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HOUSE OF ASSEMBLY
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WEDNESDAY, NOVEMBER 16, 1983

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Russell): Order, please!

STATEMENTS BY MINISTERS

MR. SPEAKER: The hon. the Premier.

MR. NEARY: There he goes, the hon. cod.

PREMIER PECKFORD: Busy man, Mr. Speaker, busy man.

MR. NEARY: You have too much on your mind.

PREMIER PECKFORD: Oh, no, Never too much on my mind.

MR. NEARY: Terra Nova is heavy on your mind.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Oh, my! The Leader of the Opposition (Mr. Neary), at least he has courage if he has nothing else.

MR. NEARY: That is right. You will find that out before the twenty-one days are out.

PREMIER PECKFORD: Oh, no, I would not say that.

False courage.

MR. MARSHALL: He does not expect to win. He moved Mr. Lush's seat away.

PREMIER PECKFORD: True. I mean, yes, Mr. Speaker, if the Leader of the Opposition had any confidence at all he would have left the seat there and not requested it to be removed. So, I mean, that is the kind of confidence the Leader of the Opposition has in the Terra Nova district.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: You will notice it is not moved over there.

PREMIER PECKFORD: Oh, it is on its way, it is on its way.

On a more serious note, Mr. Speaker, on Monday I announced two senior appointments in the public service. At that time I indicated there were a number

PREMIER PECKFORD: of vacancies to be filled as a result of those appointments.

Today I am pleased to announce that Mr. Ronald J. Richards has been appointed Associate Deputy Attorney General and Director of Public Prosecutions. This post was vacated by the appointment of Mr. Cyril Goodyear as Deputy Minister of the Department of Rural, Agricultural and Northern Development.

Mr. Richards is thirty-seven years old and a native of Montreal, Quebec, the son of Harry and Patricia Richards of Montreal and is married to the former Bonnie Newhook of Corner Brook, Newfoundland.

Mr. Richards is a graduate of Acadia University where he received a Bachelor of Arts and a Bachelor of Education degrees. He is also a graduate of the University of New Brunswick, where he received his Bachelor of Laws degree.

Mr. Richards was called to the Bar of Nova Scotia in 1974 and to the Bar of Newfoundland in 1978.

Prior to joining the Department of Justice in 1978, Mr. Richards was Dean of Students at Mount Allison University in New Brunswick. He also served as a Crown Prosecutor with the Department of Justice in the Province of Nova Scotia. Prior to his appointment as Associate Deputy Attorney General and Director of Public Prosecutions, Mr. Richards served as Senior Crown Attorney with the Department of Justice here, the Government of Newfoundland. In his new capacity, Mr. Richards will be responsible, under the Deputy Minister of Justice and Deputy Attorney General, for law enforcement and criminal prosecutions within the Province, and other related duties.

Mr. John R. Cummings has been appointed as Associate Deputy Minister of Justice. This position

PREMIER PECKFORD: was previously filled by Madam Justice Margaret Cameron, who was recently appointed to the Newfoundland Supreme Court.

Mr. Cummings is a thirty year old native of St. John's, Newfoundland, the son of His Honour Judge Henry H. Cummings of the District Court of Newfoundland and the late Lois K. Cummings. He is married to the former Anita Ringman of St. John's.

Mr. Cummings received his higher education from Memorial University of Newfoundland and graduated from Dalhousie Law School with a Bachelor of Laws degree in 1976. Mr. Cummings was

PREMIER PECKFORD: admitted to the Newfoundland Bar in 1976, and since that time has practiced as a solicitor in the Civil Division of the Department of Justice.

As Associate Deputy Minister of Justice, Mr. Cummings will be responsible, under the Deputy Minister of Justice and Deputy Attorney General, for the Civil Division of the Department, together with related responsibilities.

These changes, Mr. Speaker, represent another stage in my plan to rotate senior management and, at the same time, to recognize the management potential of capable people in the public service who have demonstrated their ability and their capacity to assume greater responsibility. It is my intention to announce further changes within the senior executive group over the next several weeks.

Thank you, very much.

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

MR. NEARY: Mr. Speaker, we welcome the announcement that these two senior positions in the all-important Department of Justice are being filled quickly. I must confess to the House, Mr. Speaker, that I am not personally acquainted or familiar with either one of the gentlemen who were appointed today. I do know the father of one of the gentlemen who was appointed and the only thing I can say about that is that if the son is half the man that his father is, Mr. Speaker, I would say that the Department of Justice is getting a good deal.

I want, on behalf of our side of the House, to congratulate both hon. gentlemen on their promotions, and because we are not familiar with the two gentlemen, Mr. Speaker, does not mean that they are any less qualified for these jobs. No doubt they will make their mark and we will be hearing more from them in the future, Mr. Speaker.

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

SOME HON. MEMBERS: Hear, hear!

MR. WINDSOR: Mr. Speaker, I am very pleased today to report on the highly successful Ocean Industries Capital Assistance Programme (OICAP) administered by the Department of Development. This programme is designed to stimulate further development of the Ocean Industries sector by encouraging the expansion and growth of Newfoundland companies and by helping to attract new ocean-related, medium and high technology industry to Newfoundland and Labrador. The programme, originally planned as a short-term incentive measure, is funded in total by the Province and, in order to achieve maximum effectiveness, was made complementary to existing federal and provincial programmes. The programme has been in operation for barely one year and has received considerable positive response from the business community, as evidenced by the more than 50 enquiries that have been received thus far. During this 12 month period 27 of those enquiries have already made formal applications for assistance, 14 of which have been approved, 4 were ineligible, and 9 others are currently being processed.

Financial assistance provided by this programme is available to any Canadian firm or foreign entity which manufactures products or equipment, or provides technical services in support of commercial and scientific activities for use in or on the ocean. Generally, eligibility for assistance is based on the benefits of the proposal to the overall Newfoundland economy, particularly with respect to the maximization of "value added". Preference is given to firms owned or controlled by persons normally resident in Newfoundland and Labrador, and to other Canadian or foreign entities who enter into joint ventures with Newfoundland firms.

Financial assistance

MR. WINDSOR: available under the Ocean Industries Capital Assistance Programme is in the form of a conditional grant forgiven over a four year period at the rate of 25 per cent per annum. Maximum assistance for eligible manufacturing and service firms is 50 per cent of the approved capital costs, less the amount of assistance available from the Department of Regional Industrial Expansion (DRIE), if any, to a maximum OICAP grant of \$500,000. The minimum project for assistance should not be less than \$25,000.

As I have mentioned, interest in the Ocean Industries Capital Assistance Programme has been very enthusiastic, and to date, fourteen applications totalling \$1,429,466 have been authorized, although two offers, valued at \$392,000, were not accepted by the applicants.

The twelve committed offers of assistance have been made available to the following firms: Wosley Marine Diving Ltd. \$19,500, G. Pelley Ltd. \$24,000, Terra Nova Laboratories Ltd., \$34,500, Hi Point Peat Ltd. \$66,866, Aerial Mapping and Photography Ltd. \$216,750, Buckingham Machine & Fabricating Works Ltd., \$218,900, Hydrospace Marine Services \$300,000, McDonald's Welding and Fabricating Works Ltd., \$68,650, Seimac Nfld. Ltd., \$16,00, Instrumar Ltd., \$24,068, World Stress Atlantic \$22,232, and Oceans Limited, \$26,000.

Mr. Speaker, I would like to briefly summarize each of these projects which, I should emphasize, would not have proceeded without OICAP assistance.

MR. WINDSOR:

Woosley Marine Diving

Limited of Mount Pearl is a relatively new company incorporated in 1982. Their project involved the purchase of additional commercial diving equipment, some of which was previously being rented from sources outside the Province. It enabled the company to retain its revenues with the Province and, as well, enhanced and improved its commercial diving capabilities.

G. Pelley Limited,

Springdale has used the funds granted under the OICAP programme to expand their present manufacturing operation to include a hot-dip galvanizing facility. This expansion will allow Pelley Limited to reduce the amount of imported galvanized product coming into the Province at present and to broaden its range of marine related hardware products.

Terra Nova Laboratories

Limited, St. John's, will purchase various pieces of scientific testing equipment to establish a commercial testing laboratory providing tests in the form of microscopy, corrosion testing, chemical and non-destructive testing, primarily for drilling muds and shale analysis. Previously, this highly technical work was being conducted by firms located outside this Province.

Hi Point Peat Limited,

a joint venture between two local firms and an Alberta company, will establish a processing facility in Bishop Falls to manufacture a new patented product called Oclansorb, an oil absorbent product utilizing peat moss and chemicals. The potential for export markets for this product is very encouraging indeed and, as well, the project will constitute further development of the

MR. WINDSOR:
resources.

Province's Peat Moss

Aerial Mapping and
Photography Limited of St. John's, have purchased
sophisticated camera and processing equipment for use
in reconnaissance and survey services to the offshore
petroleum industry, which work was previously contracted
to firms located outside of this Province. The funding
of this firm's proposal is an indication of this
government's effort to ensure that Newfoundland firms
have the capability and opportunity to participate in
this highly competitive industry. Additionally, the
work being carried out by this firm, primarily that
of iceberg surveillance, will aid in safe Winter drilling
on Newfoundland's Continental Shelf.

MR. WINDSOR: Buckingham's Machine and Fabricating Works Limited of St. John's proposes to expand their shop facilities and purchase sophisticated machinery and equipment that will enable the company to increase its productivity and capacity, as well as improve its capability of producing more complex pieces of machined equipment, especially that which demands high-precision control. It also will provide them with the capability of producing a saturation diving system under contract with Hydrospace Marine Services, and will be the first such diving system ever produced in Eastern Canada.

Hydrospace Marine Services, formed in 1979 as a joint venture between Hydrospace Engineering Limited of St. John's and Brown and Root Limited of Edmonton, Alberta, will purchase a 1,200 foot saturation diving system which will enable the company to capture a larger share of the offshore market in Eastern Canada as well as the Arctic. Another important component of this proposal is that the 'State-of-the-Art' system will be constructed by the local firm, Buckingham's Machine and Fabricating Works Limited of St. John's, utilizing local employment and thereby maximizing benefits to the Newfoundland economy.

McDonald's Welding and Fabrication Limited of St. John's propose to modernize and expand into new facilities by constructing a new building and purchasing additional, modern welding and metal fabrication equipment. This is a young and innovative Newfoundland firm with good growth potential and this expansion will enable them to compete for more and larger projects in our offshore and other marine-related activities.

Instrumar Limited of St. John's will purchase additional specialized equipment to expand the company's capability in the development and manufacture

MR. WINDSOR: of high technology detection and measurement systems primarily for use in our cold marine environment. This local firm designs and manufactures precision instrumentation for research and engineering operations in the marine and related industries. This expansion will provide the company with the capability to produce components for a new underwater telemetry system and over-the-horizon radar requirements. It is consistent with government's stated objective to ensure Newfoundland's position as a centre of excellence in ocean technology.

Seimac (Nfld.) Limited, a new joint venture between Coastal Technical Services Limited, St. John's, and Seimac Limited, Nova Scotia, will purchase computer and other highly specialized equipment to establish a marine electronics and prototype manufacturing facility in the Province. This firm will offer a range of services including a total analysis of a client's electronic requirements as well as development and manufacture of customized electronic components. Already this company has developed and field tested a fuel management system for ocean vessels to monitor fuel

MR. WINDSOR: consumption, shaft horsepower, engine RPM and vessel speed, while other promising developments are currently underway.

Wold Stress Atlantic Limited, a recent joint venture between Easteel Industries Limited of St. John's, and World Contract Stress Corporation of Sarnia, Ontario, will purchase machinery and equipment to establish a comprehensive metal heat treating and stress relieving service to the offshore and other marine industries; when completed, it will be the only facility of its kind in the Province. Historically, the majority of heat treatment and stress relieving work, especially in larger applications, had to be shipped out of the Province. This project will help to reduce those higher costs and lost time and contribute to import substitution within this Province.

Oceans Limited, a young local firm involved in oceanographic technology, will purchase oceanographic and ancillary equipment to expand its services to prime contractors involved in offshore exploration activity. Using state-of-the-art technology this company records and interprets undersea measurements of currents, tides, temperatures and other related activity. The provision of ongoing environmental information is an important aspect of our offshore exploration activity and involvement by local firms is especially beneficial to the growth of ocean-related technology in this Province.

Mr. Speaker, a major objective of this programme is to facilitate the enhancement of local manufacturing and technical service opportunities which, in turn, would impact positively upon import substitution, our industrial competitiveness, and employment growth. A review of those projects clearly indicates the diversity and success of the programme in meeting its objectives.

MR. WINDSOR: From the applications approved thus far, totalling \$1,037,466 and excluding the two unaccepted offers, eighty full-time and sixteen part-time direct jobs have been created when the twelve projects are completed and will encourage investments totalling \$4.4 million. There are also nine pending applications which, if approved, will create a further 136 full-time and fifteen part-time direct jobs and will encourage additional investments totalling \$5.9 million.

In conclusion, Mr. Speaker, the implementation of this Ocean Industries Capital Assistance Programme is evidence that this government is determined to encourage the expansion and development of a diversified ocean industries sector in Newfoundland and Labrador, as well as to futher enhance our position as a 'center of encellence' in ocean science and technology. Based on the very positive response to the programme thus far, it also exemplifies how government and industry can work together to achieve this goal.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, yesterday when the Minister of Finance (Dr. Collins) was bringing down his statement in this House, he sent the Minister of Development (Mr. Windsor) to my office, as a messenger, to deliver a copy of the statement and we thank the hon. gentleman for being so courteous. But I am sorry I cannot say the same about the hon. gentleman who just gave his statement today, which is of a highly technical nature. The hon. gentleman did not have the courtesy to give the Opposition a copy of the statement before he read it. Yesterday

MR. NEARY: the hon. gentleman came to my office and said he would give me a copy of the Finance Minister's (Dr. Collins) statement on a confidential basis and I agreed, Mr. Speaker. I regret very much that the hon. gentleman did not give us a copy of this statement before he read it. So it is virtually

MR. NEARY: impossible for me, from listening to the hon. gentleman, to go into the statement in any great detail. Mr. Speaker, one thing that I will agree with the hon. gentleman on is this, that Newfoundlanders can do the job as well as come-from-aways. That is motherhood. I do not think that anybody will disagree with that. Give a Newfoundlander or a Labradorian an opportunity, Mr. Speaker, and he can compete with anybody, anywhere in the world.

Now, Mr. Speaker, it is interesting to note that these eighty or so jobs were created at the expense of over \$10,000 per job, according to the figures laid on the table by the hon. gentleman. I do not think that is too high a price to pay for creating jobs in this Province. The only word of warning that I have for the hon. gentleman is that this same administration a few years ago financed a company in Donovans Industrial Park to the tune of, I believe, close to \$4 million for developing underwater connectors.

PREMIER PECKFORD: This administration?

MR. NEARY: The P.C. Administration.

MR. WARREN: It is your party. It is your party.

MR. NEARY: Well, Mr. Speaker, the hon. gentleman was a senior minister in that administration and the hon. gentleman cannot put distance between him and Mr. Moores. He may try but he cannot. So, Mr. Speaker, underwater connectors, and the company pulled out. And they got the money, by the way, under false pretences; they said they had a contract with the United States Navy. I wrote the Pentagon and they did not have a contract. They did not have a contract with the United States Navy, Mr. Speaker, and they duped -

MR. PECKFORD: You have been asking us to create jobs, we just created eighty-

MR. NEARY: I know, I understand.

MR. NEARY: Mr. Speaker, I wish these Newfoundland companies well, and Mr, Speaker, my advice to the hon. gentleman -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. NEARY: - is that this kind of programme be extended to the fishing industry, our most basic industry. Why limit the programme to the offshore oil and gas?

PREMIER PECKFORD: Mr. Speaker, on a point of order.

MR. SPEAKER (Russell): Order, please!

The hon. the Premier on a point of order.

PREMIER PECKFORD: I have to correct the hon. the Leader of the Opposition (Mr. Neary) when he says, why not extend this assistance to the fishing industry? We just finished the other day, the Minister of Fisheries (Mr. Morgan), relating in this House that we have committed over \$30 million to the fishing industry, in the inshore fishery, Aqua Fisheries \$90,000; Bay St. George Seafoods \$72,000; Bay Bulls Sea Products \$250,000--

MR. NEARY: Is this a point of order, Mr. Speaker?

PREMIER PECKFORD: So all I want to point out, Mr. Speaker, by way of a point of order is that the Leader of the Opposition is being inaccurate when he tries to say that we have not contributed anything to the fishing industry, because I have a list that was tabled yesterday with over \$12 million that went into the inshore fishery.

SOME HON. MEMBERS: Hear, hear!

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

MR. SPEAKER: The hon. Leader of the Opposition to the point of order.

MR. NEARY: Mr. Speaker, the hon. gentleman is so stunned that he did not understand what I said. We are talking about high technology, we are not talking about assistance to bail out a fish plant, to keep it afloat, to keep it from going bankrupt, and that is what the hon. gentleman was reading from that list, we are talking about high technology.

MR. WINDSOR: Ocean technology.

MR. NEARY: That is right, ocean technology.

MR. WINDSOR: If you come down to Marine '83 you will see some of it.

MR. NEARY: Well, maybe I will.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, my advice to the hon. gentleman is to expand the programme to include the fishery, our most basic industry.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER (Russell): Order, please!

PREMIER PECKFORD: To a point of order, Mr. Speaker.

MR. NEARY: No, I am on a point of order.

MR. SPEAKER: Order, please!

PREMIER PECKFORD: Oh, sure, you are speaking to the point of order.

SOME HON. MEMBERS: Oh, oh.

MR. NEARY: And also expand the programme -

MR. SPEAKER: Order, please! Order, please!
The Chair recognized the hon. Leader of the Opposition (Mr. Neary) to speak to that particular point of order, and I must say he is straying somewhat from the point of order raised by the Premier.

The hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, my point is there is no point of order. The Premier raised a frivolous point of order just to use up my time. That was the only purpose of that exercise, Mr. Speaker.

MR. SPEAKER: To that point of order, it appears the Premier rose on a point of order but it was more a point of clarification.

Hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, my advice to the hon. gentleman is to expand the programme to include our most basic industry, the Newfoundland and Labrador fishery.

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

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!
A point of order, the hon. the Premier.

PREMIER PECKFORD: Once again, on page 6 of the minister's statement, he makes the point, 'Oceans Limited, a young local firm involved in oceanographic technology, will purchase oceanographic and ancillary equipment to expand its services to prime contractors involved in marine activity', and goes on to talk about how this firm is going to assist in the marine industry, including the fishing industry. So the Leader of the Opposition (Mr. Neary) is completely erroneous in the statements that he is making, Mr. Speaker. I mean, the Leader of the Opposition should tell the truth.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER (Russell): To that point of order, the hon. Premier has again clarified another point.

The hon. Leader of the Opposition.

MR. NEARY: Mr. Speaker, in conclusion, I would like to pay tribute to the Government of Canada, that great Liberal Government up in Ottawa for having the wisdom and the foresight to build an ice tank at Memorial University so that the hon. gentleman could -

MR. SIMMS: So we should get down our knees to them, should we?

MR. NEARY: Yes, we should, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh.

MR. NEARY: Putting an ice tank at Memorial University -

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

MR. SPEAKER: Order, please!

A point of order, the hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I have to correct the Leader of the Opposition again. It was not the Liberal Government of Canada that committed the ice tank, it was the PC Government of Canada.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER (Russell): Order, please!
The point has been clarified.
The time for the hon. Leader of the Opposition (Mr. Neary) responding to the Ministerial Statement has expired.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!
Before we continue, I would like to welcome to the galleries today Mr. Howard Scott, the Mayor of Durrell in the district of Twillingate.

SOME HON. MEMBERS: Hear, hear.

MR. SPEAKER: I would also like to welcome to the galleries a group of students from the James Moore High School in Carbonear with their teachers, Mr. Reid, Mr. Kennedy, Mr. Mercer and Mr. Nurse.

SOME HON. MEMBERS: Hear, hear.

ORAL QUESTIONS

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

MR. NEARY: Mr. Speaker, at the risk of being severely lectured by the minister responsible for offshore resources, I would like nevertheless, even though I am frightened and scared, Mr. Speaker, I may have to duck under my desk to get away from the hon. gentleman's oral attacks on me, I would like to ask the hon. gentleman if he could confirm or deny, he can pick his choice, whether or not an offshore service boat, ship, vessel, ran into trouble twenty miles off our coast this morning and helicopters had to be dispatched to the scene to attempt a rescue? Mr. Speaker, could the hon. gentleman care to comment on that question?

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

MR. MARSHALL: No, Mr. Speaker, I am not going

MR. MARSHALL: to comment on the sensationalism attempted to be permeated by the hon. gentleman with respect to the offshore activity. I think the hon. gentleman's aim, as evidenced by his questions from time to time, is to, in effect, lessen the confidence in the security and integrity of the offshore operations themselves.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: I think this question, as well as other questions that the hon. gentleman asks, that he should well ask himself as to whether or not he is doing a service to this Province by asking questions on the basis which he did. For instance, the other day he asked a question, Mr. Speaker, with respect to a kick, and the only kick that was coming was from the hon. gentleman himself when he was, in effect, once again kicking the security and integrity of offshore operations.

The matter of offshore operations are a matter of deep concern to this government and I do not think it serves the interests of this Province or anybody at all. If the hon. gentleman wants a lecture, I will make not his hair grey, maybe it will fall out. But, Mr. Speaker, the hon. gentleman should appreciate the fact that the matter of offshore operations is a matter of deep concern to this Province, of deep concern to the people of this Province and the overall interests are not being served by the type of questions which he asks from time to time. My answer to the question is I am not responding to that particular question. At the time that there is something serious enough to respond to, I shall respond to it.

MR. NEARY: Mr. Speaker, a supplementary.

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

MR. NEARY: I was tempted to stand on a point of order because the hon. gentleman broke the rules of the House when he attributed motives to my question. Mr. Speaker, the only reason we ask these questions is to ensure the safety of workers offshore and to protect the environment, especially the fishery, against an oil spill. That is the whole purpose behind the questions and not the poison that the hon. gentleman just squirted through his lips, Mr. Speaker.

Let me put this question to the hon. gentleman: Does the hon. gentleman know if there was an incident involving an offshore service ship that apparently had something entangled in her propeller and the helicopters had to be sent out on a rescue mission? Does the hon. gentleman know about that incident?

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

MR. MARSHALL: Mr. Speaker, I am not going to comment upon every alleged instance that the hon. gentleman brings up from time to time, because he serves his purpose by getting it promulgated in certain areas. All I can say to the hon. gentleman is that our very capable Petroleum Directorate is well aware of everything that is happening on the offshore.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: It gets reports from time to time with respect to all happenings. If they merit an investigation, an investigation is entered into and, until such time as a full investigation of any incident, not necessarily this specific one, is made and a report is made to me, I shall refrain from commenting on it.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: That is my response to the hon. gentleman.

MR. NEARY:

Mr. Speaker, a supplementary.

MR. SPEAKER (Russell):

A supplementary, the hon. the Leader of the Opposition.

MR. NEARY:

The hon. gentleman can be as nasty and as vicious as he wants, Mr. Speaker, but we place a very high priority on the safety of workers on these service vessels and offshore, and we place a very high priority on the protection of the environment. And we will continue to ask questions involving safety of our people who work offshore and to protect the fishery.

MR. SPEAKER:

Order, please! Order, please!

The hon. the Leader of the Opposition rose on a supplementary question and I must remind him that there should not be a need of any preamble in asking a supplementary question.

MR. NEARY:

Well, I guess we will have to wait for developments to unravel, in that case, Mr. Speaker.

I would like to go to the Minister of Finance (Dr. Collins) in that case.

Now, Mr. Speaker, this administration has

MR. NEARY:

completely abdicated its responsibility, nobody is governing the Province or showing any leadership. We seem to have reverted to a caretaker status.

MR. MARSHALL:

A point of order, Mr. Speaker.

MR. SPEAKER (Russell):

Order, please!

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

MR. MARSHALL:

This is the Question Period,

It is a time for people, members of the Opposition and for that matter private members on this side, to ask questions. It is not for the purpose of making a speech as the hon. gentleman is doing. I would suggest that the hon. gentleman be directed to come to the substance of his question.

MR. SPEAKER:

Order, please!

The Question Period, as I mentioned yesterday I think, is designed to allow as many questions as possible to be asked and as many answers as possible to be given. Indeed, the questions as well as the answers should be very brief and very precise.

MR. NEARY:

Thank you, Mr. Speaker, With, of course, a preamble that is allowed in every jurisdiction.

Now, Mr. Speaker, is it correct, could the hon. the Minister of Finance (Dr. Collins) confirm for the House, that the public debt of this Province is climbing close to \$4 billion? Can the hon. gentleman tell the House if that indicates a per capita debt of some \$7,000 for every man, woman and child in this Province? And would the hon. gentleman tell the House in his answer if that is the highest per capita debt in the whole nation? And would the hon. gentleman answer this question: How long can we keep this up without severe consequences to the

MR. NEARY: credit of the Province and our ability to borrow more money?

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

DR. COLLINS: Mr. Speaker, if the hon. member opposite wishes some figures, our direct debt, as of the end of March, 1983, was \$2.1 billion, which was an increase of 8.7 per cent over the previous year, and the total public sector debt was \$3.6 billion, which was an increase of 6.5 per cent over the previous year. Hon. members will recall, of course, that in the period from the end of March 1982-83 the inflation rate was considerably higher than that, so that would indicate that our real debt is in actual fact not increasing, if anything it is diminishing. In other words, our debt is not keeping pace with the rate of inflation at the present time.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, would the hon. gentleman tell the House, with the revenue that is coming in to the public treasury, both from Ottawa and

MR. NEARY: from the people of this Province, if it is possible to manage that kind of a debt, climbing towards \$4 billion? Can we safely manage that kind of a debt in this Province?

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

DR. COLLINS: Mr. Speaker, any debt is onerous, whether it be on an individual or on a corporation or on a government. No one likes any debt whatever. However, one has to relate debt to one's means, to one's income, and our income, which is increasing as times goes along because of population growth, even because of the rate of inflation in our economy, because of the expansion of our economy and so on and so forth, our means to handle debt increases as time goes by. And you have to relate, therefore, the debt you carry with your means and our ability to carry debt is consistent with our means in terms of what it was previously. I am not saying by that that it is a good idea to have the debt we have, we would like to get it down, but we are carrying it in relation to the means we have to carry it.

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

MR. NEARY: Mr. Speaker, would the hon. gentleman indicate to the House if he has sought advice as to whether or not, because we are a Province of Canada, that the Government of Canada, Ottawa, will not allow us to go bankrupt? Has the hon. gentleman sought any advice in that direction?

MR. SPEAKER: The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, I do not know how to answer that. It is not a question that really requires an answer, I suppose. But the only thing I will say is when we go to borrow, and we only borrow as we need it for the good of our people and we borrow it by and large on capital account, that is to build substantial things like hospitals and schools

DR. COLLINS: and roads and so on and so forth - now in the last few years, during particularly difficult times, we have had to borrow a relatively small amount on current account, too, but that is the unusual rather than the usual. We usually borrow for substantial projects - and when we go to borrow we ask borrowers to look at us, not at us as a Province of Canada, really, but they look at us, our ability to carry the bonds, to service the bonds that are related to the amount we want to borrow, and when we do that they have no hesitation in saying that, "Yes, we will give you that money." Our bonds are taken up with great alacrity whether it be in European market, whether it be in the Canadian market, whether it be in the US market. We do not have any problem placing our bonds and the lenders take up our bonds on the basis of what they know about us as a Province, as opposed to us as part of Canada.

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

MR. NEARY: Mr. Speaker, well the answer then obviously is that the hon. gentleman in the last part of his answer said that they do take into consideration that we are a province of Canada. Well, let me ask the hon. gentleman this question; In the event that we could not borrow, if we went to the bond market and we could not borrow, or we were forced to borrow at exorbitant interest rates, or we could not pay our bills, could the hon. gentleman tell us what we could expect under these circumstances in the way of emergency assistance from the Government of Canada?

MR. SIMMS: A hypothetical question. It is out of order.

MR. SPEAKER (Russell): Order, please!
That is a hypothetical question and I have to rule it out of order.

MR. NEARY: A hypothetical question?

MR. SIMMS: Yes.

MR. HICKEY: There is not a chance of it happening.

MR. NEARY: Not a chance of it happening?
We are so close now to Commission of Government!
Mr. Speaker, we are in the same situation now as we were when the United Kingdom appointed a Commission to govern this Province.

Now, Mr. Speaker, the hon. gentleman told us yesterday -

MR. HICKEY: (Inaudible) fiscal management in the world.

MR. NEARY: Oh, listen to the expert!
There is the economist now, the financial expert. The whiz had just spoken.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: The hon. gentleman should go out and look at the overpass in Glovertown that should have been in Gambo. It was built in Glovertown, off the Gambo Highway, by mistake.

MR. SPEAKER: Order, please!

SOME HON. MEMBERS: Oh, oh!

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

MR. HICKEY: There was another one built at Roaches Line.

MR. SPEAKER: Order, please!

MR. NEARY: It was not built by mistake like the one in Glovertown.

MR. SPEAKER (Russell): Order, please!

MR. WARREN: It hurts now! It hurts now!

MR. SPEAKER: I would ask the hon. Leader of the Opposition (Mr. Neary) to direct a question to some minister, which he has not been doing.

MR. NEARY: Mr. Speaker, I hope Your Honour will enforce the rules on the other side. The interruptions are coming from the other side of the House, Mr. Speaker. And with all of the noise and rudeness, Mr. Speaker, from the other side, I cannot direct my question. I would ask Your Honour to protect me against it.

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

MR. SPEAKER: The hon. Minister of Social Services, on a point of order.

MR. HICKEY: I wish to apologize to the hon. gentleman for LaPoile (Mr. Neary) if I interrupted him. I certainly would not want to prevent him from asking a question, especially when he is asking good ones, and very important and serious ones. If this is what he wants to do, I gladly yield the floor.

MR. NEARY: What can you say, Mr. Speaker, to the poor old fellow.

MR. SPEAKER: The hon. Minister of Social Services does not have a valid point of order. I would again remind hon. members that when a member is speaking he does have the right to be heard in silence.

MR. NEARY: Mr. Speaker, the hon. gentleman told us yesterday that he expects to get some \$3 million or \$4 million as a result of the wage restraint programme. Could he tell us where he is going to get the

MR. NEARY: remaining amounts
to make up the \$68 million deficit and to stave off
financial ruin in this Province?

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

DR. COLLINS: Mr. Speaker, we are
projecting that for this fiscal year, we will end the
fiscal year with a deficit of \$68 million on current account.
We would have ended the year in balance if we did certain most undesirable
things. If we decided to cut back, slash back on the public
service, if we decided to cut out essential services such as
education services, health services, social services, and so
on and so forth, we could do that, we could end up with a
balanced account. But we elected not to do that, and I think
the people of this Province will be in favour of our decision.
We elected instead to continue these essential services, to
not create undue hardship in this time of high unemployment
by slashing the public service. We are going to scrutinize
the need for new hirings, but we are not going to slash into
the present complement in the public service. This is not
a desirable thing to do. We feel that people will agree with
that decision, but we are setting the groundwork so that next
year, the next fiscal year when we bring in our Budget we will
bring our accounts much more into balance than they have been
in this year during a time of severe recession which

DR. COLLINS: severe recession which is still very apparent in this Province. Hon. members I am sure, have read in the newspapers that the recession is declining in certain other areas, the United States and in certain parts of Canada, but we really have not yet seen any great benefits, any substantial benefits on a broad base anyway, in this Province from a decline in the recession. Until such time as that abatement of recession benefits us, we are going to be in difficult times and that includes this present fiscal year. Next year we expect to begin to see the benefits, and as those benefits come to us we will see it much easier to balance our accounts.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I just want to make sure I understand the hon. gentleman clearly. Is the hon. gentleman saying that next year it will be impossible for the administration to balance their budget and this will be the third year in a row? How long, Mr. Speaker, can this kind of deficit financing continue before our creditors, the bond holders, panic and trigger a chain reaction that could be devastating for the taxpayers of this Province?

MR. SPEAKER: The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, I think I have already indicated that our books are open to anyone who has the right to see them and has the need

DR.COLLINS:

to see them. What we announced yesterday and the situation that was given to this House yesterday, we have already communicated to people such as our fiscal agents, to the credit rating agencies and so on and so forth, They understand what we are doing, they know the circumstances in this Province, they know that we are handling things extremely well in comparison to other jurisdictions having the same difficulties. And I do not have to perhaps point out to the hon. gentleman opposite that some of our sister provinces are not doing as well as we have even though they seem to have greater means at their disposal. But the financial markets know what we are doing, they know what we propose to do and they know that in the budget that is coming up we will bring in measures as needed and we will relate those measures to this House, and the circumstances related to those measures we will lay out before this House at the time of the next budget.

MR.SPEAKER (Russell): Before I recognize the hon. Leader of the Opposition, I would like to welcome to the galleries Mr. Abel Leo and Mr. Ben Saimat from the Nain town council and from the Nain Fishermen's Committee in the district of Torngat Mountains.

SOME HON.MEMBERS: Hear, hear!

MR.SPEAKER: Also I would like to welcome a second group of students from the James Moore High School in Carbonear with their other teachers, Mr. Case, Mr. Wareham and Mr. Coffin.

SOME HON.MEMBERS: Hear, hear!

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

MR. NEARY: I had the pleasure to address the students in the James Moore High School in Carbonear a couple of years ago, Mr. Speaker. I am glad to see them here.

MR. PECKFORD: It did not help you win Carbonear last time.

MR. NEARY: I did not run in Carbonear district, Mr. Speaker.

AN HON. MEMBER: You ran away.

MR. NEARY: Did I? Do I look like the type who would run away from the hon. gentleman?

MR. PECKFORD: You ran away from Bell Island.

MR. NEARY: Is that so. Take a look at the gerrymandering that took place.

MR. PECKFORD: Sour grapes.

MR. SPEAKER (RUSSELL): Order, please!

MR. NEARY: Mr. Speaker, I ask the protection of the Chair.

MR. SPEAKER: Order, please!

MR. NEARY: We will run down in Terra Nova now and we will take the hon. gentleman head on down there and see what happens.

MR. PECKFORD: Let us go.

MR. NEARY: Yes. Do you want to leave the House now and we will both go down and spend three weeks down there?

MR. SIMMS: As candidates.

MR. SPEAKER (Russell): Order, please!

MR. NEARY: Mr. Speaker, could the hon. the Minister of Finance (Dr. Collins) tell the House why there was no plan included in his statement yesterday as to how the administration intend to broaden our economic base, and therefore broaden our tax base, so that we could generate more revenue for the public treasury in this Province? Why was there no plan included in the hon. gentleman's statement for the recovery of the Newfoundland and Labrador economy?

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

DR. COLLINS: Mr. Speaker, we are continually laying out our plans in that regard. The hon. the member opposite heard the hon. the Minister of Development (Mr. Windsor) today put forward the results of very astute planning to help out our economy, and that is just one small aspect but nevertheless a very important aspect, a very fundamental aspect which will be almost like, shall we say, yeast in a dough. That will blossom as time goes on, if I can mix a metaphor. But, anyway, that is just one example of the plans that we have laid before this House many times and I do not have to go into these issues again. They are well-known, they include our resources in the sea, they include our resources under the sea, they include our resources on the land, they include our resources on the Mainland part of the Province as well as on the Island part of the Province, they include the resources growing out of the land and so on and so forth. I mean, we have laid this out many, many times. What I had to do yesterday

MR. NEARY: was to state the state of our finances at the present time to indicate the measures that we will put in place in as soon a period as possible to bring them under control in relation to the change in economic affairs.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: The answer, Mr. Speaker, is zilch, zero.

Now, let me ask the hon. Minister of Finance (Dr. Collins) this question, because I am sure the hon. gentleman would be very concerned about things to stimulate the Newfoundland and Labrador economy. Could he tell the House whether or not the administration now intend to move, to carry out a mandate they were given on April 6, 1982 in a single-issue provincial general election to negotiate an agreement on the offshore resources?

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

DR. COLLINS: Mr. Speaker, this administration never fights an election on a single issue. We fought the election on our record, on the board sweep of our plans and our concerns for this Province.

MR. NEARY: No, no. No, you did not.

DR. COLLINS: One of those issues was the offshore and we said to the people of this Province, 'Do you think we are taking the right approach in regard to our offshore resources which we brought into Confederation?' And the answer came back, a resounding, 'Yes. Carry on. Do exactly what you have been doing. You are doing the right thing and do not be deflected from that path.'

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: Mr. Speaker.

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

MR. WARREN: Mr. Speaker, I have a question for the Minister of Rural, Agricultural and Northern Development (Mr. Goudie). In view of the fact that the Minister of Health (Mr. House) and the Minister of Social Services (Mr. Hickey) simultaneous have announced chronic care facilities for Botwood and Buchans, has the minister been successful in convincing those two ministers that a chronic care facility should be established in North West River?

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

MR. GOUDIE: Mr. Speaker, neither one of these two areas are my jurisdiction. Talking about my district, I can only assure the hon. gentleman that concerns expressed by the residents of North West River, concerns which I have echoed to my colleagues, the Minister of Social Services and the Minister of Health, are being dealt with. And when it relates to my district then we have a certain strategy in place and the hon. gentleman should have no fears. The residents of my district will certainly be informed and looked after when the time is appropriate.

MR. WARREN: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary, the hon. member for Torngat Mountains.

MR. WARREN: Mr. Speaker, I am not only speaking about the hon. member's district but all the four districts in Labrador, in particular the three districts whose residents have to come to North West River and Goose Bay for medical attention. However, I would like to ask a supplementary to the Minister of Social Services. Is it true that it is against the policy of the Department of Social Services to construct, renovate or sanction in any way, shape or form chronic care facilities in this Province? Also, is the

MR. WARREN: policy to be deinstitutionalized instead of having those facilities? Is it true that this is a policy of his department?

MR. SPEAKER (Russell): The hon. Minister of Social Services.

MR. HICKEY: Mr. Speaker, I will deal with the last part of the question. It certainly is the policy of this government, and has been for four years now, to provide services at the community level which enable people, especially senior citizens but also people who require chronic care services because of disability, disease, accident or whatever to stay in their own home, in their own communities, where their roots are, where their friends and relatives are, indeed right from infancy to old age. That policy is operative in the Province from the very small child to the senior citizens. We have seen proof positive that services are better for the individual and more cheaply provided at the community level.

Now the first part of his question, is it against policy - I am not sure if he said against policy or against the law - to construct chronic care facilities in the Province. I am not aware of what he is talking about there, maybe he would like to elaborate.

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

MR. WARREN: Mr. Speaker, I would like to ask the Minister of Social Services if these are his words, 'It is against the policy of my department to construct, renovate,

MR. WARREN: or sanction in any way,
shape or form chronic care facilities in this Province?
Are those his words?

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

MR. HICKEY: No, Mr. Speaker, I am not the
author of those words. If the hon. gentleman has a quotation
of that nature attributed to me, I suggest that we might find
the rest of it, either what preceded those words or came
after. I remember in dealing with an issue in Labrador
saying that it is against the policy of this department -
which is a longstanding policy and a very good one that has
produced some very fine results - to construct institutions
and to place people in institutions when in fact there is
a more viable, better alternative by providing services in
the home for those people. And in relation to the Labrador
situation, the other thing I said was that there was a
chronic care facility in Happy Valley - Goose Bay and that
we could not afford the luxury, nor would it be in keeping
with policy, to have a two-tier type of institution in the
one community.

MR. WARREN: Mr. Speaker.

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

MR. WARREN: Yes, those are the quotes,
Mr. Speaker, that the minister made to a Health Services
Committee in his office and it was made sometime when the
North West River Community Council and the Health Committee
were trying to get chronic care in North West River. It can
be verified by the Mayor of North West River, who in fact
named these quotes. And the minister did not make these
quotes. I would like to ask the minister why has he made
a change in mid-stream in having chronic care facilities in

MR. WARREN: Botwood and Buchans? This is again another illustration of discrimination against Labrador.

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

MR. HICKEY: Mr. Speaker, let me respond to the hon. gentleman by asking him a question first of all. Was he in my office when I made those statements? - question number one. Point number two, Mr. Speaker, the reason the hon. gentleman is on the other side and I am over here is because he hears rumours and runs with them, and the saddest thing of all, Mr. Speaker, is that he believes them. He repeats them so often that he then believes them, and that is a very sad situation for any individual to find himself in.

MR. SIMMS: Rumour. Rumour.

MR. WARREN: It is not a rumour when it was a quote. No quotes are rumours.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. HICKEY: Mr. Speaker, let me consciously respond to what the hon. gentleman says, knowing full well my words are being recorded. I have never made any such statement. To make such a statement would be the height of stupidity, to say it is against the law, against the policy of my department to construct a chronic care facility when in fact we have been constructing them for years and years and will continue to do so in the future—that is, whenever the federal government finds some money to enable us to do it.

MR. SPEAKER: Order, please!

The time for Question Period has expired.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

DR. COLLINS:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, pursuant to Section 28 of the Financial Administration Act, I wish to table six copies of Special Warrants.

Mr. Speaker, whilst I am on my feet, if I could, I would like to also table the tenth annual report of the Newfoundland Liquor Licencing Board.

MR. NEARY:

What about the Auditor General's report?

NOTICES OF MOTIONS

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

MR. STAGG: Mr. Speaker, I wish to give notice of the following resolution: WHEREAS the Canada Post Corporation has recently decided to build a new postal sorting station to replace an existing building presently located at North Sydney, Nova Scotia; and

WHEREAS this facility has as its purpose the sorting of mail for some 429 Newfoundland post offices and employs some forty people; and

WHEREAS this work could be performed as adequately or more adequately on the Island of Newfoundland;

NOW THEREFORE BE IT RESOLVED that this House of Assembly recommends to the Canada Post Corporation and the Government of Canada that this facility be built in Newfoundland.

SOME HON. MEMBERS: Hear, hear!

PRESENTING PETITIONS

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

MR. NEARY: Mr. Speaker, I would like to present a petition on behalf of thirty-eight residents of St. Bernard's in the district of Fortune-Hermitage. The prayer of the petition is "We, the undersigned, demand an explanation from the Provincial Government as to what happened to pavement for Road No. 13, St. Bernard's, that was listed to be paved under a provincial/municipal agreement."

The Minister of Municipal Affairs (Mrs. Newhook) was petitioned on this matter for information but advised residents not to give a copy of the petition to the Opposition or the news media. That was the answer that was given by the Minister of Municipal Affairs

MR. NEARY: to one of the callers who called into the minister, do not give your petition to the news media or to the Opposition.

Well, now it is going to be made public in this House, Mr. Speaker. It seems, Mr. Speaker, that the trouble -

MRS. NEWHOOK: Mr. Speaker, on a point of order.

MR. SPEAKER (Russell): The hon. Minister of Municipal Affairs, on a point of order.

MRS. NEWHOOK: That is absolutely impossible. I did not get a call from St. Bernard's, and I never did issue any such statement.

MR. YOUNG: Right. Right on there.

MR. NEARY: Mr. Speaker, I have it here in a letter -

SOME HON. MEMBERS: Withdraw the remark. Withdraw.

MR. NEARY: 'In a telephone conversation with' - no that is not it. Hold on now. 'Told Mr. Stewart that the government do not question the council'.

No, I will not withdraw because it is in a letter here. Anyway, I will find it shortly, Mr. Speaker, because the clock is ticking off there. Apparently the trouble started, Mr. Speaker, in the way the paving programme was handled in St. Bernard's.

MR. BARRETT: He should not be allowed to say that.

MR. NEARY: Well, I am saying it and I am quoting from a letter that I am prepared to table, Mr. Speaker, from the gentleman who sent in the petition from St. Bernard's. The trouble started in the way the paving programme was handled. St. Bernard's has five main roads to be paved, 17, 13, 15 and 9 and 10.

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

MR. SPEAKER (Russell):

Order, please!

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

MR. MARSHALL:

Your Honour, I refer you
to Standing Order 92. "Every member offering a petition to
the House shall confine himself to the statement of the parties
from whom it comes, the number of signatures attached to it and the
material allegations it contains." The hon. gentleman got
up and said that he was quoting from a letter. Under the guise
of introducing a petition he now refers to a letter accompanying
the petition. I submit

MR. MARSHALL: to Your Honour that first of all it is improper to be quoting from a letter in any event, the way the hon. gentleman is doing. We are now on the item of Presenting Petitions and the hon. gentleman should confine himself to a statement of the nature of the petition and the signators there, and not be reading a letter that he has in his possession.

MR. SPEAKER (Russell): Order, please! The point is well taken that when an hon. member is presenting a petition his remarks should be confined to the prayer of that petition and not other documents.

MR. NEARY: Mr. Speaker, we are told, and I repeat, we are told that there was a telephone call to the minister's office and the minister was notified of a petition. And the letter was sent to the minister, by the way, and one of our callers who sent the letter was told not to give it to the Opposition or to give it to the news media. Now, Mr. Speaker, that is documented and I am prepared to lay it on the table.

Now, as I started to say, St. Bernard's had four -

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

MR. SPEAKER: Order, please!

MR. MARSHALL: I refer Your Honour once again to the matter of reading of letters. You know the hon. gentleman is first of all presenting a petition from St. Bernard's that I would point out represents merely about 10 per cent of the people.

PREMIER PECKFORD: 11 per cent of the voters.

MR. MARSHALL: - 11 per cent of the voters in the area. But the thing is, Mr. Speaker, what the hon. gentleman is doing he is using

MR. MARSHALL: the rules of this House for the purpose of bringing in a letter, the identity of the author which he has not revealed. I refer Your Honour to paragraph 327 of Beauchesne which says, "A Minister of the Crown is not at liberty to read or quote from a despatch or other state paper not before the House, unless he be prepared to lay it upon the Table. This restraint is similar to the rule of evidence in courts of law, which prevent counsel from citing documents which have not been produced in evidence. The principle is so reasonable that it has not been contested."

So the hon. gentleman, first of all, if he were going to quote a letter he would have to lay it on the Table of this House. But secondly, Your Honour, we are considering the matter of petitions here, and a petition requires, in accordance with the Standing Orders, three signators to it. Now, what the hon. gentleman is doing, he is referring to a letter, and presumably the letter if it has any signature on it, has one signature. So under the guise of petitions, which are supposed to have three signatures, he is using the instrument of a letter itself, and consequently he is very, very much out of order when he is doing that. If he refers to a letter there are certain rules and procedures that are set down in the way to do it. I shall not get into that now but he is very much out of order in getting up under the guise of introducing a petition and then referring to a letter containing a single man's opinion.

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

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

MR. NEARY: First of all let me remind the House -- I can only assume at this point in time that the same rules apply to both sides of the House and I want to remind the House that we had a ruling only a few days ago on tabling documents and I believe now we all familiar with Your Honour's ruling in that regard and in due course, Mr. Speaker, I am prepared to table any documents that I quote from. Apparently we have all kinds of leeway, all kinds of time now to do that.

Now, Mr. Speaker, on the second point, I have in front of me a petition, a bona fide, a legitimate petition that I am attempting to table in this House. The hon. gentleman does not want to hear about the complaint of the people in St. Bernard's because driveways of Tories were paved, by-roads leading to Tory campaigners were paved. That is the complaint, Mr. Speaker, of the petitioners, and the hon. gentleman does not want to hear any

MR. NEARY:

of that. He does not want democracy to prevail in this Province. He tries every way he can to bar us from Presenting Petitions, legitimate petitions to this hon. House and I would submit the only reason the hon. -

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

MR. MARSHALL: I rise on a point of privilege,
Mr. Speaker.

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

MR. MARSHALL: The hon. gentleman is not going to get away with trying to bring in a petition like this in the House - and when 4:00 P.M. comes on Wednesday, and we are past 4:00 P.M. now, we have to get to the ordinary business of the day - and not allow people on this side of the House to respond. He is not going to take the House on his back as he likes to from time to time. I refer Your Honour, on a point of privilege, to Standing Order 53(4) which I think is quite explicit. "On Wednesdays" - which is today - "the question period shall commence not later than 3:30 p.m." - which it did, Your Honour - "and the ordinary daily routine of business shall end not later than 4:00 p.m., and at that time the private member's motion shall be called by the Speaker." Now, I would submit, Your Honour, that Your Honour has no recourse at the present time, where it is presently 4:05 p.m., but to call Private Member's Day and introduce the one that appears on the Order Paper.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!
The Standing Order, of course,
is correct and just a little prior to 3:00 p.m. there was

MR. SPEAKER (Russell): a point of order raised and I was attempting to listen to arguments from either side, but it is certainly after 4:00 p.m. and I would have to enforce that Standing Order and get on with the Private Member's Motions today, which is Motion 4 on the Order Paper, to be moved by the hon. the member for Torngat Mountains (Mr. Warren).

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: Mr. Speaker, it is indeed a privilege for me today to bring this resolution forward knowing that two of my constituents are in the gallery, both of whom were involved with this punishment.

SOME HON. MEMBERS: Oh, oh!

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

MR. WARREN: Mr. Speaker, I would suggest that I be heard in silence, particularly by the Minister of Culture, Recreation and Youth (Mr. Simms).

MR. SPEAKER: Order, please!

MR. WARREN: It is a pleasure, Mr. Speaker, to have two of my constituents in the gallery, both of whom were punished by the provincial Department of Fisheries and by the federal government.

MR. NEARY: What?

MR. WARREN: By both, by the provincial Department of Fisheries in the first instance, and by the federal government in the second instance.

For the record, Mr. Speaker,
I will read the resolution:

MR. WARREN:

WHEREAS the Provincial Department of Fisheries operates the fish plants in Northern Labrador; and

WHEREAS the payroll for the fishermen and fish plant workers is the responsibility of the Provincial Department of Fisheries; and

WHEREAS many fishermen have had UIC contributions deducted incorrectly by the Provincial Department of Fisheries and subsequently have caused an overpayment of UIC benefits to fishermen; and

WHEREAS fishermen are now required to repay these outstanding amounts to Revenue Canada;

BE IT THEREFORE RESOLVED that the Provincial Department of Fisheries be held responsible for this overpayment and reimburse the fishermen accordingly.

Now, Mr. Speaker, that resolution is quite straightforward. Now, I believe there some time ago when the Premier was talking about the possible sale of Bowater he had the press across this Province trying to outline in chronological order the events that had taken place. So in my twenty minutes I hope to outline, Mr. Speaker, to this House of Assembly in chronological order what has taken place since July of 1979.

As you can see, Mr. Speaker, here on my desk there is a big bunch of appeals. Between now and the end of March I hope to be appearing before the Tax Court of Canada on behalf of - in total - 101 fishermen.

MR. MORGAN:

I will respond to that.

MR. WARREN:

Okay, Sir. I understand the Minister of Fisheries (Mr. Morgan) is going to respond and according to the comments he made to me earlier it sounds like it will be very positive. So I am looking forward to a positive reply from the Minister of Fisheries on this resolution.

However, Mr. Speaker, there are 101 fishermen

MR. WARREN: affected. And when you take in the Labrador Coast from Makkovik to Nain, roughly 60 per cent of the families are affected with this cruelty placed on them by Revenue Canada because of an error by the provincial Department of Fisheries. Now, Mr. Speaker, it all started back on June 24, 1979, and I will just use one fisherman as an example, and I will use the gentleman who is in the gallery now. Mr. Abel Leo received a letter from Revenue Canada saying - I have gone ahead of my time, okay. Firstly, on June 21, 1979, Mr. Abel Leo sold fish to the fish plant in Nain and at the end of that fishing season the provincial Department of Fisheries which operates the fish plant in Nain - Mr. Speaker, I would table one of those if it is permissible - the provincial Department of Fisheries issued a separation certificate or an account of Mr. Leo's earnings. And on this separation certificate that the provincial Department of Fisheries issued to Mr. Leo it shows how much money Mr. Leo made during the Summer, it shows how many contributions he made. Normally when any gentleman or any lady qualifies for UIC they will take their separation certificate, their statement of employment from their employer, they will go to the post office, which you do in Nain, and pick up an application for UIC. So Mr. Leo went and picked up an application for UIC, he filled it out as per the records from the provincial Department of Fisheries. There was nothing wrong with the application. The application was in perfect order, it was filled out exactly as the record of employment showed. So Mr. Leo when he signed his name, and it says there 'To the best of your knowledge this is to be truthful', he signed his name in all honesty. Now, I am using him as an example but there are 100 more besides Mr. Leo; he signed this in all honesty not knowing that the provincial department had miscalculated the earnings, the provincial Department of Fisheries had issued him an incorrect statement. This is what happened, Mr. Speaker.

MR. WARREN: That happened in June, 1979. Mr. Leo qualified for UIC, he received his UIC in that year. On July 13, 1980, Mr. Leo again sold fish. That year he did exactly the same thing, followed the same procedure and again received his UIC. As far as he was concerned he received what he was due. And at that time, in all honesty, the minister and the Department of Fisheries and the staff, as far as they were concerned, gave Mr. Leo the proper record of employment. To give the workers in the fish plants credit where it is due, to give the Minister of Fisheries (Mr. Morgan) credit where it is due, in all honesty they thought they gave the correct statement of employment.

Now, Mr. Speaker, that was in 1980. On September 2nd, 1982 - I will read the letter, Mr. Speaker, a letter similar to that sent out to 102 fishermen. On September 2nd 101 letters went to my district and I will just read one of them for the record. This was sent to a Mr. Webb in Nain: "An examination of your claim indicates that you have received unemployment insurance to which you are not actually entitled". Now, that goes back two years previous to that. What they found out was that the record of employment was incorrect. So Mr. Webb was compelled to pay back \$1,323 when he next qualified for UIC. Mr. Webb only made \$7,000 for that whole year to begin with. This is what Revenue Canada had the gall and intestinal fortitude to come back and sock to 101 fishermen in Northern Labrador. I think it is a disgrace, Mr. Speaker, a disgrace.

The next step: As soon as the fishermen received this letter from the UIC and they did not know what the hell it was all about, they did not have a clue what it was about - where in the heck did it come from? - the first thing they did naturally, as any other members'

MR. WARREN: constituents would do, was contact their member. I got loads of telephone calls and letters from my district saying, 'Look, what is happening? Try to find out what is happening.' So when I found out, this was what the result was, they were overpaid two years before that. In fact, Mr. Speaker, two of the 101 fishermen that year on UIC only received all year,

MR. WARREN: for the seven months they were supposed to receive UIC, they only got a little over \$400 after they paid that bill. And that is what the UIC demanded, just took it out of them without any consideration at all for the family and the state it was in.

So, Mr. Speaker, what did I do next? Naturally, when I found out that the mistake was made in the provincial Department of Fisheries, I went to the minister's officials - and I am sure the minister is going to comment in a few minutes' time - and the minister's officials and the minister admitted, 'We made a mistake,' but again I will go back and say it was the unemployment insurance regulations that were so blinking screwed up. It was the unemployment insurance regulations. And for some reason during those years Revenue Canada was out to get every fishermen in Newfoundland and Labrador and they did not care who they picked on. And what happened, and the minister and his officials agreed, was that they made a mistake. They admitted that they made a mistake. So, therefore, I had no other choice but to put a Resolution to this House and say, 'Okay, if you admit the mistake then surely you should be responsible to those fishermen.'

Mr. Speaker, fishermen throughout all of Newfoundland and Labrador, in a lot of instances, are very independent. A lot of those fishermen - in fact I think there are only thirty-seven left out of the hundred and one - were afraid that all of a sudden the RCMP were going to come to them or they were going to be taken to court, so they automatically went and paid this bill.

I will read for you, Mr. Speaker, one of the letters that I received from some of the fishermen:

MR. WARREN:

"I am writing this letter letting you know I want to appeal my decision" - they were not satisfied with it - "to the Board of Referees. The amount I owe UIC is \$440." Now, the man was very honest. He said, "It was not my fault, it was the fault of the provincial Department of Fisheries, and also the deductions were not calculated correctly. I am glad that you can offer to appear on my behalf before the Appeal Board." And that is signed: Jacko Merkuratsuk - a fisherman in Nain.

Now, Mr. Speaker, I contacted the Appeal Board. At first the Appeal Board turned it down and said, 'We paid you too much money and you have to pay it back.' Now, I believe that is correct, if you are paid too much money you should pay it back. But there is a moral issue involved, Mr. Speaker. Those fishermen did not try to get money out of the UIC. If their record of employment had been made up correctly they would not have received \$220 every two weeks, they would only have received probably \$195. So they appealed the decision again and now it is at the point where thirty-seven of them have still not paid back the UIC and that is now going on almost four years.

MR. WARREN: Sometime between now and March I will be appearing before the Tax Court of Canada on behalf of those thirty-seven fishermen and also on behalf of the other sixty-four to see if they can admit that these fishermen are not to be held responsible. The Provincial Department of Fisheries agrees that they are not responsible. The minister agrees, his deputy agrees, the officials in his department agree there was a misunderstanding somewhere along the line and the fishermen were given the improper information.

Mr. Speaker, with this taken into consideration I believe then it is only just that Revenue Canada should accept the money from the Provincial Department of Fisheries. I am sure the minister has already indicated to Revenue Canada, Look, we will pay back the money because it is too hard on the fishermen. The minister realizes how difficult it is for those fishermen to survive in Northern Labrador. They are only making \$6,000 and \$7,000 a year. The minister has agreed that the Provincial Department because they inadvertently made the mistake, they would pay it back. But some idiotic individual in Revenue Canada said, no. They said we will sock it to the fishermen. This is one of the very few times that the minister's department has come to their assistance saying 'Look, we will help these fishermen.' I believe, Mr. Speaker, that it is the responsibility this House to show that if the Provincial Department of Fisheries is satisfied to see that those fishermen do not suffer any more than they did in the past, then surely goodness Revenue Canada should have the intestinal fortitude to say, Look, let us not place any more suffering on those individuals. Let us accept the Provincial Department of Fisheries' contribution to offset that.

I wonder, Mr. Speaker, how many individuals, how many companies, multi-national companies

MR. WARREN:

are evading taxes, are
literally putting the screws to Revenue Canada,
UIC and so on, and not getting caught? There are a few
MPs getting caught, I notice there are two already being
talked about.

Mr. Speaker, there is one
other letter here I would like to read if I can find it.

MR. WARREN: Oh, I only have five minutes left and I am not even started yet.

MR. MORGAN: By leave. By leave.

MR. WARREN: Mr. Speaker, naturally at the time I contacted the Minister of National Revenue while this was going on, the Minister of National Revenue, Mr. Speaker, I sent a telegram. I will read for the record the text of my telegram that I sent and also I will read for the record a reply to my telegram. My telegram went as follows: "To the hon. William Rompkey, Minister of National Revenue", and this was on September 29th, 1982, when I was being bombarded with calls from fishermen about this overpayment. "It has been brought to my attention that in excess of 120 fishermen" - actually it was 101 - "have been notified that they have received an overpayment of UIC benefits. In conversation with provincial Fisheries' officials it appears that an error was made by an official of that department in the calculation of UIC contributions. I believe that these fishermen should not be held responsible for an error made by a third party. Would you kindly followup on this matter as it practically affects the whole district of Torngat Mountains?"

Mr. Speaker, on October 18th - just one second, I will go in chronological order. On October 6th, 1982, I received a reply from the Minister of National Revenue and it went like this: "Thank you for your telex regarding UIC overpayments to fishermen in Northern Labrador." I have to apologize, I have an awful hoarse throat today and I am sick. "I have been in contact with unemployment insurance and provincial Fisheries' officials regarding this situation. This issue which surfaced in 1981 is most unfortunate. However, the regulations stipulate that if a claimant receives

MR. WARREN: an overpayment, even if it is the fault of a third party, he has to repay it. In this case the fish plants under provincial Fisheries jurisdiction inadvertently reported incorrect figures for these fishermen thus causing an overpayment. I further understand provincial Fisheries and unemployment insurance officials have notified the fishermen of this and pay-back arrangements are being worked out. Some fishermen have already settled, most will have their UIC cheques garnished for this Winter beginning in November, while a small number have appealed. I wish my response could have been more positive, however, the regulations have to be adhered to. Your sincerely, the hon. William Rompkey."

MR. MORGAN: Could you read the first part of the first paragraph again, I did not get it.

MR. WARREN: The issue which surfaced in 1981, that part?

MR. MORGAN: No, the reply from Mr. Rompkey, his first paragraph.

MR. WARREN: "Thank you for your telex regarding UIC overpayments to fishermen in Northern Labrador. I have been in contact with unemployment insurance and provincial Fisheries officials regarding this matter. The issue

MR. WARREN:

which surfaced in 1981 is most unfortunate, however, the regulations stipulate that if a claimant receives an overpayment, even if it is the fault of a third party, he has to repay it.

MR. MORGAN: The regulations.

AN HON. MEMBER: That is right.

MR. WARREN: That is right. I have no argument with that part of it.

MR. SPEAKER (Aylward): Order, please! I have to inform the hon. member that his time has elapsed.

SOME HON. MEMBERS: By leave. By leave.

MR. SPEAKER: Does the hon. member have leave?

SOME HON. MEMBER: By leave. By leave.

MR. SPEAKER: Leave is granted.

The hon. member for Torngat Mountains.

MR. WARREN: Thank you, Mr. Speaker, and I thank the hon. members. I will be only another few minutes.

Now, after that I wrote to Mr. Rompkey again on October 18, 1982 and I said, "Further to our conversation in Gander over the past weekend concerning the overpayment of approximately " - by the way, it was \$47,000 give or take \$100. Roughly in the vicinity of \$47,000 was the overpayment - "\$47,000 in UIC benefits, the overpayment was caused by the miscalculation of UIC contributions." Then I said, "I am attaching copies of correspondence that I have had with your office in this matter." That was the previous telegram and my telegram to him.

"I feel that the Department of Fisheries should be held responsible. Also, I have indicated to Revenue Canada that I will be appearing before the Appeal Board on behalf of these fishermen." I will table this, Mr. Speaker, both letters. And as of October 18, 1982, I have

MR. WARREN: not received any further correspondence from the hon. member concerning this issue.

Now, Mr. Speaker, in conclusion I feel, and I am sure - by the way, there is an agreement, Mr. Speaker, that we will close this debate this evening if it is the wish of all parties concerned, so I am satisfied to close up by 6:00 P.M. In closing, Mr. Speaker, I wish to say that those fishermen do not, did not and will not have the monies to pay back. Some of them have paid it back, they have made sacrifices. In fact one fisherman has gone to three different families in that community and borrowed money to pay back to UIC for mistakes that they did not even make. The honesty is there with those fishermen, Mr. Speaker, and morally they should not be held responsible. With that I wait with interest to hear the minister's views on it.

Thank you, very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Aylward): Order, please! The hon. Minister of Fisheries.

MR. MORGAN: The motion put forward by the hon. gentleman from Labrador was put forward in every sincerity on behalf of his constituents and I will attempt to respond in the same tone and in the same manner. When I became Minister of Fisheries in January of 1980 this matter came to light, in fact shortly after that by my then deputy minister, Mr. Slade, and I want to outline the activity and the meetings that took place and the discussions that took place on the issue. But I will say first of all that Labrador is a bit different. I am sure that my good friend whom I know from the community of Nain, in the gallery, will agree that the activity of the fishermen is different, their method of fishing is different, the type of boats they use, mostly small boats, and, of course, Labrador is an area of our Province where we have a difficult time in contracting anybody from the private sector to go down and do anything for the fishermen, like the fishermen in the gallery today. Because of that, governments have had to be involved in the fishing industry in Labrador. To a large extent if it was not for the governments - the previous government and the previous, previous government and now the government of the day - we would not have any fishery in Labrador. We operate, for example, the plants at Nain, at Makkovik, at Hopedale, at Davis Inlet and Postville; we own and we operate them and we pay the 200 plant employees. We buy all the product from the fishermen, we process it and we take it to the market and do it all ourselves as government through the Department of Fisheries. We further own the plant at Cartwright, we own the plant at Mary's Harbour, we own the

MR. MORGAN: plant at Black Tickle, we own the plant in William's Harbour and these are the processing facilities on the coast that are owned directly by the taxpayers through the government. And we deal with approximately 1000 fishermen along the coast. In the Northern part of the coast the activity of the fishermen, except in the last couple of years involving some scallops, has been totally involving salmon and char, and it was these fishermen who were selling their fish to these plants at Nain and Makkovik, at Nain in particular, they were selling the species arctic char and salmon. And over the years these operations have not been profitable, in fact there have been losses. And the hon. gentleman who just spoke is aware of that. He was involved in Labrador operations prior to coming to this House of Assembly. We have had to subsidize the operations of the fishing industry in Labrador and last year, for example, in 1982-83, the last season, it cost the taxpayers of the Province \$470,000 in a subsidy to operate the plants, merely to cover the losses and to keep the plants operating, the total operations cost \$470,000 in a direct subsidy to cover the losses. These services provided by government, I do not think will ever be up to the level or the standard that I would want to see them.

MR. MORGAN: Therefore, we are hoping this Northern Fisheries Development Corporation talked about under restructuring will come into being as quickly as possible, if at all possible by the beginning of the next fishing season, and we can have the two governments placing very direct emphasis on the Labrador Coast and the need for development of the Labrador Coast with regards to onshore processing activity and indeed the overall general fishing industry.

In the case of the Labrador plants, the calculations of unemployment insurance was not the same and not as direct as it was, and straightforward as it was, say, in Bonavista Bay or on Fogo Island. And we saw a couple of years ago a very similar situation on Fogo Island where there were massive overpayments to the fishermen through the unemployment insurance based on the miscalculation of contributions. And I recall discussing it with the Member of Parliament for the area, it was a fisheries matter, but, again, the fishermen were held responsible. But in Labrador it arose, 1979 and prior, it arose from that, where the Unemployment Insurance Commission did not give clear instructions despite the fact in 1980, when I became minister, I arranged to have an Unemployment Insurance inspector go down to the Labrador plants to sit down with the employees doing the calculations, with the office staff - in fact the chap's name was Mr. Philpott; there is no hesitation in saying who he was, he is an employee of the federal government, an employee who was doing his job - he went down to the plants and sat down to work out to insure that the proper calculations were being made. Now why were we doubtful about the calculations? For this reason: In Labrador and elsewhere in the Province you can have contributions on your separation certificate at

MR. MORGAN: the end of the year as a fisherman or you can have it as a skipper. Now in Labrador most of the boats used by gentlemen like the gentlemen in the gallery today, are not longliners, they are not large boats, they are boats mostly, I would say, from twenty-eight feet and below and a lot of them in the range of eighteen to twenty-two feet. A skipper in that boat is in the same category as a skipper of a sixty-five foot boat, he is a skipper. But now in many cases on the Labrador Coast a man could be classified on day as the skipper of an eighteen or nineteen foot boat, but in many cases they double up and therefore you look at it as having two skippers in the one boat for the a week or a number of days. And that means of not clear cut calculations was the reason why we asked this inspector to go down - he called himself an inspector/investigator - in 1980 when I had just become Minister of Fisheries, to make sure the staff was properly calculating the unemployment insurance

MR. MORGAN:

deductions towards the contributions to enable the fishermen to get unemployment insurance benefits. And there was no question in my mind that at that time, with the help of the unemployment insurance employee, that our staff felt that they were doing accurately the proper deductions for the unemployment insurance benefits according to the procedures used.

So based on that they continued.

It was only approximately two years after that that suddenly, and I agree with the hon. gentleman who spoke, the unemployment insurance in somewhat of a callous way informed these fishermen directly - there was no consultation with our department then at the time, we had to learn second-hand through the fishermen and through the member for the area - that their unemployment benefits were be garnisheed. The reason given? Overpayment resulting from miscalculation of the contributions, in this case from their employer, Shown as their employer? The plants operated by government.

So based on that, Mr.

Speaker, the Deputy Minister of Fisheries, and the hon. gentleman, I recall, met with my deputy at the time, Mr. Gordon Slade it was then; he arranged at my request to sit down with the officials of unemployment insurance and say, first of all, you are automatically issuing these - you can call them garnishees. What they were doing, instead of giving the fishermen the right - on the Labrador Coast, above all places, the lack of communications were very, very obvious - and without even giving the fishermen instructions as to how they could take so much off their benefits, in fact they went so far in some cases to take off the total benefit from them; instead of issuing a cheque for unemployment insurance, they would take the total amount because 'you are owing us so much money.'

MR. MORGAN:

So that procedure was very annoying to us, but upon discussion with them it was clearly identified that there was a miscalculation because of the system I mentioned earlier. And at that time the officials of the Department of Fisheries did everything possible to try to resolve that issue to take the burden off the fishermen. Realizing the regulations were there, as Mr. Rompkey said in his letter, and Mr. Rompkey was right - he was accurate, he was correct in his statement, as the MP for the area and as the Minister of Revenue at the time, he was correct - any overpayment that you receive from unemployment insurance, the same way as any overpayment you would get from a refund for income tax or anything of that nature, the

MR. MORGAN: person receiving the overpayment, receiving the funds, accordingly is responsible for the repayment irrespective of who made the mistakes, irrespective of who is responsible. Even if, for example, and I found a number in the last couple of years, quite a number, where the unemployment insurance people themselves made the mistakes and it was not the fishermen and it was not the employer, irrespective of who made the mistakes and whose fault it was, and in most cases it was not the fisherman or the plant worker, but they were held responsible because under the regulations, if you received an overpayment, that money was not justifiably yours and you must repay it.

So we tried to negotiate - and the hon. gentleman, I think, is aware of this - we tried to negotiate at the official level with the officials of the UIC, recognizing the Labrador Coast and, I guess I would not be insulting if I said to my friend who is in the gallery, the somewhat meagre incomes from the fishery -

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: - because they only can prosecute a couple of species and a very marginal operation from day one, the start of the season, we said, 'Look, irrespective of your regulations - we know what your regulations are saying but there is a humanity factor here, and let us work out something between the Department of Fisheries - you know, so the employees made a mistake. Even though we listened to and consulted your employees in Unemployment Insurance, who went down to the plants a mistake was made; irrespective of that, the fishermen should not be penalized. So irrespective of your regulations, let us work out an arrangement whereby we can somehow or other cover that loss of \$47,000.'

Now, Mr. Slade, the then Deputy Minister, if he were speaking in the House today,

MR. MORGAN:

could say that he tried

endlessly to reach some kind of a satisfactory arrangement with the Unemployment Insurance people and their regulations to try to recognize, as I say again, the humanity factor of this issue, but they would not bend. They just would not bend. They did not want to understand, they were just cold and callous in their attitude and they had to stick by the book and the fishermen had to pay, the same as anywhere else in Canada, whether you are employed as an auto worker or a carpenter or a construction labourer, if you receive an overpayment on your benefits you yourself must repay accordingly.

So, Mr. Speaker, based on that, unfortunately, the fishermen have been held responsible for the overpayments received and in some cases there has been some hardship based on the fact there were not satisfactory arrangements made with the fishermen to repay the amounts that were overpaid. And that is not unusual, of course, because we know, during the fiasco - I do not think there is one member of this House of Assembly who will disagree with me - during the fiasco of the special audit of fishermen's incomes, we saw the callous way, the almost cold-blooded way some of the investigators and the officials of Revenue Canada treated the fishermen. None of the fishermen

MR. MORGAN: were trying to get away from paying income taxes then. They were not trying to get away with something. They wanted to pay their income taxes, but it is the manner in which they were treated. They were not even given the opportunity to defend themselves in many cases. Officials were going out seizing properties and trucks belonging to these fishermen, so the same thing applied then. They just would not listen and consider the humane factor. So it is unfortunate that this occurred in this way but, as I say again, if they would have listened to reason, the Unemployment Insurance Commission people, and I understand they had to consult the policy makers - they could not change the regulations themselves, the employees could not change the regulations, they could not even bend the regulations, they could not get around the regulations without somebody giving them the authority to do so - but based on that we could not do it. Our hands were tied. We could not, for example, reimburse the fishermen. We were not allowed to do that. They themselves had to pay directly out of their pockets to the Unemployment Insurance Commission people for the overpayments received.

I understand now, and maybe so does the hon. gentleman - this is a report I got from my officials, I asked them to check on the situation now and I will be pleased to meet with the gentleman in the gallery, who represents the Fishermen's Committee of Nain, after this debate this afternoon, with the member for the area. We can sit down and discuss it. I will be pleased to do that - but I understand that approximately 60 of the 101 who were involved have repaid their total amounts, repaid them by means

MR. MORGAN: of the Unemployment Insurance merely seizing it, just seizing it from then when they made an application for unemployment insurance benefits. I understand about fifty others are still appealing. I am not convinced - regrettably I am not convinced - they will be successful in their appeals because of these regulations unless the regulations are changed, and in this case I think they have to be changed through the legislative mechanism of the House of Commons. But I am willing to sit down to discuss it further with the member and the representative of the Fishermen's Committee, Mr. Leo, from Nain. But that is the perspective on it. I guess I can easily say, 'Well, it was before my day, it happened before my day. I was not there as minister.' But a minister is responsible for whatever happens in his department even now, as far as I am concerned, and he has to account for whatever happened before he became minister - the department is still a department. But it did happen before that but, as I say again, unfortunately the Unemployment Insurance Commission, and their regulations,

MR. MORGAN: are not flexible enough to be able to take into consideration special case situations. In this case that is exactly what it is, somewhat of a special case, but unfortunately nothing can be done. I would be willing to, as I said, even join in if necessary with the hon. gentleman's appeal on the matter and to have UIC sit down further, if they will agree to do so, with the officials, like the new Deputy Minister of Fisheries, Mr. Ray Andrews, and others who are involved in management, because we do assign people like Mr. Bret Wareham - and the hon. gentleman is quite aware of who that gentleman is - who is responsible for the Labrador operations, and people of that nature in my department and we could pursue it further. But as it stands right now, that is the perspective as I see it. Unfortunately the fishermen were the people who have to bear the consequences of, I guess, two things in this case. The mistakes or miscalculations made by, in fact, both departments and both levels of government; UIC was advising the staff people down in the plants, and then the second thing, the consequences of inflexible regulations that cannot be bent enough to overcome this kind of a problem.

So, Mr. Speaker, my time is up. I will say again, if the hon. gentleman who brought the matter forward wants me to sit down this afternoon with Mr. Leo from Nain I will be pleased to do so.

Thank you.

MR. SPEAKER (Aylward): The hon. member for Bay Verte - White Bay.

MR. RIDEOUT: Mr. Speaker, I understand that the Leader of the Opposition (Mr. Neary) wants to have a few words on this motion but he is out for a few minutes. There are a couple of things that I would like to say about it as well. Let me begin, Mr. Speaker, by saying that I have a

November 16, 1983

Tape No. 3088

SD - 2

MR. RIDEOUT:

great deal of sympathy for
the case that the hon. gentleman for Torngat Mountains (Mr.
Warren) has outlined here this afternoon,

MR. RIDEOUT: because the circumstances of the 101 individuals in his constituency are not unlike a number of cases that I have had to deal with myself, particularly since this whole problem of reassessing fishermen's incomes began back two or three years ago, whenever it was. And I think it was about that time, Mr. Speaker, that the whole problem began to surface and many people in many parts of the Province got into the kind of situation that the hon. gentleman's constituents found themselves in back in 1979 and 1980 and 1981. I had a number of such cases myself and I have a great deal of sympathy for the problem that the hon. gentleman faces and that he outlines in this resolution and that he outlined in the debate today and that our colleague, the Minister of Fisheries (Mr. Morgan), spoke of only a few minutes ago.

In saying that though, I think we have to perhaps, Mr. Speaker, approach the whole problem with a broader view. I can understand and have a great deal of sympathy for the particular circumstances that face the 101 constituents of the hon. gentleman on the coast of Labrador. I know that it is a different environment and there are different working conditions. There are all kinds of things that are different about etching out a livelihood on the coast of Labrador than in other parts of the Province. But in saying that and in recognizing that, I would have to also say that we perhaps should take a broader look and a broader perspective on this whole matter. Because this particular problem is not only confined to 101 people on the coast of Labrador. I have had, I believe it is ten in my constituency, who were very much involved in the squid fishery in 1981 and they went about their work - most of them are women, seven or eight

MR. RIDEOUT:

of them are women -

they went about their work, they caught squid, they sold them to two or three or four different buyers around Western Newfoundland and the Baie Verte Peninsula and they were given their separation certificates, the same kind of documents that the hon. gentleman had there today. And, of course, they received their ten UIC premiums or twenty, whatever it was they required in order to qualify, and they shipped them off to the unemployment office and they qualified for unemployment insurance.

A year later, eighteen months later Revenue Canada decides that the numbers that were on those separation certificates were inaccurate. Revenue Canada does an audit, I suppose, indiscriminately and catches one or two and then they go and do them all and they decide that the numbers that are on those separation certificates are not valid. Not because they were intentionally put up not to be valid. They were put down by the employer, the person who was deemed to be the employer, the buyer, as being accurate and what should have gone on the separation certificates. But the whole problem, Mr. Speaker, as the minister outlined today, is that because of changing regulations in the UIC system, after a year and a half Revenue Canada decides that some of those numbers were no longer valid and that many of those people never did, or do not now qualify for unemployment insurance benefits.

MR. RIDEOUT: Now, Mr. Speaker, what kind of a situation does that leave the individual in? I am talking about individuals that are just as hard-pressed in many cases as the constituents that the hon. gentleman represents, people who made \$6,000 or \$7,000 squid fishing, people who had no other source of income, people who are part-time fishermen. And with the economic circumstances around most of our Province, the Northeast Coast as well as the Labrador Coast those days, that was all that was available to them. I mean, the shock to the system eighteen months later or two years later to be notified by Revenue Canada that even though you had drawn your unemployment insurance benefits back a year before or a year and a half before you now owe the great Government of Canada \$2500 or \$3000. Now, Mr. Speaker, why I suggest that we should probably look at this with a broader perspective is that I think something has to be done about that kind of system. I believe that there is something inherently wrong in that kind of system and what I would like to see, and perhaps this will cause all kinds of difficulties, I do not know, but what I would like to see is that the employer, whether it is the provincial government, as in this case, whether it is private fish buyers, as is the case in my constituency, that there be something built into the system whereby those people have a certain amount of liability. I think, Mr. Speaker, that should be very carefully looked at. I mean, the first thing that Revenue Canada does when there is a problem with the not correct reporting of income, the first thing they do, they do not go to

MR. RIDEOUT: Bay St. George Fisheries, they do not go to Jim Quang on the Baie Verte Peninsula, or in this case to the provincial Department of Fisheries, the first thing they do is crack down on the individual, and I think, personally, there is something wrong with that. I am not even suggesting that those people have to be liable in the sense that they have to pay the whole shot for those kinds of mistakes, but if we make laws protecting wildlife, for people who break the law knowingly or unknowingly, if they are convicted there is a penalty.

MR. SIMMS: A severe one, too.

MR. RIDEOUT: I know, perhaps too severe. But in this kind of situation you have companies out there buying squid, or buying herring, or buying mackerel, or whatever they do who do calculations, and I am sure they do them according to the manuals that they have in front of them, that have been given to them by Revenue Canada. In the case of our employees on the Coast of Labrador, the minister even went to the difficulty and the extreme of having an official from Canada Immigration and Employment go down and sit down with his officials to make sure that it was done properly, and it still was not right, it still did not fit the bill. But despite all that, despite those precautions by the minister and his department and the employees of that department, there is still a problem. And who has to pay? Who has to pay but the poor old individual along the Coast of Labrador or the poor old individual

MR. RIDEOUT: along the Baie Verte Peninsula who does not know the difference, who sat down with his separation certificate and filled out his claim for unemployment insurance benefits putting down what was in front of him -

MR. WARREN: In all honesty.

MR. RIDEOUT: - in all honesty what was given to him, and I think, Mr. Speaker, that the whole broader perspective has to be addressed.

Now, there is only just one other thing I would like to say, one other point I would like to make perhaps, and that is that it really bothers me, I really find it bothersome that the hon. gentleman, and the Minister of Fisheries (Mr. Morgan), and the Deputy Minister of Fisheries, were able to sit down and come to a consensus that a wrong had been committed and that that wrong should be righted, and that this Province, this poor, old Province scratching along as best we can with the financial burdens that are on our back, offered to try to right that wrong. I mean, this administration offered to redress that wrong, offered to pay it. But you have people in Revenue Canada with blinkers on, Mr. Speaker, that is where - I mean, this resolution, and I fully support what the hon. gentleman is saying, this resolution is not about a problem with this administration or this government, in fact, because this government and the employees and the minister have admitted that there was a mistake, not a negligent mistake, not a deliberate mistake, but a mistake, and we offered to correct that wrong. We offered to redress the wrong that was done, yet - I mean, can you believe it? - yet the people

MR. RIDEOUT: in Revenue Canada will not accept our offer to pay the \$47,000 or whatever it is, that was mistakenly paid out to fishermen, 101 fishermen along the Labrador Coast.

MR. MORGAN: Because of regulations we cannot.

MR. RIDEOUT: Because of regulations. But, I mean, like the hon. minister said in his dissertation to the House a few minutes ago, certainly goodness when somebody comes along with a big heart and admits that there was a mistake and offers to pay, there must be some way of being able to work out the transfer of money so that the debts can be wiped out and those fishermen would not be penalized.

You see, Mr. Speaker, the other problem is of a cyclical nature, because if some of those fishermen, and this happened in my district, if some of those fishermen qualified for the first time, as a result of the mistakes that were made in the documents over on the hon. gentleman's desk, they might have drawn two or three years before it was picked up, and then Revenue Canada is saying that none of this they were entitled to. So instead of a one year overpayment - I had one lady in my district who had a three year overpayment and it was up

MR. RIDEOUT: around \$9,000 or \$12,000 or something.

MR. HEARN: A new entry in the labour force.

MR. RIDEOUT: Yes, a new entrant in the labour force. And, you know, where is that individual going to get that kind of money to be able to pay off a mistake that was made that was not of her making? I would say that the whole thing is wrong, there has to be a new approach to it. And I find it very, very bothersome that when somebody goes out and offers to pay that a branch of another government cannot find some means in their regulations to accept the money and write off the debts. But having said that, I think we should not lose sight of the broader perspective and that is that the problem is relative not only to the hon. gentleman's constituency, I have had it in mine, and if we are going to set a principle and a broad perspective, then we should set something that covers everybody and I believe one of the ways of doing that is having some liability placed on the person who is deemed to be the employer, whether it is a government department, or an independent buyer, or whatever. I think that is one of the ways of handling it so that there is some liability on those people, and there is some onus on them if a mistake is made so that it is not only the individual who has to anti up the money, but the person who made the mistake has some liability also.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, first of all I want

MR. NEARY: to congratulate my colleague the member for Torngat Mountains (Mr. Warren) for bringing this matter before the people's House, before the House of Assembly, today. I am delighted, Mr. Speaker, to know that two of the hon. gentleman's constituents are sitting in the public gallery listening to the debate and that they will be able to report back to the people in Nain, and indeed other communities along the coast. Because I know news travels fast on the Coast and when these two hon. gentlemen return they will make it known that this great debate had taken place in the people's House today and that my colleague, the member for Torngat Mountains, Mr. Speaker, performed his duties well.

Mr. Speaker, I have said it before and I say it again, that I wish we had a dozen more members of this House like the hon. the member for Torngat Mountains.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker, he is a good district man. He is good for his people. I know, Mr. Speaker, from my own personal knowledge and experience with the hon. gentleman that when it comes to looking after his district nothing escapes him. He is good.

MR. NEARY:

district man, and he is good for his people, and he is doing a good job for the people of Torngat Mountains.

MR. WALSH: We know that.

MR. NEARY: I beg your pardon?

MR. WALSH: We know all of that.

MR. NEARY: You know that.

MR. WALSH: He is a wonderful man.

MR. NEARY: Mr. Speaker, all you have to do day in and day out in this House is listen to the remarks of the hon. gentleman, listen to the questions that he asks about very vital matters in his own district and indeed throughout the whole of Labrador, and you will see, Mr. Speaker, that the hon. gentleman is very humanitarian and has nothing but compassion in his heart. And he did a magnificent job today. But, Mr. Speaker, the hon. gentleman will only be a voice crying in the wilderness unless these people get justice, unless these people, Mr. Speaker, are dealt with in a fair and proper manner. I believe they will in due course. I was encouraged by what the Minister of Fisheries (Mr. Morgan) had to say, that his deputy and his officials tried to make a deal with Revenue Canada to call off the dogs, to leave the fishermen alone, to stop harassing the fishermen in Northern Labrador. Leave them alone. They were innocent.

Mr. Speaker, I can say this, in my lifetime I have had a good many experiences, I have been up and down the Coast of Labrador, I suppose, twenty times. When I was Minister of Social Services nothing, nothing in the operation of that department gave me greater pleasure than to visit Northern Labrador, and I believe, Mr. Speaker, if I am not mistaken, I believe one of the gentlemen sitting in the

MR. NEARY: gallery once took me fishing
in his motor boat.

MR. WARREN: He worked on a longliner.

MR. NEARY: He worked on a longliner.

That is right, Mr. Speaker.

Mr. Speaker, with that background and with that experience I can only say that I do not believe in my lifetime that I have met a more honest and decent people. You can say what you like about the residents of Northern Labrador, but you cannot say they are dishonest.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: They are honest people,

Mr. Speaker. They are not dishonest.

MR. WALSH: Who said they were?

MR. NEARY: Well, that is what they are saying. Mr. Speaker, they are honest people.

MR. WARREN: Revenue Canada is saying it.

MR. SIMMS: That is a terrible slight.

MR. NEARY: What is a terrible slight?

AN HON. MEMBER: Accusing the people of Labrador of being dishonest.

MR. NEARY: Mr. Speaker, the hon. gentleman is twisting things just the same as he made a mistake when he put the Gambo Overpass in Glovertown. He made a big mistake, and the hon. gentleman should be prepared to admit it, that the Overpass in Glovertown should be down in Gambo.

MR. NEARY: Can you imagine?
All you had to do was look at it and you could see it was constructed wrong, that it was designed for some other part of the Trans-Canada highway.

MR. PEACH: Are you for
Labrador (inaudible)?

MR. NEARY: No, but the
hon. gentleman is getting snarky over there as he usually is.

MR. PEACH: He is just trying
to agree with you.

MR. NEARY: He is trying to agree
with me. Okay.

MR. RIDEOUT: You are all wrong
about the overpass.

MR. NEARY: I am not wrong about
the overpass. The hon. gentlemen built the Gambo
overpass in Glovertown.

MR. RIDEOUT: Absolutely wrong.

MR. NEARY: Mr. Speaker, the
news media should dig into that one. That would be
the Newfie joke of the century.

Now, Mr. Speaker,
I want to get back to this very serious matter. These
are honest people. Now, Mr. Speaker, I am glad to hear
the Minister of Fisheries (Mr. Morgan) admit that it
was his officials who made the mistake.

MR. WARREN: Innocently.

MR. NEARY: Well, maybe. They
thought they were doing the right thing, I believe he
said. We all know what thought did, Mr. Speaker, the
hon. member for Carbonear (Mr. Peach) does it every day.
But, Mr. Speaker, the important thing is that a mistake

MR. NEARY: was made and the people of Northern Labrador were caused all kinds of inconvenience and embarrassment. And the situation to this day has not been rectified. No remedy has been taken yet to rectify the situation. My hon. colleague has a file there about three or four inches thick with correspondence, statistics and data in it where he has tried to get the matter straightened out. Now my hon. colleague says that he is going to Gander sometime in the foreseeable future to appear before the tax court of Canada. Mr. Speaker, I hope that this House will unanimously support the resolution put forward by my colleague so that he can appear before the tax court of Canada with a document in his hand to show that this House unanimously supports what he is attempting to do, and that is to get justice for the people of Northern Labrador.

Now, the Minister of Fisheries (Mr. Morgan) in his few remarks said that he had offered Revenue Canada, I believe it was \$47,000, to stop, to wipe it out, to stop the harrassment of these fishermen, of these people.

MR. WALSH: Why did they not take it?

MR. NEARY: Well, Mr. Speaker, that is a good question, 'Why did they not take it'.

MR. WALSH: (Inaudible).

MR. NEARY: No, it is a good question.

MR. NEARY: I do not know why they did not take it, I do not know why.

MR. WALSH: Basically, the offer is still open to them.

MR. NEARY: Well, if the offer is still open, I believe when my colleague here is winding up the debate, no doubt he will address himself to this point. If the offer is still there well, then, that may be one way to rectify the situation. You can never eliminate the harm and the damage that has been done to the credit of these people. You can never undo that. We can stand in this House and debate all we want. I must say that I apologize to these people for the blunder that was made. I did not hear the minister apologize and it was his officials who thought they were doing the right thing when they were doing the wrong thing. But I believe there is still room for a compromise here if it is satisfactory to the people themselves. Maybe at this point in time they want my colleague to push it to the limit. Maybe there is no way they will accept the offer of the Minister of Fisheries (Mr. Morgan), that is if it is still on the table.

MR. WALSH: Would the member permit a question?

MR. NEARY: Yes, sure.

MR. WALSH: (Inaudible) did our Department of Fisheries happen to make that offer while he was still minister (inaudible)?

MR. NEARY: Well, my hon. colleague does not know.

But, I mean, Mr. Speaker, it is much to the shame of the Department of National Revenue and to the -

MR. WARREN: I believe so.

MR. NEARY: Pardon?

MR. WARREN: I believe so.

MR. NEARY: He says he believes so, he is not sure. But if it was, I mean, so what? I say shame on them for not finding some way to stop this injustice, the injustice that was done to the people of Northern Labrador as a result of an error in judgement that was made in the provincial Department of Fisheries.

MR. MORGAN: Not at all. Let us be fair on this thing. I just told you in the debate earlier that the Unemployment Insurance Commission agreed with what we were doing down there. Do not be partisan on this issue. Come on now.

Talk to your colleague there.

MR. NEARY: Mr. Speaker, I wrote down what the hon. gentleman said. He said they thought they were doing the right thing.

MR. MORGAN: I even gave the name of the man.

MR. NEARY: He said they thought they were doing the right thing.

MR. MORGAN: I even gave the name of the man from U.I.C., Mr. Philpott. What do you want?

MR. NEARY: Mr. Speaker, if the hon. gentleman had only been sitting in his seat he would have heard me say that I was encouraged by his remarks.

MR. MORGAN: All right. I am sorry, I was not here.

MR. NEARY: No, the hon. gentleman was not here. I said I am encouraged by the hon. gentleman's remarks. And I said that he admitted that his officials thought they were doing the right thing and they were doing the wrong thing.

MR. MORGAN: They thought it was the right thing based on the information from the UIC.

MR. NEARY: I do not care what it was based on. The fact of the matter is that an injustice has been done to the people of Northern Labrador. That is the important thing. That is what we have to keep our eye on. We have to try to remedy that injustice that has been done. And it has to be done in a fair and equitable way, that is satisfactory to the people who have been affected by this injustice. And that is what my colleague is trying to do here today and will try to do in Gander when he appears before the tax court. As I started to say, Mr. Speaker, when I was interrupted, if we could only send the hon. gentleman to Gander- and I invite the members there opposite to vote for this resolution. There is no way they can vote against it, is there? I invite them to vote for it so that my colleague can leave for Gander with a document from this House to show the members of the tax court that we are unanimous in this House in trying to get this matter rectified. Now, that is a fair and reasonable request. I do not know, I did not hear anybody there opposite indicate whether the government was going to support this resolution or not. I am inviting them now to support it. It is not very often in this House, especially on a private member's resolution, because usually they are partisan or they are brought in for some ulterior motive, but there is no ulterior motive behind this one, it is a rare occasion in this House when we get an opportunity on both sides of the House to support a resolution, to give unanimous support to a private member's resolution. And I hope, Mr. Speaker, that this is one occasion, one of these rare occasions when we will unanimously support a resolution.

My hon. colleague, by the way, in order to accommodate the administration if they are not

MR. NEARY: satisfied with the wording -
I want to Government House Leader (Mr. Marshall) to listen to
this - my hon. colleague is even prepared to allow an
amendment to his resolution -

MR. SIMMS: Why do you not make it?

MR. NEARY: No, I do not want to make it,
perhaps the Government House Leader may want to make it, make
an amendment to the resolution if it will accommodate or
facilitate the administration.

MR. WARREN: See what the minister says.

MR. NEARY: And we will see what the minister
says. In the last part of the resolution, "NOW THEREFORE BE
IT RESOLVED that the provincial Department of Fisheries be
held responsible for this overpayment and reimburse Revenue
Canada".

MR. WARREN: Instead of fishermen.

MR. NEARY: Instead of the fishermen,
reimburse Revenue Canada.

MR. MORGAN: The fishermen, which is the
unfortunate part, collected that about a year ago or two years
ago and then Revenue Canada came back to the fishermen.

MR. NEARY: Well, of course.

MR. MORGAN: They had paid back.

MR. NEARY: They have not collected from
all fishermen, we understand.

MR. MORGAN: About 60 odd.

MR. NEARY: About 60 odd, right, out of
of 100 and some odd. We hope they have stopped, that they
will not pursue the matter any further.

But if that will help the
administration vote for the resolution well, then, Mr. Speaker,
we would invite the Government House Leader to make that
amendment. The Minister of Fisheries (Mr. Morgan) when he spoke,

MR. NEARY:

I believe that is what he said, or at least he indicated that that procedure could be used to get the matter straightened out. But the main thing is, Mr. Speaker, let us not procrastinate or delay any longer on this matter. It has dragged on long enough, it has caused enough pain and suffering to the people of Northern Labrador who deserve better. God only knows they are getting criticism enough these days from people who are not knowledgeable, not knowledgeable about Northern Labrador, the so-called experts, they are getting criticism enough and life is miserable enough, Mr. Speaker, because of the problems that they have. Life is bad enough. The bureaucrats are making life hard enough for these people. These are just ordinary Newfoundlanders and Labradorians who are not used to running up against this sophisticated bureaucracy.

MR. STAGG:

The mandarins.

MR. NEARY:

The mandarins, the minions.

They are not used to that, Mr. Speaker. And then to be punished by a mistake, honest people punished by a mistake made either in Confederation Building or in the Department of National Revenue.

MR. WARREN:

In Atlantic Place.

MR. NEARY:

Or in Atlantic Place, down

in a big, posh department paid for by these people, where the bureaucrats can sit there with their fancy desks and their wall to wall carpeting and look out the narrows through their Venetian blinds and have their liquor cabinets and their mahogany desks, Mr. Speaker, given to them by the hard working people, the hard working fishermen of this Province.

MR. NEARY: Mr. Speaker, these are the kind of bureaucrats. These people are not used to that, running up against sophisticated bureaucrats.

MR. SIMMS: The minister is back now, you can stop.

MR. NEARY: Mr. Speaker, if I have done nothing else in this House this Session, I hope I have persuaded and convinced the members there opposite to vote for this resolution.

MR. BAIRD: Someone mentioned you were vaccinated with a gramophone needle.

MR. NEARY: The hon. gentleman should have bought one of these seat sale tickets and gone off with his colleague to try to get out of the mess that he is in in Corner Brook, Mr. Speaker.

MR. BAIRD: Carry on!

MR. NEARY: Mr. Speaker, if they keep interrupting, of course, I will just stay here. I was just about to wind down when all of the sudden I was motivated again by interruptions from gentlemen there opposite.

So, Mr. Speaker, in the one minute I have, my colleague and I appeal, make a last ditch appeal to the administration to vote for this resolution. If they vote for the resolution and they are prepared to co-operate, as the hon. Minister of Fisheries (Mr. Morgan) indicated, and that offer is still on the table, then I am sure my colleague, the member for Torngat Mountains (Mr. Warren) will have a few suggestions when he winds up the debate on how that situation can be resolved. And let us hope, Mr. Speaker, that it will never happen to these people again.

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

MR. MARSHALL: Mr. Speaker, we can very much sympathize with the plight that the fishermen of Main have found themselves in. But I am not going to do it by way of getting into a partisan debate with the hon. gentleman. Now, the hon. the member for Torngat Mountains made a very responsible speech, did he not?

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: He got up and he expressed the concerns of his constituents in a reasonable way. He explained what happened and he was not partisan like the hon. the Leader of the Opposition (Mr. Neary), his predecessor, was - his predecessor will be or his future predecessor.

MR. STAGG: His successor.

MR. MARSHALL: His successor, I am sorry. The other way around. His successor will be. That is it. And he has gone now, see. He could not take it.

But one or two things he did not respond to fully. I mean, this situation arose as a result of an error and errors occur. And what happened and the reason why it has not been remedied to date is because of bureaucratic red tape that you find in every government, that you find in even greater measure with the federal government, as we know. I mean, it has to be. They are 2,000 miles away and God help anyone who has to deal with them from down here. And we see it time and time again with respect to the unemployment insurance.

Now, as the hon. gentlemen know, what happened was there was an overpayment that occurred. And this Province attempted to see what possibly could be done to unravel the situation and approached the unemployment insurance department with respect to it. It even, I believe, offered to pay it back at the particular time. So, what happened? They will not take anything from Newfoundland, even money. That could not be. No, that was not good enough. That was not, no. 'You cannot pay it back, Government of Newfoundland,

MR. MARSHALL:

no sir. The

fishermen in Nain have to pay it back.' They is what
they said. So therefore what they did was they dunned the
poor fishermen in Nain

MR. MARSHALL: and forced them to do it. Now the hon. gentleman also, very fairly, got up and I heard him mention the fact that he wrote the MP for the district, the hon. Mr. Rompkey, and, believe it or not, Mr. Rompkey did not even respond to the hon. gentleman, I understand. I do not know what happens in the Liberal Party but that certainly does not happen in the Conservative Party. We have a great liaison with our members. If they do not get on it themselves, we get on it with them.

Mr. Speaker, I think it is an example of the callousness that has occurred both on the bureaucratic level of the federal government and both in the way in which -

MR. WARREN: Both governments.

MR. MARSHALL: No, not both governments at all. This government did what it could to try to rectify the situation. As the hon. gentleman will see we are very sensitive to his resolution and we are going to see what further we can do to get it resolved. Because we are determined, with the hon. member, that we are going to resolve it. But let it be known that the reason why all of this has occurred is twofold. On the one hand it has been the bureaucratic red tape of the federal government. Still people wonder why we want certain controls of our destiny when we cannot even get something like this resolved. And on the other side, let it not be forgotten, it has to be consummate callousness on the part of the federal representative of the area who does not even bother to reply to concerns of his constituents in Nain and blatantly ignores a reasonable letter and a reasonable position put up by his provincial colleague,

MR. MARSHALL: the member for
Torngat Mountains (Mr. Warren).

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: So that is the
situation and let us not forget what the reason is.
The federal government did not want to take the money
from the Province of Newfoundland. They preferred
to dun the people of Nain and extract it from the
poor fishermen up in Nain. It is
just like everything we do. I mean, even in the
offshore, for instance, in the South Hibernia incident,
where we offered to drill on a reasonable basis, that
Petro-Canada were very anxious to take up, but Mr.
Chretien would not take it up; Mr. Chretien says,
'No, you go ahead and you do it'. So it is the
federal government. That particular offer was one
that we normally would not want to make to anybody
but we did it just as a try on. And I got the
impression, as I told Mr. William Hopper when he
expressed his deep regret at the way in which the
federal government was running roughshod over the
Province of Newfoundland in that matter, I pointed
out to him that I get the feeling that if the Newfoundland
Government offered to Pierre Elliot Trudeau something
that they would never get when there is a bit of red
blood running in our bones, our unconditional surrender,
that he would not

MR. MARSHALL:

even accept that.

And this is an example of it. Look, here you actually have fishermen in Nain who, through no fault of their own, were overpaid unemployment insurance. The Government of this Province responds with all sensitivity to them and the hon. member is nodding-and says, 'We will look after it', and the federal government says, 'No, that is not the way it is to be done. We insist that the people of Nain pay it out of their own back pockets'. It is ridiculous!

So, what are we going

to do, Mr. Speaker? The hon. gentleman, when he put this motion, I am sure that he did not write it all. He wrote the WHEREASES. They are fine. But he got down and the last bit was uncharacteristic of him because it was very, very partisan and it did not reflect the facts, it did not reflect what he said. I am sure the Leader of the Opposition (Mr. Neary) or some other mole over there got into it because they are not the words of the hon. gentleman and it is not in accord with the way that the hon. gentleman spoke. The hon. gentleman spoke in measured terms. Yet his resolution, "BE IT RESOLVED THAT". Well, that is all right. We will accept the "BE IT RESOLVED THAT". We can accept that if the hon. gentlemen will agree. "That the provincial Department of Fisheries be held responsible" - not on your life, Mr. Speaker - "for this overpayment and reimburse the fishermen accordingly". The people who are responsible are the callous bureaucrats 2,000 miles away from here who try to control every bit of livelihood in this Province including the poor little fishermen up in Nain who deserve much

MR. MARSHALL:

better treatment.

So, what I am going

to propose is an amendment and a sensible amendment.

The Minister of Fisheries (Mr. Morgan) when he responded indicated the government's concern with respect to this matter. I think that this amendment, which is moved by me and seconded by the hon. the Minister for Rural, Agricultural and Northern Development (Mr. Goudie), the minister for Labrador. Now there is a minister from Labrador, Mr. Speaker, who looks after their interests.

SOME HON. MEMBERS:

Hear, hear!

MR. MARSHALL:

Our minister for Labrador

would not have a letter in his possession for one year from the fishermen of Nain complaining about their deductions from their unemployment insurance or deductions from anything and not look after it. So the hon. minister seconds this motion. And I move that all words after 'that' in the resolution be deleted and replaced with the following: "That the provincial Department of Fisheries hold further discussions with federal government authorities concerned in an effort to resolve this matter to the satisfaction of the people concerned."

SOME HON. MEMBERS:

Hear, hear!

MR. MARSHALL:

Now, the hon. gentleman

concurr with that, the hon. gentleman for Torngat Mountains (Mr. Warren), and I would have asked him to second it but he had already spoken in the debate, so you cannot second it twice. So, you know, this is an example of, as I say, that the government is prepared to vote for the amendment. The Minister of Fisheries is prepared to pursue this, the minister for Labrador is prepared to pursue it, indeed the whole government is. But let this not be forgotten when we

MR. MARSHALL: pass this resolution as amended, Mr. Speaker, as it shall be put to the House before six o'clock this afternoon, that this is a monumental example of the callousness of the federal government, its ineffectiveness in dealing with local issues, an example of why it is necessary to have a provincial government to be able to look after the affairs of the people of the province rather than a government from 2,000 miles away. It is also an example, Mr. Speaker, of the consummate lack of representation, callousness and lack of concern of the federal Member of Parliament for the area who was then a minister in the Cabinet who refused to respond to the problems of his constituents in Nain and who blatantly disregards a reasonable representation made by his colleague in the House of Assembly thereby forcing his colleague to the embarrassment, really, in a way, of having to bring it before this Assembly. It should never have had to be brought to this Assembly. It should never have gotten so far. But, Mr. Speaker, that it has. I congratulate the member for bringing the concerns of his constituents to the House of Assembly. I know I am associated in this with the Minister of Fisheries (Mr. Morgan), who will pursue with all dispatch an enquiry to see if we can get unravelled this very unfortunate situation.

So, with those words I put the amendment to the resolution, Mr. Speaker. I had better cut it off because I had some choice comments that I would not want Your Honour in his position to see. So we will see the top part of it not the bottom part.

MR. SPEAKER (Aylward):

Order, please!

I rule that the amendment is in order.

MR. SPEAKER (AYLWARD): The hon. the member for Torngat Mountains. If the hon. member speaks now he will close the debate.

MR. WARREN: Thank you, Mr. Speaker. I do say that I am also in agreement with the amendment. It still does not take the provincial Department of Fisheries off the hook because it was the provincial Department of Fisheries that gave the wrong information to the fishermen. We all know that. It was the provincial Department of Fisheries that gave the wrong information to the fishermen.

Now, Mr. Speaker, the hon. House Leader (Mr. Marshall) said that it was an embarrassment to me to bring this to the hon. House. Let me advise the hon. members over there that anything that I do for the constituents of Torngat Mountains is no embarrassment. Anything that I can do to help the residents of my district is no embarrassment to me. And if I can get this government to realize that those people up there on the Labrador coast have real needs - whatever side you are on, whether you are a Conservative or a Liberal - that they are part of the Province of Newfoundland and Labrador and they deserve services from the federal government as well as from the provincial government.

I am ashamed to say that the federal government would not accept, as the Minister of Fisheries (Mr. Morgan) explained, the Minister of Fisheries' offer to pay back the \$47,000 to Revenue Canada. 'We will pay you the \$47,000. Leave the fishermen alone'. But the federal government in Ottawa did not see fit to accept that offer from the Minister of Fisheries' officials. I think that is a disgrace.

MR. WARREN: And I believe,
Mr. Speaker - I have said it time and time again -
that if that is the way the federal government in
Ottawa are going to treat my constituents, then I
think it is time for the people to throw them out.

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: Mr. Speaker, I stand
by my convictions that, regardless who the government
is, that if government does not do justice to the people
then it is time to get rid of them. I say the same
thing for this government today. I believe it is time
to get rid of this government because this government
is also not doing credit to the people of this Province.
So, Mr. Speaker, the Minister of Fisheries (Mr. Morgan)
has made an offer to me and I advise him now
that when I get the final request from the tax court
of Canada to appear on behalf of those fishermen, when
I am told what time to be in Gander, I shall be notifying
the Minister of Fisheries asking him or his representatives,
as he said he would, to appear with me before the tax court
of Canada in Gander and let us fight this to the hilt and
give the fishermen of Northern Labrador the opportunity
of seeing justice being done.

Now, I have to come
back to this one. The House Leader (Mr. Marshall) said
that the minister from Labrador - the Labrador minister he
called him - he said that is one thing he would not have
letters not answered. Now I have letters up in my
office for six months that the minister has not answered
yet. So, Mr. Speaker, I remember a letter written to
the minister two and a half months ago and he has not
responded to it yet. So, Mr. Speaker, let us give credit

MR. WARREN: where credit is due.

All ministers are lackadaisical in responding to requests. I should not say all ministers. There is one thing I must say about the Minister of Fisheries (Mr. Morgan), that he always responds to my requests. Every letter that I write to him, within ten days or twelve days the Minister of Fisheries responds-but sometimes in a very nasty manner, I might add.

MR. WALSH: Did you ask Mr. Rompkey to attend the hearing in Gander?

MR. WARREN: Mr. Speaker, in response to the hon. member for Menihek (Mr. Walsh), the next opportunity I get to write the federal representative for Labrador I will definitely be advising him likewise that I would appreciate any representation that he could make on behalf of the 101 fishermen, who represent, I would think, maybe 300 voters, by the way. And not only are they my voters but they are his voters as well.

Mr. Speaker, I believe that the federal government

MR. WARREN: should recognize the fact that this House today has passed a resolution, that we are not going to give up. We see that an injustice has been done. So likewise, Mr. Speaker, if we can all get together, I invite all forty-two of us to appear in Gander before the tax court. Why do we not? You know, the Minister of Fisheries (Mr. Morgan) said he will come along. The hon. member for Baie Verte-White Bay (Mr. Rideout) said in his speech that an injustice has been done. The hon. House Leader (Mr. Marshall) said that he knows an injustice has been done. In fact, once the by-election is over in Terra Nova and we have another seat down here, then I am sure the eight of us will all go to Gander and fight this to the hilt.

So, with those few remarks, Mr. Speaker, I close the debate. I thank the members opposite for the support that they gave me on this resolution. And I might add, Mr. Speaker, that since I came into the House of Assembly this is the second resolution that we have debated which has special significance for Labrador. I believe that we all remember the first one. It was the famous air ambulance programme that we voted on and we got the air ambulance programme for Labrador. And here we have another resolution, Mr. Speaker, that concerns Labrador and, again, we have the sympathy of this government. I must say one thing, Mr. Speaker, that for some reason this government is paying more attention to my requests and my concerns than they pay to the Labrador minister's. They are paying more attention to my requests and my concerns for Labrador than they are paying to the Labrador minister's who cannot get a chronic care facility for North West River.

MR. WARREN: So, Mr. Speaker, with these few remarks I say that I thank the hon. members and let us hope that we can twist the arms of the Revenue Canada officials up in Ottawa and ask them to accept the \$47,000 from the provincial Department of Fisheries. Although we are going bankrupt, I do not think the cheque is rubber yet anyhow. But at least accept the \$47,000 from the provincial Department of Fisheries and let us go and reimburse the fishermen who have paid it back. And those who have not paid it back, let us hope that they will not be penalized any longer. Thank you very much.

SOME HON. MEMBERS:

Hear, hear!

carried.

On motion, amendment

as amended carried.

On motion, resolution

MR. SPEAKER (RUSSELL):

The hon. President

of the Council.

MR. MARSHALL:

Mr. Speaker, with the

consent of the House, it is twenty-five to five and, as is customary on Private Members' Day when we get to this stage, perhaps we could call it six o'clock.

MR. SPEAKER:

Is it agreed to call

it six o'clock?

SOME HON. MEMBERS:

Agreed.

MR. SPEAKER:

It being Private Members'

Day, I do now leave the Chair until three o'clock tomorrow Thursday.