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PRELIMINARY  
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TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
3:00 p.m. - 6:00 p.m.  
WEDNESDAY, DECEMBER 14, 1983

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, I would like to direct a question to the Minister of Transportation (Mr. Dawe) in connection with the Auditor General's Report. The first question I want to ask the hon. gentleman is Departmental Observations on the matter dealing with the ferry, the \$1,600,000 of taxpayer money that was squandered. In the observations the only section of the red book that has pages marked A, B, C and D is the part dealing with the ferry. Could the hon. gentleman tell the House -

MR. TULK: Page number?

MR. NEARY: Page 42 of the report.

Could the hon. gentleman tell the House if we are looking at the original response by his department, or did they doctor it up and inject pages into this red book, into this report, after the original response was made to try to smooth over the situation? Because the only part of the red book that has As, Bs and Cs -

MR. TULK: 42A?

MR. NEARY: 42A, 42B, and 42C in the red book has to do with the ferry. Why is that, Mr. Speaker? Why were the other items not listed A, B, and C, why this particular item? Is it because it was changed after the original response was made to try to cover up something?

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

MR. DAWE: Mr. Speaker, as usual, the hon. the Leader of the Opposition (Mr. Neary) is trying to look at the low side, with which he is very familiar, in trying to dig up things -

SOME HON. MEMBERS: Oh, oh!

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

MR. DAWE: - that have no basis in fact.

Mr. Speaker, the Departmental Observations are the ones that are in the book, is the reaction that the department had to the comments made by the Auditor General and I think they fully explain the situation.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, is the hon. gentleman saying that there was no additional information provided after the original Departmental Observations were written? Is that what the hon. gentleman is saying?

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

MR.DAWE: Mr. Speaker, I am really at a loss to find out what the Leader of the Opposition (Mr.Neary) is trying to get at. The response that is in the red booklet is the departmental response to the comments made by the Auditor General and that is exactly what they are. They are there in their totality without any deletions, without any additions; they are the response that we made to the Auditor General in relationship to his comments with regard to that particular situation.

MR.NEARY: Mr. Speaker.

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

MR.NEARY: I want to make sure that I understand the hon. gentleman clearly on this point, that there was no additional response made. Once the original response was made to the Auditor General's Report, there was nothing added to it or taken away from it after, that was it? That we have the information in the red book as it was originally and nothing added to it after the original response was made, is that what the hon. gentleman is saying?

MR.SPEAKER: The hon. Minister of Transportation.

MR.DAWE: Again, Mr. Speaker, I have no idea what the hon. Leader of the Opposition is referring to. There is a booklet before the House of Assembly, as has been the practice of this administration for the past number of years. When the comments of the Auditor General are tabled, with the usual efficiency of this particular administration, at the same time are tabled the departmental responses as it relates to the

MR. DAWE: items that are mentioned about the various departments in the Auditor General's Report. I do not know if there is a first edition or a second edition or a third edition, but as far as I know this is the only booklet, it is the official departmental responses to the comments by the Auditor General and what is in that book is in the book. I mean, there are no changes made to that book, as I understand it. Those are the responses that were made by the individual departments.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, my understanding is that when the Auditor General sends his observations to a department of government, there is then a response from the department to the Auditor General and the responses are in this book. Now what I am asking the hon. gentleman is, is there anything that was added after the original response was made to the Auditor General? Was there anything added after and why are these numbered 42(a), 42(b) and 42(c), which we do not see it in the rest of the report?

MR. TOBIN: You tell us about your slush fund.

MR. SPEAKER: Order, please! The hon. Minister of Transportation.

MR. WARREN: You worry about the ferry down in Springdale.

MR. DAWE: Mr. Speaker, if the hon. member for Torngat (Mr. Warren) is finished barking I will continue. As I indicated previously, I have no idea what the hon. member is getting at.

MR. DAWE: The responses that are in the red booklet are the departmental responses that are tabled in this hon. House of Assembly.

As a matter of fact, Mr. Speaker, there are two members of the Auditor General's staff in the Department of Transportation on a continuous basis as, I am sure, the Auditor General is involved with other departments.

MR. WARREN: He certainly needs to have them there.

MR. SPEAKER (Russell): Order, please!

MR. DAWE: It is a function, Mr. Speaker, of the Auditor General's department that this administration is very proud of.

In the days of yore, when members opposite were responsible for the accounts of this Province, there was no -

MR. NEARY: We are not the government.

MR. DAWE: Well, that is the reason that they are not the government, I might add, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. DAWE: That is the very reason they are not the government and that is the reason why this administration is over here.

We are very proud of the Auditor General, we are very proud of public accounts, we are very proud of the process that allows the people of this Province to have an opportunity to scrutinize the expenditures of public funds.

SOME HON. MEMBERS: Hear, hear!

MR. DAWE: Mr. Speaker, as I indicated, the responses tabled in this House of Assembly to the Auditor General's report are the responses from my

MR. DAWE: department, they are the responses from the Department of Education, from the Department of Municipal Affairs.

MR. NEARY: They are not the original responses.

MR. DAWE: Mr. Speaker, again, I have no idea, and I am sure, as usual, the Leader of the Opposition (Mr. Neary) has no idea what he is talking about. The responses that are in this particular book are the one and only. It is an original copy, the first time in publication; the members of this House of Assembly were given the opportunity to read the first draft and I am sure, Mr. Speaker, it will be the only draft necessary.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, let us get on to the matter itself.

MR. BARRETT: You obviously blew that one.

MR. NEARY: No, we have not blown that one. We will hear more about that, you need not worry, because the pages of the book were changed, Mr. Speaker.

MR. WARREN: Hear, hear!

MR. NEARY: Now, let us talk about the government bungling on this matter.

Could the minister inform the House who brought this matter of the acquisition of a ferry for Mr. Wilbert Weir before the Cabinet?

MR. SPEAKER (Russell): The hon. the Minister of Transportation.

MR. DAWE: Mr. Speaker, as it relates to the particular matter identified by the Auditor General, the responses of the department are listed for all hon. members to read. That is the official response of the department leading up to that particular situation, during the situation and the ongoing activities of that particular acquisition. They are fully explained in the comments to the Auditor General's remarks and I see no reason to continue with it.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I know the hon. gentleman would like for us just to forget it and hope that it would go away, Mr. Speaker, one of the biggest scandals in Newfoundland's history!

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Oh, the hon. gentlemen can laugh and sneer all they want. A million six hundred thousand dollars is not to be sneezed at.

SOME HON. MEMBERS: Oh, oh!

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

Two points: The member speaking does have the right to be heard in silence; the purpose of the Question Period really is to ask questions and not to provide information.

MR. HODDER: We would like to get some answers, too.

MR. NEARY: Mr. Speaker, perhaps the hon. gentleman did not understand my question. My question to the hon. gentleman was this: Who was it that brought the



MR. NEARY: matter of the acquisition of this ferry before the Cabinet? What minister brought it before the Cabinet?

MR. SPEAKER (Russell): The hon. the Minister of Transportation.

MR. DAWE: Mr. Speaker, the hon. member was a member of a former Cabinet and he should be, although I doubt very much if he was aware then or if he is aware now, of the process involved in bringing Cabinet papers before Cabinet. It is a normal practice and it is a usual practice and, as far as I know, it is always the practice that matters relating to a particular department are brought forward by the minister responsible for that department. And since it was the Department of Transportation which ultimately took over the responsibility for the intra-provincial ferry system, then certainly that matter was brought before his Cabinet colleagues by that particular minister.

MR. NEARY: Mr. Speaker, a supplementary.

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

MR. NEARY: Would the hon. gentleman  
undertake to table the Cabinet paper that he is referring to?

MR. WALSH: We will punch you into  
Cabinet meetings from now on.

MR. SPEAKER: Order, please!

MR. NEARY: Mr. Speaker, that is a fair  
request; table the proposal that was brought before Cabinet  
so we can all take a look at it. But let me ask the hon.  
gentleman a supplementary. Why was it necessary for the Cabinet  
to overrule the previous minister? And why was it necessary  
for the Lieutenant-Governor in Council, which is the  
Cabinet, to overrule Treasury Board on this matter when in both  
instances they stated that the proposal not be approved? Why  
was it necessary to overrule Treasury Board and the minister  
who made the proposal originally?

MR. SPEAKER: The hon. Minister of  
Transportation.

MR. DAWE: Mr. Speaker, one time before  
I remember the question being asked in this hon. House about  
things that go on around the Cabinet table, and at that particular  
point in time I was sort of fishing for the right words to use,  
when the hon. member who asked the question himself indicated,  
'You are about to tell us that it is none of our business',  
to which I replied, 'That is correct.'

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, how arrogant!  
How arrogant can hon. gentlemen get!

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, what we want to know is why? The hon. gentleman, maybe he did not understand the question: Why did the Cabinet overrule the Minister of Transportation who advised his colleagues not to proceed with the proposal to purchase that ferry? And why did the Cabinet overrule Treasury Board, Mr. Speaker? Does the hon. gentleman understand the serious nature of the question and the serious nature of the topic under discussion?

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

MR. DAWE: Mr. Speaker, what happens - again I might emphasize - around the Cabinet table is a very important and serious procedure in our democratic process. It is one in which there is a certain degree of secrecy. As a matter of fact, Mr. Speaker, ultimate secrecy. And the discussions that occur around the Cabinet table and decisions that are made are never made lightly, and they are made with the availability of all the knowledge that is available at that particular time to Cabinet, and decisions are always taken in light of the information available.

Now, as it relates to the query, 'Why did Cabinet overrule Treasury Board? I will just indicate again for the member opposite, who should know better, that Treasury Board is a committee function and makes recommendations to Cabinet. From time to time when Cabinet will accept the necessary recommendations that are brought forward by various Cabinet committees, and there are times when they consider the recommendations and do not necessarily follow them. But what happened at Cabinet is,

MR. DAWE:

again, a part of the democratic and Cabinet process in this Province and it is not one that will be discussed openly before the member.

MR. NEARY: Supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, that is no excuse for trying to cover up this situation. I am not asking the hon. gentleman to divulge Cabinet secrets, I am merely asking the hon. gentleman to justify the squandering and waste of \$1.6 million of taxpayers' money. What were the reasons behind it? Why was the Treasury Board overruled? And why was the minister who said, 'No, do not go ahead with this proposal', why was he overruled? The hon. gentleman can give me the answers without divulging Cabinet secrets, Mr. Speaker, and I ask him to do so in the interest of British fair play and British justice.

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

MR. SPEAKER: Order, please!

The hon. President of the Council on a point of order.

MR. MARSHALL: Mr. Speaker, just so the hon. gentleman can understand that the hon. minister's response was grounded in law and in practice and in parliamentary procedure, I refer Your Honour to questions which are prohibited, questions out of order, paragraph 357, page 130, 'Questions may not relate to communications alleged to have passed between a member and a minister'. It goes on to talk about, 'that you may not ask questions of what has gone on in Cabinet.' Obviously no Cabinet member can communicate deliberations and what actually occurred in Cabinet. It is entirely against the rules of practice

MR. MARSHALL: and procedure. And what the hon. gentleman is doing in the question that he is persisting in asking, which has already been answered by the Minister of Transportation (Mr. Dawe), is exactly that.

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

MR. SPEAKER (Russell): To the point of order, the hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, that is not a point of order because what I was asking the minister had nothing to do with discussions in Cabinet or Cabinet solidarity or Cabinet secrets. I am asking the minister, as the spokesman for the administration, to justify the government's action, Mr. Speaker. That is what I am asking. And the minister does not have to divulge Cabinet secrets to answer my question. They are just too cowardly and too embarrassed to answer the questions, Mr. Speaker.

MR. SPEAKER: To that point of order, the point of order raised by the hon. President of the Council (Mr. Marshall) is well taken. It would appear from the Chair's viewpoint if the minister did answer the question he might have to discuss confidential information that was discussed in Cabinet. Be that as it may, I would refer the hon. Leader of the Opposition (Mr. Neary) to Beauchesne, page 129, which says: "A question oral or written must not (c) multiply with slight variations a similar question on the same point", and (d) says: 'Repeating in substance a question already answered or to which an answer has been refused'.

The hon. Leader of the Opposition.

MR. NEARY: Now, Mr. Speaker, let me ask the hon. gentleman, then, another question. I know, Mr. Speaker, they are smarting over there, if there was ever a Commission of Inquiry warranted in this Province, it is certainly warranted

MR. NEARY: on this matter. But I would say the Premier would be too cowardly to do it.

MR. SPEAKER (Russell): Order, please!  
I would ask the hon. Leader of the Opposition (Mr. Neary) to pose a direct question.  
The hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, let me ask the hon. gentleman to give the House now a breakdown of the \$1.6 million

MR. NEARY:

that was squandered and wasted and mismanaged by this administration on that ferry? Give us a breakdown of the \$1.6 million.

MR. SPEAKER (Russell): The hon. the Minister of Transportation.

MR. DAWE: Mr. Speaker, I would again refer the hon. gentleman to the departmental response to the queries by the Auditor General. If he still has difficulty with interpreting the response, then I am afraid that is something that I have no control over.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I am horrified by the ridiculous answer given by the hon. gentleman over this very serious matter. It is a shameful answer.

Mr. Speaker, let me ask the hon. gentleman if a subsidy was paid to Mr. Weir for three years while that ferry was tied up and unable to operate? Did the administration approve and pay an operating subsidy to Mr. Weir while that ferry was tied up for two and a half out of the three years?

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

MR. DAWE: Mr. Speaker, I refer the hon. gentleman to the departmental response in the red book.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, how cowardly can you get? It is not in the red book.

Mr. Speaker, I asked the hon.

MR. NEARY: gentleman to state whether or not an operating subsidy had been paid to this gentleman,

MR. TULK: That is not in the book!

MR. HODDER: It is not in the book.

MR. NEARY: It is not in the book.

MR. SPEAKER (Russell): Order, please!

MR. NEARY: Mr. Speaker, now let me ask the hon. gentleman if the administration paid out any taxpayer money for refit of this ferry during the three years under review by the Auditor General, if there was money paid out for a refit of a ferry that was tied up and not in use? Could the hon. gentleman answer that question?

MR. TOBIN: She is in good use now, boy.

MR. SPEAKER: Order, please!

The hon. the Minister of Transportation.

MR. DAWE: Mr. Speaker, the questions that the hon. the Leader of the Opposition (Mr. Neary) pose are in fact in the booklet, the question that the hon. member from Fogo (Mr. Tulk) is querying from his seat is also in the book, and if hon. members would read it they would interpret it for themselves.

MR. TULK: We read the book.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, we have gone through the book with a fine-toothed comb and these answers are not in the book. We do not know the amount of the subsidies that were paid out to Mr. Weir and we would like to know why Mr. Weir, Mr. Speaker - we will get around to that later on - why Mr. Weir and why Green Bay? We will have a few questions



MR. NEARY: to ask about that in due course. But let me ask the hon. gentleman again about the expenses of that ferry when it was tied up, Mr. Speaker. He refused to tell us whether there were operating subsidies paid to Mr. Weir or to the bank. Now could he tell us if there were any expenses paid to Mr. Weir for that ferry while it was tied up? And if the hon. gentleman says it is in the red book, would he please tell us the number of the page in the red book and the paragraph that we can look at in the red book that will give us the information, Mr. Speaker? Never mind trying to sweep it under the rug, because this matter is not going to go away.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Russell): Order, please!

The hon. Minister of  
Transportation.

MR. DAWE: Mr. Speaker, I am somewhat amused by the Opposition, but certainly not surprised. The Auditor General's Report, Mr. Speaker, as I indicated earlier, and the process of the Auditor General's Report, and the process of departmental responses, the process of public accounts committees, and the scrutiny of public funds, the opportunity that the Opposition have to question various departments on expenditures are itemized and detailed as it relates to subsidies for all the ferry operations. If it had been left to members opposite and the administration when they were in power in the Province, we would not have had to worry about ferries, Mr. Speaker, because there would not have been any communities left alive and vibrant for an essential and vital part of our rural Newfoundland economy; they just would not be there, Mr. Speaker, so we would not have had to worry about ferryboats and about making a contribution to rural Newfoundland because hon. members opposite, with their particular administration and with their thought process, would have done away with all of them.

So, Mr. Speaker, of all the items in the Auditor General's Report dealing with the various departments, the compliments that the Auditor General bestowed upon the Department of Transportation as it relates to two other items which were mentioned in the Auditor General's Report, are not mentioned by the Opposition. They think that somehow, using the kind of gutter mentality that they are using over there, that they somehow now have an opportunity

MR. DAWE: to embarrass the Premier. They keep referring to the Premier's district. Well, the Premier's district is a historic and important rural district in this Province, Mr. Speaker, and we will continue to provide transportation links to the islands of this Province even though the Opposition members do not want it to happen.

SOME HON. MEMBERS: Hear, hear!

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

MR. NEARY: Nobody mentioned contributions or the gutter mentality except the hon. gentleman. We have not mentioned the Premier. We will deal with that later in contributions to leadership conventions and the like.

MR. TOBIN: Why do you not -

MR. SPEAKER: Order, please!

MR. NEARY: We will deal with these matters at a later date. But I want to ask the hon. gentleman why it was necessary, because when you look at the figures, the original bank loan, you take into consideration the interest and the subsidies, why was it necessary to pay for that ferry twice? Because that is what in actual fact happened.

MR. TULK: A rotten boat.

MR. NEARY: The rotten ferry was paid for twice by the taxpayers of this Province. Why was that necessary?

MR. SPEAKER (Russell): The hon. the Minister of Transportation.

MR. DAWE: Mr. Speaker, the whole process and all the circumstances surrounding the decision-making, if hon. members took the time to read it and to try and look at it in a positive light, they would see that the circumstances outlined in the red booklet are ones which justify the procedures that happen. We were subject to a number of things over which we had no control in relation to the financing that was worked out and the arrangements worked out whereby the federal government would build the terminals, which were not done until three and one-half years after the agreement was signed. There are a number of things itemized in that particular booklet, Mr. Speaker, and I would ask hon. gentlemen to read it and, instead of looking with a finetoothed comb for the dirt that they suspect is there, they would do well to read the explanation, Mr. Speaker, in the light in which it was written.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: The hon. gentleman is very, very sensitive about the dirt that is there. And there is dirt there, and not only dirt, but filth of the worst kind involving \$1.6 million of taxpayers' money!

MR. SPEAKER: Order, please! Order, please!  
Again, I have to ask the Leader of the Opposition to pose a direct question, not enter into the realm of debate.

MR. NEARY: Mr. Speaker, the hon. gentleman, less than a year ago when he was asked about this situation, shrugged it off by saying, 'We have one bummer on our hands.' The hon. gentleman was

MR. NEARY: quoted in Atlantic Insight as saying, 'one bummer on our hands'. Did the hon. gentleman realize at that time, Mr. Speaker, that what the government was doing was wrong, illegal? And why did not the hon. gentleman do something about it when he was asked about the situation by a reporter from Atlantic Insight when he admitted that they had one bummer on their hands? Why did not the hon. gentleman take action then to do something about this terrible situation?

MR. SPEAKER (Russell): The hon. the Minister of Transportation.

MR. DAWE: Mr. Speaker, one bummer as opposed to seven, I suppose, is not so bad.

I cannot be really responsible for what a reporter puts in an article, nor would the situation referred to by the reporter have any bearing on what did happen or what will ultimately happen to the ferryboat issue in this Province.

MR. NEARY: Mr. Speaker.

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

MR.NEARY: Mr. Speaker, the hon. gentleman can be as sleazy now as he wants and as casual as he wants but -

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

MR.SPEAKER: Order, please! The hon. President of the Council on a point of order.

MR.MARSHALL: The hon. gentleman just cannot use the House to entice other people to respond in kind. The word 'sleazy' is unparliamentary in referring to the hon. gentleman and he should be asked to withdraw it.

MR.NEARY: It is not unparliamentary, Mr. Speaker.

MR.SPEAKER: Order, please! The Chair is really not sure if that word is unparliamentary. I do not think it does much for the House of Assembly as a whole to make comments with that kind of language. But whether or not it is unparliamentary perhaps could be debatable.

MR.NEARY: Well, Mr. Speaker, the answers are not very parliamentary either. Mr. Speaker, let me ask the hon.gentleman that when Mr. Weir went to buy that ferry, when he brought the CSI inspectors with him to Europe to buy that ferry -

MR. TOBIN: And who do they work for?

MR.SPEAKER: Order, please!

MR.NEARY: - did the Canadian Steamship inspectors approve that ferry for the run that it was suppose to go on? And,if so,why did they turn it down when the ferryboat was brought back to Newfoundland?

MR. TOBIN: What government do they work for?

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

MR. DAWE: Mr. Speaker, it is very difficult to answer the questions posed by the hon. Leader of the Opposition (Mr.Neary) because in asking the questions he is basing his question on facts that are not true.

MR.NEARY: Mr. Speaker.

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

MR.NEARY: Mr. Speaker, is the hon. gentleman aware that the statement I just made is in the Auditor General's Report, that the ferry was turned down by the Canadian Steamships inspectors as unfit for use unless a substantial amount of public money was spend to refurbish the ferry? Is the hon gentleman not aware that that is in the report or has he bothered to read the report or the red book? He just casually brushes it off hoping that it will go away, Mr. Speaker. Is the hon. gentleman aware of that?

MR.SPEAKER: The hon. Minister of Transportation.

MR.DAWE: Mr. Speaker, what I am aware of is the information provided to both the operator and the provincial government as it relates to the seaworthiness and the amount of repairs that had to be done in order to make that particular vessel suitable for Canadian waters. From what was given by CSI to the operator and to his financial people, and what was given to the Province at that time, was somewhat different.

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Tape No. 3989

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MR.DAWE: from the ultimate CSI  
inspection that occurred after the vessel was acquired  
and in Canadian waters. There was some discrepancy  
but the discrepancy was CSI's.



MR. NEARY:

Mr. Speaker.

MR. SPEAKER (Russell):

Opposition.

The hon. Leader of the

MR. NEARY:

Mr. Speaker, in view of the serious magnitude of this situation, in view of the fact that it involves the Premier's own district and people who are very close to the Premier and were very close during his leadership, would the hon. gentleman not agree that in order to clear the air - and I believe the Premier would find this in his own best interest because the hon. gentleman is being tarnished, whether he deserves it or not, by this transaction - now would the hon. Minister of Transportation (Mr. Dawe) not agree that in order to clear this matter up, Mr. Speaker - and we saw what happened to a previous Minister of Transportation when he was tossed out of the Cabinet, had to resign because he towed his boat down from Harbour Breton down to Clarenville and did not pay for it, and we were only talking about a small amount of money compared to what we are talking about here - would the hon. gentleman not

agree that the only way to get at the bottom of this matter is to have a public enquiry set up under the Public Enquiries Act to do a thorough investigation into this matter?

MR. DINN:

Remember the Mifflin report.

MR. SPEAKER:

Order, please!

MR. NEARY:

Mr. Speaker, does the hon. gentleman not agree that this is a kind of a serious situation where you have a public enquiry, where you send for witnesses and documents? And would the hon. gentleman agree without delay to consult with the Minister of Justice (Mr. Ottenheimer) and have a public enquiry established immediately under the Public Enquiries Act to look into this whole sordid affair?

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

MR. DAWE: No, Mr. Speaker, the minister would not agree. I have never heard such garbage in all my life.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, the hon. gentleman would not agree because obviously they have something to hide. That is why. The hon. gentleman would be well-advised to set up a Commission of Enquiry.

Mr. Speaker, I would like to ask the hon. gentleman again -

MR. TULK: Why the extra \$100,000?

MR. NEARY: Yes, why did they pay Mr. Weir, after they discovered that the boat was rotten, that it could not operate and -

MR. TULK: Valued at \$250,000.

MR. NEARY: - the value of it was only \$250,000, a little more than a quarter of a million and they paid him \$778,000 for it, why did they pay Mr. Weir the extra \$110,000? What was that for? Was that a gift for his support of the Premier or somebody on the government side of the House? Is that what it was? Why was the \$110,000 -

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: - of taxpayer money paid out to this gentleman who had already made, who had already collected almost \$800,000 in subsidies?

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

MR. SPEAKER: The hon. President of the Council on a point of order.

MR. MARSHALL: Mr. Speaker, from the mouth of the person who is always accused of squirting poison, comes the charge that hon. gentleman is squirting poison in the most base way

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Tape 3990

PK - 3

MR. MARSHALL: possible. You are not  
allowed, Mr. Speaker, to cast innuendoes in Question Period.  
I could give the gentleman a long string of authorities on that.  
The hon. gentleman is making obvious innuendoes

MR. MARSHALL:

in the hope of getting it reported in the press; in which case, it will be greeted with the normal credibility the hon. gentleman's statements are greeted with. But, at the same time, he is casting innuendoes, Mr. Speaker, and aspersions against the character of members and people outside of the House.

MR. HODDER: Mr. Speaker.

MR. SPEAKER (Russell): The hon. the member for Port au Port.

SOME HON. MEMBERS: Oh, oh!

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

MR. HODDER: Mr. Speaker, innuendo is when you try to project something that is not, But in this particular case the boat was in Green Bay, the person who operated the boat was a former political friend of the Premier throughout his leadership campaign and if the Leader of the Opposition (Mr. Neary) stated these two facts, which are known fact throughout the Province, then there is no innuendo, Mr. Speaker, since what the Leader of the Opposition has said is the truth. That is not innuendo.

MR. SPEAKER: Order, please!

I refer again to Beauchesne, Page 129, 171(a), which says: "A question, oral or written, must not be ironical, rhetorical, offensive or contain epithet, innuendo, satire or ridicule."

MR. NEARY: Mr. Speaker.

MR. SPEAKER: Order, please! Order, please!  
The time for Question Period has now expired.

MR. NEARY: Good! We will have a week on this.

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. the Premier.

PREMIER PECKFORD:

The Leader of the Opposition (Mr. Neary) and myself are agreed; I wrote the Leader of the Opposition this morning and asked him on behalf of his party in the House whether they would agree to support the government in a resolution and the Leader of the Opposition wrote me back saying that he would agree to support it and that he would second the motion without debate. So I take this opportunity now to present the motion, seconded by the Leader of the Opposition.

It reads as follows:

WHEREAS the inshore harvest of the Northern Cod stock has been the traditional source of livelihood for the Province's Northeast and Labrador coasts for hundreds of years and no other Province can claim any historic dependency on this stock; and

WHEREAS proposed quota allocations to mainland and foreign interests would severely impair the financial health of the new restructured Newfoundland Fish Company and its ability to operate all its trawler plants after that Company has been rescued from bankruptcy at great public effort and expense; and

WHEREAS Federal quota allocations in recent years have seen a dramatic increase in allocations to outside interests as particularly evidenced by a proposed allocation in 1984 of nearly 12,500 tons to yet another class of mainland plants with no previous involvement in the Northern Cod harvest; and

WHEREAS the constant erosion of this Province's share in its own Northern Cod stocks must be stopped;

PREMIER PECKFORD:

BE IT THEREFORE RESOLVED that this House opposes the proposed 1984 Management Plan for the Northern Cod stock and urges the Government of Canada to stop the erosion of this Province's share of the Northern Cod stock and to make no further allocations to outside fishing interest.

The reason why I am bringing this up today, Mr. Speaker, and ask for the Leader of the Opposition's (Mr. Neary) support and his seconding the motion, is because there is a decision pending in the next couple of days through the federal Cabinet - for the first time through the federal Cabinet - on this very important issue, which could injuriously affect many of the plants and fishermen in this Province. So I look forward to the Leader of the Opposition's support and that of his colleagues.

MR. NEARY:

Mr. Speaker.

MR. SPEAKER (Russell):  
Opposition.

The hon. the Leader of the

MR. NEARY: Mr. Speaker, as I indicated to the Premier earlier today, and I thank him for his courtesy in phoning me earlier this morning, and then we had some correspondence back and forth, as we do. As hon. members know, it is our policy to have the Northern cod stock go to the processing plants here in Newfoundland. So we concur with the resolution and we support the resolution, Mr. Speaker, in the hope that it will get the unanimous consent of the House and be dispatched to the various people in authority so that the message will get through on time, before a final resolve is made of this matter.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER (Russell): Is it the pleasure of the House to adopt the resolution?

Those in favour 'Aye',

SOME HON. MEMBERS: Aye.

MR. SPEAKER: Those against, 'Nay'.

I declare the resolution carried.

SOME HON. MEMBERS: Hear, hear.

MR. MARSHALL: Mr. Speaker,

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

MR. MARSHALL: Mr. Speaker, I know we are about to call Orders of the Day.

From the government's point of view, we would be perfectly prepared to waive the motion on the Order Paper by the hon. member for St. John's West (Mr. Barrett) today and go with government business, if the Opposition were agreeable to it.

MR. NEARY: Mr. Speaker,

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

MR. NEARY: Mr. Speaker, members of the House will understand that there are two House Leaders, one on the government side and one on the Opposition side. It has always been a tradition in the House, in the House of Commons, in

MR. NEARY:

legislatures where you have the British parliamentary system, for House Leaders to converse and to enter into what I suppose you would call deals. In this particular session of the House, the Government House Leader (Mr. Marshall) has not only stayed away, but seems to resent anything we do over here. He has been unco-operative, Mr. Speaker, he will not talk to anybody on this side of the House like all House Leaders do in other administrations. And until the hon. gentleman, Mr. Speaker, learns to be a little more friendly and co-operative and a little more social, and comes down off his high horse, then we will proceed today with Private Members' Day as usual.

MR. MARSHALL: Mr. Speaker.

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

MR. MARSHALL: I would just like to make one comment with respect to my dialogue with the hon. Opposition House Leader (Mr. Hodder), I would just like to point out that for most of the Fall session he has been about an unsuccessful activity so he has not been here to talk to.

MR. SPEAKER: We do not have consent to dispense with Private Members' Day. Before we proceed with the Private Member's Motion, it is a pleasure for me to welcome to the galleries Mr. Anthony Jones, who is the Chairman of the Fisheries Committee of Petit Forte, Placentia Bay.

SOME HON. MEMBERS: Hear, hear.



ORDERS OF THE DAY

MR. SPEAKER (Russell): It being Private Members' Day we will proceed with Motion 1 to be moved by the hon. member for St. John's West (Mr. Barrett).

The hon. member for St. John's West.

SOME HON. MEMBERS: Hear, hear.

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

I would like to read into the record, if I may, the motion that is now before this House. WHEREAS the Government of Canada has apparently made a deliberate decision to penalize the people of this Province for actions taken on the people's behalf by their duly elected provincial government; AND WHEREAS the drastic decline in spending in this Province by the federal government on cost-shared programmes aimed at improving public services is ample evidence of this penalizing attitude and actions on the part of the federal government; AND WHEREAS the Province is suffering severe financial and economic hardship as a result of these reductions in funding; AND WHEREAS the provincial government has tried every means at its disposal during the past several months to improve federal/provincial relations and sign cost shared agreements; NOW THEREFORE BE IT RESOLVED that this House urge the Government of Canada to reverse its present policy and to return to the Canadian approach of co-operative federalism.

Mr. Speaker, I feel that this is a very, very major and important issue. It is an issue which is affecting all Newfoundlanders in all their various lifestyles today, a situation which has been perpetrated by the federal government in Ottawa as a deliberate attempt to penalize the government and the people of this Province because of actions that have been taken over the past number

MR. BARRETT: . . . . . of years to try and determine  
for this Province an ability to stand on its own feet, an  
ability to provide the people of this Province with the  
right of self-determination, . . . . . the right to be able to become  
self-sufficient, . . . . . the right to be able to stand equally  
with all other Canadians and not have to continually

MR. BARRETT:

look forward to the ways of the past whereby this Province and the people and government of this Province have had to rely on handouts from Ottawa and from anyone else, to try and provide a substance for the livelihood of our people here. I think there is no question that the major reason for the attitude change of the federal government has been this Province's position in trying to have Ottawa and the rest of this country recognize Newfoundland's right of control and jurisdiction with respect to its offshore resources. The point has been made numerous times substantiating the historic claim that this Province has to its offshore resources, and as this has not met with the approval of the federal government in Ottawa, they have attempted to browbeat this government into changing its position by trying to dry up and curtail payments which are made and which have been based on many years of activity to support social programmes. They have attempted to bring this Province to its knees by financial restrictions. Mr. Speaker, the offshore dispute is a dispute as far as Ottawa is concerned. We have no dispute here. The people of this Province and this government have attempted to deal with this issue in a very rational, very forthright and a very honourable way. All we have asked is to have a significant say in the right of development and the sharing of revenues from that resource to no greater extent than that which would be enjoyed by any other Province in harvesting its natural resources. We are not looking for any special handouts, any special considerations, we are just asking for equal treatment and that we could stand proud as equal Canadians in this great Confederation. However, the political climate that presently exists in Ottawa will not permit that process to continue. So they have gone the route

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MR. BARRETT: of trying to push this Province to its knees through withholding revenue, drying up revenue sources, changing agreements, failing to sign agreements, to force, financially, this Province into making or agreeing to an inequitable deal with Ottawa regarding our offshore resources. Further evidence of this situation

MR. BARRETT:

is more currently before us now with respect to our concerns about the federal government's position on the reallocation of the fish stocks from the Northeast Coast, the Northern cod stocks. This cod stock has been the lifeblood of the inshore fishery for this Province. It has been the source of the fish for our entire inshore fisheries. It has been well established without any question that Newfoundland has been the only province of this country that has ever had historic rights to that resource. And now we find a situation prevailing where the federal government are again going to intercede and disperse great quantities of that resource to foreign fishing fleets and to other provinces of Canada, thereby negating any benefit that might otherwise accrue to the formation of the new fish company to take the place of Fishery Products, National Sea and Nickerson in this Province.

Mr. Speaker, the resolution which was unanimously passed this afternoon attests to the seriousness of this particular situation. And again it is further evidence of the federal government's determination to drive this Province to its financial knees so its own interest can be best served, and try and have this Province agree to an offshore settlement that would be injurious to the future of the people of this Province.

Mr. Speaker, in order to review some of the examples of the curtailment of funding it is necessary, obviously, that I must refer to some notes on this so I trust that that will be understood if I make significant reference to some of the information that has been compiled in this regard.

MR. BARRETT: Newfoundland lags behind the rest of the provinces and a considerable influx of federal funding is required to get us up to the levels of other provinces. An example of per capita expenditures in our sister Atlantic Provinces might well serve to illustrate some of my concerns on this particular matter.

The most recent figures available, the years 1980 and 1981 and continued into 1982, show that the federal government expenditures in the Province of Nova Scotia were \$4,490 per capita, increasing in 1981 to \$5,117 per capita.

MR. NEARY: Where did you get these figures?

MR. BARRETT: The sources? Statistics Canada - Okay? - a recognized statistical agency, I think, that even my gentleman friend across would agree is reasonably accurate. This annual increase is 14 per cent.

The Province of Prince Edward Island:  
The per capita expenditure in 1980 is \$4,369 and in 1981 \$4,914, for an annual increase of 12.5 per cent.

New Brunswick saw a per capita expenditure in 1980 of \$4,039; and in 1981 this was increased to \$4,460, an annual increase of 10.4 per cent.

MR. BARRETT: The final provincial illustration is Newfoundland: The per capita expenditure by the federal government in this Province in 1980 was \$3,542 per person, in 1981, \$3,822 for an annual increase of 7.9 per cent, half of the increase that was paid out in Nova Scotia.

MR. CALLAN: That 7.9 per cent makes you solvent.

MR. BARRETT: Oh, yes, on our knees again. No doubt about it. Grateful, grateful, grateful! Grateful, suffering, poor Newfoundlanders!

If Newfoundland were to have the same level of expenditure per capita as Nova Scotia, federal spending in Newfoundland would have to increase by \$750 million annually. That is the differential, that is the disparity, Mr. Speaker, between the per capita spending of the federal government in Newfoundland and in Nova Scotia. Now, that is not in terms of real dollars that they spend, \$750 million more in Nova Scotia than they do here, this is a per capita assessment. So the differential in population is accountable. So just to do exactly the same thing per capita in this Province, we have a shortfall in revenue that would otherwise accrue to us if we were living in Nova Scotia. It is no different, we are still Canadians, we are still on the Eastern Seaboard, we still have the same problems with transportation, we have the same problems with the inequities in schools and hospitals and all the other services. We are not trying to compare ourselves with Central Canada but a sister province, separated by ninety miles of water in the Gulf; we have a disparity -

MR. CALLAN: Ninety-six miles.

MR. BARRETT: Not if you go to St. Paul's Island - of some \$750 million. Now, Mr. Speaker, that is

MR. BARRETT:                               rather startling and rather significant. And it is unfortunate, Mr. Speaker, that the people of the same political stripe in this Province cannot get that message across. I mean, their constituents would also be beneficiaries, not just Conservative constituents in the many, many seats around this Province that the Conservatives hold. How many do we have now?

MR. TOBIN:                                   Forty-five.

MR. BARRETT:                               Forty-five and climbing.

Now, Mr. Speaker, even those people in those infrequent, sparcely located Liberal districts are the losers; they are the losers as well, because they should be sharing in this equalization.

MR. TOBIN:                               Well said! Well said!

MR. BARRETT:                               There is no question about that, it is all Newfoundlanders we are talking about. We are not talking about Conservative Newfoundlanders in St. John's West, we are talking about Liberal people who are living in -

MR. DAWE:                                   Where?

MR. OTTENHEIMER:                        Outside of the Overpass.

MR. CALLAN:                               In Bellevue area.

MR. BARRETT:                               In Bellevue? Yes, that is a good place. There are some Conservatives out there, too, I am told.

MR. TOBIN:                               The latest report is that there are not very many Liberals out there.

MR. CALLAN:                               They are all Tories in Bellevue itself.

MR. BARRETT:                               Mr. Speaker, another illustration of some of the disparities that probably should also be recorded for the record. And maybe someone in the press is also listening into this dialogue so that they can pick up and report the gross disparity that exists. The



MR. BARRETT: expenditures by the Canadian Government for national defence. Now, is that not a nice one, eh? Is that not a great one? The per capita expenditure in the Province of Nova Scotia, per capita expenditure, \$736 a year; in Prince Edward Island \$338 per person per year; in New Brunswick \$262 per person a year. Anybody care to guess what Newfoundland's is?

MR. TOBIN: I would say about \$1,000.

MR. BARRETT: Seventy-four dollars per person capital expenditure in this Province.

SOME HON. MEMBERS: Oh, oh!

MR. WARREN: Does that have anything to do with the Germans?

MR. BARRETT: I am talking about the Canadian Government expenditure, all right.

MR. WARREN: Oh, ho!

MR. BARRETT: Oh, ho! I am not talking about what the U.S. Forces spend going into New Brunswick, into Gagetown, or into Chatham,

MR. BARRETT: I am talking about the Canadian Government. If you want to read the resolution, we are talking about the inequities in expenditures by the federal government and this Province.

MR. WARREN: Why do you not get the facts straight?

MR. BARRETT: The facts are something that you have difficulty with, very, very great difficulty with facts.

MR. TOBIN: He has not got the ability to comprehend.

MR. BARRETT: You got some problems with facts.

This gross inequity again in this important part of our total Canadian economy, the flow of money from the federal Treasury to support national defence throughout all of Canada. We have a per capita expenditure in our sister province of \$736 per person annually, in Newfoundland \$74 per person. To bring Newfoundland to the level of Nova Scotia just in national defence spending alone, would require an extra \$420 million into the Newfoundland economy. Now that is rather significant. We would even probably do something in Torngat Mountains if we had some money. We would probably put in some water and sewer service, or we would probably be able to look after the relocation of a settlement down there which is having some serious problems because of financing.

MR. MARSHALL: Help the caribou population.

MR. BARRETT: No, I am not going to talk about caribou today.

These two illustrations, Mr. Speaker, are adequate to suggest all of the inequities that exist right now between this Province and the Province

MR. BARRETT: of Nova Scotia, our nearest sister province, with the same basic concerns, the same reliance on fishery, the same reliance on mining and farming and forestry. Here they are, the one case, we need \$750 million annually in general federal funding to bring us up to their level, and I know their level is well below the rest of Canada, they will tell you that, but just to bring us up to that level we would require in federal funding \$750 million extra into this Province, and in national defence spending alone, a \$420 million differential. Now, Mr. Speaker, that is rather staggering.

MR. WARREN: I would say you are the one (inaudible).

MR. BARRETT: I have got enough problems now.

There was another great scourge that should have been and was intended to be a great significant economic benefactor and that was DREE. In 1968 the Government of Canada established DREE in response to the ever increasing concern that certain areas of the country experienced continuing economic disparities despite the prosperity of the nation as a whole. Now, of course, that prosperity no longer prevails because this country is not prospering as a nation, as a whole. The objective of DREE was to work in co-operation with the Province in designing programmes to stimulate economic growth and development - okay? - to encourage economic expansion in areas in Canada where the growth of employment and income had been lagging - no problem, we are all for it - to assist in the social adjustment required to enable people of an area to take advantage of any new opportunity created - no problem, we are in total agreement - to provide incentives to industry to assist them in creating and increasing employment opportunities in slow growth

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MR. BARRETT: areas of the country - we fully agree, we are part of it. Since 1974 a total of twenty-two subsidiary agreements authorizing expenditures of \$630 million have been concluded for this Province. Wonderful stuff! However, it is important to note that sixteen of these agreements were signed between 1974 and 1978, leaving

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MR. BARRETT: only six agreements signed in the five ensuing years, six. In fact, in 1980 and again in 1982, there were no agreements signed at all, none, absolutely none. DREE expenditures in Newfoundland rose in current dollars from \$31.2 million in 1971-72 to \$76 million in 1979-80. After that, however, expenditures fell drastically. In fact, in 1982-83 only \$34.9 million was spent by DREE in Newfoundland. In terms of real dollars, to compare with 1971-72, we would have had to have had \$135 million to equate to the same level of spending in 1982-83 as was allowed in 1971-72, a further illustration of the federal government's overhanded attitude towards trying to bring this Province economically to its knees, not the provincial government, not the Province, we are talking about people, we are talking about individuals, we are talking about constituents in your district as well as in mine. These are the people that are suffering from this.

MR. TULK: You are a poor negotiator. Have you ever considered the agreements?

MR. BARRETT: I am a poor negotiator and you are a sufferer. How often have you gone to Ottawa to talk to your cronies up there, your buddies up there, your red Liberals up there? How long have you talked to your red Liberals up there to get DREE funding increased?

MR. TULK: Longer than you have.

AN HON. MEMBER: You did a poor job of negotiating in Terra Nova.

MR. BARRETT: It is absolutely essential, Mr. Speaker, that these trends be reversed if progress is to be made in reducing the magnitude in disparities between this Province and the rest of the nation. Such a commitment to overcoming these disparities is required

MR. BARRETT: and must be allowed to prevail. We just cannot, Mr. Speaker, allow this continuous erosion to continue.

Mr. Speaker, we have several other illustrations here: The recent reductions in the established programmes financing arrangements, EPF transfers, a subject that has been hot off the press in recent days. Mr. Speaker, in established programme funding - I am getting my notes all sorted out here now - we have seen three major reductions occur in recent months; the elimination of the revenue guarantee component, the capping of post-secondary education, and the population adjustment. The population adjustment we cannot do anything about. However, these are three major areas of reduction that have been introduced into EPF financing transfers. The elimination of the revenue guarantee component saw the compensation introduced in 1977 for integration of hospital insurance into EPF. This was eliminated in 1982 and the revenue loss for the period, \$123 million - \$123 million lost as a result of the elimination of the revenue guarantee component. On the capping of post-secondary education, which was introduced in April 1983, the six and five guidelines were applied, future growth rates were not specified and we have a revenue loss from EPF transfer funding in this particular section, as a result of the capping of post-secondary education, of \$21 million; \$123 million as it relates to hospital programmes, \$21 million as it relates to

MR. BARRETT:

post-secondary education, Mr. Speaker, a very, very significant short fall in revenues to this Province as a result of these amendments and changes to the EPF transfer arrangements, If one were to project the loss of revenue for the next five years or for the five year period from 1982 to 1987, the direct cumulative loss to this Province would be \$144 million as a result of adjustments made to the EPF programme.

Mr. Speaker, I think that these illustrations, \$144 million lost from EPF transfers, \$750 million annual deficiency in federal government expenditures in this Province compared with our sister Province of Nova Scotia, Mr. Speaker, \$420 million deficiency in the expenditures by the federal government's National Defence programme in this Province as it relates to Nova Scotia, very, very significant figures, Mr. Speaker, ill-afforded by a Province which cannot get control, which cannot get a significant say, not only in its offshore, not only in the vast resources offshore in petroleum products, Mr. Speaker, but an ever-eroding control with respect to our fishery as well.

Thank you very much.

SOME HON. MEMBERS:

Hear, hear!

MR. HODDER:

Mr. Speaker.

MR. SPEAKER (Dr. McNicholas): The hon. the member for Port au Port.

MR. HODDER:

Mr. Speaker, it has been said that the devil quotes scripture to suit himself. I think what has been left out of the member's speech would boggle the mind.

Mr. Speaker, this resolution embodies the line of the government, the Peckford line,

MR. HODDER: more than anything else I have seen. As a matter of fact, it might have been written by the Premier himself, given his habit of answering any letter that turns up in the public press, and I am quite sure he writes every resolution for members opposite.

Mr. Speaker, I have said before that a shrewd negotiator uses what he has to make the biggest gain. He does not take the attitude that 'You have everything, we have nothing; you are trying to put us down and punish us. And I think some of the words in this resolution - I think the words 'punish Newfoundland' is in that resolution, 'deliberate decision to penalize the people of Newfoundland', to penalize or punish.

SOME HON. MEMBERS: Hear, hear!

MR. HODDER: Mr. Speaker, anyone who has ever had any experience in negotiating would never make bigger gains by starting with a chip on his shoulder. You know, it would be interesting, Mr. Speaker, if this government were to put on a course in negotiating skills for themselves or better still, for some professor to study the negotiations that have been going on between this government and the federal government and then to relate those negotiations to how proper negotiations should be carried out and do a little study on it. It would be a fine doctoral thesis for a political scientist or for a person who is training in negotiating skills.

Mr. Speaker, some people have skills in negotiations, some people do not. We do not approach someone who has the same interests as ours with a chip on our shoulders. We negotiate as equals and we play our weaknesses into strengths. That is



MR. HODDER: acceptable within the Canadian federation. It is acceptable in the Canadian federation, Mr. Speaker, to dispute the policies of the federal government, to dispute policies of a sister province if they conflict with what we, ourselves believe, or if they conflict with our interests, but we must do it within the framework of Confederation. We will never do it by convincing people, the people of Newfoundland, that the federal government is out to get them.

Now, I have said two things: I have said, one, that we must negotiate properly. We must negotiate from strength and we must not negotiate with a chip on our shoulder. But the second thing is that we cannot negotiate in good faith with another government

MR. HODDER: when the atmosphere becomes so tense that our general populations start to dislike each other, and I refer to the resolution today.

If you extrapolate that particular resolution, which shows more than anything else the government's thinking, if you extrapolate that resolution into a negotiating stance I say, Mr. Speaker, it is an incorrect one. It is an incorrect philosophy on which to base negotiations with Ottawa on any basis.

Mr. Speaker, when I speak of the rousing up of our populations when we negotiate with Ottawa I think back to the Day of Mourning. Now, the Day of Mourning in itself was something which was formulated to get the troops on side. It backfired, but it was formulated to ensure that the people of Newfoundland would have the desired hate for the federal government and their policies that would give this government some political points with the people. But, also, amongst the general population, we went to the worst side of people's natures, they are going to take something from us. We did not stand up and say, "We are going to get this." We did not give a positive image. This is the negotiation stance.

During the Constitution Debate, which was only held here a couple of years, one of the things that this government did again was to go down and rouse up the population. And the Premier came on television and he said that they could take our church schools and that they could take our Labrador boundary. Well, when I first heard that I thought, well, this is just terrible. I mean, no Newfoundlander will ever stand for the Labrador boundary being taken, in particular. And of course the churches, including some churches who did not

MR. HODDER: have any guarantees in the Terms of Unions, did not have one guarantee, got very upset. Letters were coming to us from religions, teachers, and lay people, and religions that were not even guaranteed in the Terms of Union. But people were roused up again so that the Premier could charge off and fight his battle with Ottawa with the Province behind him.

Mr. Speaker, I think that if the Minister of Employment and Immigration (Mr. Axworthy) was negotiating with me over something in my district I think we would stand as equals. If I were on weak ground I would try to make my stand as firm as possible and I would go to my people and say these are the tools we have and I would try to work out the best negotiation possible. If the hon. gentleman has read history and looked at some of the great figures in history, they have been able to negotiate with very little and get a lot for their countries. But they have never been able to do it by fighting. The only way they have been able to do it by fighting is to go to war. You have to go all the way. But what the negotiation stance of this government has been since these issues have come upon us, it has been one of confrontation and it has also been one of trying to stir up the general popular in whatever way possible, and sometimes not in nice ways, as I think of the church/school issue, but to stir up the populus.

And that, Mr. Speaker, is the seed of separatism. When we use issues in the Province to fight other issues, that is the seed of separatism.

MR. HODDER: Mr. Speaker, I am sure that if the Premier did a poll and the question of ability to negotiate were asked that the Premier would play very low on that particular issue.

PREMIER PECKFORD: I am sorry, you are wrong again.

MR. HODDER: Mr. Speaker, I am not wrong and unless -

PREMIER PECKFORD: We had a poll done on that.

MR. HODDER: Well, you better show it to us.

But, Mr. Speaker, never before in this House has such a monumental piece of hypocrisy come before the House.

The Province is crumbling around our ears, the House of Assembly has been open a for quite some time now, it is an expensive exercise, and we are faced with blatant, categorical politics. Mr. Speaker, this is a political resolution, resolution again aimed at knocking Ottawa between the eyes. Mr. Speaker, that is not the negotiating stance that we should have at the present time. Out of all of the resolutions that were placed on the Order Paper this year, this particular resolution is the most diabolical, 'that the Government of Canada is punishing us deliberately, has made a deliberate decision to penalize the people of the Province'. How can we, Mr. Speaker, ever negotiate with a chip on our shoulder? It will never work. Mr. Speaker, I would like to present an amendment to this particular motion, to amend the motion by striking out all the words before 'NOW THEREFORE BE IT RESOLVED' and replace it by adding 'That this House urge the provincial and federal governments to return to the Canadian approach of co-operative federalism,' seconded by the member for LaPoile (Mr. Neary).

MR. SPEAKER (McNicholas): There is an amendment before the House to amend the motion by striking out all the words before 'NOW THEREFORE BE IT RESOLVED' and replace it by adding, 'That this House urges the provincial and federal governments to return to the Canadian approach of co-operative federalism.'

MR. RIDEOUT: Mr. Speaker.

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

MR. RIDEOUT: Mr. Speaker, I rise on a point of order. I believe that the amendment that is proposed here by the hon. gentleman for Port au Port (Mr. Hodder) negates the intention of the original resolution and I point out to you, in particular, the fourth WHEREAS says, 'WHEREAS the Provincial Government has tried every means at its disposal during the past several months to improve Federal/Provincial relations and sign cost shared agreements;' and then it goes on to say, 'THEREFORE BE IT RESOLVED that this House urge the Government of Canada to reverse its present policy and to return to the Canadian approach of co-operative federalism.' Now, the amendment urges both provincial and federal governments to return to the Canadian approach of co-operative federalism. I would submit to, Your Honour, that

MR. RIDEOUT: the intent of the resolution is such that the Province is willing, able and has proven that it follows the course of co-operative federalism but that the federal government has not, and to try to insert in the amendment the tarring of both governments with the same brush I would submit, Sir, negates the intention of the resolution and is therefore out of order.

MR. HODDER: To that point of order.

MR. SPEAKER (Dr. McNicholas): To that point of order the hon. member for Port Au Port.

MR. HODDER: Mr. Speaker, that is not so, it does not negate the intention at all, all it does is add one more. We have had many amendments in this House since private members' motions were put on the floor this year. Concerning this particular resolution I would point out to Your Honour that I did check this out with the appropriate authorities and -

MR. RIDEOUT: I did too.

MR. HODDER: We have a right to the lawyers at the table as well as you do, you know. We checked it out and they told us that this particular motion would be in order, Mr. Speaker. We looked at it very carefully, as we always do. I would refer the Speaker back to amendments which have been made throughout this session. There have been a number of amendments made throughout this session and you will find, Your Honour, that this is the same as almost all of the amendments which were made when we sat last and throughout this particular session and through last year's session. There have been quite a number of amendments and we have all done them on the same basis. And as I say, Your Honour, two lawyers have said that this is in order. I checked

MR.HODDER: it with them first.  
MR.SPEAKER (Dr McNicholas): To that point of order.  
I will recess the House for a few moments to look into the matter.

RECESS

MR. SPEAKER (Aylward): Order, please!  
The hon. member for Port  
Au Port (Mr. Hodder) brought in an amendment to the  
resolution from the member for St. John's West (Mr. Barrett)  
and we have reviewed the resolution and find that it is  
in order.

The hon. the member for  
Port au Port.

MR.NEARY: A good ruling, an excellent  
ruling.

MR.HODDER: Thank you, Mr. Speaker.  
Mr. Speaker, it just shows how good the expert from  
Baie Verte-White Bay (Mr. Rideout) is.

MR.NEARY: Get the House Leader back.

MR.HODDER: Well, the Premier was  
agreeing with him and the member for St. John's North  
(Mr. Carter), so they obviously have a lot to learn, Mr.  
Speaker.

Mr. Speaker, as I was  
saying the amendment puts some sense  
to the member's resolution and I  
would call on the government members to support out  
amendment because one of the problems is that federal/  
provincial relations have soured in the past two or three  
years and a return to the Canadian approach of co-operative  
federalism is certainly desired. The approach  
to Canadian federalism which has been practiced by this

MR. HODDER: government, Mr. Speaker, we have seen examples of ministers coming down from Ottawa with money in their pockets , millions of dollars, and the provincial government sending a deputy minister down to pick it up rather than to take the money as is normal protocol in different provinces. Mr. Speaker, in the past years we have a number of general development agreements, subsidiary agreements. In May of 1981, there was a Coastal Labrador agreement, which is a six year agreement and expires in March 1987, for \$389 million . That agreement , Mr. Speaker, is for building roads and airstrips throughout the Northern part of our Province where they are so badly needed. I happened to travel in that area this Summer and it is sometimes difficult to realize how advantaged we are here living on the Island, and how disadvantaged the people on the Coast of Labrador are .



MR. HODDER:

And when I returned, after the agreement, I had visited there previously, it was to see the work that has taken place there to make their lives a little better, to transport their food a little more cheaply. That was only \$38.9 million. The pulp and paper modernization agreement was \$33 million, which expires in March 1985. There was an industrial development agreement; phase one was parks for \$17.8 million, it runs to 1988; the institute of marine technology, which is certainly not one that was given to Nova Scotia—I do not know if the hon. member there was taking in the little agreements like the institute of marine technology, which was signed in June 1983 and runs to March 1987, for \$42.3 million. Highways agreements under special recovery programme:

Mr. Speaker, you know, our Trans-Canada Highway is a provincial responsibility. But \$44 million, which covered the Manuel's Bypass, the Trans-Labrador Highway, separate agreements for the TCH, signed in January 1982, for \$48 million, which expires in March 1985. An amendment to the forestry subsidiary agreement, that was an amendment of \$8.7 million; and the Arctic vessel marine research institute at Memorial University signed in July 1981, valued at \$6 million. But, Mr. Speaker, when you consider the input of job creation dollars into this Province, if you look at the input of job creation dollars anywhere in the Province, the provincial government, I think, last year put in some \$30 million, it was some one-third of the amount of job creation dollars put in under one programme that the federal government put it. They did put in some \$30 million last year. I believe I may be high on that figure.

But, Mr. Speaker, these amounts

MR. HODDER: of money are placed in areas where there is the highest unemployment and still we have the highest unemployment. But, Mr. Speaker, the millions and millions and millions of dollars that have come in for job creation projects, and we can criticize some of the job creation projects that have existed, but it is certainly good when you go into a small community and you see that their wharf was done through Canada Works or their community centre or their local slipway or whatever it happens to be. It provided employment, and in many areas of this Province it saved the rural areas. But, Mr. Speaker, we hear nothing of this. And I agree with the hon. member opposite, we do not get on our knees and beg for more and say thank you, Mr. Ottawa. No. I do not agree with that at all. I think we should negotiate with Ottawa to get as much as we possibly can but we cannot, on the one hand, say - and perhaps I forgot the most important agreement of all, which the Premier hailed as the greatest agreement since Confederation, that of the restructuring of the fisheries - but we cannot, on the one hand, at one moment say this is a wonderful agreement, the greatest since Confederation, and then the next day slam the federal government for something else.

Mr. Speaker,

I remember the Shoe Cove incident, and one of the problems there was the capability of the Shoe Cove installation to track icebergs, and the government made such a fuss about that that a minister of the government organized a demonstration against Ottawa. It was not spontaneous by the people, it was organized by a minister of government who went up there and said, 'Boys, let us demonstrate against that'. Now, Mr. Speaker, we hear that there is a new aircraft which is being

MR. HODDER: developed which will be better to look at the flow of the icebergs, the direction of the icebergs, and even the smaller icebergs which could never be discovered before, and it is the type of machinery that we need. But no one at the time the Shoe Cove institute closed down, on that side, in the government would give the Government of Canada any kind of credit at all, and it was seen as just an issue. Now things are being done which will improve the type of facility, and we will have a better facility to do what Shoe Cove could not do; Shoe Cove could not see through fog, it was an antiquated observatory system.

MR. HODDER: And when things are antiquated and out of touch and there are newer technologies being developed, then we have to take our lumps and wait until something comes into place. And besides that, Mr. Speaker, at that particular time there was all sorts of indication that the ordinary satellite systems were providing just as much data as the Shoe Cove one was.

But that, Mr. Speaker, is the type of rhetoric that we hear from this government.

So I go back again to what I said originally, that if we are to negotiate with the federal government, then we must do it with our backs firm and with confidence and pride, not with a chip on our shoulders. And the resolution - you have told me that I have just a minute left - the resolution that was presented here today embodies the type of negotiation - when you negotiate, you have to negotiate from somewhere. If you negotiate from strength, from a sense of pride, then we will do well, but when you negotiate with a chip on your shoulder then, Mr. Speaker, I contend that we will get nowhere with that, particularly if we try to alienate our Province against Ottawa. That is not co-operative federalism, we are only sowing the seeds of separatism. Thank you, Mr. Speaker.

MR. TOBIN: Mr. Speaker.

MR. SPEAKER (Dr. McNicholas): The hon. the member for Burin - Placentia West.

SOME HON. MEMBERS: Hear, hear!

MR. TOBIN: Thank you, Mr. Speaker.

I would like to make a few comments regarding this resolution, so ably presented by my colleague from the district of St. John's West (Mr. Barrett). It is a good resolution but an unfortunate one. What we are witnessing here today is a resolution

MR. TOBIN: where we have to stand in this House of Assembly as elected representatives of the people throughout the Province and condemn the Government of Canada for deliberately trying to penalize the Province for its actions on the people's behalf, the duly elected provincial government.

Mr. Speaker, I can say, since my short time in politics and for the many years that I served as an elected representative to the people of Marystown as a councillor and involved at the municipal level on the Burin Peninsula, that things have drastically changed. We look at the fisheries. The resolution which was moved by the Premier today and seconded by the Leader of the Opposition (Mr. Neary) after, Mr. Speaker, it took the Leader of the Opposition and the Liberal Party of this Province seven or eight days to make up their minds on whether or not they supported the people of Newfoundland as it related to the Northern cod stocks, whether or not, Mr. Speaker, they wanted the people in the plants in this Province, on the unemployment rolls, as we have seen so often in the past, whether or not the Liberal Party in this Province wanted to see that, whether they were going to stand by and let it happen, or whether or not they were going to support this government. It took them days, Mr. Speaker, to make up their minds.

The fisheries in this Province indeed plays a vital role, it is the backbone to the rural growth of this Province. The fisheries have gone through some very trying times in the past and now, as things begin to shape up, as the fisheries begin to take their place in the Province, we see a deliberate attempt once again by the Government of Canada to penalize the fisheries: to penalize the fishermen,

MR. TOBIN: to penalize the  
fish plant workers, to penalize the growth of this Province  
by trying to put in place our fish, Mr. Speaker, the Northern  
cod off Newfoundland, which has been so vital to the

MR. TOBIN:

inshore fishery in this Province and over the past number of years has been so vital to the deep-sea fishery in this Province. Now for some mysterious reason the federal government wants to allocate this fish to foreigners, or give a share of this fish to anyone else except Newfoundlanders. Well, I would say that is regrettable and again I believe it is a deliberate attempt by the federal government to see Newfoundlanders on their knees, and we as Newfoundlanders, Mr. Speaker, cannot permit it to happen.

What is going to happen, Mr. Speaker, if the federal government get their way? If its wish to sock it to Newfoundlanders is allowed to happen, the people in this Province will be unemployed. I will predict, Mr. Speaker, that we will have more unemployment in the fishing industry in this Province next year, as a result of the actions of the federal government, than we have had in the past, and Heaven knows we have had our share, we have had enough. But if the federal government are permitted to go ahead with their plans to sock it to the Newfoundland fisheries, we will have more unemployment in the fishing industry in this Province than we have had in the past year.

And I further state that the deep-sea fishery in this Province had been traditionally fished on the Grand Banks for years. Mr. Speaker, through the efforts of all the foreign vessels that came in and poured down on the Grand Banks, we have witnessed the depletion of the fish stocks on the Grand Banks faster than anywhere else, thanks to the foreigners, Mr. Speaker. Then the federal government - I give credit Mr. Speaker, to a good Newfoundlander, a statesman, the hon. Don Jamieson. In his day he interceded with the federal government, through the efforts of this House, I might add, and the 200 mile limit was brought into place. But what happened to the Nose and Tail of the Bank,

MR. TOBIN: Mr. Speaker, the spawning grounds for the fish that come to the Grand Banks? What happened to that resource? What happened to the Flemmish Cap? Why was the 200 mile limit not extended beyond so it could include both the Tail and Nose of the Banks and also the Flemmish Cap?

Mr. Speaker, we can look at all of this. The federal government has not been, and I suggest Mr. Speaker, that they will not be as long as the Prime Minister of this country and his cohorts from Quebec are in the federal government, as long as they exist the Government of Newfoundland, the people of Newfoundland will never benefit to the extent that they should, to the extent that they should become equal partners in this Confederation. Unless these people are replaced, and I think that whenever they get the courage to call a federal election that will happen -

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

MR. TOBIN: Mr. Speaker, if there was either fool ever came into this House it is the member for Torngat Mountains (Mr. Warren).

SOME HON. MEMBERS: Hear, hear!

MR. PEACH: He is not leadership material now.

MR. TOBIN: He is not leadership material?

MR. PEACH: No.

MR. WARREN: And it is Torngat, not Torngate.

MR. PEACH: You would never know by his pronunciation.



MR. TOBIN:

Mr. Speaker, we can look at the Marystown Shipyard as an example, a shipyard that is owned by the Government of Newfoundland, that has been supported by the Government of Newfoundland, Mr. Speaker, for years. If ever there was a need to have the shipyard in Marystown brought into the mainstream, Mr. Speaker, of federal work it is right now. We have heard, Mr. Speaker, the Canadian Press carry stories out of Ottawa where the federal government has announced programmes for the ship building industry from Nova Scotia to British Columbia, but we have in Marystown, Mr. Speaker, a good shipyard, recognized internationally for the workmanship that takes place there, we have that in Marystown and yet the federal government in their wisdom have not seen fit to give one ounce of work to the Marystown Shipyard. Mr. Speaker, the federal government have not seen fit to put one iota, one ounce of work in the Marystown Shipyard. The last contract for new construction at the Marystown Shipyard was given when the Prime Minister of Canada was the Right Hon. Joe Clark and the Minister of Fisheries was Jim McGrath. That is the last time that the Marystown Shipyard has gotten one ounce of work from the federal government. And yet, Mr. Speaker, in the past

MR. TOBIN:

number of months, particularly in the past year, they have spent millions upon millions of dollars in the construction of new ships throughout Canada but not one cent have they put into the Marystown Shipyard.

MR. WARREN: No federal money at all?

MR. TOBIN: That is, Mr. Speaker, total lack of representation of the area and, furthermore, Mr. Speaker, it demonstrates beyond a shadow of a doubt the contempt that the federal government holds for Newfoundland and Newfoundlanders.

MR. WARREN: No federal money at all?

MR. TOBIN: Not for new construction, Mr. Speaker, not one cent. We can look at Nova Scotia with millions of dollars being pumped into it, we can look at the shipyard in PEI, in Gage Town, I believe.

PREMIER PECKFORD: A boat for my district.

MR. TOBIN: That is right. I believe the hon. member, Mr. Speaker, was just up there to christen one.

We can look at the shipyards all throughout Canada, Mr. Speaker, in British Columbia, in Quebec ships pounding out, and not one cent are the federal government putting into new construction in Newfoundland.

MR. WARREN: Anything in repairs?

MR. TOBIN: Mr. Speaker, in terms of repairs it is basically the same, very, very little are they putting into the Marystown shipyard. And, furthermore, Mr. Speaker, the federal government do not call public tenders for construction of new ships. They do not call public tenders for construction of ships, Mr. Speaker, and that clearly emphasizes the contempt that they have for Newfoundland

MR. TOBIN: and Newfoundlanders.

Mr. Speaker, I sat in the House today when questions were being directed at my colleague and good friend, the Minister of Transportation (Mr. Dawe), one of the very able parliamentarians, one of the best constituency men that this Province has ever produced -

SOME HON. MEMBERS: Hear, hear!

MR. TOBIN: Mr. Speaker, as a matter of fact, if you sit in his office, spend a few hours with him during the week it is a little bit strange that he receives more telephone calls from the district of LaPoile than he does from the district of St. George's.

MR. NEARY: It is right that he took you at public expense out to his opening the other day, took you and his buddies and his friends and his family at public expense?

MR. RIDEOUT: Why did you not go out there?

MR. NEARY: I was out there. I did not go at public expense.

MR. TOBIN: And I can tell the hon. member, Mr. Speaker, that my visit to the LaPoile district is not too far away either, with the hon. the member for St. George's (Mr. Dawe), because it is my understanding that both of us have probably been invited to attend some functions in the hon. member's district. I have got some great friends, Mr. Speaker, in the district of LaPoile. I have got some great friends in Isle aux Morts, Rose Blanche, Margaree. We can go on and on, Mr. Speaker. We can waltz through the district of LaPoile, myself and my hon. colleague.

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

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

MR. CALLAN: Mr. Speaker, we are all well aware of how ignorant of the rules of the House the hon. the gentleman from Burin (Mr. Tobin) is, however, he must realize that talking about the district of LaPoile or any district has nothing to do with the motion that is before the Legislature.

MR. SPEAKER (Aylward): Order, please!

To that point of order I would remind the hon. the member for Burin - Placentia West that we are discussing an amendment to the resolution, 'That this House urge the provincial and federal governments to return to the Canadian approach of co-operative federalism', and he should relate his remarks to that.

MR. TOBIN: Thank you, very much, Mr. Speaker. That was exactly the point I was getting at, Mr. Speaker, when I was referring to the hon. member's district. There happens to be a magnificent bridge there that was built by the

MR. TOBIN: federal and provincial governments through the effort of my colleague, the Minister of Transportation (Mr. Dawe). That is exactly the point I was getting at.

MR. WARREN: What about the ferry?  
Are we going to get our ferry back?

MR. TOBIN: Now, Mr. Speaker, if you want to talk about ferries I certainly can talk about ferries and address totally the amendment, Mr. Speaker. I can speak of ferries, Mr. Speaker, when myself and my colleague, the Minister of Transportation, spent days, Mr. Speaker, last year in Placentia Bay - the hon. Minister of Transportation, Mr. Speaker, spent hours upon hours regarding ferries when the federal government wanted to put the shaft to the people of Placentia Bay. Through the efforts of my colleague and through the efforts of people such as my good friend in the galleries today, that was not permitted to happen. No credit, Mr. Speaker, is directed to the federal government. No credit whatsoever.

MR. WARREN: No, it was not the Springdale ferry you were talking about.

MR. TOBIN: If you want to talk about ferries, Mr. Speaker, if you want to speak about ferries, you should realize the torture that the people of Placentia Bay were put through last year by the actions or inactions of the federal government. That is where ferries come in, Mr. Speaker.

SOME HON. MEMBERS : Hear, hear!

MR. TOBIN: That is where the shaft of the federal government was issued.

MR. WARREN: Your buddy did not do too bad either.

MR. TOBIN: No, Mr. Speaker, because of the gumption of the people of Placentia Bay -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Avlward): Order, please!

MR. TOBIN: - of Petite Forte, Mr. Speaker, Southeast Bight and Little Paradise, because these people united and fought the shaft that was directed their way by the federal government, and, I might further add, Mr. Speaker, -

SOME HON. MEMBERS: Oh, oh!

MR. TOBIN: - I might further add, Mr. Speaker, aided and abetted by the Liberal Party of this Province.

SOME HON. MEMBERS: Hear, hear!

MR. TOBIN: Mr. Speaker, when my hon. colleague wanted to address a petition that I presented in this House on behalf of the people of Petite Forte it was the Liberal Party that tried to stifle me and would not let that hon. gentleman, the Minister of Transportation (Mr. Dawe), utter one word in support of the people of Petite Forte. That is what happened, Mr. Speaker.

MR. WARREN: (Inaudible) \$1.6 million, why did he not use that?

MR. TOBIN: If you want to talk about ferries, Mr. Speaker, we will talk about them all day.

SOME HON. MEMBERS: Oh, oh!

MR. TOBIN: That is what happened to the ferry system in Placentia Bay. That is what happened to the ferries in this Province.

MR. CALLAN: Your time is up.

MR. DAWE: And now the Province has taken over the whole coastal service.

MR. TOBIN: That is right.

The Province has taken over the whole coastal boat service. If it had not been for the people

MR. TOBIN: of Southeast Bight, Petite Forte and Little Paradise last year, with the support of myself and my hon. colleague, the people of Petite Forte today would be totally isolated, Mr. Speaker.

MR. WARREN: Not true! Not true! Not true!

MR. TOBIN: They put on a ferry system that was totally inadequate, not acceptable to the people, nor should have been acceptable to the people, and they tried to say, this is it, this is what you must put up with.

No, Mr. Speaker, the people of Petite Forte and Southeast Bight and Little Paradise told the federal government where to go, and the Department of Transport, and so they should, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. TOBIN: Furthermore, Mr. Speaker, you talk about relationships, federal/provincial relationships. Well, I would say as it relates to the ferry system in Placentia Bay, and the inadequacy of the ferry system that existed there last year, it would not have been a worry if the Liberal Party in this Province had to get their way and had moved everyone from Placentia Bay, Mr. Speaker, to St. John's or some other urban setting in this Province.

SOME HON. MEMBERS: Oh, oh!

MR. TOBIN: Yes, Mr. Speaker, that is what happened. That is what happened under the resettlement programme in this Province.

MR. YOUNG: Shame!

MR. WARREN: Who moved them back to Merasheen?

SOME HON. MEMBERS: Hear, hear!

MR. TOBIN: I did not know, Mr. Speaker, that anyone moved back to Merasheen.

MR. WARREN: You did not know that?

MR. TOBIN:

Now, Mr. Speaker, if the hon. member wants to talk about Placentia Bay let us talk about Placentia Bay and where the people live. If you want to know where people moved, they moved to Red Island and not to Merasheen Island. They moved to Red Island and not to Merasheen Island, Mr. Speaker.

SOME HON. MEMBERS:

Oh, oh!



MR. TOBIN: Mr. Speaker, it is the contention of this government, and it has been, that if people want to live where they were born and bred, where they take pride in living, where their families live, where they can make a living, Mr. Speaker, they have every right to live there! That is the attitude of this government. -

SOME HON. MEMBERS: Hear, hear!

MR. TOBIN: - unlike the policies and philosophies of the Liberal Government who went down and flashed dollars at the people.

MR. YOUNG: Two thousand dollars and move them out. Bought their souls for \$2,000 and moved them out.

MR. TOBIN: Now, Mr. Speaker, we were talking about the relationship between the federal and provincial governments.

The lack of spending, Mr. Speaker, in this Province: We heard my colleague when he introduced the resolution, speak of the per capita dollars that are spent throughout the Maritime Provinces, Atlantic Canada - National Defence, \$736 per person in Nova Scotia; in Prince Edward Island, \$338 per person; and in New Brunswick, \$262 per person. And why, Mr. Speaker, in Newfoundland, do the federal government in National Defence have to give us \$74 per person which, Mr. Speaker, is in excess of 600 per cent less than they are receiving in Nova Scotia?

Mr. Speaker, that is bad enough, that the federal government would treat the people of this Province with that type of contempt, that is bad enough, but when the Liberal Party in this Province, Mr. Speaker, so few in number, when they stand by and let this happen, that is what is regrettable.

MR. TOBIN: And the day should come and will come, Mr. Speaker - they did not get the message the last election and they did not get the message last week in Terra Nova, but when the next election is called they will get the message.

I want to say, Mr. Speaker, that I believe the resolution in its totality as presented by my hon. colleague, is a good one and it is unfortunate that the Opposition has tried to stifle it.

Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. CALLAN: Mr. Speaker.

MR. SPEAKER (Aylward): The hon. the member for Bellevue.

MR. CALLAN: Mr. Speaker, I would like to have a few words on this resolution. The member who just took his seat - and he did take his own seat for a change, he is usually sitting in everybody else's - but the member who just took his seat, Mr. Speaker, finished his few remarks by saying, 'It is a good resolution.'

Mr. Speaker, it should not be necessary, and it is silly and ridiculous for a backbencher on the government side to have to bring in a resolution such as this one, asking and urging the Government of Canada to reverse its present policy and to return to the Canadian approach to co-operative federalism. What nonsense! What nonsense! We have heard, of course, of the cap-in-hand approach that this Province has had to take, and so on. Mr. Speaker, what did the people in Terra Nova district have to do? Did they have to take a cap-in-hand approach in order to have any chance of getting any of their own tax dollars? From 1975, Mr. Speaker, up until the present day, not one inch of pavement was put in the district of Terra Nova, not one inch! And then the Premier goes out

MR. CALLAN: with his cohorts and they threaten the people in Terra Nova and they say to them, 'If you want any of your tax dollars back in paved roads or whatever -

MR. MORGAN: (Inaudible) in the by-election out there.

MR. CALLAN: He contributed to it, he was one of the contributing factors. But I can tell you one thing, the Premier can have his head in the air all he wants to, but one thing is quite clear, that the Premier's presence out in Terra Nova in no way influenced the voters in that district, they voted to have a man on the government side because they were coerced and they were threatened just as the people in the district of Bellevue were in the by-election in Bellevue. But the only thing that happened in

MR. CALLAN: the only thing that happened in Bellevue that was different from Terra Nova, Mr. Speaker, is that there were not as many people in the district of Bellevue who wanted the paved roads. The people who wanted it, they voted Tory, they voted in accordance with the threatening letter that they got, 'Vote Tory or you get little or nothing.' But the people in Arnold's Cove and Swift Current and North Harbour and Garden Cove and Dildo and Whitbourne and Norman's Cove and Chapel Arm and Chance Cove and Come By Chance, these areas, Mr. Speaker, had no reason to vote for the government because they had their paved roads, most of it, of course, thanks to the former Liberal administration.

But getting back to this resolution Mr. Speaker, calling on the Government of Canada to be more friendly with this Province, what silly nonsense! We have had ministers and we have had MPs come down from Ottawa ready to hand over millions of dollars to ministers in this Province and they refused - and the Premier is a shining example - refused to go to a certain site for the signing because, because it was not the seat of government or some such silly nonsense. Talk of co-operative federalism, Mr. Speaker, the members opposite, the members of this government have no idea what the word means, co-operating. How do they co-operate with us? The Minister of Transportation (Mr. Dawe) was in Clarendville a couple of weeks ago, met with a delegation and told them because they were from the district of Bellevue, well, it is not likely you will get any money for pavement because you feed your own family first. In other words, if there are any crumbs left from the table we will give it to you, sure, but you can be pretty sure that all of the bread will be spread around the other forty-five districts in this Province and there is very little chance.

MR. CALLAN: This is the attitude of this government, Mr. Speaker. It is the Premier who leads it off and his ministers fall in line and they do the same thing, and they parrot the same phrases. Here we have this same government calling on the federal government in Ottawa to be nice and to be generous when they, themselves, have no idea how to practice what they are preaching to Ottawa. My suggestion, Mr. Speaker, is natural and it is obvious, clean up your own act, first. Why beholdest thou the mote that is in Ottawa's eye, look at the splinter that is in your own first, or in both eyes. Because obviously you are blinded and cannot see, you cannot see any further than your own noses. And then they talk about how Ottawa is treating us unfairly. What silly nonsense! Mr. Speaker, when the member for St. John's West (Mr. Barrett) was quoting figures just now he was quoting convenient figures. Mr. Speaker, I wonder what state of affairs most of the people of this Province would be in, what kind of homes would they be living in if it was not for many of the federal programmes, the rural RRAP programmes that repair their houses, and the rural and remote programmes that repair their houses and, of course, the 50 per cent and the 60 per cent and the 90 per cent funding that comes from Ottawa and is administered through Newfoundland and Labrador Housing and other agencies in this Province? And, of course, we have the make work programmes, the NEED programme, the latest one, where people were earning \$200 a week at least, \$800 a month. If they were not getting employment on these projects they would have been on Welfare - again 50 per cent funded by Ottawa. - they would be living on Welfare with many fewer dollars to spend for their families and to heat and

MR. CALLAN:

light their houses. So, Mr. Speaker, my response, as I said, is simple to this resolution. We had a resolution or a motion earlier today as well. The Premier (Mr. Peckford) mentioned a few days ago about the Northern cod. The Premier, Mr. Speaker, was carrying on the exact same fight with Ottawa when he was insulting the hon. James McGrath, saying he was not as good a Fisheries Minister as Romeo LeBlanc. James McGrath said the Northern cod is a national resource. So nothing has changed. The characters may have changed but the one character that has not changed, of course, is the Premier and he is referred to as a fighter. He is more of an actor, Mr. Speaker. He is not a fighter. If he is a fighter I do not know what he has won. How many fights has he won?

MR. TOBIN: Terra Nova.

MR. CALLAN: Terra Nova had nothing, absolutely nothing to do with the Premier. Terra Nova had nothing to do with the Premier. We could have had Tommy Toe. Tommy Toe could have been the Premier.

SOME HON. MEMBERS: Oh, oh!

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

MR. CALLAN: Tommy Toe could have been the Premier. If the Premier was so great, how come he did not win the district of Bellevue in the by-election? It had nothing to do with the Premier, the Terra Nova by-election, and most members opposite know it. Even though they are over there like a bunch of parrots and tapping seals, they know.

MR. TOBIN: What won Terra Nova for us?

MR. CALLAN: What has he won?

MR. TOBIN: I know what you are going to say about Terra Nova.

MR. CALLAN: I am not even going to talk about Terra Nova. You talked about Terra Nova. Terra Nova is in the past.

MR. TOBIN: You are saying if (inaudible) went out there he would lose the election.

MR. CALLAN: Mr. Speaker, this gentleman who is not in his own seat, which is usual for him, is bawling across the House. He just had twenty minutes to get across his points and here he is in somebody else's seat being again, of course, traditionally unparliamentary.

MR. TOBIN: Like yourself.

MR. CALLAN: Mr. Speaker -

MR. SPEAKER (AYLWARD): Order, please!

MR. CALLAN: -I would like to be heard in silence.

MR. SPEAKER: Order, please!

MR. TOBIN: There is nobody listening, so you will be heard in silence.

MR. CALLAN: I think, Mr. Speaker, it is about time to name the member for Burin-Placentia West (Mr. Tobin).

MR. TOBIN: You would like to see me kicked out.

MR. CALLAN: Mr. Speaker I would like to be heard in silence.

MR. SPEAKER: Order, please!

I remind all hon. members that the hon. member for Bellevue would like to be heard in silence.

The hon. the member for Bellevue.

MR. CALLAN: 'NOW THEREFORE BE IT RESOLVED that this House urges the Government of Canada to reverse its present policy and to return to the Canadian approach of co-operative federalism'. Now, in whose opinion, Mr.

MR. CALLAN: Speaker, was anything changed to have to be reversed? The opinion of the member for St. John's West (Mr. Barrett), as I said, who is so blinded by his love for the Tory Party and for the Tories in St. John's West that he cannot see beyond the overpass, and he



MR. CALLAN: cannot see the Taxation Data Centre that was put down here, millions and millions of dollars, and the Harbour Arterial.

PREMIER PECKFORD: Get on your knees. The syncrolift.

MR. BARRETT: It is the member for Lapoile (Mr. Neary) who cannot see that.

MR. CALLAN: The syncrolift was built through a loan backed by this government, nothing else, a loan.

PREMIER PECKFORD: A federal Crown corporation like the feds would not go along with it, would not give us backing.

MR. CALLAN: We know the story on all of these things, Mr. Speaker, but we also know about the millions and millions of dollars that are coming to this Province, and the millions and millions of other dollars that would be coming here if the right approach was taken by this Province, not by Ottawa.

You see, Mr. Speaker, the member for St. John's West (Mr. Barrett) contradicted his own argument. If the member for St. John's West said, "Here is a Liberal Government in Nova Scotia and PEI and New Brunswick that are getting lots of goodies from Ottawa because they are Liberal Governments," if he said that -

MR. BARRETT: They are not Liberal Governments.

MR. CALLAN: - if he had said that it would have made sense and then he would have said, "But we have a Tory Government in Newfoundland so that is why we are punished." But the member for St. John's West defeated his own argument. Here we have the Federal Liberal Government in Ottawa, Mr. Speaker, who are treating Nova Scotia, and PEI and New Brunswick, the same premiers who our Premier walked away from, by the way - he got out of the Atlantic Premiers Conference, he backed out of it.

SOME HON. MEMBERS: He was never in it.

MR. CALLAN: He backed out of it.

SOME HON. MEMBERS: He was never in it.

MR. CALLAN: He backed out of it.

Mr. Speaker, the Premier denied funding several months ago and instead of being a part of these three provinces the Premier wants to go it alone. He wants to go it alone. He wants this Province to go it alone. And, of course, what does he do? He blames Ottawa. When there is nobody else around to blame he blames Ottawa. So where is the fight? Where is the fighter, Mr. Speaker? He has not won a victory? As far as I know Joe Fraser and the other world champion fighters they won something and that is why they were classified as fighters. What has this Premier want? The only deals that were ever signed in this Province, Mr. Speaker, were signed by the former Minister of Mines and Energy, 'Leo Barry', who resigned from the Premier's Cabinet, because he did not like the way the Premier conducted his affairs. We could have had an agreement with Ottawa. When Ottawa signed the offshore agreement with Nova Scotia there was a clause in there which told Newfoundland that we were going to get a better deal. It spelled it out. The clause in the Nova Scotia agreement said, "Okay, you have agreed to this deal, however, if Newfoundland gets a better deal than this one, then your deal will be matched with the better deal for Newfoundland." We were told that there is a better deal for Newfoundland regarding our offshore.

Why do we not have a deal? Because, Mr. Speaker, our Premier and, of course, the new minister responsible for the offshore, the one who replaced the member for Mount Scio (Mr. Barry) who refused to sit there and see this Province having its years wasted while the Premier waits

MR. CALLAN: for the next federal election, when he hopes that another 'Brian' will be Premier. We have three of them, Mr. Speaker, and I do not know which of the three Brians are doing the most damage to this Province, Brian Davies, or the other two. One thing is quite clear in my mind, Mr. Speaker, that the Premier of this Province is not doing anything to help this Province. He is procrastinating! Wasted years, wasted Tory years, that is what we have seen,

MR. CALLAN: Mr. Speaker, especially since this hon. gentleman became Premier.

MR. NEARY: We have the two Ronnies and the three Brians.

MR. CALLAN: That is true.

AN HON. MEMBER: Do not forget your other one.

MR. CALLAN: Mr. Speaker, the best way to get better relationships with Ottawa is not by bringing a resolution into the House of Assembly like this one here by the member for St. John's West (Mr. Barrett), the best way to get better relations with Ottawa, Mr. Speaker, and the better way is not to do what the Premier is doing, to wait for a change in government, another wasted year or two, the best way to get better relations -

MR. TOBIN: Are you an expert?

MR. CALLAN: Mr. Speaker, the member for Burin Placentia West (Mr. Tobin) is in his own seat, I think, but he is still yapping. The best way to get better relations with Ottawa, Mr. Speaker, is for this government to change its attitude. And the Premier who has not made a Cabinet shuffle in about four years, perhaps the time has come for that. Of course on the other hand the Premier, perhaps, is afraid to try that because he knows that he will have other resignations from his Cabinet, like the member for Mount Scio (Mr. Barry) had to do when he could no longer agree with the attitude and the approach that the Premier was taking. Mr. Speaker, even though I have five minutes left, I will take my seat and I will not be supporting this foolish resolution or anything else that the

MR. CALLAN: member for St. John's West  
(Mr. Barrett) comes up with.

SOME HON. MEMBERS: Oh, oh!

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

PREMIER PECKFORD: Mr. Speaker, I would like  
to have a few words on this resolution.

SOME HON. MEMBERS: Hear, hear!

AN HON. MEMBER: Have a few words on the  
ferry.

PREMIER PECKFORD: I will have a few words on  
the ferry in due course, do not worry, Mr. Speaker. There  
is no problem, no problem at all. I will have all the  
say on the ferry in due course, Mr. Speaker, there are no  
worries about that. There is no problem there with the  
hon. member for Green Bay (Premier Peckford), he knows  
all about that. There is no problem there at all.

Now, on the matter of  
relevance, the matter we are discussing, Mr. Speaker,  
let me say to the hon. gentlemen opposite that once again  
they are making a terrible, terrible, as they did in  
Terra Nova, a terrible, terrible political mistake. I  
mean, hon. gentlemen opposite, I just do not  
understand what motivates people opposite. If one looks  
at the evidence that is available before us, going  
back to 1979, 1980, 1981, 1982 and 1983, I mean, the  
evidence is overwhelming that the Government of  
Canada, the government of this nation has taken a  
completely new approach to federal/provincial relations  
and the best piece of evidence - there is only one  
single piece of evidence that anyone really needs, Mr.  
Speaker, and that is that the Prime Minister of Canada

PREMIER PECKFORD: said to the nation, co-operative federalism is dead, and he went on to say in a conference which all the Premiers attended and the Ministers of Finance, he told us, he told everybody, both on TV and to all the Premiers and the Ministers of Finance and the Ministers of Development, that their new approach was parallel delivery, they had no intention whatsoever of continuing with the joint approach to regional development opportunities across Canada, that the DREE approach was dead. And to prove that co-operative federalism was dead he just did not say it, he went about to change the whole structure of the federal government, all the departments, so he changed DREE to dry. And he has through his ministers, the Minister for Regional Development, Mr. Lumley, and Mr. Johnston and all the other ministers said they have told us, they are telling us now in the Rural Development Agreement, that they want to go direct delivery, they do not want to co-operate with the provinces. I mean, that is what they are doing, that is what they are saying and they are going about all the provinces in the same manner, and it is very, very unhealthy and has nothing to do with the spirit of Confederation as devised and as practiced for the last 100 years, absolutely nothing. And the other thing about it is that the Prime Minister is going to lose on it, they are going to lose on it over the long-term. Over the short-term they might try to gain a few Brownie points, but over the long-term they are not. But, Mr. Speaker, let us put a few things in perspective in talking about projects and so on. The hon. member for Bellevue (Mr. Callan) who just sat down

PREMIER PECKFORD: . . . . . says we have not done anything. You know, it was in that brief period of time when Mr. Clark was Prime Minister of Canada and Mr. Crosbie was Minister of Finance, the member for St. John's West in the federal parliament, that we got the West Coast subsidiary agreement signed: the work done on the Stephenville access road, the work done on the road in the industrial park in Corner Brook. That was signed, that was in a six month period. We signed, I think it was \$40 or \$50 million worth of projects. Where did the ice tank come from? I have heard hon. gentlemen opposite from time to time brag that the ice tank is something that came out of the Liberal government in Ottawa. It did not come out of the Liberal government; the commitment was given in writing that the Liberal government afterwards could not go back on, because the commitment was given both

PREMIER PECKFORD: by Energy, Mines and Resources and the National Research Council, was given by Mr. Hnatyshyn who was then the Minister of Energy. The ice tank is at Memorial University because of the Conservative Government that was in Ottawa for six or eight months. That is how we got the ice tank. It has nothing to do with the Liberal Government of Canada at all. That is how it was done, Mr. Speaker, and in a very short period of time. Now if you look at from 1979-1980 to 1983-1984, here is what has happened and here is what the member for St. John's West (Mr. Barrett) in this Legislature was talking about a few minutes ago when he introduced this resolution. In 1979-1980, when this administration took over, there was a cash flow in that year in regional development funds from Ottawa of \$76.2 million. That was their share, and ours would be somewhere down around \$15 million or \$20 million. In 1980-1981 it went down to \$46.5 million. In 1982-1983 it went down to \$34.9 million and in 1983-1984 it is down to \$34 million approximately. Now that is what has happened since 1979. Those are facts. That is the truth. Nobody can deny it. They are there. They are open for anyone to see. That is the kind of money that is now coming into this Province through the regional development project.

Then the question has to be asked, the member for St. John's West asked it, why this sudden reduction in the funds? Then somebody will say, 'Well, perhaps, I guess, the Government of Newfoundland is not doing its job, it has not put forward proposals under the programmes that have been announced by the federal government. It has not put forward subsidiary proposals under the general development agreement'. We have got rural development put forward; we have got



PREMIER PECKFORD: ocean industries put forward; we have got pulp and paper modernization put forward; we have got tourism put forward; we have got agriculture put forward; we have got planning put forward; we have got the St. John's urban region put forward; we have got Newfoundland and Labrador Development Corporation put forward; we have got management training put forward; we have got mineral development put forward; We have got Coastal Labrador - and, of course, that is in addition to the one that we have now and I will come back to Coastal Labrador in a minute - highways are proposed, fisheries infrastructure, land surveying and mapping, and International Center for Ocean Development, on Earth Sciences Building and special capital recovery programme. All of these are proposals that we have laid on the table after economic analysis asking for shared-cost agreements, that we have put on the table as the Government of Newfoundland and Labrador in the same way as other provinces have.

What was announced just recently out in Manitoba, because Mr. Axworthy is the minister out there? Forty million dollars for a pulp and paper mill that was about to close down, \$40 million to keep a pulp and paper mill open. No problem at all. He has got half of Winnipeg revitalized out of. I do not know, \$80 million or \$90 million or \$100 million spent over the last year or so.

So, we have put forward our proposals. So if you look at the evidence, you know, it is just absolutely outstanding. First of all the level of money has gone down. And the TCH agreement, the highway strengthening one I am talking about, the hon. Minister of Transportation (Mr. Dawe) has put forward proposals with the intergovernmental affairs people for

PREMIER PECKFORD: TCH improvements. We were finally able to get one going and got it going, and we got it at seventy-five, and they say we cannot negotiate. Mr. Speaker, you cannot negotiate away your credit rating. We cannot live in this Province on the TCH or a Trans-Labrador Highway agreement on fifty-fifty, we cannot afford it. Now if there is somebody around this Province, in University or anywhere else, who wants to classify himself as a financial analysis or economist who will deny that statement, then I want to see them. I want to see who they are. I want to see their credentials and I want them to tell me that I am wrong when I say that we cannot afford to sign fifty-fifty deals on the Trans-Labrador Highway and the TCH. We cannot afford it. That is why we held out, and it was difficult getting some of these things signed, because we could not afford it. And we would have been absolute fools and we would have been laughed out of the Province if we had signed something which would have drained the finances away from all the other programmes just to go into the highways' one. And we would not have been able to

PREMIER PECKFORD: drain it away from the others, so we would have had to borrow it and therefore our borrowing programme would have been from \$200 million to \$220 million or \$230 million net when it should be somewhere between \$160 million and \$170 million. So you cannot do it. So that is why we held out on the Coastal Labrador agreement. What did we get in the hon. member's district, in the Liberal districts in Labrador? What did we hold out for? We had to hold out for, and got 90/10, I think, on just about all of it. Now, that is what I call negotiation, when the federal government put the gun to our head and said, 'You sign for 50/50,' was going to set a new pattern for all of them. Some we can take with 50/50, the smaller programmes, some of them we can. What did we sign, Mr. Speaker? What were we able to negotiate? - 90/10, that is what we were able to negotiate, and they said that you could never do it!

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: We were told by everybody you could not do it. We signed 90/10.

We had a situation where a TCH agreement had been agreed to in the mid-1970s for 50/50, and it was going to crucify us, it was going to ram us right into the ground. We went back again and they said, 'Sign for 50/50 or nothing.' What did we end up getting? 75/25! Mr. Speaker, when they said it could not be done, we got 75/25, so we got the TCH work done and we were able to protect our financial position. I mean, that is the kind of government that we are involved in over here, Mr. Speaker. You know, we are not going to give away the shop. We are going to negotiate hard now. And the other argument, of course, is simply this, that if Alberta is signing for 50/50, why in the name of common sense should Newfoundland sign for 50/50? - the wealthiest

PREMIER PECKFORD: province in Canada getting fifty cent dollars out of Ottawa and Ottawa is expecting us to sign for fifty cent dollars! That is unfair! That is blatantly unfair! And, I mean, it should be said. When some of the members of the Opposition become apologists and try to use some of these things against us because we are poor negotiators or something, they think it is a good political tactic, but it blows up in their faces, because the people are too wise to it. The people know the difference and it is insulting to even suggest it.

And we have a lot of other arguments. As I mentioned when I was sitting in my seat, look at the synchrolift there; a federal Crown corporation and they refused to fund it - one of the most viable, if not the most viable dockyard in Canada and they would not back a loan on it. We had to back the loan so that they could go ahead and do it. And now we have down here, Mr. Speaker, the largest synchrolift in Canada.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: And what are we supposed to do, Mr. Speaker, just lie down and die? What are we supposed to do? So the argument comes back, Well, the problem with the Premier of Newfoundland is, you know, his stand on the fishery, his stand on hydro and his stand on the offshore. I mean, what other stand can anybody take in Newfoundland?

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: The stand that we took today on the Northern cod stock, unanimous approval! Now, I am just saying the argument is used that somehow, because I am taking these stands, or the government is, that that is why we cannot get these other regional development

PREMIER PECKFORD: agreements signed, that somehow I am unreasonable, that somehow I cannot negotiate. Well, I mean, who wants to? Who wants to take a different stand on the Northern cod stock and on our fishery? Where are they? Show them to me in Newfoundland who want to take a different stand. Number two, who wants to take a different stand on hydro development? You can have energy products crossing other provinces, from one province to another, and we cannot do that with our energy products. We have been copped out, we have been eliminated from the Confederation which says that you are able to transport across provinces and pay your nuisance fee or your wheeling fee. We have no problem with paying our fee, paying our way across the province, but allow us to go through there. I mean, we are suffering under that.

I issued a statement in this House a couple of years ago and I put it at the end of my book as well, a Ministerial Statement which gave the guts of it. And everybody in Newfoundland, except some members of our own party, are ignoring it because they know, Mr. Speaker, it is the truth. They stay away from it like the plague! Because when you look at the customs duties and the tariffs and the way Ontario is protecting its goods, and we are paying for Ontario jobs down here on every car we buy and almost all other manufactured goods we buy, and you add the Upper Churchill and give us a fair deal on that, and we are a 'have' Province! And here we are supposed then to sit down and say nothing about that so that they will hand out a few more gifts on regional development. You cannot do that! That goes against the grain of anybody with any brain in his head! You cannot do the like of that! And then, on the offshore, somehow we are unreasonable on the offshore. The Prime Minister

PREMIER PECKFORD:

said something to the Leader of the Opposition the other day about, 'Well, go see Mr. Buchanan and he will say 25 per cent, and then go on down and see Mr. Peckford, 40 per cent.' And what are Alberta getting today for their oil and gas? - 55 per cent and 58 per cent and 59 per cent of the government take, of what is available for government. And that is what we asked for, 59/41 per cent. From day one, the federal government would get 41 per cent of the moneys that are available to governments and we would get 59 per cent. And then we said, 'Okay, well, we will be fair. We will stick in a formula there, that is not in the Alberta agreement and the rest of them, that as we move up the scale towards the national average - and that is very reasonable; we are not looking to be number four, number three, number two or number one, we are satisfied to be number five, we only aim to be number five. They do not have their sights set low, I know! We only want to be number five, and as we get up to number five and before we even get to number five, when we get to number nine, then our 59 per cent goes down to 55 per cent, their 41 per cent goes up to 45 per cent until the thing is reversed, when the federal government is

PREMIER PECKFORD: getting the fifty-nine and we are getting the forty-one. I mean, how more reasonable can you get than that? And you cannot negotiate! That is crazy. And you brought it into Confederation and you do not know how much is out there, 700,000 square miles, five times the size of the Province of Newfoundland and Labrador, and we have a few holes down in a little patch of it, in about 2 per cent or 3 per cent of the land, about 690,000 square miles not touched. And somebody me to sign something not knowing what is there! They are crazy.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: I would like to see the Montreal Gazette and the Toronto Globe and Mail and the Toronto Star and all the rest of the apologists up there for the central system that they are trying to propogate on everybody else from West to East , on the West of them and on the East of them, I would like to see them now if the largest oil field in Canada's history was in one of those provinces up there. You would not hear the end of it. It is the largest oil field in Canada's history and about 2 per cent of the 700,000 square miles have been explored. Has anybody stopped to ponder that? And we have enough gas off Labrador now, trillions and trillions of cubic feet, not available for tomorrow morning, but what an insurance policy. And we are just going to sign all that away! It is incredible.

Mr. Speaker, just listen to this. I mean, this is the one that will get you. This will get your goat altogether. And these are only some of the statistics.

MR. WARREN: You can negotiate with the native, sure

PREMIER PECKFORD: I am ready to negotiate with the native people.

MR. WARREN: No, you are not.

PREMIER PECKFORD: The people who will not negotiate are the federal government again.

MR. WARREN: No, that is not (inaudible). They will negotiate.

MR. SPEAKER (RUSSELL): Order, please!

PREMIER PECKFORD: National defense! Here is the defense dollar now. Here we are. Question, Mr. Speaker: Are we strategically located in Canada? Do we have any position in the North Atlantic? Are we the Eastern-most province? You know, is there something strategic about our position? Here we have it. Who gets the most money out of the federal government for defense on a per capita basis? Nova Scotia gets \$836 for every man, woman and child per year. P.E.I., \$353, that is a big difference. New Brunswick, \$305; Manitoba, \$257; Ontario, \$224. Now that was so long before we came on the scene, Mr. Speaker. This is just the injustice and nothing has been done about it. Ontario, \$224; B.C., \$196; Alberta, \$172; Quebec, \$168; Saskatchewan, \$82; Newfoundland, \$82. Look where Saskatchewan is compared to us. We are getting the lowest per capita out of the defense dollar that is being spent in Canada. And somebody tells us then that you are supposed to be an apologist and just take whatever somebody gives you. I mean, the evidence is overwhelming.

Last January, Mr. Speaker, I went to Ottawa, deliberately last January - I have the minutes of the meetings and all the rest of it - and I sat down with every single federal minister, every single



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PREMIER PECKFORD: one, that had any relationship with Newfoundland in any of their programmes, sat down with each minister and made sure we had minutes taken of the meetings, as the Intergovernmental Affairs Minister, with these various ministers.

MR. WARREN: Was the Prime Minister there?

PREMIER PECKFORD: No, he was not. I was just talking minister to minister. I said, 'Okay, here is the proposal we have before you that the minister has up here or whatever. You know, let us put aside all our differences and let us

PREMIER PECKFORD: start to negotiate.'

I did that with every single minister, Mr. Speaker. I said, 'Look, we are prepared to sit down and prioritize these items. We will not just throw ten or fifteen or twenty at you and expect you to prioritize them so we can always say we had them all up there.' You know, we prioritized them, that is what we did, Mr. Speaker, and it did not do one iota of good, not one iota of good. Here we are now in December, twelve months later, and it has hardly done one bit of good in this world. If per capita defence expenditures in Newfoundland were brought up to the level of Nova Scotia, then annual defence spending in Newfoundland would increase over tenfold, from \$46 million to \$474 million a year. To attain the national average level defence spending in Newfoundland would have to increase close to threefold, from \$46 million to \$124 million in 1982 dollars. I mean, this is the kind of stuff that is going on. And now, Mr. Speaker, just recently, we have had this big fight over the Rural Development Agreement. In the last ten years we have had two five year agreements and both of them were highly, highly successful, were very successful agreements. Now when the second agreement was about to expire, they agreed that a study should be done to see whether this is the right procedure to use, because perhaps it is not all exactly as it should be. So they had an independent study done. Not their own study, they did not do it, they had somebody else do it. So an independent study was done and the study showed that with a few modifications the programme delivery

PREMIER PECKFORD: mechanism and the way it was operated was very, very effective. And in the face of that, then the federal government tried to take it all over. The proof of how blatant they were was out in Grand Falls when the Rural Development Associations all got together. What did they do? They said the federal government is wrong, the provincial government is right in the way they are suppose to operate the Rural Development programme. And here we are without a Rural Development programme today.

MR. CALLAN: You know why?

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

PREMIER PECKFORD: No reason. Mr. Speaker, may I be heard in silence?

MR. SPEAKER: Order, please!

PREMIER PECKFORD: How many minutes do I have left, Mr. Speaker?

MR. SPEAKER: One minute.

SOME HON. MEMBERS: By leave.

PREMIER PECKFORD: Just to sum up, Mr. Speaker, we have used all the means at our disposal, have personally gone and sat down with all the ministers, put our proposals forward and, because somehow we are advocating the same rights in hydro power and fish and oil that other provinces have enjoyed since 1867, somehow we are unreasonable, somehow they do not want to negotiate with us. And I say, Mr. Speaker, quite bluntly that as long as the Liberal government, the Liberal party over there and the Liberal government in Ottawa have the attitude they have, the party in Newfoundland will always be over there, they will never get over on this side of the House because the people of Newfoundland know we are being fair. And I do not see why

PREMIER PECKFORD: the Liberal Opposition and the members of the Liberal Opposition do not support us on this approach, because it is the only approach that is going to be successful in trying to get Newfoundland out of the dependency status that it is in, Mr. Speaker. There is no other way. And the hon. gentleman can make all the puffery they want, but the evidence is overwhelming. Talk about rational argument, the evidence is overwhelming that we have tried and we have reasonable proposals and that we can negotiate. But when the other side says co-operative federalism is dead, then, Mr. Speaker, we have a problem.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I am not sure if the trained seals are applauding because I stood to participate in the debate or not but it would seem that way. Mr. Speaker, we just saw the Premier -

MR. WARREN: Make a fool of himself.

MR. NEARY: No, we just saw the Premier using the same tactics that he has been using now for two or three years in this Province. He started out by lecturing the Opposition, saying they are making a terrible political mistake. Now, Mr. Speaker, that says a lot. That is an indication to us over here of what the hon. gentleman is up to. The hon. gentleman is merely playing political games. He dragged in more

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PREMIER PECKFORD: red herrings  
in that statement in the past twenty minutes than I  
have heard any political party use in this House or in  
this Province for a long time. Let me say this, Mr.  
Speaker, that we are

MR. NEARY:

not apologists over here for Ottawa. Neither are we, as the Government House Leader (Mr. Marshall) says occasionally, handmaidens of Ottawa. We do not always agree with things that Ottawa do, no more than we agree with things that the Province does, Mr. Speaker. And the hon. gentleman, Mr. Speaker, says that Ottawa tries to take over everything. Now, who was it - let me ask hon. members of this House a simple question - who was it that took our offshore resources and passed it over to three judges of the Newfoundland Appeals Court and asked these judges to decide, to determine who owned that resource? Who was it that did that? Mr. Speaker, it was none other than the hon. gentleman who just spoke. Now, after doing that, after taking the resource and asking the three Newfoundland judges to decide on the ownership question, then he chooses to ignore their ruling, their decision, just as the same, as I predict, that he will ignore the decision of the Supreme Court of Canada when it is handed down. Mr. Speaker, he has got himself boxed into a corner with the offshore. He will forever go down in the history books of this Province as the gentleman who had it in his hands but took it and gave it to the judges of the Supreme Court to decide on this matter.

So, Mr. Speaker, when the hon. gentleman makes these irresponsible remarks about Ottawa wanting to take over everything, about how they are trying to take our offshore resources, let me ask this simple question to members of this House: Who said that Newfoundland owned the offshore resources in the first place? Who said it? The hon. gentleman says it but, Mr. Speaker, how can we prove we own these resources? The Government House Leader will

MR. NEARY: say, 'We brought them into Confederation'. We had a three mile limit in this country before we became a Province of Canada. We did not own anything beyond three miles. The Government of Canada extended it out to twelve miles and then they gave us the 200 mile limit, Mr. Speaker. Otherwise we would not have any case at all.

DR. COLLINS: That has nothing to do with the Continental Shelf unfortunately.

MR. NEARY: It has got all to do with the Continental Shelf.

MR. MARSHALL: Would the hon. gentleman permit a question?

MR. NEARY: No, I will not permit a question. The hon. gentleman can participate in the debate when the opportunity rolls around. So, Mr. Speaker, it may be a good political issue. The hon. gentleman feels somehow or other that he is getting great political mileage out of his nationalist issue, and he may do that, Mr. Speaker. But those of us who are sane and sensible, who have common sense, think that all he is doing with his political trickery and his political game playing is punishing the people of this Province. He is causing untold suffering and pain to the people of this Province and leaving untold millions of dollars on the table in Ottawa every year in programmes that the Province does not take advantage of.

Now, Mr. Speaker, let us set the record straight. Let us get the record set straight for once and for all. The hon. gentleman who just got up and unleashed his usual vicious attack on the Government of Canada, Mr. Speaker, that same hon. gentleman draws 50 per cent of his salary from the

MR. NEARY: taxpayers of Canada. We have a budget in this Province of \$2 billion and \$1 billion of it, \$1,000 million comes from the Government of Canada. No other province in Canada can say that they get that -

DR. COLLINS: You are wrong.

MR. NEARY: I am not wrong - get that percentage of their budget from the Government of Canada, over 50 per cent. Mr. Speaker, over 50 per cent of the budget of this Province comes from the Government of Canada, \$1 billion, and 50 per cent of the hon. gentleman's salary and every member of this House, 50 per cent of their salaries is paid for by the Government of Canada, by the people of Canada. Fifty per cent of teachers' salaries, hospital workers' salaries, public servants' salaries, firemen's salaries, members of the Newfoundland Constabulary and others, Mr. Speaker, 50 per cent of their pay comes from the Government of Canada and 50 per cent of the money that is used to amortize the money that we borrow comes from the Government of Canada, \$1,000 million, \$1 billion a year. A cheque is made out in Ottawa and sent directly down to Confederation Building from the Government of Canada from the taxpayers of Canada. And, Mr. Speaker, for a government that has no regard for the people of this Province, another \$1 billion, \$1,000 million goes into the pockets of the people of this Province, \$1,000 million



MR. NEARY: in the form of old age pensions; unemployment insurance benefits alone this year will be over \$300 million coming from the Government of Canada.

DR. COLLINS: Where do they get the money?

MR. NEARY: They collect it from the taxpayers of Canada and the taxpayers of Canada hand it over to the people of this Province. So, Mr. Speaker, there are Canada Pension, old age pension, family allowances, unemployment insurance benefits, Medicare-another \$125 million or \$130 million coming into this Province this year. And not only that, then we have the operation of airports, people employed at airports, at public buildings, Ocean and Fisheries, the Taxation Data Centre, Mr. Speaker, put it all together and you have another \$1 billion. So that is \$2 billion or two thousand million dollars.

The first \$1 billion, a cheque is sent directly to the Minister of Finance (Dr. Collins), who sits over there every day sniping at Ottawa. And only the other day they gave him an increase of \$19 million in Established Programme Funding for this Province.

MR. WARREN: Hear, hear!

MR. NEARY: One billion dollars is sent directly to the Minister of Finance, another \$1 billion put into the pockets of Newfoundlanders. Now, Mr. Speaker, that is \$2 billion. Out of the second \$1 billion, Newfoundlanders spend that money that is sent down to them, they spend it, and when they spend it they pay taxes on cigarettes and tobacco and on beer and on televisions and washing machines and on clothes. They pay the 12 per cent sales tax and they pay the highest gasoline tax in the whole of Canada. So that amounts to another half billion dollars going indirectly into the public treasury. So you might say that \$2.5 billion, two thousand five hundred

MR. NEARY: million dollars, directly and indirectly, goes to the Minister of Finance (Dr. Collins) into the public treasury every year from the Government of Canada, Mr. Speaker.

DR. COLLINS: Are you saying the retail sales tax comes from Ottawa?

MR. NEARY: No. The old age pensioners spend their money, the veterans spend their money, unemployment insurance recipients spend their money, the family allowance is spent, and the minister collects his pound of flesh in provincial taxes to the tune of another \$400 million or \$500 million. So that is two thousand five hundred million dollars annually, and, Mr. Speaker, that does not count the programmes that we have been talking about here this afternoon, does not count them at all. I am just talking about two forms of revenue that comes into this Province from the Government of Canada -

MR. WARREN: They do not even appreciate it.

MR. NEARY: - a cheque sent directly to the Minister of Finance for \$1 billion a year and a cheque sent to the Newfoundland people for another \$1 billion, of which the minister takes \$400 million or \$500 million in provincial taxes. And is there a word of gratitude? Is there a word of appreciation ever uttered in this House from members there opposite to the taxpayers of Canada for providing these funds? No, Mr. Speaker.

DR. COLLINS: That is so farfetched!

MR. NEARY: Mr. Speaker, the hon. gentleman will have his opportunity to speak.

In addition to that, Mr. Speaker, the offshore drilling would not take place, there would be no offshore drilling if it was not for what they call the PIP programme, the federal government programme for giving

MR. NEARY:

grants and subsidies and tax concessions to the oil companies and the drilling companies. If we did not have that there would be no drilling. It is called the PIP programme. Could hon. members there opposite tell me how much federal funds have gone into offshore drilling since 1968? Can they tell us? There is no provincial fund, not one cent from the provincial treasury, but how much federal funds? The jobs would not be there but for the federal PIP programme. Not a cent of provincial money, not one cent. Now how much federal money has gone in? Between \$700 and \$800 million of federal funds donated by the taxpayers of Canada to drill off our shore.

MR. WARREN:

To employ Newfoundlanders.

MR. NEARY:

To employ Newfoundlanders.

And that drilling would not take place,

MR. NEARY: there would be no drilling and exploration, Mr. Speaker, if it were not for the PIP programme. By the way, Mr. Mulroney is talking about doing away with the PIP programme. Mr. Mulroney made a statement out in Western Canada, there a week or so ago, that he would do away with the PIP programme. If he does that, we will have no drilling or exploration offshore.

Now, Mr. Speaker, the greatest example of hypocrisy, why the federal government is trying to issue their own cheques, is the Province up until now has taken 90 per cent funding from Ottawa and given Ottawa 10 per cent of the credit. The present administration entered into agreements 90 per cent funded by the Government of Canada, and sometimes 100 per cent funded such as the Newfoundland Development Loan Corporation, and they do not give Ottawa a bit of credit. So what they are saying is, 'We will issue our own cheques' and that is what they resent, Mr. Speaker, because they know that will be the biggest political exposé in the history of this country, because then the people will be able to see where the funding comes from.

Now, the classic example of hypocrisy, Mr. Speaker, we saw out in the Codroy Valley the other day when the Premier went out to cut a ribbon to open a bridge across the Codroy River to replace a bridge that got washed away a few years ago. Mr. Speaker, the member of Parliament for that riding came down here with a cheque in his pocket from the Government of Canada for \$1.8 million, and he called up the Minister of Transportation (Mr. Dawe) there opposite, and he invited him to go down to the Telephone Building in the federal office so he could present him with the cheque for \$1.8 million. The Minister of Transportation refused and he sent down his deputy instead because he was afraid that Ottawa might get a little bit of credit. Mr. Speaker, would hon. members want to

MR. NEARY: hazard a guess as to how much money the federal government put into the cost of that bridge? How much did they put in?

MR. TOBIN: Under what? Under what?

MR. NEARY: Mr. Speaker, the Government of Canada, the taxpayers of Canada, put into the construction of that bridge \$3.6 million. Now how much did the Province put in? The Province put in \$800,000.

MR. TOBIN: Roger Simmons had nothing to do with it.

MR. NEARY: Mr. Speaker, Roger Simmons came down with a cheque in his pocket - I saw the cheque - and offered to give it to the Minister of Transportation (Mr. Dawe) and he would not take it.

MR. CARTER: Who was that payable to? The income tax people?

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Now, Mr. Speaker, I would like to have silence. I did not interrupt the Premier while he was speaking, Mr. Speaker.

MR. SPEAKER (Aylward): Order, please! Order, please!  
The hon. the Leader of the  
Opposition.

MR. NEARY: Mr. Speaker, so the Government of Canada paid \$3.6 million, the Province paid \$800,000 and they did not even put the minister who contributed that \$3.6 million on their programme. They did not think it worthwhile.

MR. NEARY:

They did not think it worthwhile, Mr. Speaker, to put him on the programme.

MR. TOBIN:

That is not true. That

is not true.

MR. SPEAKER (AYLWARD):

Order, please!

MR. NEARY:

They invited the minister

down, he could not come so he sent the MP for the riding.

And you know what they did, Mr. Speaker? They had the federal MP stand over here and hold the ribbon on one end and the provincial Minister of Transportation (Mr. Dawe) hold the ribbon on the other end, while the Premier (Mr. Peckford) looked up at the cameras and smiled and cut the ribbon. And here is what the Premier said in his remarks when he opened that bridge. He said, 'The Government of Canada had some input into the cost of reconstructing that bridge, but the Province made a substantial contribution.' Three point six million from the people who had some input and \$800,000 is what he called a substantial contribution.

Then, Mr. Speaker, who was it that put up the money for restructuring? Who put up the

MR. NEARY: \$75 million to restructure the fishery down on the Burin Peninsula? And the hon. gentleman was talking about Petit Forte and Marystown Shipyard after. The best advertising that he is getting is from a federal Crown corporation, Petro-Canada. They had an ad on television, "Working For Newfoundlanders, Working For Canada, Petro-Canada and Marystown Working Together". Is that provincial money or is it federal money? And who had the service ships built in Marystown and purchased these ships? Was that provincial money?

Mr. Speaker, the fact of the matter is -

MR. TOBIN: They are laying off 35 down there now.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker!

MR. SPEAKER (AYLWARD): Order, please!

MR. NEARY: The fact of the matter is, Mr. Speaker, that they are playing politics. It is a big, great, gigantic political game they are playing. They are running a great bluff, and the people of Newfoundland and Labrador are beginning to see through it. One of the great flaws in the Premier's character, in his personality is that he is unable to negotiate, and that is getting to him. We saw that this afternoon, how testy he is over that particular matter. Mr. Speaker, it is going to get worse. Federal/provincial relations in this Province are at their lowest ebb since Confederation. As a result, Newfoundlanders are undergoing undue hardship, pain and suffering. Mr. Speaker, they are putting their party and they are putting politics before the people of this Province, and the people are beginning to see through it. And while the Premier may think in his own little small mind that he has a good issue - and he has a good issue, Mr. Speaker, he has been running with that issue now for the last three or four years; he won two provincial

MR. NEARY: general elections on it -  
but I believe today if you had a general election it might  
be a different story.

Mr. Speaker, there is so much more that we could say about this matter. We only have twenty minutes during this debate. There is so much more that we could say. But let me end up by saying this, Mr. Speaker, that as long as they continue on the self-destruct disaster course that they are on now that we are going to have record unemployment in this Province and the highest taxes in Canada. We are going to have record numbers of young people unemployed. We are going to have pain and suffering in the hospitals because they are shutting down hospital beds, and we are going to have people on social assistance who have to pay back overpayments dating back twenty and twenty-five years, Mr. Speaker. And why do we have that? Because the hon. gentlemen there opposite are unreasonable, who have no common sense, who cannot negotiate, who think the name of the game is just play politics with people's lives. They have no concern for people, no regard for people. They put their party and their politics ahead of the people of this Province, Mr. Speaker. If anybody is making a terrible mistake, I would submit that it is the hon. gentlemen there opposite.

MR. SPEAKER (AYLWARD): The hon. Minister of  
Transportation.

SOME HON. MEMBERS: Hear, hear!

MR. DAWE: Mr. Speaker, I had intended  
anyway to enter into the debate on this resolution so  
admirably presented by my colleague, and I will try and  
keep my remarks relevant in this particular situation, Mr.  
Speaker, perhaps, since I have been involved in federal/provincial



MR. DAWE: negotiations for some time now as it relates to the portfolios of both transportation as well as in mines, perhaps I should relate the latest incident as it refers to a meeting that I had with the Minister of Transport for Canada, Mr. Axworthy, as a follow-up to a meeting that I had with Mr. Pepin, who visited Newfoundland and we had a meeting in Corner Brook, at which time Mr. Pepin had agreed that we would have an extension, at least an extension, to our present primary highroads system, and that since this was the only area of

MR. DAWE: highroad transportation that Transport Canada was involved in-it was always the mandate of Transport Canada to get involved in the primary highroads system - we would either have an extension to the existing agreement, which would allow us to do some of the projects we had intended to do in a three year period, but could not be done because of extra costs, we could at least have a year's extension to get on with that work of strengthening the primary highroad, particularly in the Corner Brook area where we had the meeting; or, in the absence of that happening, we would perhaps have another Trans-Canada Highway Agreement, which would be a third TCH agreement, that would see us get on with the work in that particular part of the Province as well as much needed work on other parts of the Trans-Canada from St. John's to Port aux Basques.

I left that meeting feeling rather pleased that perhaps Mr. Pepin, at last having come to Newfoundland, had seen the road conditions and had some experience in travelling on the Northern Peninsula and Western Newfoundland, perhaps he saw some of the things that we have been saying all along were true. However, Mr. Pepin was quick to emphasize that the envelope funding approach of the federal government would continue, and that, if we wanted expenditures in highroads in one area, we would have to take the money away from another area in order to do it. Well, Mr. Speaker, last week I had a meeting with Mr. Axworthy. Mr. Axworthy, was twenty minutes late to that morning meeting, but I suppose we can forgive him for that. We had an enjoyable glass of orange juice and a bun, and we sat around, Mr. Speaker, and the blank looks on his officials faces when Mr. Axworthy started to speak, they were not aware, never had a clue or an inkling of the approach that that man was going to take that morning. And we are no longer going to have

MR. DAWE: the envelope funding approach to transportation. When he said that, I was rather pleased. Instead, he said, that all agreements for every department, for every phase of federal/provincial arrangements would be made as sub-agreements to ERDA.

MR. WARREN: Who is ERDA.

MR. DAWE: ERDA. Now, Mr. Speaker, he then went on to say to me, as he subsequently said to the other Ministers of Transportation later in the morning, that it was going to be up to the various departments in the provinces to argue with their colleagues from other departments about an overall funding arrangement that the federal government would have with the provinces. So, Mr. Speaker, he did away with the envelope funding for the Department of Transportation and now we have got a brown bag that all of us have to deal with in each of the departments.

He indicated to us that it was our fault, as Transportation Ministers, if we could not sit down and emphasize our priorities and get them ahead of the Minister of Health, of the Minister of Social Services, ahead of the Minister of Mines, ahead of the Minister of Development, ahead of the Minister responsible for Rural Development. We had to set our provincial priorities and out of this whole brown bag then there would come subsidiary agreements. Well, Mr. Speaker, that is about the most ludicrous, idiotic, silly, anti-Confederation - talk about co-operative federalism, Mr. Speaker! It is just awful.

Mr. Speaker, that is the kind of change of direction we expect from that same minister.

MR. WARREN: What was wrong with that?

MR. DAWE:

who later on in the meeting said that he was going to reactivate the national dream and have a passenger rail service from sea to sea. Mr. Speaker, the man is so out of touch with the transportation requirements in this country that it is unbelievable. The Transportation Ministers from the provinces were just speechless, Mr. Speaker. It was very difficult to respond to the idiotic and silly statement that the Transport Minister made.

I find it necessary to speak out, Mr. Speaker, because of what happened yesterday in statements that were made by the Leader of the Opposition (Mr. Neary) and in statements that he made today as it relates to an MP whom I have to deal with since our constituencies overlap. And this particular MP, Mr. Speaker, when I became elected I went to see him immediately and asked him for help in meeting with me, in meeting with the residents of Codroy Valley, in meeting with the federal Minister of Transport, in meeting with the federal Minister responsible for DREE, in doing anything we could to see that the bridge over the Grand Codroy River was restored in its original place. Well, Mr. Speaker, I knew I was going to have trouble because the MP

MR. DAWE: did not know where the bridge was. He did not know where it had been and he did not know where the people wanted it replaced to. About a month later, Mr. Speaker, I had another meeting with him, and the member laughed at me, Mr. Speaker. He said, 'How can anybody justify an expenditure to replace a bridge to so few people?'. Mr. Speaker, I just could not believe it. A member, an MP representing the constituents of an area, said that in his heart and soul he could not see how the money could be justified to replace that bridge in Codroy Valley. Well, Mr. Speaker, some time later I wrote the member, in January of 1981 to be exact, after he had a meeting with the Development Association in the area and also with the Fishermen's Committee. I had a report from the meeting, letters that the Development Association and the Fishermen's Committee wrote Mr. Simmons, and I followed up indicating to him in a letter that I was willing to co-operate with him in any way possible to see that the aspirations of the Fishermen's Committee and the aspirations of the Development Association as it related to the bridge were carried out in whatever way we could get together to get the funding.

Well, Mr. Speaker, I received a letter back. If I refer to my copious notes, here in reference to that letter it says, "On the subject of the bridge" - Mr. Speaker, this is a paragraph from the letter from the MP for the area - "I indicated to the meeting that in my view that is a matter entirely for the provincial government except insofar as approval from Fisheries or Environment may be required". Now he said funding for the bridge is clearly a provincial responsibility. Mr. Speaker, unbeknownst to the MP from the area, and much to his surprise when it came to

MR. DAWE: a successful conclusion, the Premier (Mr. Peckford), as Minister of Intergovernmental Affairs, and myself had been carrying on a dialogue through letters, through exchanges with staff from both departments, had been carrying on discussions with Emergency Planning Canada through their local office here in St. John's and ultimately on to the ministers responsible. There was a departmental change and Mr. MacEachen, who was deputy Prime Minister and Minister of Finance at the time was responsible for that programme, but later it went to Mr. Pinard. Mr. Speaker, those negotiations started in telephone conversations first but in writing in July of 1979, less than a month after yours truly was elected to represent that particular constituency. There was not a week, and I would say, Mr. Speaker, not a day that went by that I did not have some correspondence and some dialogue with my colleagues, the Minister responsible for Transportation at the time or some other minister or some other member, the Premier and anyone else I could talk with to try and impact upon them the importance of having that bridge restored. That correspondence and that dialogue went on until its successful conclusion, Mr. Speaker. And Emergency Planning Canada recognized finally that that particular disaster could be recognized as a disaster for the purposes of a cost-sharing programme. And a formula was put in place that would restore the damaged bridge or restore the damages back to their original condition.

In the case of the Grand Codroy River Bridge, that would have been a single lane structure spanning the river. Mr. Speaker, all that is well and good, but

MR. DAWE: there were a bunch of other things that were going on at the same time. First of all, there was a contract issued by this administration to build a temporary bridge for the residents of Codroy Valley. There was another tender called to construct a road to that temporary bridge. There was another tender called some time later to pave that particular road. There was a tender called for engineering and consultant work to test the depth of the bottom of the river for construction. There was another tender called and carried out to remove the old structure from the bottom of the river. There was another tender called, Mr. Speaker, to create a partial breakwater, a partial causeway for the river from the Southside of the river. All, Mr. Speaker, leading up to the final tender called which was the construction of the actual bridge, all going on, Mr. Speaker, whether or not there was federal financing. This administration, through my colleagues' support, had recognized the importance of that bridge, had agreed that that bridge would be built and that the expenditures, if they had to be, would be totally absorbed by the Province. That was already going ahead and it would be done.

Mr. Speaker, the estimated cost of construction of that particular bridge went all the way up to around \$8 million for the bridge itself. Through the excellent advice of department officials we were able to schedule the tendering call, Mr. Speaker. And you will remember that the federal contribution was based on a formula on the estimates up to a situation that would replace the bridge to its original form. The present bridge, and the contract that was called for, was for two laning, Mr. Speaker, a modern bridge that would be able to take modern traffic. We had gone ahead with it and

MR. DAWE: we had proceeded to do that. The funding that became available from the federal government certainly helped, but what helped as well, Mr. Speaker, as my colleague, the Minister of Finance (Dr. Collins) will be pleased to know, is instead of the estimated \$8 million, because of the timing of the contract call, the actual bridge contract, the lowest tender was \$3.3 million. So, in essence, Mr. Speaker, we saved more by timing our contract call than the contribution from the federal government.

In total, Mr. Speaker, the total financial obligation of this government as it relates to that bridge, not through any efforts, as a matter of fact through negative efforts of the MP, but through me, through my colleagues and through this administration we were able to construct that bridge at a minimal cost to the Province and restore a vital transportation link to the people of Codroy Valley. Mr. Speaker, the MP representing the minister responsible for Emergency Planning Canada certainly had absolutely nothing to do with getting the money from the federal government. All the credit to the federal administration must go to its local civil servants in the division of Emergency Planning Canada in the St. John's office. The only thing that member did was to, much to his surprise when a cheque was given to him one day for \$1.8 million, half the cost, was to deliver it to Newfoundland. He was the most surprised man in Canada, Mr. Speaker, that that actually occurred. Yet, Mr. Speaker, he was at the function, he was recognized publicly from the platform, the federal government were thanked for their contribution, recognition was made to



MR. DAWE: the representatives from  
Emergency Planning Canada who were there, and he was  
part of the ceremony in cutting the ribbon that  
ceremoniously opened the bridge.

Mr. Speaker, that, I think  
personally, is more than the MP for the area deserved in  
the whole process.

SOME HON. MEMBERS: Hear, hear!

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

MR. CARTER: I wish to adjourn the debate.

MR. SPEAKER: Let it be noted that the hon. member  
for St. John's North adjourned the debate.

It being Private Member's  
Day, I do now leave the Chair until three of the clock  
tomorrow, Thursday.