tulk) is wondering too, maybe under this restraint programme now they will take back some of the boats that they gave to the fishermen. You know, maybe that is the way the minister is hoping to save some more money.

MR. TULK: No, what he will do is up the interest rates again so they cannot borrow. He will find some scheming way to (inaudible).

MR. WARREN: What did the minister do this Summer about over-the-side sales?

MR. TULK: He did a flip flop.

MR. WARREN: What did the minister do this Summer about over-the-side sales, Mr. Speaker? First he said, 'No, it cannot be.'

MR. TULK: That is right.

MR. WARREN: And when the union said, 'It is going to be, regardless of what the Minister of Fisheries said,' -

MR. TULK: Romeo.

MR. WARREN: - and when Romeo LeBlanc said, 'It is going to be, regardless of what the provincial Minister of Fisheries said,' -

MR. TULK: The next day he was a friend of the fishermen.

MR. WARREN: - the next day he came in and

MR. WARREN: he had a big press release saying the best thing that ever happened to Newfoundland was over-the-side sales. Now, that is what you call a -

MR. TULK: Steadfast policy.

MR. WARREN: - steadfast policy by the Minister of Fisheries. That is what you call a Minister of Fisheries who does not know what he is talking about. The Minister of Fisheries (Mr. Morgan) has no more idea -

MR. TULK: Brains.

MR. WARREN: - and probably brains too, yes, no more brains - and he just does not understand how a fishery operation works. He was with Highways for awhile and he messed up Highways.

MR. TULK: It has never been the same since.

MR. WARREN: That is right. He was in the Department of Highways and he messed it up so badly that they moved him. They moved him then to Forestry and the spruce budworm came fast and chased him out of that. Now he is into the Fishery and I would venture to say unless the Minister of Fisheries has something on the Premier that we do not know about -

MR. TULK: He must have.

MR. WARREN: - a minister who can go against the Public Tendering Act -

MR. TULK: Writing a judge.

MR. WARREN: - a minister who has written letters to a judge about an appointee -

MR. TULK: Ignored the Civil Service Commission.

MR. WARREN: - a minister who had challenged the Civil Service Commission and not put in the first person they selected -

MR. TULK: And is still in the Cabinet.

MR. WARREN: - such a minister is still in the Cabinet. What has the minister got on the Premier? He must have something on the Premier.



MR. WARREN: Maybe he is promising to make sure that the Premier has fish every day for his breakfast.

MR. TULK: He could not deliver that much.

MR. NEARY: He would not want to stink up Mount Scio House.

MR. WARREN: So, Mr. Speaker, you can see the kind of fisheries minister that we have in our Province, a minister who has been in three portfolios that I know of, and he messed up all three. He has gone against the Public Tendering Act, he has challenged the Public Service Commission, he has even challenged a judge's decision in court, tampered with the court, and, Mr. Speaker, here he is now trying to tell us, getting up and blowing off wind for twenty minutes, that he is concerned about the fishermen.

We have 131 fishermen who have been overpaid \$70,000 by the minister's department. Is the minister going to advise those fishermen that his department made a mistake, that they will not have to pay back that money because it was the department's mistake? Is the minister going to write a letter to each individual fisherman and say, Look, that \$385 that you owe to UIC, we will take care of that? No, Mr. Speaker, the minister will not admit that his department made the mistake which is causing hardship for 131 fishermen from Makkovik to Nain.

Mr. Speaker, that minister has to stand up and account for that \$47,000 those fishermen have to pay back to UIC.

MR. MORGAN: What about Revenue Canada?

MR. WARREN: Ah, ha! There is what happens! "What about Revenue Canada?" It was your officials who went in and showed the people how to do the books, it was not Revenue Canada. And it was your officials who went in

MR. WARREN: and said, Make sure you take out the 25 per cent deductions. It was your officials and not Revenue Canada's. So you can see, Mr. Speaker, that this is the aim of this minister, that when anything goes wrong, okay, we will blame it on Mr. Rompkey.

MR. WARREN: But I will assure the minister that Mr. Rompkey will not be responsible for 131 fishermen from Nain to Makkovik. The minister has been branded by the fishermen up there. The minister has been branded by every fisherman as a person who has let them down. And unless the minister can come into this House -

MR. MORGAN: You will next year if we close the plants up there.

MR. WARREN: Oh! Okay. It is on record now, is it?

MR. NEARY: Is that a threat?

MR. WARREN: So you are going to close the plants down, are you? Oh, fine. So we shall advise them. They will be advised. The people will be advised that the minister said on November 10 that he plans to close down the two fish plants in Nain and Makkovik. I will advise the fishermen accordingly.

Well, Mr. Speaker, the minister is so concerned that he can let \$47,000 just pass over. He said, 'What is it?' He says, 'It is only a fishermen who made \$3,000 or \$4,000 last year, so why bother them'. I can understand, Mr. Speaker, the concern of the member for St. Mary's-The Capes (Mr. Hearn). He is concerned about the fishermen as well as I am. But the Minister of Fisheries (Mr. Morgan) is not.

MR. MORGAN: He will get his plant opened in Trepassey.

MR. WARREN: That is right, Mr. Speaker. I only wish, Mr. Speaker, the minister would have some respect -

MR. TULK: A very sincere individual.

MR. WARREN: - and be a little bit sincere.

MR. WARREN: I am just wondering also, Mr. Speaker, has the minister sent his telegram off to the Appeal Board saying that he or his officials would appear on behalf of those fishermen about having to repay the overpayment? Has the minister? No. There is no telegram.

MR. MORGAN: I hate to remind you of the (inaudible).

MR. WARREN: I was never manager of a fish plant in my life.

SOME HON. MEMBERS: Oh, oh!

MR. MORGAN: Sure you were.

MR. NEARY: No, he was not.

MR. WARREN: I was never manager of a fish plant. Never, never, never! And I will tell you this I was never manager of a beer tavern in my life either, and I never owned a television station in my life either.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Russell): Order, please!

MR. WARREN: So, Mr. Speaker, if the minister wants to hear an innuendo -

MR. SPEAKER: Order, please!

The Chair has some difficulty following one speech at a time, let alone five or six.

MR. WARREN: There you go, Mr. Speaker.

Thank you.

So, Mr. Speaker, if the minister can manage the Department of Fisheries half as good as he is trying to manage a television station, maybe

MR. G. WARREN:

the fisherman of this Province will be better off. The minister is more concerned, Mr. Speaker, about a television station, he is more concerned about a club, a beer tavern down in Bonavista somewhere. Mr. Speaker, those are his concerns, not the fisherman of this Province. So, Mr. Speaker, I suggest that the minister should speak up on behalf of the fisherman and try to help those fisherman that his department, Mr. Speaker, has caused hardship to. Try to help the Andersons in Makkovik pay back \$1,300. Try to help the Adlatoks in Nain to pay back \$400. Mr. Speaker, that is what the minister should be doing instead of trying to downgrade the federal government. The minister should be more concerned about the fishermen of this Province.

Thank you very much.

MR. H. ANDREWS:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. the Minister of Environment.

MR. ANDREWS:

Thank you, Mr. Speaker.

I do not know where I should start here, either by condemning the federal government or condemning the member for St. Mary's - The Capes. I think I will start with him for bringing in this resolution:

'BE IT THEREFORE RESOLVED that this Government request the Federal Government to adopt a much more reasonable stand as it relates to this matter.' And that is the matter of the inshore fisheries. With all due respect to my colleague, I would have made a lot stronger statement than that. However, be that as it may, it is true. It is true that the federal government has not taken a reasonable position on the whole matter of fisheries development, control and management. To refer to the hon. gentleman who just spoke, I would like to correct some of the

MR. H. ANDREWS: things that he talked about, the budget of the provincial Department of Fisheries. There is one little thing that you should add on to that figure that you mentioned and that is the little figure of some \$29 million to \$30 million that was loaned out to fish companies and fish plants.

MR. NEARY: They have not got it yet.

MR. ANDREWS: Twenty-two fish companies and fish plants in Newfoundland in the past twelve months, I imagine.

MR. MORGAN: In less than a year.

MR. ANDREWS: In less than a year. That is a considerable sum and that is money that came from the provincial Department of Fisheries, not the federal government. The federal government has assisted two fish companies in this Province and we know where they are.

MR. NEARY: You cannot name the companies.

MR. ANDREWS: I cannot?

MR. NEARY: No, you cannot. Because they have not got it.

MR. MORGAN: You are just wasting your time on him, Hal.

MR. ANDREWS: Wasting my time! I can tell you I only have two fish plants in the district of Burgeo - Bay d'Espoir, and the two of those were assisted - that is 100 per cent - \$3 million to Ramea, several million to Burgeo.

MR. NEARY: Are you sure they got it?

MR. ANDREWS: Oh, yes.

MR. TULK: Are you sure?

MR. ANDREWS: Oh, yes, We are sure. As a matter of fact, the fish plant in Burgeo is probably the best example of assistance by the provincial government this year with 500 people working there now full-time, lots of overtime, and lots of fish.

MR. NEARY: That is why Ramea was shut down, is it?

MR. ANDREWS: I am talking about Burgeo, Sir.

MR. MORGAN: T.J. Hardy is bankrupt.

MR. ANDREWS: Ramea was loaned \$3 million.

POWER INTERRUPTION

MR. SPEAKER: Order, please!

The hon. Minister of the Environment may continue.

MR. ANDREWS: Thank you, Mr. Speaker. I did not know I was such a powerful speaker to be able to blow the lights in Confederation Building.

That money that has been loaned to I think about twenty-two, a couple of dozen fish plants in Newfoundland, as the Minister of Fisheries (Mr. Morgan) just said, created 4,000 to 5,000 jobs for Newfoundlanders, fishermen and plant workers, over the past year or so.

MR. NEARY: Name the plants.

MR. ANDREWS: You do not need to name the plants. It has been tabled here in this House many times, certainly at least once.

MR. NEARY: You have to back it up.

MR. ANDREWS:

Mr. Speaker, while the Government of Newfoundland was in the process of investing this money and loaning this money to the fishing industry in Newfoundland, the federal government made its own move too, one which we all believed and hoped would be very beneficial to the fishing industry, and that was the employment the Kirby Task Force.

As the weeks and months have gone on I am sort of coming to the conclusion that task force is nothing but a snow job. They have not recommended, they are stalling. They will not put their money where their mouth should be, or the money where there should be their mouth, or whatever. I do not know. We do know that the fishing industry in Newfoundland needs a lot of money, figures of \$75 million to \$100 million are tossed about and that is probably the case. We put up \$30 million this year, that is in Atlantic Canada. The fish companies in Newfoundland today that are closed now, and some that are still open, are in desperate financial shape and they need this money desperately. Not only that, the timing is very, very critical for the task force to bring down its decision because the fishing plan for 1983 has to be announced and the companies are going to be very hard put to put their own plans into action for the 1982 fishing season. And until they know that, and until they know how much money they are going to have to operate and what working capital they will have, I can see a lot more chaos in 1983 in the fishery.

There does not seem to be any hint coming out of Ottawa at all as to what they are going to do to assist the fishery. We all saw Mr. LaLonde on TV there a couple of weeks ago talking about the economy. He



MR. ANDREWS:

talked about all aspects of the economy, the farmers, the problems with mining, with forestry and all those things, but not one reference to the fishery, not one, not even a passing reference. Where and what is the federal government going to do? We have done our share. We have done, I think, more than our share to help this desperate situation along all coasts in Newfoundland.

MR. NEARY: You are presiding over the death of the fishery.

MR. ANDREWS: The federal government policy is stifling the fishery in another way, too. This so-called FIRA agency has put the fear of God in foreign investors who would be willing to come into this country. I know personally myself of people overseas who would put money in the fishery in Newfoundland, and probably in other places in Eastern Canada, but they are not coming near Canada or they are not coming near the Newfoundland fishery when you have an outfit in Ottawa that can change the rules in mid-stream and, not only that, but change them retroactively -

MR. NEARY: Name the company.

MR. ANDREWS: - change the rules retroactively like they did with the energy programme, and you saw dozens and hundreds of oil rigs crossing the border heading down South to drill in Texas again.

MR. NEARY: Name the company. Do not make statements unless you can back them up.

MR. ANDREWS: Mr. Speaker, the foreign allocations, of course, have been referred to by a couple of speakers on this side, and this is probably one of the greatest insults to the Newfoundland intelligence I have ever seen in my life. Now, as the Minister of Fisheries (Mr. Morgan) informs us, the new minister is going to permit even greater allocations to foreign countries while we cannot sell our fish and our fishermen do not have access to fish. Plants right now could use a lot of that fish and this time

MR. ANDREWS:

next year they will be in the

same boat again.

I would just like to reflect a little bit on this whole problem of the inshore fishery versus the trawler fleet and so on. Without getting into too much detail, there is room for both, we have to have both, but I am very encouraged by some of the things I see our own provincial Department of Fisheries doing. In particular, I know it is only a start, but I believe the future is in this line of thinking and in this type of vessel and that is the new auto-liner that is here now from Scotland. It is a million dollar job, a middle distance boat that should be able to extend the seas hopefully out to fifty or sixty miles, one hundred miles, maybe all year-round. They do it in other countries and I do not see why it could not work here.

I think these vessels have the capability of catching good quality fish and a lot of fish. I think more important than that, or equally as important, is the fact that that the modern stern draggers are so expensive to build and to operate. Even the fuel costs are huge huge dragging that massive amount of equipment over the ocean bottom.

MR. ANDREWS: There has been some interesting figures worked on that by the federal fisheries people and it is surprising the amount of the cost of catching the fish just goes into fuel. And hook and line fishing, gill net fishing is a passive fishery that uses a lot less fuel and, not only that, produces a much better quality of fish. So I would encourage the Minister of Fisheries (Mr. Morgan) to keep thinking along those lines and I think that that can apply to all coasts in Newfoundland. And I would like to see the vessel move around the coast, the Coast of Labrador even, and see how it can work in other parts and let our fishermen become familiar with that type of fishing.

Mr. Speaker, in closing I support this motion from the newly elected member from St. Mary's- The Capes. It is a very big issue. It is a very big problem. We are doing our best. We have gone overboard, I think, as a provincial government in 1982 to help relieve the hardships of the fishing industry but I think now we must insist that the federal government come and help the other Canadians who live on this side of the gulf.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (RUSSELL): The hon. member for Carbonear.

SOME HON. MEMBERS: Hear, hear!

MR. PEACH: Mr. Speaker, I have to stand in support of my colleague from St. Mary's-The Capes (Mr. Hearn). Coming from a rural part of the Province which has a fishery problem for sure it is difficult for one to sit in one's seat, particularly listening to some of the comments from the opposite side with regard to the

MR. PEACH: provincial government's stand on our Newfoundland fishery and with regard to the federal government policy.

First of all, Mr. Speaker, I would like to commend my colleague from St. Mary's-The Capes (Mr. Hearn) on his excellent presentation, the excellent way in which he put forth his views on a very important aspect of our economy. We looked, Mr. Speaker, at the resolution, particularly the first part, which begins: "Whereas the development of the inshore fishery is the only realistic way of solving rural Newfoundland's unemployment problems". I am sure that we all agree that when we look at rural Newfoundland our employment revolves around our fishery. You take any small community, we know that the thing they depend on the renewable resource we have, our fishery. In any small rural Newfoundland community when a fish plant closes or a fish plant is not operating at top, peak production

MR. PEACH: the place is literally dead, there is very little money in circulation, the whole economy is affected, stores are not operating in the way that they normally do, service clubs, you can even get down to Bingos and the like.

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

MR. SPEAKER (Aylward): A point of order again, the hon. member for Port au Port.

MR. HODDER: There is no quorum in the House, Mr. Speaker.

MR. SPEAKER: A quorum call.

MR. NEARY: The hon. members will not even listen to you , boy.

MR. SPEAKER: Order, please!  
Call in the members.  
Order, please! I will ask the Clerk to count the members.

We have a quorum.

The hon. member for Carbonear.

MR. PEACH: Thank you, Mr. Speaker.

To look at the Newfoundland fishery, with regard to the rural part I am sure that it is almost impossible to say that it does not form the main part of our life in rural Newfoundland.

When we look at the second part of the resolution presented by the member for St. Mary's-The Capes (Mr. Hearn), 'Whereas the federal government policy on the inshore fishery is detrimental to this effect, especially as it relates to the harvesting of the Northern cod stock,'

MR. PEACH: I am amazed to sit here and listen to some hon. members opposite trying to squirm and get around this aspect of the federal government's role in our Newfoundland fishery, and try to focus in on the provincial government's role as it relates to our fishery. It seems as though they have turned deaf ears to the main part of our fishery. And if some of the hon. members opposite today have been zeroing in on the processing part of our fishery, they do not seem to be able to see any further than that part.

But, Mr. Speaker, what can we process if we do not have the stocks, if our stocks are given away? There is no point in us looking at our processing aspect if we have nothing to process.

And, Mr. Speaker, it is only this past year that I had the opportunity to be a part of a group who expressed some great concern over the state of our fishery. The Joint Mayors Committee of Conception Bay North, of what I was a part, had met for a number of months last year and expressed and thought out many of the aspects of our inshore fishery, particularly as it relates to the fish plants in the communities in our area. Late last Summer we met with the fish companies in the Conception and Trinity Bay areas; we met with Earle's Fisheries, Carbonear; Quinlan's, Bay de Verde; Ocean Harvesters at Harbour Grace and Old Perlican, and P. Janes and Sons of Hant's Harbour, and, Mr. Speaker, after lengthy meetings with those people, looking at the real concerns of rural Newfoundland, the message was very clear that these fish companies were greatly concerned about having a very little supply of fish in the off season.

MR. PEACH:

If we look at any of those plants we realize that once the immediate inshore fishery is over they literally have to close, which puts many people out of work.

MR. M. PEACH:

I can take the Earle Fisheries Plant in particular in the Carbonear area. In the town of Carbonear itself we are talking about 700 people employed at peak season. And when that operation is affected, and at this time of the year right now except for the salt fish that they are processing there they are pretty well closed down. And we learned, Mr. Speaker, that these companies over the past five or six years have fought hard to have additional access to Northern cod, in the off season in particular. I guess through the efforts of our provincial government, the last couple of years they have been fortunate enough to get some supply from foreign trawlers that came into Harbour Grace and distributed fish throughout the Trinity - Conception area, and that in itself was a big boost to the economic aspect of it. But it seems as though all of the attempts that these companies have made over the years with our federal counterpart in Ottawa and the various fishery ministers that have held portfolios over the years, that the answer has come back loud and clear, 'No, we do not give you any more access to Northern cod.' And as was mentioned prior to my speaking, we are going to get even less. Our new minister seems to think that we have too much now and we are going to get less. And to follow up from that same thing, Mr. Speaker, after meeting with the fish companies we met with our provincial Minister of Fisheries (Mr. J. Morgan). I must say we had excellent co-operation from his department, from his officials in sitting down with them and trying to resolve some of the very great concerns of the fish companies, of the people in the area, and again we look mainly at the employment aspect. And to follow up from that, Mr. Speaker, we continued to go on and we asked by telephone, I think, and by telegram on a



November 10, 1982

Tape No. 2179

MJ - 2

MR. M. PEACH:                    couple of occasions to meet with  
our federal Minister of Fisheries and that  
meeting never came about and I am doubtful if it will now  
with our new Minister of Fisheries (Mr. DeBane) in there.  
So, we have gone through well over a year, Mr. Speaker,  
attempting to meet with our federal Department of Fisheries  
to see if there was some way our local fish companies in  
Trinity and Conception Bay could have access to an additional  
supply of fish so that our plants could operate and that  
they could process during \_\_\_\_\_

MR. PEACH:

the off season, but as I said earlier we have got a negative response and we are again faced now with many of those plants which if not already closed, will be closed in the next few weeks or operating at such a capacity that the unemployment rate will be very high in the area.

So, Mr. Speaker, when we look at the last part of the resolution as presented, "BE IT THEREFORE RESOLVED that this government requests the federal government to adopt a much more reasonable stand as it relates to this matter." I am not sure, Mr. Speaker, if our federal people quite understand what a reasonable stand is. I am sure we only have to look around and listen to our federal people in Ottawa. We do not hear from our Mr. Rooneys and Mr. Simmons, they seem to be quiet. They do not seem to be too concerned with what happens to our Newfoundland fishery. They probably seem like they have been removed from it altogether. It was only yesterday, Mr. Speaker, that I recall hearing one of our federal ministers, Mr. Axworthy- and the name 'axe' I am sure is very appropriate -

MR. NEARY: He gave the Province \$27 million.

MR. PEACH: - who came out, Mr. Speaker, yesterday and I recall noticing in an interview when he was quite concerned in condemning our federal member for St. John's West (Mr. Crosbie) who apparently upset him by expressing some concern over the lack of funding that had been put into fishery projects in his district. Mr. Axworthy commented that he did not feel that St. John's West was a fishing related area. I think that goes to show his knowledge of our Province, his knowledge of St. John's West. I am sure if he had come and spoken to my colleague from St. Mary's- The Capes (Mr. Hearn) he could have gotten a lot of information

November 10, 1982

Tape 2180

NM - 2

MR. PEACH: on what St. John's West has  
with regard to the fishery.

MR. CALLAN: Bellevue as well.

MR. PEACH: Yes, we could even take the  
Bellevue district. I am sure, Mr. Speaker, that that must  
be one of the big fishing districts.

SOME HON. MEMBERS: Oh, oh!

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

MR. PEACH: Mr. Speaker, that must be one of  
the new jokes of today when we have a federal minister making  
a comment such as that. Mr. Speaker, there is no doubt that  
we all

MR. PEACH:

should commend the member from St. Mary's - The Capes (Mr. Hearn) for presenting such a resolution to this House, and we should feel that our friends in Opposition should take it more seriously and should support this resolution so that we will, hopefully, in the not-too-distant future, resolve some of the fishery related problems that affect all of our Province. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Question. Question.

MR. SPEAKER (Aylward): Are there other speakers?

MR. MARSHALL: Mr. Speaker, is somebody else in the Opposition going to speak? I am rising on a point of order by way of explanation now. I mean, we have put up two speakers and I hoped the hon. gentlemen - do you wish to speak any more on it?

MR. TULK: No, boy, put the question.

PREMIER PECKFORD: I would like to have something to say on it.

MR. MARSHALL: Yes, certainly. I want to as well later on. The hon. member can have a few and -

PREMIER PECKFORD: Mr. Speaker.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Okay. Mr. Speaker, I thought that somebody from the Opposition would want to speak. I did not want to dominate the process here. Because with our large majority here, we do not want to just have two or three from this side and none from the other side, we want to be fair and democratic about it.

SOME HON. MEMBERS: Oh, oh!

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

Before the Premier starts, may I interrupt for one moment.

MR. SPEAKER (Aylward): I am delighted to welcome to our galleries today, Mr. Kelly, Mr. Anstey and Mr. Fudge, who are members of the Papermakers' Union in Corner Brook.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Yes, Mr. Speaker, I think these are some of the group from the West part of the Province who wanted to come in and just have a meeting with some of our ministers.

MR. NEARY: He does not even know where they are from.

PREMIER PECKFORD: Mr. Speaker, I will just ignore the ignorance that is being displayed by the hon. member opposite.

I want to address myself to the resolution presented so ably by the new member for St. Mary's - The Capes:

WHEREAS the development of the inshore fishery is the only realistic way of solving rural Newfoundland's unemployment problems; and

WHEREAS the federal government policy on the inshore fishery is detrimental to this effect, especially as it relates to the harvesting of the northern cod stock;

BE IT THEREFORE RESOLVED that this Government request the Federal Government to adopt a much more reasonable stand as it relates to this matter.

Now, Mr. Speaker, a number of commentators who consider themselves experts in the fishery over the past two or three or four years have from time to time to time in their discussion of the fishery of Newfoundland, and especially the inshore fishery, accused me personally and accused this government, in its policy on the fishery, of being somehow romantic and somehow putting our heads in the sand because we have opposed the approach that the federal government has taken for the

PREMIER PECKFORD:

allocation of the Northern cod stocks because we have indicated that we are not necessarily in agreement with the concept which says, 'Too many fishermen chasing too few fish', that we are not necessarily in concert with the federal policy on licencing, we are not in concert with the way the federal government has managed the Grand Banks nor the Gulf stock. And I think it is important to put this whole matter in perspective, as some speakers on this side of the House have already done this afternoon.

Now, Mr. Speaker, very often, and I guess we had it in the last couple of years, when the Royal Commission on the Inshore Fishery was sitting - I am trying to determine, in the first instance, whether the fish companies could pay more for fish in that year, and then began to look at some of the viability of the processing sector inshore, and started to look at the marketing and the management of the fishing industry - one of the important things that they found out, even in the midst - at that time the interest rates were going up, a lot of the companies had high inventories in the Boston market. One of the things that they found out, that at the same time as many of the Canadian companies had high inventories in the Boston area, at the same time the Scandinavians, especially the fish companies, the fish people from Iceland, were selling the same fish in the United States markets twenty cents a pound more expensive, for twenty cents a pound more. At the same time as we were, as Canadians, complaining about the high inventories which we had to finance with high interest rates from the banks, we had another country down in that same market selling that same fish

PREMIER PECKFORD: for twenty cents a pound more.

So when we start looking at the fishing industry I think we are going to have, as the Minister of Fisheries (Mr. Morgan) has already indicated, we are going to have to look at the whole range of the fishing industry. And the first thing that strikes me about the fishing industry, and especially the inshore fishery, which this resolution addresses itself to, is that if you do not have the stock of fish you cannot develop the fishing industry. If you do not have the trees you cannot have a paper mill, if you do not have the iron ore you cannot have a pelletizing plant and so on.

So the first thing you have got to go back to first principles and talk about your basic resource and how that basic resource is managed, that is assuming that you live in a real world of markets and people wanting that product. I do not think there is any question, Mr. Speaker, that the world needs protein and the world needs fish and the world needs fish products. But that comes later in the process, that comes later in the cycle, that comes later in talking about the development of a society based upon the resource. So we have to go back to basics and the fundamentals and we have to talk about the resource. And that is what this resolution tries to address itself to, to the resource. And in this case, in talking about the inshore fishery, you are

PREMIER PECKFORD:

talking about the Northern cod stock. Now you are also talking about herring, you are also talking about mackerel, you are also talking about lobster, you are also talking about salmon, you are also talking about crab along the East Northeast coast and Labrador coasts. But a lot of the communities and a lot of the fishermen are into the ground fish, are into turbot and into cod more than they are the rest. But in recent years - and I think it is significant to note - in recent years a lot of the fishermen have been able to, between the ground fish, the cod and the turbot, supplementing it with licences that they may have from salmon and lobster or mackerel and herring and sometimes crab, have been able to make a fair living in rural Newfoundland prosecuting the inshore fishery with those other fisheries as they come and go in the Spring and Fall and Winter of the year. But we are talking mainly about the significant fish stock, the Northern cod stock.

What we said three or four years ago, Mr. Speaker, still applies now. You have got to - and this is the great danger that we face, when the federal government began their split on the Northern cod stock, and when they started talking three or four years ago about bringing in freezer trawlers and attacking the Northern cod stock, when they talked about taking some of that fish and giving it to Nova Scotia, that is when we threw up the red flag and said, 'Well, just one second now. Just hold on one second'. If we are going to look - and we have got to make a basic, fundamental decision. And I am afraid that a lot of people in Newfoundland and in Canada have been playing around with this for too long. We have got to make a basic, fundamental decision. The Liberal administration and Mr. Smallwood made a basic,



PREMIER PECKFORD: fundamental decision when we have Mr. Sametz and a couple of more outsiders, VanEss and a few more who came in from outside to tell us how we were supposed to grow and prosper in Newfoundland. They had made a fundamental decision that there had to be a greater concentration of population. And in saying that what they were really doing was diminishing the role that the fishery was going to play in rural parts of the Province and make possible, make more possible, more conducive, a trawler fishery and an attack offshore on the Northern Cod. That is the approach they took.

So you have got to go back, Mr. -

MR. NEARY: That is what you say.

PREMIER PECKFORD: I have read their stuff, and I remember them well.

MR. NEARY: You read their stuff and interpreted it your own way.

PREMIER PECKFORD: No, well a lot of other people have. A lot of other experts in the field have.

Now, Mr. Speaker, you have got to go back and you have got to ask yourself this question. Now, as I say, Mr. Smallwood, and the Leader of the Opposition (Mr. Neary) now, and a few more have to ask themselves this question - the former member for Twillingate was the minister at the time, as a matter of fact - you have to ask yourself this fundamental question, "Do you want a place like Fogo Island to remain a viable place? Is it within our long-term programme to have a Fogo Island? Is it within our long-term programme? Are we committed to having a Conche? Are we committed to having a LaScie? Are we committed to having a lot of these small places, a Seal Cove or a Wild Cove? Are we committed to have a Fleur de Lys and a Coachman's Cove? Are we committed to have a Croque? Are we committed to have a

PREMIER PECKFORD:

St. Anthony or Nain or whatever.

And once you have answered that basic question in the affirmative, then it follows naturally from that that they must have a way to keep themselves alive, they must have some way to make a living. And, of course, that way to make a living is through the inshore fishery. And when you say that you are going to put a preference on the inshore fishery you are saying, whether you like it or not, and then everybody has to go along from there with it and pursue it, you have to say that you better protect to the best of your ability as a government, you better protect the resource on which that policy decision was made, you had better protect the resource that is going to give those people that livelihood. And you have to be very careful, because that is a long-term policy objective that you have made, a fundamental basic decision that you have made that Newfoundland is not going to be a society of five or ten or fifteen urban communities. Newfoundland is not going to be a society of five or ten or fifteen or twenty or twenty-five or thirty urban communities, it is going to continue for all time, or as far as you can see to make any kind of policy for the next three or four or five generations. I will go further than that, you will be saying it for that time that that is there. So, therefore, you have to then go from that fundamental decision to saying, okay, then, that society, those communities must have a basic living standard. And that living standard can only come from the fishery and from a fishery which has been defined or is being defined as the inshore fishery. Once you do that then you have to protect that resource, you have to manage that resource the same way as you have to manage the forestry to make sure it is always renewable or to manage any other resource to its ultimate renewable permanent level. And the big danger that we face today is that there are a lot of people in

PREMIER PECKFORD: Newfoundland, I think many of them well intentioned, who believe that you can continue to erode a very valuable resource called the Northern cod stock, trade some of it off to Europeans, trade some of it off to other Canadians while that whole area along the Labrador Northeastern Coast goes without that resource. And once that starts, and it started two or three years ago, there will continue to be that gradual

PREMIER PECKFORD:

erosion. And, Mr. Speaker, when you are small - forget about the offshore and forget about it all - when you are small like we are, and when you have Nova Scotia, when you have New Brunswick and Prince Edward Island and Quebec all interested in continuing a fishery of some kind and have a fishing industry of some level, number one, and when you have a federal government that is involved in trade matters in Europe where Europe is now starving for more fish - they get a fair amount from the North Sea - then once you begin to break away from saying that that resource which is nearest to those people must go to those people first and uplift their standard of living, once you break that you are on a treadmill, a very dangerous treadmill. You are on a slippery slope that will lead eventually, because the power is not there in those communities, because the power is not there in the provincial government, economically or politically, to stop it. And we have witnessed over the last three years the beginning of an erosion to that basic resource which is fundamental for the continuation of a policy which says that there is going to be a rural Newfoundland and there is going to be a Fogo Island and there is going to be ongoing developments and social infrastructure put into these communities along the Northeast coast, Labrador coast and East coast. So, you are into a dangerous - and then when you add to that what the Minister of Environment (Mr. H. Andrews) said which is, and which NORDCO, by the way, in a study did a couple of years ago in examining the Northern cod stock and asked for more study, 'That we have to look at this midwater approach.' This midwater approach would complement and enhance the inshore fishery. It would help the inshore fishery and not hinder it. It would provide it with an additional technology.

PREMIER PECKFORD: One of the problems I found, Mr. Speaker, in talking to people in Ottawa and the Prime Minister, who, by the way, laughed at me when I said that our long-term interests were in fish and trees. He laughed at me and scoffed at me for saying it. But not only the Prime Minister, a lot of people. What they do not seem to understand is when they talk about high technology - you hear them talking about high technology and getting into the chips and the micro-computers and all the rest of it, which is fine and dandy and has to happen, it must happen. You can also apply high technology to the fishing industry. You can also apply high technology to the inshore fishermen. I get the feeling sometimes, when I listen to the people in the fishing industry, both the industry and the union and others who think they know something about it, that somehow offshore means modern and inshore means unmodern, somehow that offshore is modern and technologically advanced inshore is old and obsolete and antiquated. Now, whether it is or whether it is not, the fact of the matter is you can have a highly technologically

PREMIER PECKFORD:

developed inshore fishery which can produce quality, which can produce efficiently, and we have to destroy the myth that somehow or another the inshore fishery, by definition, is somehow less technologically capable than is the offshore fishery. And I reject that, I reject that out of hand.

I think there have been a lot of people around who would like to stand up and say you can have an inshore fishery which is just as technologically advanced as is the micro-chip, but they are afraid to. I think some of them are afraid to because you are going to be labelled then as being some kind of a romantic, or living in some other world.

We have to make an intellectual attitudinal breakthrough that you can have - Iceland has proven it, other places have proven it - a technologically advanced inshore fishery without moving one soul out of one community in Newfoundland today. And it can work forever and ever and ever, and at the same time you can develop and bring to those communities where they are working and paying their taxes a social infrastructure which is at a level and at a quality which is just as good in its way as the social infrastructure of Hamilton, Ontario, or Oshawa, or Calgary, or St. John's or anywhere else, and very often better.

I have often told the story, it is in one of the books, not by a columnist that I necessarily adhere to, by the way, but Mr. Galbraith, in one of his early books, back in the early sixties, made the comment that in his travels around the world he went to try to find the happiest people. He decided he would try it on his own, how he felt by looking at different societies around the world. And he did not find it in New York, or in Miami, he found it in Northern Burma -

November 10, 1982, Tape 2186, Page 2 -- apb

PREMIER PECKFORD:                   that is where Galbraith  
came down - a tribe of people, or a group of people  
who were in Northern Burma, in the hills of Northern  
Burma. And

PREMIER PECKFORD:

that is where he said, the happiest people were he ever saw or he ever found. So, you know, it does not necessarily follow that you are going to find the happiest people. Anyway, Mr. Speaker, my point is that when we talk about the fishery or when we talk about any economic enterprise, you have got to go back to the fundamentals of, if you are going to get involved in a fishery you have got to manage that fish, if you are going to get involved in forestry you have got to manage those trees. Now, after saying that and managing it properly so it is not attacked by foreigners, so it is not traded away for something else, then you begin to build the infrastructure to process and catch that fish. Then you build the structure which will market and ensure you get a good quality for that fish. That is when you get into that. Do not put the cart before the horse and start talking about a problem, a business practice problem or talking about a marketing problem somewhere in the world.

MR. TULK:

What a dreamer!

PREMIER PECKFORD:

That is no dream. You go back and you manage your resource properly and then you build your resource, that you know you are always going to have, upon what the circumstances are in the world. That is the way you have got to go about it. What we are doing is we are doing it all topsy-turvy. One day we are doing it the way I am advocating it, the next day you are doing it another way. And that is just not going to work.

But you can have a technologically advanced inshore fishery, a modern industry called the inshore fishery based upon your basic fish stock of cod and turbot, complemented and enhanced by your herring and your mackerel and your lobster and your salmon in the various bays along the Northeast coast, and crab where the crab resource is. And you can have a very, very sophisticated



PREMIER PECKFORD:

economic activity occurring in the bays and in the coves of Newfoundland without moving one single person. And so it goes back to managing the resource. Then as you manage the resource and you know you are going to have it for all time for all intents and purposes, you start to build on that what you need, given the market situation.

And the other problem we have had - and I do not have very much time left - the other problem we have had in Newfoundland, and we see it again today, is very, very poor management in the fishery, very, very poor management. And we have not had the quality to our fish that we need. And they must be addressed after you know you are going to have something to make quality about, after you know you are going to have something to market. But I do not think we should get carried away with the momentary ups and downs and cycles in the North American economy to disappoint us and to discourage

PREMIER PECKFORD:

us from having that kind of basic philosophy first and then moving on. That will improve, or otherwise we will all go up in smoke and nobody will do anything. But let us start from the mental principles first, know we have the resource and then start managing it and not shirk in our allegiance to that concept, not one day, "Yes, we will give him 10,000 tons," and, "Oh, no, I do not think we will do it this year." And I hope that, Mr. Speaker, when we are talking about the Northern cod resource, that resource, that we do not see further attacks on that Northern cod resource. We alarmed everybody, I was in Nova Scotia on television two or three years ago talking about it. 'What are you talking about? Sure they only want a couple of thousand. What do you mean, you are going to be selfish to your fellow Canadians? You are not going to give it to them? They only want 2,000 tons. Sure that is nothing.

"Yes", I say, "I am not against the 2,000 tons. I am just worrying about next year, it might be 4, and the next year it might be 10." Where does it go from Nova Scotia, Mr. Speaker? Do we find Northern cod in New Brunswick next year, or the next year, or the next year, and then PEI, or in Quebec? Or when do we start bringing Northern not only into West Germany but down into the Caribbean or into other parts of Europe for some trade deal that was done with Canada? That is the danger. And when you have got to always be uncertain about what kind of a resource you are going to deal with, it is pretty hard to build a structure on top of something that is a moving target. And that is the problem we have on the inshore fishery, and that has to be solved, and why this resolution is so important.

I am glad that the member for St. Mary's-The Capes (Mr. Hearn) put this resolution on the Order Paper for this Private Members Day, "BE IT THEREFORE RESOLVED that this government requests

PREMIER PECKFORD: the federal government to adopt a much more reasonable stand as it relates to this matter of the Northern cod. And until they do, and unless they do, there will always be turbulence, uncertainty. And in a climate or atmosphere of uncertainty you are not going to get the investors, you are not going to get the people to stay so that you will have that vibrant inshore fishery which was so vital to our past, and more vital, in my view, to the long-term future of this Province.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Aylward): The hon. member for Stephenville.

MR. STAGG: Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. STAGG: Now, I was away earlier in the day, I did not hear all of the remarks made by earlier speakers, but I will not be reluctant to say a few partisan remarks on this subject. I am trying to think of a better way of saying it but partisan is the word that springs to my lips. And I just want to go back to the brief interregnum between May 1979 and February 1980 when the members opposite, there were 18 of them at that time, and they were calling on the federal government, the Federal Minister of Fisheries, to

MR. STAGG: do more things for the fishery of the Province, get the small craft harbours built and do things that ordinarily were coming from this side of the House when the Liberals were in power in Ottawa for the years before. And I can remember various fishing projects in the Bay St. George and Port au Port area. The Opposition members on the West Coast, there are only a few of them, Mr. Speaker -

SOME HON. MEMBERS: Oh, oh!

MR. STAGG: I must be starting to hit through again, Mr. Speaker, I can hear the din, d-i-n, on the other side rising to some sort of a crescendo. But that was all you could hear from them, what is importunings of the federal government, the federal PC government to do things for the fishery. And then suddenly the reincarnation of Mr. Trudeau and his crowd in February, 1980, and suddenly all of the things that the bureaucrats were doing that were all wrong, they are now suddenly all right.

MR. TULK: Partisan remarks.

MR. STAGG: Yes, partisan remarks. This is a partisan forum and I am a partisan person and I suggest that hon. members opposite have been extremely partisan in their attention to the fishery in this Province. And they have agreed with - silence is acquiescence. Hon. members opposite, they do not read what is being said so silence is acquiescence. They have not spoken out against the raping of the Northern cod stocks and it is giving to the foreigners, and giving to other parts of Canada. That is all right, my friend, Romeo is doing it and Romeo is a great fellow, he is a friend of the fishermen. But where is Romeo now? Romeo, Romeo, where forth art thou, Romeo. Where is Romeo? Romeo is in External Affairs now, I believe. Is that where he is - External Affairs?

AN HON. MEMBER: No, he is Public Works.

MR. STAGG: Public Works. Oh, that is right. I had even forgotten where he had gone. He is in Public Works.

MR. STAGG: So that is where he went, that is where he went this great friend of members opposite, he is now in Public Works. And the great Mr. Kirby who, by the way, was the gentleman who put together the paper to undermine the Premiers at the Constitutional Conference. Do you remember that paper that was leaked to the press? Well, Mr. Kirby was the architect of that, he was the great brain behind it. Now, Mr. Kirby was brought in to save -

AN HON. MEMBER: He is close to Brian Tobin.

MR. STAGG: Yes, close to Brian Tobin. Yes, I would not doubt. He probably took some lessons from him.

Mr. Kirby was brought in, he was going to be the saviour of the fishery in the same way now that Mr. McDonald is being brought in; he is going to be the saviour of the economy. It is the Liberal method, Mr. Speaker, it is the Liberal method of attacking problems, you study it, you put somebody in there who has a certain profile in the country and they mess around with it for a while. Where is Mr. Kirby going? Mr. Kirby is going to CN.

AN HON. MEMBER: He is gone.

MR. STAGG: He is gone to CN now, is he? And the Kirby Task Force is gone.

MR. STAGG: So I would like for hon. members opposite who were part of the symphony of sycophancy last week, the sycophants who went to Ottawa last week -

AN HON. MEMBER: What did you say?

MR. STAGG: Sycophant, you should look it up.

MR. HISCOCK: Sycophant?

MR. STAGG: Yes.

MR. HISCOCK: p-h-o-n-t.

MR. STAGG: Well, 'p-h-o-n-t', yes. And you pronounce France with an 'o' too, I guess, do you? There are a few other gentlemen around like you.

They went to Ottawa last week and their hands are galled -

AN HON. MEMBER: And they have galled knees.

MR. STAGG: A couple of them, their knees are galled too, yes. One fellow, I shook hands with him in Deer Lake on Sunday night and his hand was bleeding, he had been clapping so much in Ottawa at all of the wonderful things and the bowing and scraping to the leader.

SOME HON. MEMBERS: Oh, oh!

MR. STAGG: They should spend some time talking about the real issues of this Province. This is a real issue, gentlemen. You know, you started off in 1975. Most of you are 1975 vintage over there. There are very few hon. members who are pre-1975. They started off in 1975 with approximately twenty members and then they went down to eighteen. Not too bad in 1979, and in 1982, down to eight.

MR. TULK: Where were you in 1975, afraid to run?

MR. STAGG: Where was I in 1975? I had retired from politics forever, the Province was in good hands, but I decided to have another crack at it.

MR. TULK: Afraid to run.

MR. STAGG: In 1982 they are down to eight. They are down to eight, and the hon. members opposite, almost every one of them, are hanging on by their fingernails and toenails and they are hoping that they get their pensionable service before the next election because they are all going to go down the tubes, and why? Why are they going down the tubes? Why is the great Liberal Party, the great Liberal Party of Newfoundland that once stood for the ordinary people of the Province, why are they going down the tubes? Well, I would suggest to you, Mr. Speaker, that they are going down the tubes because they do not agree with, and they do not exemplify the position as outlined by the member for St. Mary's-The Capes (Mr. Hearn).

Why is the member for St. Mary's-The Capes here?

SOME HON. MEMBERS: Hear, hear!

MR. STAGG: Defeating a very popular man in his district, Mr. Hancock, a very popular person in his district, why did the member for St. Mary's-The Capes, why did he wipe him out in the election?

MR. DINN: Annihilated him.

SOME HON. MEMBERS: Oh, oh!

MR. STAGG: Why did he wipe him out? It was not only just the offshore oil, Mr. Speaker, it is a big fishing area. Obviously, the position of this party on fisheries issues must have some relevance as far as the populace is concerned.

So I would suggest to hon. members that they had better rethink, get into some rethinking of their

MR. STAGG: position with regards to the fishery in this Province, and not be sycophants to their sole mates in Ottawa.

Now I understand that this year the big fish companies are in trouble. Generally speaking, the big fish companies are in trouble, and the small fish companies are making a go of it.

MR. MORGAN: The ones we helped. The ones we helped.

MR. STAGG: And some that we helped, they are making a go of it.



MR. STAGG: Now, Mr. Speaker, I will draw an analogy between the small fish companies that are making a go of it and the big fish companies that are not and between the rural and the urbanization of Newfoundland population. I suggest, Mr. Speaker, that the inshore fishery is only going to be successful in this Province as long as we have a rural population and plenty of communities spread around this Province in the way that we have now, And there is a tendency among the intellectuals, so to speak, the people who are more concerned with the academic approach to things rather than the reality of things, to centralize and urbanize the population and centralize and urbanize the industry. And I suggest, Mr. Speaker, that we can look around this Province now and we can see that the smaller companies are doing alright as will the smaller communities, they will do alright as well. Now, how are we going to bring that about? Every year we on this side of the House get up and we speak on numerous occasions about the importance of the fishery to this Province, and to people who listen to us -

MR. TULK: They are very few.

MR. STAGG: Well, there may be very few who listen to us but the people are out there listening to what we are saying and we do not only say it here, we say it elsewhere. The people are concerned that the position of this Legislature, which has been enunciated time and time again vis a vis the Newfoundland fishery, really gets no support of any substantial nature from the Liberal Party in this Province. It gets no support from the Liberal Party in this Province; the Liberal Party of this Province supports the federal Liberal position, which is the position that we can trade off the squid

MR. STAGG: in the North, the cod in the North or any of these smelly products of the East Coast of Newfoundland for concessions from the Japanese so they will not sell so many cars to us, entry into the European community. And what kind of commitment have we gotten from the Europeans, Mr. Speaker? What kind of commitment have we gotten from the Europeans, who have been taking our fish for nothing? We have been giving it to them for nothing. What kind of backbone do the European legislators have? Witness their position on the seal hunt.

AN HON. MEMBER: Right.

MR. STAGG: On the seal hunt they have absolutely no commitment to us. They have taken and they have not even said thank you. They have taken from us and they are now trying to do away with an industry in this Province that has been the backbone of the Newfoundland economy for a long time.

MR. TULK: Huh!

MR. STAGG: The member for Fogo says 'Huh!'

MR. STAGG: I would like for the member's constituents to see the emotion that was expressed by the member for Fogo (Mr. Tulk). "Huh", he says. The seal fishery, Mr. Speaker, in the 1820's, there was a period in the life of this Province when the seal hunt or the seal fishery was as vital to the Province - it had a net return almost equal to that of the cod fishery. And it is set out in a very interesting -

AN HON. MEMBER: In the 1800's.

MR. STAGG: The 1800's, yes. I go back to pre-1949, you know. Hon. gentlemen opposite think that Newfoundland was created in 1949, but there was some history to Newfoundland before 1949. This is a book called, It Were Well To Live Mainly Off Fish, prepared for the government by NORDCO. Now, Mr. Speaker, that is a document that is an academic document. It is not written for popular consumption. It is something that you have to delve through. It is well researched. It is one of the best things I have ever seen on the fishery, and it is something that I guess hon. members opposite do not even know exists, or have never even scanned through it. But it is a history of Newfoundland, in effect, as it relates to the cod fishery. And anyone who could read that document or even peruse it as I have, because I have not read it all, and it was put out about a year and a half ago and I only just looked at it today, briefly, in preparation for my few remarks here, but anyone who can read that and not have a feeling -

MR. TULK: You have not read it!

MR. STAGG: I have not read it all, no. I have not read it all. The hon. member does not even know it exists, similar to our proposal on the offshore. The Leader of the Opposition (Mr. Neary) did not know that existed until three months after the election was over. So

MR. STAGG: I do not expect hon. members opposite to do any research. I do not expect them to do any research.

AN HON. MEMBER: Confuse them with facts.

MR. STAGG: Confuse them with facts.

They have all these prejudices. All they want is power and so on. But anybody who could look through this and not be touched by its capturing the very essence of what this Province is, really has no place in political life in this Province. I suggest that hon. members opposite, who probably wish it had not been written, because it does evoke that type of emotion in the people who read it, but hon. members opposite are going to reap what they sow in 1984 or 1985, whenever we have another crack at them. And the Liberal Party is doomed as long as there is that position of apathy on major issues in this Province, the major issue the fishery.

I do not know how many times the Premier has to say, or other speakers have to say that the oil is a temporary thing and it is to be exploited so that we can properly utilize and get a leg up on our natural resources and put in the infrastructure that is necessary so that we can have a Province that will exist in perpetuity.

MR. STAGG: I do not know how many more times it has to be said, but hon. members opposite have the short-term mentality that is exasperating and discouraging. I suppose from a partisan point of view we should be glad that they are like that, but it makes winning too easy, Mr. Speaker. It makes winning too easy as long as we are the only party that really stands for the things that are set out in the member for St. Mary's-The Capes' (Mr. Hearn) resolution.

MR. NEARY: A Peckford follower.

MR. STAGG: The inshore fishery is the only realistic way of solving rural Newfoundland's unemployment problems. It is. It is the backbone to making our unemployment figures more realistic, to tackling the social problems that are rampant because of unemployment and so on. It is absolutely repugnant to any Newfoundlander that you could sit by and allow the resource that is the reason, our *raison d'être* - that is a bilingual phrase that some of the hon. members opposite would not be familiar with of course - while that resource is mismanaged by the federal government, but you never hear anything from them in that regard.

I also have a few suggestions for our own Minister of Fisheries (Mr. Morgan), when the battle for the Northern cod is won. I have already corresponded with him on this and I got a very good reply from him, but I am going to write him again because he did not exactly give me the reply that I wanted. The Northern cod is a Newfoundland resource. The Northern cod has been primarily associated with the East and Northeast Coast of this Province. Well, I maintain that the West Coast of the Province should have a good crack at the Northern cod as well, and I realize that it is difficult enough at the present time to be developing -

AN HON. MEMBER: Before it goes to Nova Scotia, New Brunswick, or Quebec.

MR. STAGG:

And, of course, the proper utilization of the Gulf stocks has to be taken into account as well, but the Northern cod, that prolific resource, and I understand that the far Northern stocks of turbot and so on are just like finding Shangri-La, or the new mother lode, there is such a significant resource even farther North than what has been traditionally known as the Northern cod. So that is a resource that holds great promise for all of Newfoundland, not only the areas of the Province that have been traditionally associated with it, but the West Coast and the South Coast and all these other areas, that this is going to be the backbone of the fishing industry in the Province, and certainly if the Northern cod can go to Nova Scotia and this was the big problem that we had with Mr. McGrath in November 1979, that our position which was put forward very clearly and unambiguously by the Minister of Fisheries

MR. STAGG:

and others, that we were not getting the kind of reception there that we wanted, that Northern cod was then going to be going to Nova Scotia, surely if it can go to Nova Scotia it can come to other parts of the Province as well.

And I have a bit of advice for some of my own colleagues on the West Coast, including my colleagues in the urban centres, that we on the West Coast have to become more interested in the fish that is in area 4R and 3PN; that this resource, unless we flex our muscles and force our federal members, that is, Mr. Simmons and Mr. Tobin, to do something other than hand out Canada Work Projects and be a Canada Manpower officer. If they are going to do something that is worthwhile we could have them get involved with the fishery and making sure that that very prolific resource on the West Coast of Newfoundland is utilized by Western Newfoundlanders. And I am talking about, really, the growth of a major fishing effort on the Northwest Coast of Newfoundland. That great St. Barbe plant which I saw this Summer, with all this steel sticking up out of the ground - I think there has been several million dollars worth of steel stuck in St. Barbe in anticipation of there being a fish plant put there and it was not put there. This was money put there by DREE. And, of course, the other areas of the West Coast where fishing has not been a traditional occupation, the Corner Brook area, and Corner Brook is practically in the middle of the Gulf as far as being on the Western region is concerned, there has to be a significant fishing effort and the desire for and an agitation for a piece of the action, a lot of the action, in area 4R and area 3PN so that the West Coast of the Province, which has an unemployment rate which is far above the Newfoundland average, so that we will be able

MR. STAGG: to avail of it as well. And in effect it would be a kind of non-traditional industry in certain parts of the West Coast. But it is certainly a resource that we want to utilize. So I compliment the member for St. Mary's - The Capes (Mr. Hearn) in making this resolution. Hon. members opposite and maybe some of our own members may say that this is the - no, certainly none of our members would say it - hon. members opposite would say, Ho-hum, we have been through this before, what are we up talking about the fisheries again for? It is a waste of time. It is never a waste of time



MR. STAGG:

in any Legislature or any gathering of legislators in this Province to talk about the fishery and to reaffirm their position with regard to the vital place that the fishery holds in the social structure of this Province. I make a suggestion to hon. members opposite, if they want to ever have a chance of getting back in power, then they first of all could start off - their required reading would be, It Were Well To Live Mainly Off Fish, and they could maybe look forward to raising their numbers to about ten in the next election, and about 1999 they might even get into government. But that is sage advice, gentlemen, and I am sure that you will heed it. I again compliment the member for St. Mary's-The Capes (Mr. Hearn). It is something I wish we could debate every week. Unfortunately we cannot. So with these few words I will rest my case, as the Minister of Health (Mr. House) says. Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Russell):

The hon. member for Port au Port.

MR. HODDER:

There just being seven minutes

left, Mr. Speaker -

PREMIER PECKFORD:

No, we want to hear you. We

want to hear you.

MR. HODDER:

Mr. Speaker, I do not mind

speaking if the hon. members opposite want to stay and listen to my words for the next five or six minutes. Mr. Speaker, without referring to the last speaker, who I thought had nothing of any substance in his speech, I would like to perhaps speak on some of the things that the Premier (Mr. Peckford) said when he spoke. Now, the Premier spoke very well. And there is no doubt about it that his words today were well spoken, that if we take the premise that we are going to keep the rural areas of this Province intact and we are going to keep the Three Rock Cove and the various small areas around this Province -

MR. TULK:

And we will keep Ladle Cove, too.

MR. HODDER:

And Ladle Cove - around this Province intact, and to keep the fishing industry in those areas viable, then we must protect the stocks and the various species of fish that these particular fishermen are fishing.

Mr. Speaker, in listening to the Premier (Mr. Peckford) the words were good and they were said with emotion and I think perhaps he believes it, that the present course of the government is the type, that the government is moving in a direction which will indeed preserve those communities. But, Mr. Speaker, the opposite in reality is the truth. At the present time, in many areas of this Province, the areas over which the provincial government has control,

MR. HODDER: the areas which deal with the licencing of fish plants and the marketing of fish products, which is under provincial control, have not been -

MR. MORGAN: No more than it is under the federal. Marketing is done by the (inaudible).

MR. HODDER: Mr. Speaker, the Minister of Fisheries (Mr. Morgan) would like this House and would like the people of Newfoundland to believe that he has no portfolio. Because anything that the Provincial Department of Fisheries has any -

MR. MORGAN: (Inaudible) involved.

MR. SPEAKER (Russell): Order, please!

MR. MORGAN: Learn about the industry before you -

MR. HODDER: Anything that the Provincial Department of Fisheries has anything to do with, and anything that is a flop, the minister would like Newfoundlanders to believe that the federal government has control over it.

MR. MORGAN: We do more on marketing, ten times, than the feds do.

MR. HODDER: Mr. Speaker, it was about five years ago that fishermen on the West Coast of the Province were finding that they were getting a good smelt harvest and a number of them purchased smelt traps. I was approached by a delegation of fishermen who asked me if they could get markets for smelt. I then wrote a letter to the Department of Fisheries, I looked up the government directory of the time to look for marketing, and lo and behold, Mr. Speaker, there was no place in the book for marketing. So I finally got hold of a deputy minister and I said, "These fishermen have the resource. They do not have the markets. Where do they go?" Some two months later I received a letter

MR. HODDER: back from somebody down in the Fisheries Department, it was then at the Viking Building, saying, "Why do you not try Fishery Products in Port aux Choix? Why do you not try -?" in other words, Mr. Speaker, the person who wrote me told me that I should act as the marketing agent for these fishermen.

MR. MORGAN: How many years ago?

MR. HODDER: That was three years ago. What we are reaping now is what was sown by this administration over the past seven or eight years. There has been no marketing strategy except, perhaps, the fact that the minister goes up to the Four Seasons and has a fish dinner every once in a while, or goes down to Trinidad for a holiday and slough it off as being -

MR. MORGAN: You do not understand what is going on.

MR. HODDER: I do not understand what is going on. Mr. Speaker, the minister does not understand what is going on.

Mr. Speaker, there has been no attempt whatsoever in the history of this government to market fish products. And, Mr. Speaker, with the federal government faced with the fact that there are declining fish stocks - because we must remember, Mr. Speaker, as the member opposite who spoke a little while ago, we cannot talk in isolated terms, it was only a few years ago that we declared the 200 mile limit. And members would like the population of Newfoundland to believe that every single time that there is

MR. HODDER: fish traded off in Europe for markets that it is something out of context. Because we must remember, Mr. Speaker, that in order to declare the 200 mile limit under international law, we had to make deals. We had to say to Russia, to Poland, to Germany -

MR. BAIRD: Do you write Brian Tobin's speeches or does he write yours?

MR. HODDER: - we had to say to the United States - we had to have agreement. And in drawing up the 200 mile limit, it did not come from nowhere. It came by agreement between nations, and in order to get that agreement we had certain treaty rights and certain concessions to make.

MR. STAGG: (Inaudible) too much fish to the West Indies (inaudible).

MR. HODDER: But the West Indians, Mr. Speaker, and the Japanese certainly take our fish products. And, Mr. Speaker, if we had not, faced with a desperate situation, made concessions to some of these other countries, there would be an awful lot of fishermen in my district, in the hon. member's district and in the districts of the hon. members opposite, who would be in a lot worse shape than they are today. And for members opposite to use the political ploy - now, I will not defend the federal government on every single move they make, but it is, Mr. Speaker, a fact that markets have declined in the United States, they have declined drastically, and that the Canadian Government, who have done the only marketing outside the fish companies themselves - because certainly, this government has never done marketing. The Minister of Fisheries himself (Mr. Morgan) a few minutes ago, said that was more than three years ago.

Mr. Speaker, I will address my remarks on next Wednesday, but I would say, Mr. Speaker, that the administration opposite have over and over again

MR. HODDER: used the fishing industry as a political football in which they can, in their usual way, pluck at the hearts and minds of Newfoundlanders -

MR. NEARY: Right on!

MR. HODDER: - their trading, their giving away, the perennial Newfoundlanders with a chip on their shoulders. Blindfold the devil in the dark, that is the strategy of the Minister of Fisheries (Mr. Morgan). In about fifty news releases that that minister makes, forty-nine of them are anti-federal. How does he expect to ever negotiate?

AN HON. MEMBER: You are running out of time.

MR. HODDER: You asked me to speak, Mr. Speaker, so I will speak.

MR. MARSHALL: It is one minute after six.

MR. SPEAKER (Russell): Order, please!

MR. HODDER: Mr. Speaker, I will adjourn the debate.

MR. SPEAKER: The hon. the member for Port au Port has adjourned the debate.

The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, even though the Standing Orders say you normally leave until Thursday, of course, Thursday is a holiday so I move the House at its rising do adjourn until tomorrow, Friday, at 10:00 A.M. and that this House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Friday, November 12, 1982 at 10:00 A.M.