

VOL. 2

NO. 57

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
3:00 P.M. - 6:00 P.M.  
TUESDAY, NOVEMBER 15, 1983

The House met at 3:00 P.M.

Mr. Speaker in the Chair

MR. SPEAKER (Russell): Order, please!

MINISTERIAL STATEMENTS

DR. COLLINS: Mr. Speaker.

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

DR. COLLINS: Mr. Speaker, the purpose of this report is to make public the economic and fiscal performance of the province in the first half of the 1983-84 fiscal year. An earlier report, for the first quarter of the year, was issued two months ago, updating the projections made in the annual Budget of last March.

Let me start with a very brief overview of economic conditions.

The North American economy is continuing through its recovery stage from the worst period of recession since the 1930's. The Canadian economy is expected to show real growth for the year of around 3 per cent. The inflation outlook has shown marked improvement since late in 1982, with the annual rate for 1983 expected to be under 6 per cent. Interest rates have stabilized and are expected to remain at their present levels for the immediate future.

The outlook for the Newfoundland economy is not quite so optimistic as that for the national economy as a whole. Real growth for 1983 is expected to be around 1 per cent. The slowdown in our principal resource sectors - mining, fishing and forestry - has persisted during

DR. COLLINS: the past several months. More positively, the service sector, which comprises a large part of our economy, remains fairly strong. In addition, various sectors such as construction, investment, and offshore oil and gas exploration are showing renewed strength.

The 1983-84 Budget forecast a current account requirement of \$28,400,000. As stated in my financial report of September past, this amount was revised to \$41,200,000 by the end of the first quarter as a result of lower than expected revenues. All expenditure and revenue estimates to the end of the fiscal year have now been revised again. The latest expenditure projections to year-end now reflect actual expenditures incurred for the first six months of the fiscal year, to September 30, 1983. Our revenue projections reflect actual collections of provincial revenues for the first half of the year, and the most recent revenue projections received from the federal government on federal source revenues.

On the basis of these most recent projections, the overall current account deficit for the year is now expected to be \$68 million, as indicated in Appendix 1. On the expenditure side, there has been a number of individual variances, but

DR. COLLINS: the overall net expenditure position is expected to be within \$1 million of the level projected in the Budget. Government is continuing with a rigorous monitoring programme to ensure that this desirable situation is maintained.

On the other hand, Mr. Speaker, the combined current account revenues expected from both provincial and federal sources will be \$40 million less than projected in the March Budget. In other words, the change in our financial position results from lower revenues, and not growth and expenditures, which have been kept in line by government.

Mr. Speaker, on capital account, net expenditure is expected to be \$7 million greater than budgeted. However, debt retirement expenses are now projected to need \$4 million less than stated at Budget time.

Accordingly, putting all revised estimates together, our total borrowing requirement for the year will increase by \$42.9 million to a total of \$337.5 million.

Mr. Speaker, let me now deal with current account revenues in somewhat more detail. Current account revenue projections for the year were revised downward in the first quarter Financial Report by some \$17.8 million. The bulk of this revision was attributable to retail sales tax receipts which were projected to be \$20.5 million less than budgeted. The revised forecast for retail sales tax revenues has not changed in this report. The actual returns in the second quarter, that is the July to September quarter, showed no significant variance from the projections contained in my September Financial Report.

However, we have been recently notified by the federal government of further downward revisions in the revenue estimates related to income taxes and federal

DR. COLLINS: source revenues. It should be noted that while the income taxes are Provincial revenues, they are estimated by the Federal Government and revised estimates are received on a regular basis at various points throughout the fiscal year.

Accordingly, based on the data available at the end of the second quarter of the fiscal year, the major projected changes in revenue from our Budget position is as follows: As I have stated, Retail Sales Tax is down by \$20.5 million, and that is not changed from the first quarter statement I made in September. Tax Equalization is down by \$19.1 million. Established Programmes Financing Grant is up by \$13.8 million. Personal Income Tax is down by \$11.3 million. Corporate Income Tax is down by \$4.2 million and

DR. COLLINS: other revenues are up by \$1.3 million meaning that there is a total lower amount of \$40 million.

Mr. Speaker, the unfavourable trends in this year's current account position have developed due to factors largely beyond government's ability to control. Indeed, the declining revenues we are witnessing are not unique to this Province.

MR. NEARY: No wonder the hon. gentleman is retiring.

PREMIER PECKFORD: Have I got news for you!

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Russell): Order, please!

DR. COLLINS: Volatile economic conditions throughout the world in the past several years have made it very difficult for governments generally to make accurate financial projections, particularly on revenues. During 1982, when the economic recession was projected to create a \$66 million variance on current account, government introduced a number of expenditure restraint and taxation measures to bring the position more in balance. Against that background government is now faced with a number of questions. How should the present situation be viewed?

MR. NEARY: The question we are pondering is what are we going to do with you.

DR. COLLINS: What steps should be taken to turn around unfavourable trends?

MR. NEARY: You are the one who needs to be restrained.

DR. COLLINS: Mr. Speaker, Government remains determined to take all steps necessary to react responsibly to the present situation. Government has undertaken a major review to determine what action could be realistically taken to turn around the situation by year end. However, we

DR. COLLINS: concluded that at this stage in the fiscal year it is outside the limits of practical management to bring our current account position by year-end fully back to that presented in the March budget.

If government were to do so, major new austerity measures would have to be taken such as large Public Service layoffs and cut-backs in essential services such as in health, education and social services. Government has rejected that approach at this time. Instead, we have opted for an approach giving small but significant budgetary relief now, and aimed at achieving a major improvement in our current account position in the next fiscal year.

MR. NEARY: Oh, what a joke!

DR. COLLINS: The basic philosophy involves a thorough review of the expenditure side of our budget, which government has already commenced. If at all possible, we will avoid those measures having a particularly severe impact on vital public services. Our review will be aimed at maintaining essential public services, whilst rigorously applying restraint across all expenditure areas.

Mr. Speaker, as a preliminary guideline for the next year's budget, government has already decided not to implement any new major new programmes in 1984-85, and departments have been instructed not to seek such funding in their draft estimate requests. Public Service hiring activity will be further scrutinized, and a number of other expenditure areas are being considered for reductions. Final decisions on these and other items will be announced during the Budget Speech early in the Spring Session in this House of Assembly.

Mr. Speaker, in the meantime, I must now announce a measure of fundamental importance to our continuing restraint programme. Government's salary

DR. COLLINS: bill represents well in excess of 40 per cent of all current account expenditures, and is represented very significantly in every service rendered by government. In order to maintain a firm hold on total expenditures, therefore, it is clearly necessary to control growth in public sector salary bills. The particular wage restraint programme that was introduced in 1982 provided for all employees to be subject to wage restraint upon the expiry of existing collective agreements. Settlements achieved immediately prior to the start of that programme were averaging about 12 per cent, which approximated the rate of increase in the cost of living at that time. The wage restraint programme saw increases which averaged 6 per cent in the first year and 5 per cent in the second year, so that the degree of restraint was equal to about one half the rate of inflation.



DR. COLLINS: Existing guidelines are no longer holding wage increases significantly below inflation levels, currently running around 6 per cent.

In light of the current fiscal position, we now must reassess the details of the Wage Restraint Programme.

The Health Care Sector bargaining units will soon have their contracts renewed. This Sector is composed of: Interns and Residents, or PIRN as it is briefly called; Allied Health Professionals; Lab and X-Ray workers; Nurses; and Hospital Support Workers.

These units have not as yet come under any form of wage restraint. Indeed, they have had collective agreements in place for the past several years which gave them more generous increases than those received by the vast majority of public servants. Over the past three years, most Health Care employees received compounded wage scale increases in the 40 per cent range, and some in excess of 50 per cent. It is only equitable, therefore, that those employees now experience wage restraint more appropriate to the revised inflation outlook. In other words, their increases should not exceed half the present rate of inflation, a similar principle as has applied to the other groups previously.

Therefore, effective with the commencement of new collective bargaining agreements in the Health Care Sector, government has established the following limits on negotiated settlements in each year of a two-year package. For the salary ranges \$18,000 and less the guideline will be 3 per cent. For salaries ranging over \$18,000 a year the percentage increase will be 2 per cent.

All other employee groups in the public service will have undergone two-years of wage restraint some time in 1984. The levels of increase to

DR. COLLINS: be awarded them in new contracts will depend on limits that will be developed during the upcoming budgetary process.

Mr. Speaker, in conclusion, therefore, the downward adjustments in our revenues directly result from the residual impact on Federal and Provincial revenues of the recent severe recession. Given the present environment, it is our intention to continue with a programme of strict control on expenditures. Government will also very carefully monitor our overall fiscal position for the balance of the year. Concurrently, government has commenced laying the groundwork for the 1984-85 Budget. The new Budget will be developed in line with continuing restraint in all expenditure areas and will reflect the need to reverse the course of our current account performance over the past two recessionary years.

Mr. Speaker, as I mentioned, attached to this statement there is an appendix detailing the figures on Current Account, Capital Account, Debt Retirement, and total borrowing requirements.

Thank you, very much.

SOME HON. MEMBERS: Hear, hear!

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

MR. HODDER: Mr. Speaker, the amazing thing about this statement is that we know less about what is going to happen now than we did before. At least we could surmise before, now we have been told by the minister that we must wait, there will be rigorous restraints, that certain people will be kept down to 3 per cent and 2 per cent, but that there will be others and the levels of increase to be awarded them in new contracts will be dependent on limits which will be developed during the upcoming budget process. So the rest of the civil service, Mr. Speaker, are in the dark as much as they were before. And if the minister's projections are as they always have been, and

MR. HODDER: we find out that we now have a \$68 million shortfall from the minister's projections, if they are as they always have been, then the Public Service and the health services and other services which this government gives to the people of the Province, people can sit back and should perhaps start biting their fingernails.

Mr. Speaker, this statement again was brought in as a Ministerial Statement when it should have been a budget. When

MR. HODDER: When a government brings in fiscal measures of the type we have just heard, they should be debated. And this statement which has just been read shows a government which is afraid of the democratic process. Mr. Speaker, there is not another legislature in the country which time after time comes in with Ministerial Statements to enact fiscal measures in a province. And with a Premier who builds himself up as a fighter but is afraid, who runs away from debate from people on this side of the House, then I say, Mr. Speaker, that he is wrongly built. Mr. Speaker, this is a housekeeping government, and I would like to point out one thing in the few minutes that I have here, it is a housekeeping government that is maintaining the status quo.

MR. NEARY: They are not even doing that.

MR. HODDER: Mr. Speaker, what we have seen happen today will continue to happen until such time as the Newfoundland Government starts to realize that bold moves are needed and must be taken. Mr. Speaker, we cannot continue to have the revenues of this Province coming from alcohol and cigarettes and the like. Our revenue base in this Province is shrinking day by day.

MR. STAGG: Quit smoking and drinking.

MR. NEARY: You should get off whatever you are on, too.

MR. HODDER: Mr. Speaker, we must have meaningful secondary processing based on the resources that we have.

MR. HODDER: Mr. Speaker, you can only raise the taxes so far and the minister has already gone too far, he has already reached that point.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Russell): Order, please!

MR. HODDER: The minister says that revenues are up because of higher taxation, yet we continue to roll up a deficit on current account. He seems not to realize that you can only go so far. People are not spending in the same way that they used to. If the minister would look at the trends, and Newfoundlanders are certainly among the forefront of those people in the world, he will know that people are not spending their money on consumer goods as they used to, they are putting it into paying off their mortgages or securities for the future. They are not spending it on consumer goods, and the minister is trying to get his revenues from that particular source, and he is not going to be able to do it if he goes beyond our neighbouring provinces. This is a roller coaster that we will continue to be on until such time as we start to generate new dollars and start to create new jobs. The Minister of Development (Mr. Windsor) has not created one new job since he has become Minister of Development. There has not been one new thing happen in this Province. And that is where we stand, Mr. Speaker, with civil servants, health care workers, hospital beds being cut back, that is where we stand -

MR. NEARY: We have an official greeter in the Province, a handshaker.

MR. SIMMS: Do not forget the private elevator.

MR. NEARY: Do not forget Sir Humphrey Gilbert, the fellow going around in the monkey suit.

MR. CALLAN: That was really the minister.

MR. HODDER: It bothers me greatly, Mr. Speaker, that Newfoundlanders have seen so little activity from this government in job creation that they do not expect it anymore. People really do not look to this government to create jobs, to try to create economic activity, to try to do secondary processing or try to look after the primary resources of this Province.

And, Mr. Speaker, if anyone thinks that the last budget, the mini-budget before that, the dire projections that the minister has made as to what will be in the next budget, if anyone thinks that the next budget is going to be a good one, then read a little more carefully. Because we will not continue to be able to maintain this Province unless we generate new dollars in the Province. We are now on a roller coaster that we cannot get off, and the unfortunate thing is that the people do not even look to the government anymore to create new dollars. And perhaps the Premier is smart in that way. Mr. Speaker, I call it a housekeeping government because when the Premier became Premier of the Province unfortunately oil was announced somewhere about the same time, and since that he has been sitting down trying to keep the House in order - make no bold new approaches because you might make a mistake - and the revenues of this Province have been steadily diminishing. And if, Mr. Speaker,

MR. HODDER: misfortune should happen to visit us in the form of lower oil prices in the Far East, or if, Mr. Speaker, we were to have to wait for another twenty or thirty years - we have gone through a period of seven or eight years under the Premier where his main thrust was the offshore and he has done very badly with it.

Today there was something in the public press that Saskatchewan and Nova Scotia this year have shown the greatest growth throughout the country. This Province is near the bottom as far as growth is concerned, or at the bottom and, Mr. Speaker, unless we start to try and manage and change the economy around, we will be faced with shrinking revenues.

Someone mentioned the other day that you can bring a tractor trailer load of cigarettes from Ontario at the present time and make yourself \$240,000.

PREMIER PECKFORD: I would not know.

MR. HODDER: Well, you should know, because we have come to a point in our Province where we have outstripped ourselves from our neighbours and when that happens we start to lose revenues. The minister says revenues are up. Yes, they are up, but they are not up to what they could have been if people were buying and spending.

I would ask the government again, as I did the other day, to consider a reduction in the sales tax to stimulate consumer spending. The government has not done that.

MR. NEARY: No courage.

MR. HODDER: Mr. Speaker, I would ask the minister if he would perhaps give as a first task to the

MR. HODDER: Newfoundland and Labrador Economic Council, an immediate task, to report back to him as quickly as possible what the effects would be to roll back the sales tax at this present time?

PREMIER PECKFORD: It has been studied.

MR. HODDER: Mr. Speaker, if it is studied, I would like for the Premier to table it and show us what it is saying.

MR. SPEAKER (Russell): Order, please! Order, please!  
It is understood that when responding to a Ministerial Statement, the Opposition is given one-half the time of the minister and the hon. member's time has expired.

MR. HODDER: Thank you, Mr. Speaker.

PREMIER PECKFORD: Mr. Speaker.

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, today I have requested the Lieutenant-Governor to issue a Writ of Election for the provincial district of Terra Nova for Wednesday, December 7, 1983.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: It is my belief, Mr. Speaker,

that the democratic process should be as

MR. CALLAN: The last election you announced was in Bellevue, do you remember that one?

MR. SPEAKER: Order, please!

PREMIER PECKFORD: Mr. Speaker, are there rules in this House that protect me while I am speaking or do I have to listen to the hon. the member for Bellevue (Mr. Callan) while I am speaking?

MR. SPEAKER: Order, please!

There is certainly a rule that when any hon. member is speaking he does have the right to



MR. SPEAKER (Russell): be heard in silence and I would request all hon. members to adhere to that rule.

PREMIER PECKFORD: Mr. Speaker, you know, I - a point of order because there are rules in this House which govern our conduct and if I, as one member of the House, do not have the privilege of silence, well, then, the whole process becomes completely chaotic. And I wish to make a

PREMIER PECKFORD: Ministerial Statement, which I have started, and the hon. member for Bellevue (Mr. Callan) and the hon. member for Torngat Mountains (Mr. Warren) persist in wanting to interrupt me. Now I wish to be heard in silence, Mr. Speaker.

MR. SPEAKER (Russell): Again I better repeat that there is a procedural rule that when a member is speaking he does have the right to be heard in silence. I would again request all hon. members to adhere to that rule.

PREMIER PECKFORD: Thank you, Mr. Speaker.

It is my belief, Mr. Speaker, that the democratic process should be as responsive as possible to ensure that our people are fully represented at all times at every level of government. Of course, the democratic system can only be effective if it is permitted to function as it should, in this House as well as outside.

During my tenure as Premier, it has always been my policy to call by-elections expeditiously. It will be no different this time. The people of Terra Nova district will have a new member to represent them in the House of Assembly after December 7.

I am very confident, Mr. Speaker, that the new member will be sitting on this side of the House.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: The people of Terra Nova will want to elect a government member to give them strong representation during the remainder of this government's term. Indeed, as we saw in the last election, people all over Newfoundland and Labrador are turning to the P.C. Party and to the P.C. Government for leadership and for action on their behalf. It is a movement which I believe is continuing and Terra Nova district will want to be part of it.

PREMIER PECKFORD: Mr. Speaker, I would be very pleased to have the great district of Terra Nova represented in my caucus. I look forward, as do all of my colleagues, to welcoming the new member to this hon. House.

SOME HON. MEMBERS: Hear, hear!

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

MR. NEARY: Mr. Speaker, we welcome the announcement that the people in the district of Terra Nova will be given an opportunity on December 7 to elect their representative to the House of Assembly. It is regrettable that the hon. gentleman in making the announcement, Mr. Speaker, could not avoid playing his typical political game. That is very regrettable indeed.

Mr. Speaker, we will let the people of Terra Nova decide what side of the House their representative wishes to sit on. And they will do it by secret ballot, Mr. Speaker, and they do not have to be coerced or pressured or brow-beaten by the hon. gentleman. The people in the district of Terra Nova are quite capable of making up their own minds.

And when it comes to turning to the P.C. Party, Mr. Speaker, I have one message for the hon. gentleman: Judging by what we have seen happen around this Province in the last year or two, I would say that the hon. gentleman's days as Premier of this Province are numbered.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please! Before we proceed, I would like to welcome to the galleries today the Mayor of Lewin's Cove, Mr. Gilbert Inkpen, in the district of Burin-Placentia West.

SOME HON. MEMBERS: Hear, hear!

#### ORAL QUESTIONS

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

MR. HODDER: Mr. Speaker, arising from

MR. HODDER: the minister's statement, he said that under the established programme financing grant they received \$13 million more than expected last year.

PREMIER PECKFORD: This year.

MR. HODDER: This year, yes.

Does this mean that if they had not received this increase from the federal government that the minister's projection of the actual deficit would be \$53.8 million rather than \$41 million that we have now? Is the minister saying that his projections during last year's budget was out \$53.8 million rather than \$41 million?

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

DR. COLLINS: Mr. Speaker, possibly I should explain that increase of transfer from the federal government, \$13.1 million or whatever it was. A certain amount of that was due to prior year adjustments, but the major part of it was due to the fact that personal income tax, and to some extent corporate income tax receipts were down. When the returns on such tax sources are down, the EPA arrangement means that there has to be an increase in cash transfers to bring the per capita amount up to a certain level. In the budget one projected that corporate and personal income tax would be higher than in actual fact they are and, of course, the fact that they are not was due to the recession and the fact that they were not means that the federal government had to make up for that deficit to bring the per capita amount of EPA coming from both cash and tax points up to a level.

MR. HODDER: Mr. Speaker.

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

MR. HODDER: Mr. Speaker, the minister said in

MR. HODDER: his statement that the government gave the nurses and public health sector significant increases last year -

PREMIER PECKFORD: The last three years.

MR. HODDER: - the last three years. Mr. Speaker, he said as well that the levels of increase to be awarded them in new contracts will be dependent on limits which will be developed during the upcoming budget process. I would ask the minister what are those limits? Will the health care people be the lowest or is it possible teachers and forestry workers will be? The minister has not said, but what will be those limits? What sort of guidelines is the minister referring to in that particular statement because it really tells us nothing.

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

DR. COLLINS: Mr. Speaker, as I mentioned in the statement there, the health care sector workers have not as yet had any wage restraint applied to them. Their last contract was put in place prior to the beginning of this restraint period and as it happened the contract involves quite substantial increases in their wage settlements. So not did they have quite substantial, generous increases in their last contract, but their contract came into this before restraint were applied. So they have had no restraints whatever. Now when the restraint programme was brought in, inflation was something like 12 per cent and the general measure of restraint allowed wage increases of about 6 per cent, in other words half the rate of inflation. What I am saying now is as these health care workers are now coming under restraint for the first time, the guidelines to be applied to them will be similar to the guidelines applied to other workers in relation to inflation. Just like other workers had

DR. COLLINS: their increases half the rate of inflation, now we are putting forward a guideline so that these workers, coming under restraint for the very first time, will now have their guidelines half the rate of inflation.

MR. HODDER: Supplementary, Mr. Speaker.

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

MR. HODDER: Mr. Speaker, the minister says that they had no restraint, the only restraint they had was the collective bargaining process, which was a legal bargaining process -

MR. ROBERTS: And the government signed all of those agreements.

MR. HODDER: - and the government signed all of these agreements. Mr. Speaker, the minister did not answer my question because in that particular statement he was referring to the other workers, other groups, that would be coming before government for collective agreements next year. I was asking the minister what he meant when he mentioned guidelines for those other people but he did not specifically refer to these other people. He said, 'The levels of increase to be awarded them in new contracts will be dependent on limits which will be developed.' I do not know what that means, Mr. Speaker. I would like for the minister to tell me. We are referring now not to the people whom the minister has already nailed between the eyes in this particular statement, we are talking about all of the other public workers who the minister has not yet got his hands on.

MR. NEARY: Right on. Good question.

MR. SPEAKER: The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, in the statement I referred to new contracts that are going to be put in place, or hopefully put in place during this fiscal year. All the

DR. COLLINS: other workers that the hon. member is referring to ,their new contracts come up in the next fiscal year,and that is what we will bring down a budget for ,dealing with matters that are going to occur in the next fiscal year. And I am saying that during the process of putting the budget for the next fiscal year in place , we will develop guidelines,which we will let those various collective bargaining units know about in advance,because we have done that a number of times now during hard economic times. We have not tried to mislead the workers whose contracts are coming up for renewal with the thoughts of undue expectations. As soon as we have been able to do so we have let them know the limits to which our resources will allow us to go. We did not want them to live in a fool's paradise , shall we say. And as soon as we have developed the guidelines that will be applicable to next fiscal year we will let those workers know. And, you know, I do not think hon. members would expect me to anticipate next year's budget at this time of the year in this fiscal year.

MR. HODDER: Supplementary, Mr. Speaker.

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

MR. HODDER: Mr. Speaker, the minister is no clearer than before but I think I can take from his answer that it is actually possible that other groups could even get less than the 2 per cent and the 3 per cent. From what he has said there and from the answer he has given, he is just as fuzzy as he was in the Ministerial Statement. But, Mr. Speaker, the minister says he will rigorously - and perhaps this is the most telling statement in the whole thing - applying restraints across all expenditure areas. I would ask the

MR. HODDER: minister what areas are being considered for restraint? Mr. Speaker, this particular statement seems to me to indicate cuts in Social Services, cuts in health care services, cuts wherever the minister wants. I would like the minister to give us some hint, because this particular document really does not tell us very much more than we knew when he made his prestatement about a week ago.

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

DR. COLLINS: Mr. Speaker, I can go further than giving a hint, I mean, the statement said that we will do our utmost, as we have done in the past, we will do our absolute utmost to keep essential services in place and to avoid anything that could be regarded as large-scale layoffs in the public service. We will be looking at all discretionary areas we possibly can and only in the most dire need, and I hope this will not come about, will we look at cutting back on the services that the general public cannot do without.  
And



DR. COLLINS: only in the most extreme situation will we look at cutbacks in the numbers of individuals and workers employed in the Public Service. The statement did say we will look at additional hiring activity very closely. In other words, we will keep the number of new workers, and of course sometimes new workers are needed, but we will keep the number of new workers coming into the public service down to an absolute minimum, but only in the most dire extreme will we attempt to interfere with essential public services and with the public service compliment now in place.

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

MR. HODDER: Mr. Speaker, so the minister is saying when he says that, "We will rigorously apply restraint across all expenditure areas," he is only talking about civil servants and hiring employees, he is not talking about restrictions in programmes, I will ask the minister will departments of government in order to make up - and remember, Mr. Speaker, we are talking about a \$40 million short-fall on current account - will departments of government be asked to tighten their belts, will programmes such as social assistance, such as health care services, such as the forestry services, will they be asked to work on a lesser budget this year, will they be forced to drop programmes even though the government does not announce them? Because, Mr. Speaker, that is what happened last year when a number of departments were cut: The minister did not announce the cuts but the services were dropped. Is that what the minister is doing?

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

DR. COLLINS: Mr. Speaker, I suppose it is fair to say that all departments give what might be called essential services and also non-essential services. Now I am not saying the non-essential services are not desirable, they are often

DR. COLLINS: very desirable. But they do by and large give two types of services. What I am saying is that we will first look at services given by departments which will be considered non-essential, or discretionary if you want to use that term. Desirable, yes, but not absolutely essential, and only in the most dire extreme, and hopefully we will not have to get into that, will we look at the types of services -

MR. HODDER: Like what? Like what? Give me an example.

DR. COLLINS: Well if the hon. member wants to know what an essential service is, an essential service is a child going to school. Now only in the most dire circumstances, and I said, we do not anticipate getting into this at all, we would not consider cutting back children going to school. The Department of Education has other programmes which it gives to that do not approach that type of essentiality. We will ask the Department of Education to restrain their spending in those other areas.

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

MR. HODDER: Mr. Speaker, the minister really has me nervous when he uses as an example children going to school. Now he considers that essential so, Mr. Speaker, I take it then that all other programmes are in for the knife.

Mr. Speaker, the only thing that I can say in response is that I am sure we will see what this budget will really do, it will unfold slowly throughout the year. But my final question, Mr. Speaker, the minister says that no new programmes will be implemented this year. Mr. Speaker, I have not seen a new programme from this government for some time. It amazes me. I wonder what programmes he was thinking of, what new programmes are we not going to get, could the minister answer me that?

MR. NEARY: No more hand shakers.

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

DR. COLLINS: 'What new programmes are we not going to get?' I mean, that is a very difficult question. We are not all going to get gold plated Cadillacs. We are not all going to get six months holidays a year. We are not all going to get trips down to the South Pacific and so on and so forth. There is any number of programmes we are not going to get. What I am saying is that we will try to keep to an absolute minimum, and hopefully avoid altogether, any cutbacks in essential services or in layoffs in the public service but we will

DR. COLLINS: then try to tighten the belt and continue restraint in those areas that are in any way discretionary.

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

MR. NEARY: Mr. Speaker, the document tabled this afternoon in the House by the Minister of Finance (Dr. Collins) shows as much imagination and initiative as a plain sheet of scribbler paper. Now, Mr. Speaker, let me ask the hon. gentleman what happens to the credit rating of this Province? What happens to our borrowing in this Province if the Province shows three years' deficit in current account in a row? And that is what we are headed for in the next budget ; we are headed for a deficit worse than this year. The one this year is worse than last year, and the one next year will be worse than this year. Mr. Speaker, we are borrowing money to pay interest on the money that we are borrowing, and when you reach that stage you are bankrupt.

Now, Mr. Speaker, let the hon. gentleman tell the House the truth. What will happen to our credit rating if the government are unable to balance its budget next year? If we have to go into the next fiscal year, 1984-1985 fiscal year with a substantial deficit in current account, how devastating is that going to be on the credit of the Province?

MR. SPEAKER: The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, you know, no one has a crystal ball, but I do not anticipate that it will have any affect on our credit rating. The credit rating agencies look at a number of things when they decide the credit of a borrower. One of the things they look at is their financial management, and we have had many indications from bankers, from

DR. COLLINS: people in the financial world - and these are quite unsolicited-from the credit rating agencies themselves saying that they are pleased with our financial management. They recognize times are tough. They do compare us with other jurisdictions and government agencies and so on and so forth and they have told us, quite unequivocally that taking all considerations together we are doing quite well from that point of view.

Now they look at other areas too. They look at your potential. They look at any number of things. And I cannot predict how they will add all of that up, but if they do what they have done up to the present time during this tough, recessionary time, I have great expectations that we will maintain our credit rating and perhaps even increase it.

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

MR. NEARY: A supplementary.

Mr. Speaker, the hon. gentleman talks about management. All we have to do is look at the hon. gentleman's unrealistic budgeting and we can see how the Province is being managed or mismanaged.

Now, Mr. Speaker, let me ask the hon. gentleman this question; In the document that he tabled today, where in that document is the plan for recovery of the Newfoundland and Labrador economy?

MR. SPEAKER: The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, in a five or six page document you cannot lay out everything, and I did not think there was any need to, because this government have already laid out where the future of this Province lies. The future of this Province lies

DR. COLLINS: in a revitalized fishing industry and this Province has taken massive steps in that direction. The future of this economy lies in the offshore, if we get our just rights out there, and this administration has made yeoman efforts in that regard. The future of this Province lies in improving our exploitation of the natural resources in Labrador and, again, this government certainly does not have to take any back seat in that type of thing, And it lies in the forestry and it lies in the tourist industry, it lies in many areas and each area is given daily attention and daily planning by this administration.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: It seems to me I have heard that song before. Mr. Speaker, we know what is required to stimulate the Newfoundland economy; we know it requires action on the part of the government, Mr. Speaker, that we are not getting. They have had nothing but a track record of failure, one failure after the other. The Premier does not seem to be able to do anything right.

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

MR. SPEAKER: Order, please!

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

MR. MARSHALL: Mr. Speaker, this is the Question Period. It is not a time for speeches, even bad speeches.

MR. NEARY: To that point of order.

MR. SPEAKER: Order, please!

The hon. the Leader of the Opposition, to that point of order.

MR. NEARY: When we are getting to the administration, Mr. Speaker, the hon. gentleman jumps

MR. NEARY: in to protect the Premier and the Minister of Finance (Dr. Collins) and the administration by raising silly points of order. Anybody who watches the debates in the House of Commons, anybody who has visited Westminster, Mr. Speaker, is well aware that before a member -

PREMIER PECKFORD: Who is your authority?

MR. NEARY: It is tradition.

Maybe in this House the hon. gentleman would like to muzzle the Opposition. The hon. gentleman would like to have all of the members on that side of the House and none on this side. But the fact of the matter is, Mr. Speaker, that members are allowed a preamble when they are asking questions, Mr. Speaker. And I was merely giving a preamble to my question and that is perfectly in order, Mr. Speaker.

MR. SPEAKER (Russell): Order, please!

Questions as well as answers, of course are designed to be as brief as possible. Indeed there is statement in Beauchesne that says in a supplementary question there should be no need for any preamble. I would request the hon. the Leader of the Opposition (Mr. Neary) to be more precise with his question.

The hon. the Leader of the Opposition.

MR. NEARY: Thank you, Mr. Speaker.

I was right again. The hon. gentleman should learn the rules of the House.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, I submit to the hon. gentleman, as a preamble to my question, that the reason revenues are down is because of the -

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

MR. SPEAKER: On a point of order, the hon. the Premier.

MR. NEARY: Now we have the school teacher up, the man who can do nothing right.

PREMIER PECKFORD: Mr. Speaker, now he says, 'In my opinion and in a preamble to my question,' The Leader of the Opposition (Mr. Neary) will not quote authorities. I point, Mr. Speaker, for your consideration to Standing Order 31, Section (c): "In putting any oral questions, no argument or opinion is to be offered nor any facts stated except so far as may be necessary to explain the same; and in answering any such question, the Minister is not to debate the matter to which it refers." And the hon. the Leader of the Opposition was just offering an opinion, in his own words. I submit, Mr. Speaker, that the Leader of the Opposition is completely, absolutely, out of order.

MR. SIMMS: Clear as a bell.

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

MR. SPEAKER (Russell): The hon. the Leader of the Opposition, to that point of order.

MR. NEARY: Of course, all they are trying to do now, for the benefit of those who are following the House, what the Premier and his minion, the Government House Leader (Mr. Marshall) are trying to do is use up my time so I will not ask embarrassing questions. After the April 6th election one of the real dangers was that the Premier would become dictatorial.

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

I must admit the hon. the Leader of the Opposition certainly was not speaking to that point or order but is indeed expressing his own personal opinion on some other things.

MR. NEARY: Well, that is all he was doing.

MR. SPEAKER: Certainly the hon. the Leader of the Opposition was out of order. Our Standing Order 31 (c)



MR. SPEAKER (Russell): is very explicit. Again I would ask the hon. the Leader of the Opposition (Mr. Neary) to be precise in his question or I will have to rule him out of order.

MR. NEARY: Mr. Speaker, we hope we do not have to play the referee, too.

MR. STAGG: Casting aspersions on the Chair.

MR. NEARY: Mr. Speaker, let me ask the

MR. NEARY:

Minister of Finance (Dr. Collins) if it is correct to state that the reason the income tax revenue is less than it should be, and the reason the retail sales tax is less than it should be is because of the slowness in the recovery of our economy and the fact that hardly anybody in the Province is working? Is that a correct statement?

PREMIER PECKFORD: How many are working in the Province?

MARSHALL: Hardly anybody.

MR. WARREN: If he asked the question of the Minister of Finance, why are you stepping in?

MR. NEARY: Mr. Speaker, is it correct to say that the revenues are down because the administration has not done what they should be doing in creating new industry and new business in this Province? Is it correct to state that it is because of record unemployment in this Province that revenues are down?

MR. SPEAKER (Russell) The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, in terms of corporate income tax, which, I think, the hon. member mentioned, the direct link there is with profits. I mean, if companies make profits there is more corporate tax gotten, so the relationship is with profits as opposed to the level of employment. But there is no doubt about it we have an uncomfortably high, a uniquely high unemployment rate in this Province. We always have, we should not have. The Canadian economy, after thirty-five years of Confederation, should be such that we do not have in this Province to suffer undue rates of unemployment. And that is what this administration is doing daily, trying to bring us up to the Canadian average in employment rates as well as in other

DR. COLLINS: aspects of things.  
I regret, as I am sure all hon. members regret, that unemployment has gone up during this recession. But the basic problem was the recession, it was not neglect or inaction on our part. We have done, with the things available to us, the very best we could do, I think, that most observers say in the conditions in which we have to operate, what this administration has done has been very exemplar.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Would the hon. gentleman indicate to the House, because what this document lacks is information, Mr. Speaker, what will happen in negotiations with the teachers, the police, the firemen, the wardens at the penitentiary? What will happen in the case of these public servants when their turn rolls around? Are they considered to be a part of the restraint programme or will they be able to allow the due process of collective bargaining to take place?

MR. SPEAKER: The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, even though we are a have-not Province, we are a poor Province, we are a Province with a narrow economic base, we are one of the few provinces that during this severe recession did not take away the right to collective bargaining from the public servants of this Province.

MR. NEARY: You may as well.

DR. COLLINS: Other provinces legislated restraints and took away the right to bargain. We did not

DR. COLLINS: do that in this Province and we have no intention of doing it. We laid down guidelines, we negotiated with the various bargaining units. As I mentioned the other day, I think it was something like 19,000 workers came under our restraint programme and I think there were twenty-one or twenty-five or whatever collective bargain agreements signed, and in only one case was there a relatively brief work stoppage and that work stoppage was not directly related to our wage restraint programme. So our wage restraint programme has worked very well, it has worked without the needs of legislation, it has worked without the need to take away the right to collective bargaining, and I think that government has a good programme in place and also the public servants in the Province are to be complimented for responding to the programme we did put in place.

SOME HON.MEMBERS:

Hear, hear!

MR.NEARY:

Mr. Speaker.

MR.SPEAKER (Russell):

The hon. Leader of the Opposition.

MR.NEARY:

The hon. gentleman, of course, did not answer my question. He just completely ignored the question as if I did not ask it and that is regrettable, because he is getting that bad example from the Premier, it is very regrettable. Mr. Speaker, let me ask the hon. gentleman if the government will, before they give public servants the hatchet, before they bury the hatchet in the skulls of the public servants, will the hon. gentleman tell the House if it is

MR. NEARY:

the intention of the administration to do away with government entertainment, private dining rooms for the Premier, free apartments, travelling all over the world, Newfoundland Information Services, exorbitant lawyers' fees, handshakers in the Province, private elevators and the like? Now, Mr. Speaker, would the hon. gentleman tell the House if before they start doing a hatchet job on the public servants, will they be eliminating the extravagance and waste in the budget such as government entertainment, private dining rooms, free apartments, travelling all over the world, Newfoundland propaganda services, expensive ads and the like in newspapers, exorbitant lawyers' fees and the Department of Intergovernmental Affairs, Mr. Speaker, that is a monkey on the taxpayer's back?

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

DR. COLLINS: Mr. Speaker, that question is not worthy of the hon. the Leader of the Opposition. He can do better than that. He must be getting on very thin ground now when he has to go back to these old hats. I have said any number of times, and the Premier has said, other members of government have said and other members of our caucus have said that we are cutting back as sharply as we possibly can on areas of discretionary spending, I suppose some of the areas that the hon. the Leader of the Opposition mentioned can be termed discretionary, but not all of them can. I think that if we need, shall we say, what he called highly paid lawyers, we need them for very good purposes, we do not get them frivolously. So, you know, these are not all discretionary. But where we can cut back on discretionary spending, we do so, and we will continue to do so.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: There was something I forgot  
there, Mr. Speaker. I forgot to toss in the Norma and Gladys,  
\$46,000 in last year's budget, when the people down in  
Grand Bank were walking around with their hands in their  
pockets, unemployed all year.

MR. SPEAKER: Order, please! Order, please!  
The hon. the Leader of the  
Opposition is proceeding to make a speech and I would ask  
him to ask a question.

MR. NEARY: Mr. Speaker, I remind the House  
that preambles are allowed in Westminster and in the House  
of Commons in Ottawa.

Now, Mr. Speaker, let me put  
another question to the hon. gentleman.

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

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

MR. MARSHALL: Mr. Speaker, the tiresome way  
the hon. gentleman is conducting the Question Period  
I think we can take, but I do not think, Mr. Speaker, we  
can take challenging your ruling. Your Honour has made a  
ruling with respect to the hon. gentleman and his subse-  
quent words were obviously a challenge to Your Honour's  
ruling and, as such, I think it is incumbent upon the hon.  
gentleman to withdraw the particular words questioning  
Your Honour's ruling and apologize to the Chair - Your  
Honour and the Chair and everything that Your Honour  
represents.

SOME HON. MEMBERS: Hear, hear!

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

MR. SPEAKER (Russell): The hon. the Leader of the Opposition, to that point of order.

MR. NEARY: Again they are using up my time. The hon. gentleman has raised a very frivolous point of order. Mr. Speaker, I know how to challenge the Chair if I want to. We have done it before and we will be doing it again in the future when the occasion arises, Mr. Speaker.

PREMIER PECKFORD: Minority.

MR. NEARY: There you go! There is the dictator again. All I did was to remind the hon. gentlemen -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. NEARY: - that in the House of Commons you are allowed a preamble to your questions and in Westminster, the Mother of Parliament, where democracy reigns supreme, Mr. Speaker, you are allowed a preamble. Your Honour may disagree but I happen to think that is the way it is. Your Honour may disagree with me; I am not challenging Your Honour's ruling, neither am I casting any reflection upon the Chair. The hon. gentleman is just trying to stall for time because he knows the heat is on and it is becoming embarrassing for the administration.

MR. SPEAKER: Order, please!

I would only repeat that the hon. the Leader of the Opposition was requested to be a bit more precise in his question. He did make some comment but the Chair does not really feel that it was a challenge to the Chair at that time.

MR. NEARY: The government is wrong again. Now, Mr. Speaker, let me ask the hon. the Minister of Finance (Dr. Collins), better maybe, the Minister of Justice (Mr. Ottenheimer) but I will

MR. NEARY: put my question to the Minister of Finance: What about the Clarenville hospital, what about the Burin hospital and what about the expansion of the Newfoundland Constabulary throughout Newfoundland and Labrador? Will that be still going ahead? Will the expansion of the Newfoundland Constabulary still be going ahead in Corner Brook and Labrador City even though the people, almost unanimously, in these communities do not want the Newfoundland Constabulary, they want to be serviced by the RCMP? And, Mr. Speaker, is it not true



MR. NEARY:

that to go ahead with the expansion in the next two or three years is going to cost the Province literally millions of dollars to replace equipment that is now owned by the RCMP which will have to be duplicated by the Province? Will that expansion be going ahead?

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

MR. OTTENHEIMER: With respect to the expansion of the Royal Newfoundland Constabulary into Corner Brook, into Labrador City and Wabush and Churchill Falls that will certainly go ahead. The hon. gentleman is probably basing his views on what was put forward as factual data on a CBC programme last week. The facts, of course, were quite wrong. Obviously any inferences, which are drawn when the facts are wrong are wrong. Obviously the inferences have to be wrong. I think it must be on the alleged facts in that programme to which the hon. gentleman is referring because they were talking there about an increase from about 60 per cent to 70 per cent with respect to the contract for the RCMP. We pay under the contract for RCMP policing to about \$23 million this year. But in fact when the Royal Newfoundland Constabulary replaces the municipal policing in Corner Brook, that particular contract goes from 80 per cent to 90 per cent; not 60 per cent to 70 per cent, but 80 per cent to 90 per cent. So there was a factual error there and, of course, there was another factual error when the CBC were saying that because the Constabulary is going there there has to be a new building in Labrador City. And the inference being -

MR. NEARY: That is true, is it not?

MR. OTTENHEIMER: No, There is going to be a new building. No matter who polices it there is going to be a new building. Whether the RCMP continued or the Royal

MR. OTTENHEIMER: Newfoundland Constabulary we needed a new building because the municipal buildings that were being used would no longer be used. Now if it were built with the RCMP there, we would get it free and therefore we would save all of that money? Not at all. We would be paying rental every year as we do now for every RCMP building in the Province. So, as I say, when the facts are wrong then obviously the inferences from them have to be wrong. One thing, and this is not in reply really to the hon. gentleman's question but is sort of related to it, and I do not allege him of having this attitude at all, but in that particular programme there was what I would refer to as the Commission of Government attitude, and that is the attitude that a Newfoundland institution cannot be as good as anything else.

SOME HON. MEMBERS: Hear, hear!

MR. OTTENHEIMER: And there was that patronizing attitude toward what is Newfoundland or, a Newfoundland institution or a Newfoundland people: Because it is Newfoundland. We do not claim it is better than anybody else, but surely to God as Newfoundlanders we can claim that it is as good as anybody else.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER (Russell): Order, please!

Time for Question Period has expired.

Before we continue, I would like to welcome to the galleries the Mayor of Hawkes Bay, Mr. Sam Hoddinott, and the representative of the Hawkes Bay Development Association, Mr. Wallace Maynard.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER (Russell): Before we proceed to Orders of the Day, I would like to revert to a point of privilege that was raised by the hon. Leader of the Opposition (Mr. Neary). On November 10th, 1983, the hon. Leader of the Opposition rose on a point of privilege when he indicated that the Minister of Fisheries (Mr. Morgan) had deliberately misled the House in the tabling of certain documents. I have subsequently reviewed the transcript of the arguments put forward by all hon. members. I feel that the confusion lies in the fact that we are indeed referring to two documents which the hon. Minister of Fisheries indicated he would table. Number one, On Monday, November 7th, 1983, when the hon. Premier was referring to the restructuring agreement, the hon. Leader of the Opposition said, "You could have had it five months earlier than you actually did". To this the Premier replied, "I should demonstrate to the Leader of the Opposition the significant difference between the two over the five months". There are quotations taken from the November 7th Hansard.

On November 8th, 1983, when the hon. Minister of Fisheries was introducing the restructuring bill he stated, "And by concluding it, Mr. Speaker, a number of changes were made. We discussed this yesterday,

MR. SPEAKER (Russell):

"the Premier and myself, and we agreed rather than take up the time in debate today, I will table it in the House so copies can be made for all different members, the difference in the main points that we did not have in May when we could have signed the agreement." And these quotations are taken from the Hansard of November 8.

Then on November 9, 1983, the hon. Minister of Fisheries (Mr. Morgan) tabled the documents which outlined the differences in the agreement as referred to above. That was document number one. Number two; On November 8, 1983, when introducing the bill on restructuring, the hon. Minister of Fisheries referred to certain companies the government have assisted. Subsequently the hon. member for the Strait of Belle Isle (Mr. Roberts) asked the following questions, "Could you table that list?" To this the hon. Minister of Fisheries replied, "Yes, Mr. Speaker, not in the form it is now but I will table the list of the companies we have assisted in the Province over the past year and a half." The hon. member for the Strait of Belle Isle then stated, "And how much you have put in," to which the Minister of Fisheries replied, "And how much we have put in, Mr. Speaker."

In reviewing Beuchesne, I cannot find any place where there is a time limit placed upon the tabling of documents. The hon. Minister of Fisheries on November 14, 1983 tabled the list of companies and the amounts of money involved. I sincerely hope that the above clarifies the matter. I therefore rule that no prima facie case has been established but merely a matter of confusion over two different documents.

It is now incumbent upon me to request the hon. Leader of the Opposition (Mr. Neary) and the hon. member for Port au Port (Mr. Hodder) to withdraw

MR. SPEAKER (Russell): unparliamentary remarks made during the debate when on Tape 2940 of the November 10, 1983, Hansard the Leader of the Opposition (Mr. Neary) said in reference to the Minister of Fisheries (Mr. Morgan), "purposely tried to milead this House." And also on Tape 2940 of the November 10, 1983, Hansard the hon. member for Port au Port said, "Now, Mr. Speaker, if that is not a deliberate attempt to deceive this House of Assembly and to deceive members on this side of the House I do not know what is." I would invite the hon. Leader of the Opposition to first of all withdraw those unparliamentary comments.

MR. NEARY: What were the comments? I did not get the comments.

MR. SPEAKER: On Tape 2940 of the November 10, 1983, Hansard the Leader of the Opposition said in reference to the Minister of Fisheries, "purposely tried to mislead this House".

MR. NEARY: Mr. Speaker, I checked Beauchesne, as Your Honour did, and I could not find any reference to 'purposely' being unparliamentary, but if Your Honour says it is unparliamentary I withdraw it.

MR. SPEAKER: I request the hon. member for Port au Port to withdraw his unparliamentary remarks.

MR. HODDER: Mr. Speaker, yes, if I uttered unparliamentary remarks in this House I will certainly withdraw them. But, Mr. Speaker, they cannot make me withdraw what I was thinking.

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

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

MR. MARSHALL: Your Honour asked the member for  
Port au Port (Mr. Hodder) to withdraw and the hon. gentleman  
from Port au Port, his words were not a direct withdrawal.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

PREMIER PECKFORD: Rise up, oh men of God.

MR. MARSHALL: I mean this is a fairly serious  
matter, Mr. Speaker. Your Honour represents the authority  
of this House in the Chair and Your Honour

MR. MARSHALL: has directed the member for Port au Port (Mr. Hodder) to withdraw certain unparliamentary allegations. And the hon. gentleman is saying indirectly what he has been asked to withdraw in his statement. And I call upon the hon. member for Port au Port, in the name of fairness and in the name of substantiating the authority of the Chair and the decorum of this House, to withdraw unequivocally as Your Honour has requested him to do.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Russell): The hon. member for the Strait of Belle Isle.

MR. ROBERTS: If I might to that point of order, Mr. Speaker, two comments. First of all, Your Honour, who of course is responsible for enforcing the rules of this House and protecting the dignity and decorum of the House, did not take any offence to the withdrawal of my friend, the member for Port au Port, nor in my view ought Your Honour to have taken any offence, because the withdrawal was unqualified.

The hon. gentleman for Port au Port. went on to say that nobody could stop him from thinking as he wishes. Now I realize the gentleman for St. John's East (Mr. Marshall) wishes to try to stop the hon. member for Port au Port thinking whatever the hon. gentleman for Port au Port wishes to think -

MR. STAGG: He does not have the equipment.

MR. ROBERTS: - but I will say, Mr. Speaker, if I may be permitted the courtesy which I have extended to other hon. members -

MR. SPEAKER: Order, please!

MR. ROBERTS: - of saying what I have to say to the Chair without the gentleman for Stephenville (Mr. Stagg) rudely and stupidly interrupting, let me say, Mr. Speaker, that -

MR. STAGG: You call those insults?

MR. SPEAKER (Russell): Order, please!

MR. ROBERTS:

the withdrawal which the gentleman for Port au Port (Mr. Hodder) made was without qualification. The record will show that, He simply said if Your Honour ruled the remarks unparliamentary, as Your Honour did, he withdrew them. He went on to say that he will think what he wants. Well, I do not think that even with this administration, Mr. Speaker, we have come to the point where what we think is subject to the dictate of the Premier or the gentleman for St. John's East (Mr. Marshall). There is no point of order, Sir.

PREMIER PECKFORD: To that point of order.

MR. SPEAKER: The hon. the Premier to that point of order.

PREMIER PECKFORD: If I may just add -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER PECKFORD: - I mean, if it takes a member to get up in this hon. House, I mean, under what pretext does the hon. member for Port au Port have to add to a withdrawal of remarks which had been ruled by Your Honour to be out of order. In what context or pretext, or under what kind of excuse does the member for Port au Port go on to add, But I cannot help what I think. I mean, does that not go without saying? And therefore to articulate it means that the hon. member for Port au Port is trying to put a condition on it without being able to say to Your Honour that I have actually put a condition on it. Now that is the long and short of it. And therefore I would submit to Your Honour that it is a condition and the hon. member has to unequivocally and without stating the obvious as an excuse to say anything more than I withdraw - full stop.

SOME HON. MEMBERS: Hear, hear!



SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Russell): Order, please!

I have heard the debate. The Chair did request the hon. Leader of the Opposition (Mr. Neary) to withdraw certain unparliamentary remarks, which he did, then requested the hon. member for Port au Port (Mr. Hodder) to withdraw unparliamentary remarks, which he did with a comment. The Chair does not really think it was a challenge to the ruling and certainly has no desire to think what other members are thinking.

ORDERS OF THE DAY

MR. SPEAKER: Order 35, Bill No. 88.

The hon. the Premier adjourned the debate last day.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, I wish to address myself to the bill on the Order Paper, Bill No. 88, "An Act To Ratify , Confirm And Adopt An Agreement Entered Into Between The Government Of The Province And The Government Of Canada Respecting The Restructuring Of The Newfoundland Fishery."

PREMIER PECKFORD: Now, Mr. Speaker, it is a little bit difficult, to be honest with you, to know where to start on this very, very important bill which, I understand, is also being debated in the House of Commons in Ottawa. It goes without saying that it is an understatement of the first order to say that it is an extremely important piece of legislation, hopefully in both Houses of Parliament. It is a very important piece of legislation in this Legislature I am sure, and most members who have gotten up to speak on the bill, second reading, have, in one form or another, expressed that point of view and a lot of hon. members have taken this point of view or that point of view as it relates to it. Mr. Speaker, if I can be allowed the liberty, I would just like to quote from a little book that I published a little while ago in which I tried to deal with, in a very brief way, the Newfoundland fishery. To quote from it, to put the whole question of fishery Newfoundland which this bill tries to address almost in whole in one form or another, I said on page 61, as I have said more often that I care to remember, "The fishery is the backbone of Newfoundland society. Unfortunately, over the years it has been ignored, mismanaged and abused." The next statement I would like to emphasize, "In Newfoundland everyone is an expert on the fishery, yet aside from airing personal grievances, very few care to stand up and be counted on the major issues which confront the industry. I have heard a tremendous variety of complaints about the fishery since becoming Premier," I said at that time, "most of which are rooted in a few basic problems in the way government conducts that fishery. First and foremost" - and I want to deal with this at length later on - "First and foremost the federal government cannot manage the Newfoundland and Labrador fisheries alone." I did not say that they did not have any right in the fishery, I

PREMIER PECKFORD: said that they 'cannot manage the Newfoundland and Labrador fisheries alone! "To suppose that it can defies all logic and common sense. Sometimes it seems as though members of the House of Assembly spend more of their time trying to communicate to their constituents the impression that they have 'no say over the fishery'. Meanwhile, the Government of Newfoundland and Labrador is outside looking in at the decision-making process in fisheries matters which have a major social and economic impact upon the society for whose well-being the provincial government is responsible. Caplin and squid resources, so vital to our rural economy, become mere items of barter in a federal bureaucracy which has other irons in the fire. The Newfoundland Government is often obliged to pick up the pieces after decisions on offshore Northern cod quotas are established or other species allocations have been made. Over-the-side sales are permitted between the Fishermen's Union and the federal government to pay fishermen 'a little more' than they can get locally, depriving the Province as a whole of employment in fish processing. To top it all off, the federal Minister of Fisheries and Oceans (Mr. De Bane) wields his ministerial discretion to discourage the private sector from having a meaningful input into allocation and other policy matters. The companies have an understandable fear of biting the hand that dispenses the licences." And so on the trend goes in what I was saying at that point in time. Mr. Speaker, I was writing that at a time when we had already gotten into the circumstance of serious problems in the deep-sea part of the fishery. Now, Mr. Speaker, let me deal with that first and foremost. There has always been a pretty serious kind of problem in the deep-sea part of the offshore fishery. It did not happen

PREMIER PECKFORD:

two or three years ago, it did not happen four or five years ago, there has always been a fairly serious problem in the deep-sea fishery. And one thing that we have all had to come to grips with over the last two or three years is that you do have that difference in the fishery of Newfoundland and Labrador. There is a legitimate bona fide deep-sea offshore fishery, and that deep-sea offshore fishery has translated itself into substantially the South Coast fishery. And it was on the basis of there being some kind of a deep-sea offshore resource that Burgeo and Ramea, in particular, that Gaultois, as well, that Grand Bank and Fortune and Burin and Marystown have owed their livelihoods. It has not been the inshore fishery, it has been the deep-sea offshore fishery. And for a while it looked as if prosperity knew no end, especially in Newfoundland terms as it related to the deep-sea offshore fishery on the South Coast. Marystown was doing well, or so it seemed, Burin was doing well, Fortune was doing well, Grand Bank was doing well, Gaultois was plugging along, Ramea was doing fairly well, and there was a problem in Burgeo back in the late 1960s and early 1970s which was resolved through some movement by both the federal and provincial governments in the Burgeo situation. But that, whilst it on the surface seemed to be a wonderful thing and things were going well in the deep-sea, it was not really the truth of the matter. The Monroes and the Lake families, both family businesses, for years - especially the Monroes - in one form or another have depended upon some kind of government support. And during the whole process of the deep-sea fishery growing on the South Coast, the Lake family wielded tremendous power, and this power in the processing sector and in their marketing down

PREMIER PECKFORD: through Boston, in the United States, sort of came to a head in one form - I think it was symbolic of their whole operations - came to a certain point as a result of what happened in Burgeo in 1970 - 1971.

Now, Mr. Speaker, I mean, it has to be recognized when we look at this fishery that through it all - and here is where I find great problem with what the member for the Strait of Belle Isle (Mr. Roberts) had to say: When people from time to time, especially the Liberal Opposition, not too many other people because I think they understand it; it is absolutely no good - and I will come back to it again, I do not want to divert from the historical, chronological process that I am trying to entertain at the present moment, but there is just no point in being able to argue the Province has jurisdiction over processing licences. I mean, the licences are completely shallow, they are completely useless, it is a dichotomy, a difference, a split jurisdiction which really has no balance. It has no balance.

PREMIER PECKFORD: You can give licenses until you are blue in the face and if you do not have any fish or any trawlers, especially as it relates to the deep-sea, what in the devil is the good of having the power over processing licenses? So let us not play political games over that. And once you explain that to people, I mean, they just laugh the other point of view out the window anyway, or out the door altogether. I mean, it makes no sense. And so you had what looked like an ongoing, vibrant, prosperous offshore deep-sea fishery but it was not as vibrant and as economic as it looked. There are two or three or four reasons and we can all identify most of them. There was a problem in the Gulf and on the Banks with the way the federal government were handling stock allocations and the way the stock was reproducing itself. Until the 200 mile limit, you almost lost just about everything that you had on the Grand Banks, on the Southern Grand Banks, the Flemish Cap and so on, the nose and tail of the Banks, and it was getting to be a pretty touchy piece of business to deal with that situation there in the Gulf. So you had that whole question of before the 200 mile limit, during the 200 mile and after the 200 mile limit, right up to this day, there still is a big problem as it relates to cod and some other stock in that area, and the number of boats that were allowed to come in from Nova Scotia, and were licensed as well, into that whole Gulf stock area which was supposed to be regulated for the plants that had already been built on the South Coast of Newfoundland. I mean, there has been an erosion of the attack on that stock by other people outside the Province which forced the trawlers out.

PREMIER PECKFORD:

And people tend to forget all of this fish business has got to be put in pretty broad context if you are really going to understand what is going on. So, as much as we might like to just sweep a whole bunch of things under the rug they are not going to go under any rug, facts are facts, truth is truth. And so when you look at that deep-sea offshore fishery, one of the factors which has always inhibited its viability in Newfoundland has been the management of the stock and there was some erosion on that by additional licenses that were allowed for other people to come in and therefore help retard the viability of plants already existent in this Province. Secondly, another factor contributing to it was, of course, the operation of the plants by the various companies. And it is no mystery or no great secret to allege that in the majority of circumstances the companies that were responsible for those plants did not operate them in the most economic way possible. One can question their management, one can question their reinvestment in a number of areas. Government had to move into Burgeo, as I said. I lived in Burgeo for several months, back in 1964, lived with one of the fisherman, salmon fishing at the time, and I walked the streets of Burgeo at the time and got to know, as a social worker,

PREMIER PECKFORD:

quite a few people in Burgeo and I can tell you that Burgeo was then a different community than it is now, and that the approach that the company was taking at that point in time, relative to its workers, was not what we would classify today as a twentieth century approach that one would take to people who worked for you.

MR. MORGAN: They ruled the town.

PREMIER PECKFORD: They ruled the town. No question about it. It was a modern-day feudal kind of system and obviously, therefore, there was, beside the management of the stock, and the erosion of that resource, for Newfoundland, there was also additional factors which continued to erode any constant viability that could be brought into that industry in Newfoundland; the marketing, the quality, it all comes back to the management and to the owners of the company and how they operate.

So as we look at one part of the Newfoundland fishery, the South Coast deep-sea offshore fishery, we must always be cognizant of the fact that a lot of it, its success or failure, is due in large measure to how the resource is being handled, its allocation and protection, and then how that resource is being managed from the point of view of the companies harvesting it, processing it, and marketing it, and its quality in marketing it. Just on this point, Mr. Speaker, I was absolutely amazed when I went to a number of fish plants both in Norway and Iceland, just a few weeks ago, at the very time I was arguing, and I have the document here which I am going to refer to in a few minutes, at the very time I was arguing a few months ago about the whole question of redfish, and from time to time the South Coast plants have access to redfish, in addition to cod and yellow tail and grenadier and so on, there was a strong point of view with those who opposed us that somehow redfish



PREMIER PECKFORD:            could not be marketed, it was an inferior fish product and all the rest of it. I go to Norway and I find in Norway fish plants over there which have been deliberately engineered to be able to take at any month - one month it would be cod, the next month it would be redfish, the next month it would be cod, the next month it would be redfish, and still marketing a substantial amount of redfish. And people would almost laugh me out of the room when I said, "Look, we have got a lot of resource in the Gulf and offshore, and on the South Coast of Newfoundland, on the Grand Banks, of redfish and grenadier and so on, all of which can go into the mix to help make those plants viable." I will tell you it is very, very difficult to keep arguing the point of view that almost universally people are trying to put down but when you look at what the Scandinavians have done and yet have a market for this redfish, it goes to show you that there are a lot of people around with blinkers on. And they might also now still have blinkers on.

MR. MORGAN:                    And after seeing (inaudible).

PREMIER PECKFORD:            Exactly. And we live in a - especially as it relates to marketing products - in a very, very inter-dependent global economy and market and we have got to be ready to respond to it. And we have not as a country been willing to respond to it, we have taken a very, very narrow approach.

Well, Mr. Speaker, we came to a point where suddenly - the Lake Group of companies, I think, were the first to make soundings that they were deeply troubled.

PREMIER PECKFORD: The federal government stepped in and appointed Mr. Kirby and they gave an undertaking to Lakes that they would cover some of the losses in the plants around the South Coast and that they were going to do a major study on the Atlantic Fishery. Mr. Speaker, this is where a lot of people want to try to make political hay against me personally and against this administration, and they do a great disservice to the Province and to the people of the Province, an absolutely complete disservice which they will be condemned roundly for in history one of these days. You talk about the economic statement today and you talk about unemployment and all of this, I mean, if the people of Newfoundland and if the leadership of Newfoundland, of all political parties, and if everybody is really, really serious - no other province would put up with it, you see - if you have a province which has since 1497 prosecuted a certain resource or utilized a certain resource for the benefit of its people and it still finds itself on the bottom rung of the ladder of Confederation and has the highest unemployment than all the rest of them, and you can play games all you like, it is not wrong for the Government of Newfoundland or for the people of Newfoundland or for some large segment of Newfoundland to continue to argue, 'Well, if we have always used it and we are still poor and there is more there to use to make us less poor - it will not make us wealthy - make us less poor, then surely we should still continue to have first crack at it'. Now, Mr. Speaker, I am going to say, I want to say it and I want it to go into the record, I firmly believe that not everybody in the Liberal Opposition but some members of the Liberal Opposition and other so-called leaders and speakers in the public forum of Newfoundland over the last two or three years have done a great and tragic disservice to this Province because they have either not supported that position -

AN HON. MEMBER:

Traitors.

PREMIER PECKFORD:

No, not traitors, no. Forget that now, forget that. We are talking about the fishery, forget about the politics of that way - have done a great disservice to the desire by Newfoundlanders to create more jobs in the fishery.

MR. NEARY:

That is your problem not ours. You are the government.

PREMIER PECKFORD:

Look, there you go.

MR. NEARY:

Give us the government and we will create the jobs.

SOME HON. MEMBERS:

Oh, oh.

PREMIER PECKFORD:

Like you did when you were minister. Do not be silly. Look, you are living in the past, boy, either get out, go to the Senate or whatever, unless you have a better comment to make. Do not be foolish.

MR. NEARY:

The knives are out. No wonder you are going to retire.

PREMIER PECKFORD:

I have no intention of retiring.

SOME HON. MEMBERS:

Hear, hear.

PREMIER PECKFORD:

If the Leader of the Opposition (Mr. Neary) wants me to defeat him again I do not mind, but I do not glory in that. I am more interested in talking about the fishery, Mr. Speaker.

MR. NEARY:

What about what the Globe and Mail said?

PREMIER PECKFORD:            The Globe And Mail, you know -

MR. MARSHALL:                Michael Harris.

PREMIER PECKFORD:            - is Michael Harris, and Michael Harris is what we know Michael Harris is. Ask CBC.

MR. NEARY:                    Well, he is never wrong.

PREMIER PECKFORD:            Of course, he is.

MR. MARSHALL:                He predicted you fellows were going to win the last election, too.

PREMIER PECKFORD:            Yes, exactly.

SOME HON. MEMBERS:            Hear, hear!

MR. SPEAKER (Aylward):        Order, please!

PREMIER PECKFORD:            What an ass!

                                  But anyway, Mr. Speaker, when I am chasing elephants I do not want to be side-tracked by rabbit tracks, I will do that in January.

MR. NEARY:                    That was Mr. Smallwood's line.

PREMIER PECKFORD:            Oh, bless my soul. Oh, the Leader of the Opposition continues to amaze me with his great knowledge.

MR. NEARY:                    You would love to be able to get rid of me. You would love it.

PREMIER PECKFORD:            No, my son. You are the greatest asset I have.

SOME HON. MEMBERS:            Hear, hear!

PREMIER PECKFORD:            With the few sparse Liberals that are left they come up and say to me, 'Brian, boy, there is one thing about you I have to say. You are all right as long as Steve is there.'

MR. NEARY:                    Dream on!

PREMIER PECKFORD:            If you can dream and not make dreams your master.' But, Mr. Speaker, even on the deep-sea resource, and we will come to the inshore later,

PREMIER PECKFORD: in a paper that we presented on May 5, 1983 where we tried to detail the kind of thing that I am saying here now, this broad objective, the utilization of the fishery - here is the broad objective: 'The utilization of the fishery resource of the Province in such a manner that it maximizes employment and social benefits for the people of the Province through a well managed economically viable industry structure.' And this broad objective encompasses several issues which must be addressed in the restructuring process, one, resource utilization. Now, it cannot and will not go away that whole question of resource utilization, employment, social benefits, management, economic viability, and the corporate structure.

Then we went on to say, and we looked at the cod resource and the foreign allocations and the metric tons in 2 GH, 2J, 3KL, 3M, 3NO, 3PS, and 4 RS plus 3PN. And how much? - 66,000 metric tons. I mean, the numbers astound you. And this is where I have great problems with those who always keep saying, you know, that you are living in a fool's paradise, that you are just trying to create jobs on the back of an industry so that it will continue to be economically unviable. The massive amount of resource that is there, that is now going to foreign allocations that could provide additional employment for our people and still have an economically viable industry is absolutely incredible.

Redfish: In 1982 the Canadian offshore fleet allocation of redfish in sub areas (2) and (3) amounted to 65,100 metric tons of which only 24,000 tons were taken - 65,000 metric tons, only 24,000 tons were taken in redfish, Flatfish: The same kind of thing, 10,000 metric tons in foreign allocation, 30,000 Canadian uncaught, not caught. Turbot: 11,500 metric tons could be made available in 1983 and subsequent years in turbot. Crab: The offshore

PREMIER PECKFORD: crab is almost unlimited, the potential,  
but it has not been properly assessed.

PREMIER PECKFORD: So you cannot deny the facts, you cannot deny the figures. So what you have got to try to engineer, especially for the deep-sea fishery, is a way to access more resource. I mean, that is the answer to it. And so our approach as we came towards restructuring was to try to continue to hammer the point, to stop trying to - and a lot of people did this. They had given up, that whatever was now allocated or uncaught was not available. Well, I do not give up those kinds of ideas easy, Mr. Speaker. That fish is being caught by somebody, why in the name of Moses do we not catch it as Canadians and especially as Newfoundlanders, since we have a traditional and historic right to do so? I do not give up that easy. That is why - let me come to the point - that is why we fought so hard for Burin and Grand Bank. Not that they were suddenly going to be the uneconomic part of a Marystown/Burin equation or uneconomic in a Fortune/Grand Bank equation, that was not the point. Put all the fish you want to into Fortune, put all the fish you want to into Marystown and make them viable, that does not say by doing that that suddenly Grand Bank and Burin become unviable. That does not say that suddenly Grand Bank and Burin become unviable. It is all a question of how much you want to access additional resource. That was the question. There are not too many farmers in Olds, Alberta, if you can grow enough wheat to keep them all going and you can sell it to Russia or China. There are only too many farmers in Olds, Alberta, when you suddenly decide that I am not going to allow you to have this piece of land to grow any more wheat on, I am not going to allow you to have those other few acres to grow oats on or barley on. When you start taking away the resource, that is when there are too many farmers in Olds, Alberta. And Olds, Alberta, will never stand for somebody coming and telling them that you

PREMIER PECKFORD: cannot use that piece of land to grow any more barley on or oats on or wheat on. Not on your life! That blinkin' salt water got us all messed up.

Now, that is not an easy point of view to pragmatically succeed on in a month, or six months, or a year, or two years, or three years, but, Mr. Speaker, I submit to you that if that point of view was adopted holus-bolus by all of us who have any interest in the fishing industry, over time we could get very close to it. We might not reach 100 per cent of it, but I will be darned we will reach 70 per cent or 80 per cent of it. And in reaching 70 per cent and 80 per cent of that goal we will have achieved economic viability for all of the plants that exist on the South Coast of Newfoundland. But that point of view, Mr. Speaker, is hard to get through a lot of people's heads. If you admit at the start that all the whole bunch of fish is gone and you cannot renegotiate all those foreign allocations, well, then, of course, start closing her down. No problem. You have got to because you are just as a bottomless pit, you just cannot do it. So when we approached the whole restructuring process it was on the basis of sitting back and saying, 'Okay, how much resource do we have to deal with here, and how much additional resource can be caught?' I mean, what a tribute to Canadian entrepreneurial skill for God sake. What a tragedy to Canada, for a First Minister of Canada, in the Province of Newfoundland, to be able to get up and say that we had this many thousand metric tons of fish uncaught and the



PREMIER PECKFORD:

world starving to death, when with good marketing you could sell it all.

I saw fish plant operators in Northern Norway and Tromso and outside of Tromso and in Iceland crying out for more fish because they could market it all: 'Redfish: Give me redfish, I will sell it for you, give me cod, I will sell it for you. Give me almost any species you want to name, I will put it through this plant and I will have it into the market and I will have my money in thirty days.' There is something wrong. Something wrong! If the Government of Norway ever came out any day and said, 'There is a whole bunch of uncaught fish out there' there would be a tremendous revolution in the political system of Norway pretty fast. Somebody would get an awful root and an awful boot!

So, Mr. Speaker, we have a traditional, historic, ongoing - if managed properly - offshore resource that has to be caught offshore and brought in in trawlers to so many plants. That is a given, that is a reality, has been for a long period of time and it is there and it should remain there.

Now, what then happened was, even before, I guess, Kirby got started on his study and Lakes started to say that they were in trouble, we started to see this gradual, insidious thing occur which was this - and remember, it was due to all the things I just mentioned. It was due because the management of the stock from the Gulf did not happen properly, it was due because the companies who had plants on the South Coast were not operating properly. All of a sudden we want more fish. Somebody mismanaged some of the stocks, somebody mismanaged their plants and now, all of a sudden, 'You had better give us

PREMIER PECKFORD: more fish.' And then, at the same time, you had Nova Scotia up there saying in a couple of their plants, 'We need some more fish, too, because the Gulf cannot keep supplying us out of the Scotian Shelf.' And there were even some insidious encroachments by New Brunswick and P.E.I. and Quebec North Shore. They were all looking in one direction.

MR. MORGAN: Northern cod.

MR. DINN: The saviour.

PREMIER PECKFORD: Northern cod, the saviour. And when the government came out with setting a course and the feds were saying all the fish was going to be available, Nickerson start to make their move and thrust themselves into Newfoundland -

DR. TWOMEY: Hear, hear!

PREMIER PECKFORD: - and it was all part of the same mix - thrust themselves into Newfoundland and started building plants.

MR. TOBIN: The worst thing that ever happened.

PREMIER PECKFORD: Exactly. All based upon this mystical, wonderful stock called the Northern cod which has always been since time immemorial the basic ground-fish stock for the inshore fishery. Suddenly, unbeknownst to almost anybody, there was fish being taken for the South Coast plants, a little tiny bit here, a little tiny bit there being taken, Nova Scotia was going to suddenly squirm in and get a little bit-that was going to keep the plants on the South Coast going. And I said one day to Cabot Martin in my office and to Mr. Morgan, the Minister of Fisheries, and Mr. Slade, who was still here at the time, 'What is going on? This is an awful state to be going on! We had better take a look at this.' Boy, I will tell you, I suppose there are a number of great books in the world. The member for the Strait of Belle Isle (Mr. Roberts)

PREMIER PECKFORD: started talking about reading the other day, you know; a funny thing, certain things which sort of become almost unchallengeable and they are just left out there and nobody comments on them all that much, talk about it when it comes out and then it is dead the next day. And we commissioned a study, a hundred and something thousand dollars that we did not have to NORDCO to do a study. "'Twas well to live off fish" - was it? - "'Twas as well we would live off fish" - what is the wording?

MR. STAGG: "'Tis well to live mainly off fish."

PREMIER PECKFORD: "'Tis well to live mainly off fish" - and it dealt with primarily the Northern cod stock and so on. And it showed that, you know, a lot more research needs to be done. Before we start to strip that stock naked, we had better take a good look at that first to be really sure what we are doing. And yet, here we were, Nickerson coming in, the South Coast needing more fish, Nova Scotia saying that they suddenly had a claim because fish are Canadian and everybody now going, 'rape it for whatever it is worth.' And then all these little games that were played between federal Fisheries and DREE about

PREMIER PECKFORD: trying to get this plant for Nickerson in St. Barbe and Jackson's Arm and Triton and Lewisporte, bless my soul, and Black Tickle, drove all the politicians foolish.

MR. HISCOCK: Who gave the licence to (inaudible)?

PREMIER PECKFORD: Listen to me, the member for Eagle River (Mr. Hiscock), let me tell you something.

MR. HISCOCK: And who stopped it?

PREMIER PECKFORD: We did. And Jackson's Arm we stopped too. Let me tell you something, and you know what I am going to say so you really should not have asked. When the federal Department of Fisheries, who are responsible for knowing what the stock is and the Department of DREE suddenly together decide that this is okay and the MP for the area has announced a plant and there is no licence, you tell me what some Minister of Fisheries or member for the House of Assembly is supposed to do. That is the story on that. I can document it. I have a document.

MR. MORGAN: It was due to your buddies in Ottawa.

PREMIER PECKFORD: Like I did in St. Anthony in order to get a long-term agreement and then be completely criticized by everybody from heights on high, from CBC up - not CBC down, CBC up, who told it as if I were trying to stop jobs in Newfoundland. Sure!

MR. TULK: You are, and your predecessor.

PREMIER PECKFORD: Anyway, Mr. Speaker, the long and short of it is that suddenly this golden goose that was going to lay the golden egg on the Northern cod completely diverted everybody's attention from what was really the major focus, which was the deep-sea fishery should rise or fall on how well we can manage the resource which was supposed to be based on the deep-sea fishery, and stop stealing

PREMIER PECKFORD: from some other part of the industry, cut it out. And it was at this point that Lakes came in and I had a meeting with them, talked about the trouble they were in and all the rest of it, and the rest is pretty clear history. Then Kirby got started and they were going to guarantee the loans. We had a Royal Commission on the inshore fishery to take a look at the process - we kept arguing. I was in Halifax, I was in Moncton, I was in Charlottetown, I was in Montreal, I was in Quebec City, I was in Ottawa, I was in Toronto and everybody was saying to me, 'What is wrong with you, you are not a Canadian are you?'. I am anti-Canadian because I was trying to hold on to a little bit of fish to give a few more jobs to St. Anthony and Conche and Twillingate and Triton and Bonavista North and everywhere else along the coast. I was the worst, worst you ever saw because I was trying to continue to protect a resource that has always historically been ours and on which we were trying to build some kind of an industry, some kind of resource, so that we would not have to bring in economic statements like we brought in today. So they started to go through the process of the Kirby Commission or the Kirby Report and so on. And through the whole bit and piece we tried then - then Fishery Products came on the table and some of the other local companies came on the table, that we looked after.

MR. MORGAN: And along came the big one, National Sea.

PREMIER PECKFORD: Yes, and in the end then National Sea even came along. And then they all got together and started making presentations to both governments and we continued to argue with them from the point of view that I put forward earlier. And, of course, they have their own problems in the federal bureaucracy, because Fisheries and Oceans does not want to accept the responsibilities that External Affairs have in the foreign field of negotiations and so on.

PREMIER PECKFORD:

In any case then, we tried to negotiate out something and, you know, a lot of it came back and it was unacceptable to us. The Minister of Fisheries (Mr. Morgan) tried valiantly in meeting after meeting after meeting, brought back various reports to us and to Cabinet. I tried myself with the Minister of Fisheries on a number of occasions and we got to a point where they - and we knew it at the time, the Minister of Fisheries knew it, I knew it at the time - that they were going to try to play that little political game with the Minister of Fisheries. He knew it, I knew it, P and P knew it and then Cabinet knew it, that when he brought this back, about the fourth or fifth one that he brought back, that they were going to try to characterize this one as somehow different than the other ones he brought back and suddenly he was going to be against me and I was going to be against him and we were all up into foolishness over the fishery, and the Government of Newfoundland does not know what it is doing, regardless of all the documents that we had made public which were rational and that nobody yet has challenged. So, therefore, we turned down that last one then in the Summer, before the Summer, in June or May whenever it was, that came out of it.

Then we went through the Summer and the Fall trying to see how we could salvage some interest in the fisheries. Here is the key to it all, Mr. Speaker, here is the key to it all. And as I quoted at the beginning from my little book, "Some way had to be found to try to access, and we tried to do it through the constitutional process, some additional say and influence by the Government of Newfoundland for the people of Newfoundland", the people of Newfoundland through their provincial government. We

PREMIER PECKFORD:

tried to do it through a whole range of means. It goes back a long while and there are a lot of letters outstanding and so on about it and the constitutional process. And the federal government were completely adamant in it. I saw this process of restructuring as an opportunity to do something through the side door, back door, whatever, to see if we could access more.

Now, you can talk about the numbers of the Board of Directors and all the rest of it all you like, but the long and short of the agreement that we have signed is simply this, that because the federal government has allowed us to participate in the company, on the Board of Directors, because we have this question of access and business plan every few months, because they have said that these plants on the South Coast will be open for the foreseeable future and because we are able to give Grand Bank a chance of eighteen months and Burin into a secondary processing - and do not forget it is a breakthrough. The only place really that they did any amount of secondary processing before now was in Lunenburg, Nova Scotia, the National Sea feeding the Canadian market alone and Newfoundland companies, Newfoundland processing plants have never been into the secondary processing field to market in their own country that everybody accuses me I am not a part of or do not want to be a part of. In our own country we had to look across the Gulf of St. Lawrence and look across to Nova Scotia and watch a huge big plant in Nova Scotia, sometimes using fish from the Northern cod stock which we have used for 400 years, process , secondary process , cook and put on the Canadian market that fish, while we were down here not being able to do it and nobody was

PREMIER PECKFORD: doing it. And now we have got a breakthrough whereby we are going to build in Burin, convert and build in Burin. And they did not want it. I can tell you honestly that Fisheries Products Limited, especially CDC whom I negotiated with for several weeks so I could get some say in the fishery -if I could not get it through the federal government I was going to get it through some private corporation and I tried hard at it, they did not want to operate Burin or Grand Bank. The federal government



PREMIER PECKFORD: turned it down flat over and over and over again. And they did not want to put in the agreement to keep the other plants open for the foreseeable future. They are open for now, this day, this month. And what we have succeeded in doing, if I can put the equation together, is by getting foreseeable future, by getting Grand Bank a chance, by giving Burin a secondary processing thing those places have to have more fish. And, therefore, the federal government, with us continuing to edge them, because we are on the company and we have to see all the plants are in a position to influence the additional allocation of fish - redfish, flatfish, grenadier, turbot, cod- into those places that they have said have to stay open for the foreseeable future. That is the kind of pressure, that is the kind of influence we have. Before the Minister of Fisheries (Mr. Morgan) would be sitting in his office and all of sudden call up the Premier, 'There is a meeting in Moncton, there is a meeting in Ottawa about the allocation of this fish or that stock to somebody else, to some foreigner.' No, say whatsoever. We have forced them and due credit to Mr. De Bane, due credit to Mr. Kirby, in the final analysis no question, and Dave Mann.

MR. WARREN: It is the first time you have said it.

PREMIER PECKFORD: Oh, no it is not. I have given credit publicly and I will give it to him any day of the week, any hour.

MR. MORGAN: He is the best Minister of Fisheries Canada ever had.

PREMIER PECKFORD: Yes, no question. And Kirby too. Kirby was a part of it right up to the last minute and they said, 'Okay, okay.' Fine, I will give full marks to them that we were able to put it together. But that is

PREMIER PECKFORD: the key to the agreement, you see. And it is more meaningful because it is pragmatic than if you had it in some glowing principle, because the principle can be interpreted any way and then you can drag a great argument in the courts for I do not know how many years. Meanwhile, you lose more and more fish. This way you cannot, it is pragmatic. They have got to try to make Gaultois work, they have got to try to make Fortune and Marystown work, they have got to try to make Burin be a secondary processing and we will make sure that Grand Bank works, too, in eighteen months. They have got to try make Burgeo work or Ramea work because they said so in the agreement and we are both going to legislate it. That is the real, real, real secret to it. It is backdoor diplomacy, if you want. And I do not have to say to anybody on the other side of the House or anybody in Newfoundland that if I can get what I can get I will take it and I will bargain hard right to the Nth degree. And no amount of side influence saying I am going too far will stop me if I believe it is right and I can create more jobs in Newfoundland. No way! I do not know the person's name who is going to stop me. And so we were into that whole big milieu, into that whole big circumstance. And when somebody tries to say, therefore, after saying what I just said, that somehow what we had back five months ago was the same as what we got now, I do not care about it not doing me any credit, I do not care, I will live anyway. I do not have to bow down to anybody on that or anything else, but do not do the whole fishery of Newfoundland a complete disservice on the thing. I mean, we have tabled the document which shows the improvements that we have made between the previous agreement and this one: One, two, three,

PREMIER PECKFORD: four, five, six, seven, eight, nine, ten, eleven, twelve, thirteen, plus a whole bunch of other things. And at the same time as we were accessing more influence, that we never, ever had, in addition to that we were able to get them to agree that this cannot be written in stone, that some divestiture back to the private sector is the preferable alternative in the long-term, that there should be a special study done on the structure of the industry so that we can take a real good look at it— an independent study done on it, take a look at it— that we cannot forget the inshore fishery, the inshore fishery as reflected through the resource short-plant programme, as reflected through the Northern Development Corporation. So we did not forget the inshore but the secret to it all is that the federal government has now to come to heel with a company in which there is a representative from the union who is going to argue, from the banks who is going to argue, from the Province who is going to argue when before they did not have to go to anybody, they could do what they liked as it related to the fishery in Newfoundland on trawler licenses and fish stocks. Now they cannot. They have to sit down and talk to this company which has a significant representation from the Province of Newfoundland. They never had to do that before, since 1949. And we have got to some how or other, and I agree it is a problem, I am not disagreeing with the members on the opposite side when they talk about this resource-short plant programme and its problems, because our own trawlers at the present moment cannot deliver the fish to our inshore plants at a cost competitive with what we can do with foreign bottoms, but we have to work that out and that is why it is in the new agreement, That has

PREMIER PECKFORD: to be worked out.

I mean, is it not really ironic that we as a fishing Province have bottoms, boats that cannot bring in our fish with our boats competitive with the Bulgarians for God sake. I mean, it is incredible. It is like saying, you know, it is crazy.

MR. NEARY: Is he gone cracked, or what?

PREMIER PECKFORD: Well, that is your

limit of it all. The Chairman of the company will be jointly appointed. And on the Northern Development Fisheries Corporation, I think, it is extremely unfortunate the member for Grand Falls-White Bay-Labrador (Mr. Rompkey) did what he did this morning, and ever more unfortunate that the Canadian Broadcasting Corporation had to get it fouled up in its news item this morning at eight o'clock, on radio. Blessed Lord, after the bill being public in Ottawa for so many weeks, after the bill being public in Newfoundland, and the agreement, for so many weeks, on comes CBC this morning in typical knowledgeable fashion and says that there is nothing in the Fisheries Agreement, there is no provision in there for the Northern Fisheries Development Corporation and that now Mr. Rompkey is going to see that there is something in there because he is going to put a private member's motion in the House of Commons.

MR. MORGAN: CBC is getting (Inaudible)

PREMIER PECKFORD: But it has nothing to do with that. There is a provision in there for the Northern Development Fisheries Corporation. But what Mr. Rompkey wanted to put in there was that that Northern Fisheries Development Corporation should be

PREMIER PECKFORD:

the Saltfish Corporation.

And do you know why we are against that, Mr. Speaker ?  
Not in principle, necessarily, It is this, for the same  
reason that we held out to have some influence through  
the backdoor on the major fish company that is going  
to manage most of the trawler fish plants and some of  
the others in the Province we are going to have, because  
we have foreseeable future, because we have representation  
on the board, because we have all the other provisions  
in there, checks and balances all the way through the  
system, which gives us influence that we did not have  
before.

PREMIER PECKFORD: In the same way we want in the Northern Fisheries Development Corporation the same kinds of checks and balances. With the Saltfish Corporation as presently structured, if they just wen in holus-bolus we would have no more say over the Northern Fisheries Development Corporation than we did have over the South coast fishery until we signed this agreement. Mr. De Bane understands this. We want to sit down with Mr. De Bane and Mr. Kirby and Mr. May and the rest, whoever is going to be responsible, and say, 'We have agreed in this agreement to have a Northern Fisheries Development Corporation, to handle the fish plants on the Labrador Coast and St. Anthony' - if not more; if we negotiate more fine, if we do not that is fine too.

Then together we are going to establish a corporation in which we are going to have a say and they are going to have a say, but we are not going to cut off our nose to spite our face and suddenly see slipped in in the House of Commons an amendment to the bill which automatically gives the Northern Fisheries Development Corporation to the Saltfish Corporation, over which we have no control whatsoever.

MR. MORGAN: And we own all of the plants.

PREMIER PECKFORD: And we own all of the plants on the Labrador Coast. And subsidizing how much?

MR. MORGAN: Every year a quarter of a million apiece.

PREMIER PECKFORD: A quarter of a million.

MR. HISCOCK: Are those the Northern ones?

PREMIER PECKFORD: Northern ones, yes.

MR. HISCOCK: Yes, but not the South.

PREMIER PECKFORD: I never said the South, boy, I only said the North.

MR. HISCOCK: What about Williams Harbour, Black Tickle, Cartwright and Mary's Harbour?

MR. MORGAN: We own them all.

MR. HISCOCK: Then why do you not enlarge them?

PREMIER PECKFORD: You asked if we owned them. The member for Eagle River (Mr. Hiscock) said first of all we did not own them. Now that we own them, why do we not enlarge them? Well, perhaps if we get the right deal we will enlarge them. But I hope the hon. member for Eagle River understands that what we are trying to do is protect Williams Harbour and protect Mary's Harbour and protect Makkovik. You know, that is the reason because we want to put in place a viable corporation that is going to respond to that, that we are going to access some of - remember? - that shrimp stock, and some of that stock that was given to New Brunswick a few years ago.

MR. MORGAN: That will tell you why Rompkey was thrown out of the federal cabinet.

MR. PECKFORD: Mr. Speaker, we have not forgotten that there were some licences given out on the Northern Coast to other provinces to come and take resources from our Province. We have not forgotten that. And if that corporation is going to be viable, as the member for the Strait of Belle Isle (Mr. Roberts) said the other day, it needs to have access to some lucrative fish stocks to mix with the less lucrative fish stocks which together will still make the darn thing viable. We are not going to give up on that. That is part of negotiations for the Northern Fisheries Development Corporation. That is what that is a part of,

PREMIER PECKFORD: and we must therefore ensure -

MR. WARREN: What is Rompkey trying to do?

PREMIER PECKFORD: I have explained to the Member of Parliament, Look, we are not against the Saltfish Corporation but if you put it in as an amendment then we have already more or less leaned toward one alternative more than the other, and then they will say, after we have agreed to it, "But, sure, you already agreed to that. That is the way you were thinking all the time otherwise you would not have agreed to put that in the bill." So it eliminates us from really talking about some other alternatives, a federal/provincial corporation, liasing with the Saltfish Corporation. You see, we want to get some of that other stock that is gone from us, we want to get some Northern turbot, we want to get some shrimp, you know, some crab, mixed into the mix with the other char and ordinary groundfish into that corporation which will make all the plants then continue to be open. But if we cut off our nose in spite of our face, some parts of that industry - St. Anthony is so big it would not happen to St. Anthony, I suppose. But let me have the member for Torngat Mountains' (Mr. Warren) attention again for a second - but if we did something foolish on the front end of it it could eliminate some of those little plants and they would have to close down. So our position now is open. We want all those places to remain viable but they can only remain viable if there is a good mix, as the member for the Strait of Belle Isle (Mr. Roberts) said the other day. So we are not against the Saltfish Corporation in principle, or any other corporation, as long as we can have some ongoing input and influence into that corporation and as long as we can access the kinds of stock that we need to ensure that



PREMIER PECKFORD: all those places that now have plants continue to operate, because it is essential, and they cannot operate by themselves because they are not going to be viable. They can only operate in the bigger mix and the member for the Strait of Belle Isle (Mr. Roberts) recognized that very well the other day. And that can be done. And I do not think that the Minister of Fisheries and Oceans (Mr. De Bane) is negative towards that approach, but it has got to be negotiated so let us sit down and talk about it. I mean, the last thing in the world we want to do is to suddenly, because we are so excited about one part of the agreement, to give away something in another. Not on your life, Mr. Speaker. Not on your life. I get up too early in the morning to be fooled by that approach. But we will be fair.

MR. ROBERTS: Without arguing, what is being given away?

PREMIER PECKFORD: No, nothing has been give away.

MR. ROBERTS: What is being thought of as being given away?

PREMIER PECKFORD: We are trying to seek a corporation which has within it sufficient licences and stock available -

MR. ROBERTS: I concur whole-heartedly, in fact I welcome -

PREMIER PECKFORD: - but we want that on the front end, not to sign a structure which then is going to decide on what stocks and what licences they might have.

MR. ROBERTS: But if you decide to use the licences, you could do better without any structure because that is (inaudible) responsibility.

PREMIER PECKFORD: Well, exactly, but we want to negotiate that part of the agreement so the licences for the stocks are in the agreement.

MR. ROBERTS: Why are we (inaudible) restructuring (inaudible).

PREMIER PECKFORD: Well, we are trying to do it. We are trying to do it. Oh, yes. Oh, yes. Oh, yes. But we have a better chance on this part of it right now to do it.

MR. ROBERTS: It is a matter of trust (inaudible).

PREMIER PECKFORD: Yes. But when you were out, earlier we were talking about when you have them agreeing that the plants have to stay open for the foreseeable future, that essentially means that they are going to have to provide additional allocations of fish in order to keep them open for the future, because the company is not going to want - well, okay, but fine, but that gives us a chance to hammer again at additional stocks. I mean that is the kind of additional influence we have.

MR. ROBERTS: The Labrador plants, surely there has to be support by both levels of government or they will fail.

PREMIER PECKFORD: Exactly. Exactly. Precisely.

MR. ROBERTS: And St. Anthony (inaudible).

PREMIER PECKFORD: Yes, but I would rather them stay open and I am sure you would. I say this, I want them to stay open, not that they know that they have this commitment from government that we will throw a bit more money at them three years in a row when they get in trouble. I would rather them stay open because on the front end we have given them the the fish, or committed the fish. It is better to commit the fish than the money. The money is the subsidy so they are continuing to get some kind of 'welfare' as opposed to working for money through processing more fish. And they can be viable.

MR. ROBERTS: The only trouble with that, it seems to me, it is going to be impossible, I fear, to quantify in advance of the marketing.

PREMIER PECKFORD: Not totally. I have my ideas on that too. I will not have time to do it this afternoon,

PREMIER PECKFORD: but, as a matter of fact, myself and the Minister of Energy (Mr. Marshall) today, just before we came into this hon. House, happened, partly by accident, to get involved with a number of people as it relates to marking the fish 'O Canada' and right from the old golden triangle, where they can take a lot more cooked fish from Burin and other places, and market it in Canada, which is not getting it now.

MR. ROBERTS: Canadian fish for Canadian people.

PREMIER PECKFORD: These are people right in T-O who can do it tomorrow and the next day. It is there if you push it through properly. I could see it in Norway and Iceland while I was there and it would just make you cry, I mean, it is just incredible. Anyway, the long and short of it now, Mr. Speaker, is simply this: We do have a distinct offshore fishery; we do have a distinct inshore fishery; we do have a distinct other fishery related to the special species whether it would be salmon or whether it would be lobster and crab, mackerel and herring and so on, and if we handle ourselves properly I think we have a good chance now to make all parts of it work. And then we have the Northern Coast with its own problems that we are going to try and work out through another set of negotiations which still gives us some influence and gives the people some influence.

MR. ROBERTS: Is there any deadline (inaudible) the Northern plants need to know soon.

PREMIER PECKFORD: No, we are negotiating that now. Oh no, we are into that right now!

MR. ROBERTS: I know. I have some inkling of what is going on.

PREMIER PECKFORD: Oh, no. This is not to go on endlessly, and all this old foolishness. We want it in

PREMIER PECKFORD: place as soon as possible to bring the -

MR. ROBERTS: The Premier has had telegrams from St. Anthony today. They have sent me copies, of course, maybe I knew about them before they were sent. The problem is unless we know soon that the plant will open early in April, we are in the same Catch 22 problem that we were in last year.

MR. MORGAN: (Inaudible) restructuring (inaudible).

MR. ROBERTS: The Premier agrees we do not want to be on the tail end of a big company.

PREMIER PECKFORD: No, I agree. I understand what you are saying and all I can say to you is, look, our whole idea is to have the thing clued up by the end of December or the first part of January. We want a New Year with a whole new thing in place on all of them.

MR. ROBERTS: So we could expect some resolution hopefully Christmas time or early in the New Year?

PREMIER PECKFORD: Absolutely. We were supposed to get a report today on our project teams that have gone to work on this but they were not ready to give it to us today. We will have say, three days from now, four days from now just to see where it is. I am personally going to ensure that this is pushed to the Nth degree. I do not want any hangers-on, I do not want anybody feeling that they are less than somebody else, the thing has got to go together in its totality. I understand that.

MR. ROBERTS: We have got a couple of bad experiences.

PREMIER PECKFORD: No question, I understand all that. So let us just get back to it; in summary,

PREMIER PECKFORD: Mr. Speaker, the long and short of it is - we all feel that we are experts in the fishery and all the rest of it - there are problems there, they are not easy, but if everybody comes to the table or comes to the issue of one mind! And we have not had that, we still do not have it in its totality as I would like to see it as it relates to accessing more of resource from the redfish and the flatfish and the Northern turbot. I can give you a classic example of the Northern turbot a few years ago which was not caught by the big companies, and the fish came in to a number of fish plants and they marketed it by themselves, not even through the big companies - they had a better marketing arrangement than the big companies - which were crying out that they could employ 400 and 500 people for another sixty days longer if they had more Northern turbot, and the Northern turbot was there to catch. Incredible!

MR. ROBERTS: You would not run a country the way we run the fishery.

PREMIER PECKFORD: No, you can say that again. But, Mr. Speaker, the answer to it is this, and I do not want to compartmentalize, but

PREMIER PECKFORD: there can be in the deep-sea area of the fish processing business, of the fish harvesting business, a viable industry, based upon the resource that has been traditional to the deep-sea fishery. And there can be a viable inshore fishery, complemented by the special species like crab and herring and mackerel and lobster and so on, on the East and Northeast Coast, and there can be on the North Coast, the same kind of thing with some offshore effort as well if we really want it to be.

The restructuring bill that we had before goes some distance towards that. I am not completely happy with it, I am not completely happy with anything in a sense, but I am happy that we have moved a number of steps along the way further towards what we believe are logical and legitimate objectives for Newfoundland than we were a year ago before we signed this thing and where we were five or six months ago. We still have a long ways to go and a lot of things to work out, but our influence is greatest in practical realistic terms than it was a year ago. With that additional influence perhaps we can even have more success in the next couple of years to maximize even further the kinds of benefits that we can get from a fantastic, tremendous resource that will be here long after the oil is gone and long after other things around here, and can provide us with the kind of future and destiny that we all would like to see on this here rock. Thank you very much.

SOME HON. MEMBERS: Here, here!

MR. SPEAKER (AYLWARD): The hon. member for Torngat Mountains (Mr. Warren).

MR. WARREN: Mr. Speaker, I would like to say a few words in this debate. I think, as my colleagues have said, that we are going to support

MR. WARREN: the bill. However, we do have reservations. Just listening to the Premier (Mr. Peckford) for an hour, with his arms going, shouting like a teacher in a primary school to seven year old kids, I guess, Mr. Speaker, it is high time probably that someone should say something sensible.

Mr. Speaker, I am surprised that the Premier said that he would like to see the fishery mixed, take the fish from the Northern cod stock and bring it down to the Island and to assist the fish plants on the Island. This, Mr. Speaker, I wholeheartedly agree with if the provincial Department of Fisheries, the minister in particular, would see fit that the fish plants that are operated by this government that they do not see fit to bring improvements into those two fish plants to accommodate the species that the fishermen can catch, then I would say bring the Northern cod down to the plants on the Island.

I am glad the hon. House Leader (Mr. Marshall) is looking at me and wondering what is coming next. I would like to advise the hon. House Leader that it was the Minister of Fisheries (Mr. Morgan) who refused to allow the Torngat Fish Co-op to process turbot last year until we completely knocked on his door, on all officials' doors in the department, until we finally made him so shameful that he finally opened up the plant in Makkovik for three weeks. And, Mr. Speaker,

MR. WARREN: I think that the hon. minister should, first and foremost, before condemning the federal government on all aspects of the fishery, try to put his own house in order. I am surprised that the Premier (Mr. Peckford) did not mention, when he suggested that even the salmon and the char should be harvested to the point that it should come out into more plants on the Island, that last Summer alone, Mr. Speaker, some 18,000 pounds of salmon was thrown over the wharf in Nain because the minister's department considered it was not fit to be processed. And the reason it was not fit to be processed, Mr. Speaker, is because the minister's department did not have the correct collecting system in place. So it is this government that has to do a lot of the spade work, a lot of ground work, in order for this new restructuring to take place.

I would like to suggest to the Premier - it is too bad that he has gone; he is probably trying to get a cold glass of water or something to calm him down because his blood pressure must have been up quite a bit for the last hour or so - however, I would like to suggest to the Premier, if the Premier considers or if he is going to have so much say in this new fishery restructuring programme, if this government is going to have so much say, I would like to caution the Premier that one of his first jobs or first acts will be to convince the federal government not to listen to the Government of New Brunswick to close the salmon stocks. And I make this suggestion in all fairness to the Labrador people. If we go along with what the Government of New Brunswick is saying,



MR. WARREN: and what the Salmon Association of New Brunswick is saying, in two years from now we will see a ban put on commercial salmon. Now if this happens - I see my hon. colleague from Naskaupi (Mr. Goudie) agrees with this - if this happens this will be a disaster for the Labrador Coast, if there is a ban put on commercial salmon. And if we agree, if the Premier is so high and mighty and so powerful that he said he is going to have a big say in the future of this new restructuring programme, then I would say the first thing he should do is to make sure that the New Brunswick government does not go ahead with the suggestion of a ban on the salmon fishery.

The Premier said time and time again in his speech 'the foreseeable future'. I would only like to know what does the Premier consider the foreseeable future. Is it after the by-election in Terra Nova? Or is the foreseeable future after the next general election? When is the foreseeable future?

MR. TULK: The Minister of Fisheries (Mr. Morgan) is going to define the foreseeable future and who determines it.

MR. SIMMS: The foreseeable future is the seventh day of December in the Terra Nova district.

MR. TULK: We are talking about the fisheries.

MR. SIMMS: No, you are not. You are talking about Terra Nova district.

MR. TULK: No, no, no, no. Just defining that agreement.

MR. OTTENHEIMER: I can foresee the future in Terra Nova.

MR. TULK: Now, Sir Humphrey, be quiet! Sir Humphrey should be quiet over there.

MR. MARSHALL: I would like to hear the hon. member.

MR. SIMMS: Show a little respect for your colleague. He is making a more sensible speech than you have ever made.

MR. TULK: I am showing all the respect in the world. He is making a great speech and you are interrupting.

MR. WARREN: Mr. Speaker, I believe the saddest day in the history of the fishery in Newfoundland and Labrador, in particular as it pertains to the Labrador coast, was when the federal government decided unilaterally to go ahead with a federal fisheries programme in Coastal Labrador. I believe, Mr. Speaker, at this time, that whoever the powers be in Ottawa who made that decision in my estimation it was a sad day for Coastal Labrador. I believe that this \$12 million that the federal government is spending unilaterally, is spending on its own, is not

MR. WARREN: spending with the sanctions of the Province at all, that they are just spending it on their own without any sanction from the provincial Department of Fisheries, I believe that is wrong.

MR. NEARY: No consultation.

MR. WARREN: No consultation whatsoever. I believe this is wrong. I believe it is absolutely wrong. The Province definitely should have its say. Now we have two fish plants, namely in Makkovik and in Nain, that the Minister of Fisheries (Mr. Morgan) is saying, 'No, we are not going to do any more repairs.' The federal government has the money there and the Province will not allow them to spend the money on provincial fish plants. And I think it is a sad day. I think that this programme should have been administered by both the federal and the provincial governments, not by the federal government alone.

MR. STAGG: I want to speak on this issue.

MR. WARREN: Oh, there is lots of time for you, boy. We are not going to close this before next week. Do not worry about it.

MR. TULK: Does the member for Stephenville (Mr. Stagg) want to get on?

MR. WARREN: You want to ask a question? Do you want to ask me a question? If you do I will sit down and you can ask questions.

Mr. Speaker, the Premier, when he was ranting and roaring, said that his government has more say in the fishery than they had before. I believe in certain aspects of the fishery it does. But the Premier did not say that he had less to say in the processing sector. I think the hon. members know too that under this new restructuring that this government has less say in the

MR. WARREN: processing sector. In the processing of the fish this government has less say. And I believe that is a fair assumption. They may have more say overall. They have more say in the catching of it or in what plants are to be opened and what plants are not to be opened, but in the final analysis, in the processing of it, then the Premier has his hands tied.

Secondly, once this

MR. WARREN: restructuring programme, once this bill is proclaimed, both in Ottawa and here in the Province - and the Premier (Mr. Peckford) said sometime around the New Year it should be all in motion - how many plants that the Minister of Fisheries (Mr. Morgan) had the opportunity of going around to in by-elections with some kind of license for an individual and presenting the license during by-election time, from now on while the Minister of Fisheries still has this leeway, while he still has his pocket full of processing licenses, I have a feeling that his pockets will not contain as many processing licenses from now on as they did in the last several by-elections.

MR. BAIRD: Or you with your pockets full of goodies trying to get your hunting license.

MR. WARREN: Mr. Speaker, we are speaking about fish, not moose. So, Mr. Speaker, I am just wondering, once this restructuring is in place - and I must say this, that the hon. House Leader (Mr. Marshall) is listening attentively and that is good - how many of the present fish plants, operating and closed - I am concerned about my hon. colleagues there from Placentia (Mr. Patterson) who has a fish plant in a little town in his district that has been closed now for the past three years - how many more of those fish plants will have a padlock on their door after this restructuring comes into place? Because, listening to the Premier this evening - it is not very often I listen to him - however this evening he began to make so much sense but once in a while he goes off on a tangent, but otherwise -

MR. MARSHALL: Burin and Grand Bank will not. So that is two we will not have.

MR. WARREN: That is two will not have padlocks on their door. But will the one in Little Harbour East

MR. WARREN: keep the padlock on the door?  
Will the one in Fairhaven keep the padlock on the door?  
Will the one in Bonavista, for example? You know, this  
is all over the Province. Will the one in Black Tickle,  
will the one in Mary's Harbour keep the padlock on the  
door? This is the big question that we have to ask  
because when this government came into power -

AN HON. MEMBER: Are you against the restructuring?

MR. WARREN: No, no. No, I am not against  
it. Do not worry about that. I have reservations. I  
said that in the beginning, I have reservations. When  
this government came into power all this government was  
concerned about was opening up a fish plant and getting  
people to work. That was number one. And I believe,  
Mr. Speaker, it was a good approach if the fish were  
available. And we are starting a by-election today  
and I am just wondering how many processing licenses  
will the Minister of Fisheries (Mr. Morgan) have to  
take down around the Terra Nova district.

So, Mr. Speaker, I for one  
am not going to take too much more time. I understand  
my colleague from Stephenville (Mr. Stagg) wishes to  
say a few words. We do support this restructuring.  
I do not know why the federal MPs on  
both sides, both the Liberal and the Progressive Conservative side  
up there, have reservations about the bill before the  
House of Commons. I believe

MR. WARREN: that one of their backbenchers or -

MR. SIMMS: Get on with it.

MR. NEARY: As a former Speaker you should know that you cannot speak when somebody else is speaking.

MR. SIMMS: Who can not?

MR. NEARY: Do you not know the rules? You mean to tell me you sat in the Chair for four or five years and did not know the rules of this House?

MR. SIMMS: You have sat in this House for twenty years and you do not know the rules.

MR. NEARY: And you still do not know the rules. No wonder we were in so much trouble. No wonder the decorum of the House was so bad.

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

MR. SPEAKER (DR. MCNICHOLAS): The President of the Council on a point of order.

MR. MARSHALL: The Leader of the Opposition (Mr. Neary) may not find the remarks of his colleague very interesting, but I find them very, very gripping and very interesting. I would like to hear the hon. gentleman. I realize he is probably a little bit sore because the member for Torngat Mountain (Mr. Warren) is trying to replace him as Leader of the Opposition, trying to put him in the Senate in Ottawa -

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: - but at least he can wait and allow the hon. gentleman to speak. The hon. gentleman is making some very good points and I know we would all like to hear him.

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

MR. SPEAKER (DR. MCNICHOLAS): The hon. Leader of the Opposition to that point of order.

MR. NEARY: Mr. Speaker, my hon. colleague is indeed making a great speech. And, Mr. Speaker, we are all interested in what my hon. friend has to say. And that is why, Mr. Speaker, that the hon. gentleman who just made the frivolous, silly point of order should try to restrain his members from making sarcastic remarks and rudely interrupting my colleague. There is the point. And not only that, Mr. Speaker, but breaking the rules of the House, a former Speaker, who should know the difference, from another seat, not even from his own seat, making sarcastic and rude remarks across the House, Mr. Speaker. It is bad enough for him to do it from his own seat, but when he is in somebody else's seat, Mr. Speaker, he should buy a little zipper and not display his ignorance of the rules of this House.

MR. SPEAKER: I must rule there is not a point of order.

The hon. member for Torngat Mountains.

MR. WARREN: Yes, Mr. Speaker. As I was saying, Mr. Speaker, I think it is unfortunate that some politicians in Ottawa do not see fit to give the bill in Ottawa a quicker passage than it is getting now. I think it is unfortunate, Mr. Speaker, on both sides of the House in Ottawa that they see it necessary to delay this bill. This is a very important bill, not only for the Province of Newfoundland and Labrador but also, as I understand, for the Province of Nova Scotia and up the shore to Quebec. With those few remarks, Mr. Speaker, I want to clue up by saying that this is a step in the right direction. But I believe before we take the next step there is a lot of homework to be done. I would venture to say



MR. WARREN:

that if this government is not careful — they have bitten off a little more than possibly they can chew — down the road, the Minister of Fisheries (Mr. Morgan) has said it, that if we are not careful we are going to have our fisheries run, controlled and operated by European countries. Thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. STAGG:

Mr. Speaker.

MR. SPEAKER (Dr. McNicholas):  
Stephenville.

The hon. the member for

MR. STAGG:

Thank you, Mr. Speaker.

MR. NEARY:

Now we are going to hear from the old landlubber over there.

MR. STAGG:

Landlubber.

Mr. Speaker, first of all

I would like to congratulate the people who drafted this agreement. This agreement is eminently readable. Obviously it was not drafted by lawyers. It was drafted by people from the profession and is designed to make sense of articles and it is not a usual piece of drafting. So I must say it is eminently readable and I am quite pleased with it.

I would like to make a few remarks generally about the objectives that this bill outlines at the beginning, and also to make some remarks as it applies to the development of the fishery on the West Coast of Newfoundland. One of the things about the fishery that is not well recognized in other parts of the Province and I say this in anticipation of undertaking an educational effort, I suppose, in my own area on the West Coast concerning the economic impact that the fishery can have on an area, I was struck about two or three weeks ago

MR. STAGG: when they had a fire at Bay Bulls, Now Bay Bulls is a community I have driven through on a couple of occasions and I do not know too much about it, but I understand that 500 people who were put out of work when the fish plant was burnt down in Bay Bulls. Now Mr. Speaker, 500 people, that is twice as many people who work in the Abitibi paper mill in Stephenville. There are approximately 250 people working in that mill; there are 500 people working in Bay Bulls, so the fishing industry is something that we cannot ignore as a great social factor in this Province and, while it is not quite as glamorous as some of the higher technology industries and it is not quite as well documented or as well publicized as the iron ore industry or the paper industry or some of the others, it is definitely labour intensive and it is something that no part of this Province can ignore. Now, I have said on a number of occasions

MR. STAGG: that the Gulf fishery, which is now being managed from Moncton by the way, approximately two years ago the fishing industry on the West Coast of Newfoundland, the jurisdiction over decision making on that approximately 110,000 metric ton quota on the Gulf of St. Lawrence ranging from Port aux Basques up to St. Anthony, 110,000 metric tons, well, that is now moved to Moncton. I protested that at the time and I said at that time it was a make-work project for Romeo LeBlanc in his district, moving these jobs to Moncton of all places, and I submit that it was a mistake at that time and I hope that in due course, Mr. Speaker, that that wrong is redressed and that the control of the Gulf fishery, and Newfoundland is the major participant in the Gulf fishery, that that is brought back to Newfoundland, be it St. John's, Corner Brook, Stephenville or wherever. But I want it back on the Island because once control of a major resource leaves your province, it has a tendency to become less important as far as the economic activity in that province is concerned. Now in 1986 the French, by treaty I suppose, will be phasing out of the Gulf of St. Lawrence; they now take 32 million pounds of fish a year, primarily cod, and there is a formula that has been developed that for every million pounds of fish there is X number of jobs. I am not sure exactly how many it is but it is a considerable number of jobs; I believe it is something like a hundred jobs or so when you get into the catching and the processing and all of the infrastructure that is involved with the catching and processing of fish. So that 32 million pounds of fish, Mr. Speaker, I want that landed on the West Coast of Newfoundland. Make no mistake about it, I do not want it landed in Cape Breton

MR. STAGG: where they have got the post office that processes the mail for Newfoundland. There is forty jobs there, That is another matter I would like to bring up at some time . They have an awful lot of jobs on the mainland of Newfoundland that should be held by Newfoundlanders and the 32 million pounds of fish that is going to become available for Canada in 1986, I want that for Newfoundland and I want it for the West Coast of Newfoundland. We are subject to the vagaries of the international economic community to a very great extent on the West Coast of Newfoundland, with the problems being encountered at Bowater at the present time. Now I have great confidence that that is going to be remedied, but Corner Brook sits practically one-third of the way up the West Coast of Newfoundland, right in the Gulf of St. Lawrence; Corner Brook and Stephenville and that area is an economic entity that is primarily industrial activity: Corner Brook, of course, dating from 1924 was their paper mill, very little fishing activity with the exception of some herring catching in the Bay of Islands; and the Stephenville area, which was primarily a fishing and agricultural area prior to 1941, became an industrial activity in major construction of the airforce base there. And in 1969-1970, we constructed a linerboard mill which has only in the last three years become a viable economic entity. We are primarily known as an industrial part of this Province, but I want to see some activity, like we have at Bay Bulls, on the West Coast. There may be those of us in our own area who consider themselves too sophisticated to get seriously involved in the fishery and to be fish plant workers and that sort of thing. Well, none of us are too sophisticated when you have a choice between unemployment, or welfare or whatever, and employment. So some among

MR. STAGG: Our own people have to be put on notice in that regard. The 110,000 metric tons of fish that is presently available in area 4R, which primarily is the Eastern portion of the Gulf of St. Lawrence, that has to be landed on the West Coast of Newfoundland. Now this bill respects the restructuring of the Newfoundland fishery. Now it is primarily devoted to the offshore fishery, but the principles enunciated in this bill are valid for the whole of this Province. I would just like to deal with a couple of them.

Paragraph (g), says, 'To pursue divestiture to the private sector of both governments' ownership in the company as soon as possible'. Now as we all know governments here have a very significant role in this new fishing company that is being set up, the so-called super company. Governments have a very strong role in it. And it is right at particular times that governments get involved in industry. But, Mr. Speaker, it is also right that governments get out of industry as soon as possible.

Now, I have lived through government operating in the private sector. I have seen in our area, the Stephenville area, where government took over a plant in 1972, the Javelin linerboard mill, and operated it for five years losing \$50 million a year. Governments are not equipped to be in the private sector competing with the giants in the world as far as marketing and so on is concerned. And it was right and proper that in 1977 the Government of Newfoundland bit the bullet, closed down Labrador Linerboard and got into seriously seeking a takeover of that plant. And it is now firmly into the private

MR. STAGG: sector. Not so many people working there, but they will be working there for a long time. And that is what we must pursue and that is what we, as legislators, must not lose sight of, that the fishing industry is an industry of entrepreneurs and private enterprise and the people who are involved in it, their incentive is to make as much money as possible by maximizing their efforts. And if we make this a job that is similiar to the public service, then we are in trouble.

The move towards the social compact whereby labour and management and government will make a serious attempt to deal with the social and economic problems of the fishery, it may go down in history as the cutting edge of the new economic order in this country because it is something that

MR. STAGG: has to come. It is something that the West Germans developed after the Second World War. For those of you who are students of history, you will recognize that after the Second World War Germany was rubble, fire bombed, probably excessively fire bombed. Towards the end of the Second World War it was rubble. And they, with the beneficent help of the Americans who came in -

MR. NEARY: Mr. Marshall.

MR. STAGG: Mr. Marshall, the Marshall Plan, yes. The hon. gentleman was around in those days. He did not fight though, I do not think.

MR. NEARY: They are trying to get Bell Island included in the war zone now.

MR. STAGG: Yes, I see. Anyway, West Germany was rubble and they developed in that country a social compact some thirty-five or so years ago and they then rapidly developed the best economy in the world. Now it has slowed down recently because nothing can go on indefinitely. But it is an example of people who came from rubble to the greatest what I guess is the greatest economic miracle of this century, the recovery of Germany. Now, I would not say that the analogy is completely correct, but certainly we came very close this year to the fishery in this Province being likened to the rubble of Germany after the Second World War. Everything was closing down, the problems were almost insurmountable and this Province again had to go to the brink with the federal government.

I will get back to a familiar theme here, but you will recall over the Summer the Minister of Fisheries (Mr. Morgan) was vilified, the Premier (Mr. Peckford) was vilified, the whole Government

MR. STAGG: of Newfoundland was vilified because of their stand on the fisheries. And there are the soothsayers of economics and politics in this country who would say that the Government of Newfoundland was not being good stewards of the economy of the Province in their attitude towards this Province. But I say that we owe a great debt of gratitude to them, those of us here on the backbenches. I followed this from Stephenville listening to the Fishermen's Broadcast, reading the Western Star, reading the odd newspaper and watching CBC and so on and I have witnessed the Minister of Fisheries (Mr. Morgan) and the Premier (Mr. Peckford) and the other Cabinet minister who were involved in it, witnessed them going through what I would think would be one of the major crises that any political leaders would ever go through in their entire tenure as politicians in this Province, brought to the brink again by the federal government.

Now I understand the Minister of Fisheries and the Premier have been gracious to the people that they were dealing with. I would say there is nothing short of magnanimity on their part in the bouquets that they have thrown towards Mr. De Bane and even Mr. Kirby. Well, I would say that the only reason that that has happened is that it shows the character of our people, the people who are involved in that issue. But they were brought to the brink, again and again brought to the political brink and to some extent to the economic brink. With all of the pressures that are on this second level of government - municipal, provincial, federal, this being the



MR. STAGG: second level of government - we are the only government, you know, that the people of Newfoundland can elect and defeat; we are the people, the people in this Legislature here, the only ones that you can toss in and out of office. And this issue of how this government handled the fishery, how it handled the Burin issue and how it handled generally the Grand Banks, it is an emotional thing for a start. I felt the emotion myself. I was proud. Over there on the West Coast you might say, 'He does not care about it, it does not really matter too much.' I was proud of the way the government handled this particular issue. No, we are not going to close down these plants. No, we are not going to give in to that package that has been presented and these plants must go into operation. It was indeed reassuring and uplifting, Mr. Speaker, to have that kind of leadership and to have these principles. Principles, Mr. Speaker, are what you live by. Principles cannot be disregarded today and brought on tomorrow. You must have them at the beginning. You must maintain your principles throughout. Otherwise you might as well be a Liberal. Political principles of Liberals, they come and go.

MR. NEARY: We can put our principles up against yours anytime.

MR. STAGG: Yes, the hon. gentleman's principles are well known. The principles of the Liberals are well known. The lackeys and the lapdogs are well known.

SOME HON. MEMBERS: Oh, oh!

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

MR. STAGG: The principles of this government are well known. This is why we do not have a viable NDP

MR. STAGG: in this Province, you know. Hon. gentlemen, we do not have a viable NDP in this Province because this government, even though it is Conservative, is to the left of center on many issues and we are occupying the field that hon. gentlemen should be occupying.

As I said before, the hon. gentleman are the Tories of Newfoundland, the small 't' tories of Newfoundland occupy the benches, the every diminishing numbers in the Opposition, the great small 't' tories of Newfoundland.

Anyway, Mr. Speaker, it was inspirational. And I am commending government on their actions over the Summer, and particularly the Minister of Fisheries (Mr. Morgan), his activities on this, having to deal almost single-handedly with the battery of people that would be involved in negotiating on the federal side in Ottawa. It is indeed a test of courage and I think our people have handled it all very well.

The issue of resettlement, by the way, Mr. Speaker, in its own way is addressed in this agreement. It is in paragraph (7) of the agreement.

AN HON. MEMBER: Resettlement?

MR. STAGG: Resettlement, yes. It indicates that if any plant is going to be closed up, or any government wants to close up any plant, that the other government can move in and deal with it, take it over and cover the losses on it for a period of time. We do not agree, Mr. Speaker, that this Province needs to be put into a computer and you spit out certain things that make logical sense to the

November 15, 1983

Tape No. 3056

IB-3

MR. STAGG:                   logicians of which hon. gentlemen  
do not form a part, of course. But this government does  
not agree with the enforced resettlement of people  
by the taking away of their major and in some cases  
their only industry.

MR. STAGG: Now the fish for resource-short plants, this is dealt with in Paragraph 8 of the agreement, the resource-short plant programme. And I am hoping that eventually, when that resource-short plant programme is properly implemented, I realize it has to be implemented on the East Coast and the South Coast first, but I am hoping that eventually the resource-short plant programme will be extended to the West Coast so that we can do something with our very high rate of unemployment we have on the West Coast. It is exceedingly high, the highest in this Province, approximately 25 per cent, and the resource-short plant programme is something that will help out in that regard.

MR. NEARY: Do not be bluffing. You do not know anything about the fishery, sit down.

MR. STAGG: The hon. gentleman knows very little about anything. The hon. member is from a great fishing district, the district of LaPoile, and knows very little about it. He sends all the things down to the Gulf News, and they have nothing to do with the fishery. The hon. gentleman is not heard of in his district on the matters that are of particular interest to the people of his district, and I expect that the hon. gentleman will be vacating LaPoile as he vacated Bell Island in 1975. I am not sure who is going to chase him out of LaPoile but he will certainly try to go somewhere else, hoping against hope that the member for Torngat Mountains (Mr. Warren) will resign so he can run up in Labrador where people still elect Liberals by an overwhelming majority. I say to the member for Torngat Mountains, he has better watch out for the nomination in the next election. Of course, I doubt whether he would get it.

MR. STAGG:

Mr. Speaker, these are a few of the remarks that I like to make on this issue. The economic revival of Newfoundland is at stake here. The Minister of Finance (Dr. Collins) today gave us an economic message which indicates that the Province has not been able to raise the amount of money that we should have been able to raise. Well, that is due in no small part to the fact that the fishery this year was not as successful as it could have been or might have been. For one thing, the fish did not come, but the other feature, of course, is that we did not have the structure in place that will be available to take advantage and to maximize the fishing effort and to get the full value from every pound of fish. And I would submit, Mr. Speaker, that as a result of the actions that are being taken here today, and similar actions which are being taken in Ottawa, that we will have an economic revival in this Province based on the fishery. And it will mean in short order that we will have very different and more positive economic statements in the future. I expect the Minister of Finance, within a couple of year's time when this thing gets rolling will have to come into the House of Assembly in the Fall with a new budget how we are going to spend all the extra money that has been generated in the Province because of the increased economic activity that has been generated as a result of this.

MR. STAGG: I do not know if the Minister of Fisheries (Mr. Morgan) wants to close the debate today or not.

AN HON. MEMBER: The member for St. John's South (Dr. Collins) wants to speak.

MR. STAGG: The member for St. John's South. Well, I would certainly like to hear from the member for St. John's South. Maybe he could elaborate in some way on the remarks I made concerning how the economic revival of this Province is dependent upon the fishery. Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (RUSSELL): The hon. Minister of Finance.

SOME HON. MEMBERS: Hear, hear!

DR. COLLINS: Mr. Speaker, it is very, very late in the day. Perhaps I should adjourn the debate, but just before I do so I would like to compliment my colleague from Stephenville (Mr. Stagg) who did a tremendous job, gave us a tremendous speech. He had to follow the next Leader of the Opposition, so it was a difficult job for him to do. But he rose manfully to the occasion and I think it was about one of the best speeches in the House.

SOME HON. MEMBERS: Hear, hear!

DR. COLLINS: But other than that, Mr. Speaker, perhaps I could adjourn the debate at this time.

MR. SPEAKER (RUSSELL): Let it be noted that the hon. Minister of Finance has adjourned the debate.

The hon. President of the Council.

MR. MARSHALL: I move the House at its rising do adjourn until tomorrow, Wednesday at 3:00 p.m.

On motion, the House at its rising adjourned until tomorrow, Wednesday, at 3:00 p.m.