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PRELIMINARY
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TRANSCRIPT

HOUSE OF ASSEMBLY

FOR THE PERIOD:

3:00 P.M. - 6:00 P.M.

WEDNESDAY, NOVEMBER 9, 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.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, I am pleased to announce today the establishment of the Economic Council of Newfoundland and Labrador. The purpose of the Council is to provide Government with an independent and responsible view of the major economic and social issues which confront the Province. The Council is also charged with advising the Government on policies and strategies in these areas, and will encourage informed public appreciation and debate of those same economic and social issues.

An economic advisory council was established briefly in 1978, and this Government has since given serious consideration to an appropriate mechanism to achieve effective citizen participation in the development process of the Province.

Some time ago, I advanced a proposal within Government to establish a Public Policy Council of Newfoundland. The main aim of this council was to generate a more informed level of public debate. This proposal underwent considerable discussion and it was decided that advice be solicited on the detailed aspects of the councils' mandate and of its establishment and operation.

Consequently, the Minister of Development (Mr. Windsor) proceeded to consult with the community at large to seek its views on the role and function of an Economic Council of Newfoundland. Meetings were organized to gather a cross-section of opinion from Labrador City, Stephenville, Corner Brook,

PREMIER PECKFORD: Grand Falls, Gander and St. John's. Further the Corner Brook Chamber of Commerce, the St. John's Board of Trade and the Newfoundland Branch of the Canadian Manufacturers' Association and others, communicated their ideas and concerns regarding the formation of an Economic Council.

This Province-wide input was instrumental in the preparation of legislation to establish an Economic Council of Newfoundland and Labrador. On May 31 of this year, An Act to Establish an Economic Council for the Province was given royal assent.

It was, therefore, through the mutual co-operation of Government and the Private Sector that the organization of the Economic Council of Newfoundland and Labrador, as it is now constituted, was developed.

The Economic Council of Newfoundland and Labrador consists of a chairman and fourteen other members appointed by Cabinet. The criteria for membership included knowledge and qualifications in a particular endeavour which would be of benefit to the Economic Council. As well, the Government has gone to

PREMIER PECKFORD:

great lengths to ensure that members are representative of the population of the Province.

The Chairman of the Council will hold office for five years with members participating for a term of generally three.

The Economic Council of Newfoundland and Labrador will relate directly to Cabinet and provide advice and recommendations. The Council will also respond to requests from Cabinet for commentary, evaluations and advice on pertinent subjects and shall conduct studies, inquiries and other undertakings as may be necessary with respect to major economic and social issues within the Province.

To facilitate the set-up of the Economic Council of Newfoundland and Labrador, the Government will provide financial backing. It must be stressed, however, that even though Government will provide funding, the Council will be an independent advisory body with membership from the private sector and not from government. It is hoped in the future that an Economic Council Trust Fund will be set up to further guarantee the independence of the Council.

The Council will communicate frequently with the Cabinet through the Minister of Development in order to mutually identify important matters of current interest and report through the Minister on its findings and recommendations. The Economic Council will consult with individuals and organizations in all sectors of the Province. The Council will discuss and plan its own functions and activities, within the broad terms of the

PREMIER PECKFORD: legislation, set its goals and objectives and determine how best to achieve them. The Council will gather and analyze information and cause to be published such studies and reports as are prepared either by or for the Council, and engage in other activities to enforce and encourage further debate and response.

The Economic Council of Newfoundland and Labrador will meet with Cabinet at least once a year and at that time advise and recommend actions on various concerns that will have been identified.

Some possible areas of involvement for the Economic Council might include, for example, the study of problems and prospects relative to resource based industries such as forestry and mining, specifically iron ore, an analysis of minimum wage legislation, the allocation of Government funding to Resource versus social programs. Other areas of concentration could include an analysis of entry levels in the Inshore ground-fishery, the evaluation of Provincial/Municipal grant programs and the investigation of Regional Infrastructure programs.

Mr. Speaker, at this time it is my great pleasure to introduce the names of the Chairman and members of the Economic Council of Newfoundland and Labrador as appointed by Cabinet.

The First Chairman of the Economic Council of Newfoundland and Labrador will be Mr. Harold Lundrigan, of Corner Brook, a well-known businessman.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: The fourteen members of the Council include: Mr. Anthony Brait, St. John's, Mr. William Bennett, Gander, Mr. Joseph Butler, St. John's, Ms Frances Nichols, Grand Falls, Mr. Alec Moores, Harbour Grace, Mr. Christopher Collingwood, St. John's, Mr. John Carson, Grand Falls, Mr. Peter Outerbridge, St. John's, Mr. Harry Robinson, Baie Verte, Mr. William Wiscombe, Marystown, Mr. Harold Snyder, St. John's, Mr. Roger Pike, Stephenville, Mr. Gonzo Gillingham, Bishop's Falls, Mr. Alex Snow, Labrador City.

Mr. Speaker, I am sure the entire House will join me in expressing our appreciation that this group of people

PREMIER PECKFORD:

have shown their commitment to the Province by agreeing to become members of the Economic Council. The Chairman and the members of the new council will be assuming their duties immediately. The Economic Council of Newfoundland and Labrador is a necessary organization if the present and future needs of the Province are to be given the fullest examination and discussion. Perhaps the greatest natural resource we have in the Province today is our people, and we are sure that this inaugural Economic Council of Newfoundland and Labrador is made up of people with the high level of knowledge, wisdom and experience that will guarantee its success.

SOME HON. MEMBERS:

Hear, hear!

MR. NEARY:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. the Leader of the Opposition.

MR. NEARY:

Mr. Speaker, first of all let me say that we welcome this measure on the part of the administration, but we have to hasten to point out that it is no substitute for government. We can understand, Mr. Speaker, given the track record of this administration, why we need an Economic Development Council in this Province.

Now, Mr. Speaker, we note with great pride on this side of the House, that the new Chairman of the corporation is an outstanding businessman in this Province, an outstanding Newfoundlander and an appointment that we applaud wholeheartedly, Mr. Speaker. The Lundrigans have made a major contribution to the development of this Province even though, Mr. Speaker, at one point they were much maligned by the same administration - the hon. gentleman is now nodding his approval - much maligned by a Tory administration. So we are glad, Mr. Speaker, to see that they have overcome that silly childishness

MR. NEARY: and that they have now recognized the ability and the qualifications of these gentlemen and I am sure that Mr. Harold Lundrigan, Mr. Speaker, will do a good job as the head of that council. And there are many excellent choices on that council, Mr. Speaker, as I heard the Premier give their names out and read them in the report.

Now, Mr. Speaker, if this council is going to be a success, then it has to be left alone. It has to be left alone and, Mr. Speaker, the reports, letters, proposals, documents, the administration have to be prepared to table all information in connection with this council in this House and not try to conceal or hide anything from the House. So it has to be left alone, that is number one. And it has to be given authority, Mr. Speaker. The Premier indicated in his statement that there would be some funding for this council. I believe the Board of Trade were very concerned about that initially, that they would not get sufficient funding to carry out their duties, to carry out their work and the fact that funding comes from government would be held over their heads. Now, I cannot think of any other place the funding would come from, but I think it should be placed in a trust so that the members of the council will feel completely free and independent of government, so that they can carry out their duties without any interference. So as I said, Mr. Speaker, I hope it is not an escape hatch for the administration, I hope they will not now lay back and leave everything in connection with economic development, the development of our natural resources, the development of new business and industry in this Province, I hope they will not just lay back and expect this council or this corporation to perform miracles, Mr. Speaker.

So we welcome it but, as I indicated in my opening remarks, it is no substitute for

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MR. NEARY: government, Mr. Speaker,
and on this side of the House we wish to express our
congratulations

MR. NEARY:

to those who accepted nomination and we wish them well in their deliberations.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Russell):

Are there any other Ministerial Statements?

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, I have an additional statement I should like to make. On Monday, November 7, 1983, it was announced that the International Centre for Ocean Development, a Federal Government sponsored Centre to provide training and assistance to developing countries to allow them to derive greater benefit from ocean resources, was to be located in Halifax. The proposal to form such a centre was first announced by the Prime Minister Trudeau at the 1981 Commonwealth Games in Australia. The recommendations on structure, organization and location of the International Centre for Ocean Development were to be co-ordinated by the Canadian International Development Agency (CIDA) for review by the Federal Government, the Federal Cabinet.

Early in the Summer of 1982, the next year, the Province wrote the President of CIDA expressing our support for such a Centre and requesting that Newfoundland be considered as a location for the Centre. Newfoundland was assured by CIDA that consultants hired to study the International Centre for Ocean Development proposal would visit the Province so that the merits of locating the Centre in Newfoundland could be evaluated.

After seven months and several letters of inquiry to CIDA it was discovered that the consultants were not planning to visit Newfoundland and also that CIDA had not informed its consultants of Newfoundland's interest in hosting the proposed Centre, even though they had assured us.

PREMIER PECKFORD: The consultants were subsequently persuaded to make a hasty visit to St. John's which turned out to be totally inadequate to evaluate fully all the facilities and expertise in marine activity which Newfoundland could offer to the International Centre for Ocean Development. As the consultants had spent a good deal of time in Nova Scotia, it looked as if a Halifax-Dartmouth site for the Centre was being favoured.

The Government of Newfoundland and Labrador, in conjunction with Memorial University, prepared a comprehensive submission which outlined all major facilities and expertise in marine-oriented activity existing in the Province. Copies were sent to the Consultants, to CIDA, and to the Federal Cabinet ministers concerned in this area - four or five letters

PREMIER PECKFORD: went to the various senior Cabinet Ministers in the Federal Government. Again, Newfoundland was assured that its interests would be taken into account before recommendations were made to Cabinet.

The consultants' preliminary report was released in July 1983. Although it made no mention of where the Centre should be sited, unconfirmed reports indicated that the federal inter-departmental committee were recommending that the Centre be located in Ottawa, at least initially, until the mandate for the facility had been finalized. In response to our request for confirmation of this decision, we were assured no decision had been made and that Newfoundland was one of the areas being considered as the location for the Centre.

As recently as September of this year I again raised this issue with the hon. Donald Johnston, who suggested that I write once more to the Minister of External Affairs, which I did, of course, the third or fourth letter I had written him on the matter, the hon. Allan MacEachen, emphasizing the real advantages of locating the Centre in Newfoundland.

It was with great disappointment that I heard the announcement this week that the Federal Government had decided to locate the Centre in Halifax,

I still maintain that the Province of Newfoundland is the best location for International Centre for Ocean Development. We have a long standing tradition with the sea and the fisheries and a wide range of marine expertise, agencies and facilities. We have the Newfoundland Institute of Fisheries and Marine Technology, a brand new facility now being built, going to cost over \$40 million; the Arctic Vessel and Marine Research Institute by the National Research Council which is going to cost - I forget what the number on that is now, I think that is somewhere

PREMIER PECKFORD: close to the Fisheries College around \$40 million - that is \$80 million - which is now well under way on the campus of Memorial University; NORDCO, which we helped fund with the Federal Government earlier on which is sort of an applied science arm into marine technology and which is now operating on its own and paying its way; C-CORE, which is a pure science research group at the university; the North-West Atlantic Fisheries Centre; the Department of Environment New Ice Surveillance Research Programme, just to name a few of the agencies and organizations we have in the Province and which have, I guess, succeeded in establishing the Province as a world renowned "centre of excellence" in the area of marine development. I do not think anybody argues that.

I am concerned that the significant contributions the Province could make to the International Centre for Ocean Development were not given full and adequate consideration by the Federal Government. We were very shabbily treated. We were not even going to be visited. Then, after we got on to them, when they did visit they only came for a few hours and left again, after repeated requests by members in the Intergovernmental Affairs Division of the government and myself personally. The lack of any representative from the Province in the Federal Cabinet - someone to promote and speak out forcefully in the interests of Newfoundland during these deliberations, was, I am sure, a factor in the outcome as well. No doubt the Minister of External Affairs, the Hon. Allan MacEachen, who made the announcement, and the Minister of State responsible for International Trade, the Hon. Gerald Regan, spoke strongly on behalf of Nova Scotia, and I am confident they were instrumental in the decision to locate the Centre in Halifax.

So, Mr. Speaker, on behalf of

PREMIER PECKFORD: government I wish to express our extreme disappointment and deep concern with the way in which Newfoundland has been treated in the establishment of this Ocean Centre given the facilities we now have and the prominent place we do play in the world community and the scientific community as it relates to marine ocean research.

SOME HON. MEMBERS: Hear, hear.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I indicated I believe it was at the opening of the Thirty-Eighth General Assembly of this House, that when the government and the administration made a point we would examine that point - and I must say we have not had much time, by the way, because both of these statements were only passed to me a few moments ago - and we said at that time that we would applaud the administration when they made a very valid point and we would criticize them

MR. NEARY: when criticism was due. Now, it seems to me from what the hon. gentleman said that he does have a valid point and we think, without knowing all the facts, Mr. Speaker, because this is the first members on this side of the House heard about the announcement to locate the international center for ocean development in Halifax, it is the first that we heard of it, today, but taking the Premier at this word, at face value, we agree, Mr. Speaker, that that was not very good treatment, not a very good way for CIDA to treat the government of this Province.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Now, having said that, Mr. Speaker, I have to add this, that we are very concerned on this side of the House about the way this government is being treated, especially the Premier, by companies like Bowaters, Iron Ore Company of Canada and by the fish plant operators in this Province. Now, hon. members will recall that in the case of Bowaters that are negotiating with a phantom company to give them half of the timber resources of this Province, they will not even tell the Premier who they are negotiating with. I think that is shameful. I am amazed that the Premier did not come in with a statement, similar to the one he just read, condemning Bowaters for not giving him, the Premier of this Province, information regarding the negotiations, because after all, Mr. Speaker, this is the gentleman who says, agrees, and has been for the last several years, that we should own our resources. And here is a situation where a company thumbs their noses at the Premier and the government of this Province, just the same as CIDA is doing. We do not like that kind of treatment, Mr. Speaker, and I feel that it is due in no small measure, as the

MR. NEARY: hon. gentleman indicated, to the fact that we do not have a strong voice in the Government of Canada.

MR. ROBERTS: We do not have any.

MR. NEARY: We do not have any voice in the government. I was one of the first to wire the Prime Minister -

MR. MORGAN: After the next election we will have one though.

MR. NEARY: Mr. Speaker, let me say this to hon. gentlemen, that on this side of the House, Mr. Speaker, we are not consulted and neither do we volunteer our opinion to the Government of Canada on these matters. I want to make that abundantly clear, because hon. gentlemen have a tendency once in a while to give Ottawa a flick thinking they are flicking us. Mr. Speaker, ~~we have~~ in this particular case we have no sympathy at all for the federal agency that would treat the Province the way that it did. It is not very good treatment. But as I indicated, we are also concerned about other companies, the way they treat this Province. Indeed, Mr. Speaker, we are on the sea here, we are right out in the middle of the North Atlantic, and we can make -

MR. ROBERTS: The Premier is frequently at sea.

MR. NEARY: I know the Premier is frequently at sea, but we can make a significant contribution to marine development, especially in the offshore resources. So not having the information at my fingertips at the moment, subject to information that may change my mind, I have to agree with the hon.

MR. NEARY: gentleman, Mr. Speaker, and I want it to be noted on the public record that we on this side of the House are not at all happy about the -

MR. SIMMS: That is an unusual task.

MR. NEARY: No, it is not unusual. I said, Mr. Speaker, that we would co-operate with the government whenever it was necessary, when it was in the best interest of the people of this Province. Yesterday we showed how co-operative we can be when we agreed to push it through, even though the Tories up in Ottawa are saying, no, they are not going to allow the bill to go through on restructuring,

MR. ROBERTS: What? Are they holding it up?

MR. NEARY: They are holding it up.

DR. COLLINS: No, the Liberals are doing that.

MR. NEARY: No, the Liberals are not. As I said, we intend to accommodate the administration and the House in getting speedy passage of that bill and by Monday it should be through. By that time, they may not have even started the debate up in Ottawa.

MR. NEARY: Mr. Speaker, we will do more when it is warranted, but we can also understand the frustrations of federal corporations and agencies of the federal government in dealing with this administration. That does not change our view on the fact that the Premier is a poor negotiator.

MR. SPEAKER (Russell): Order, please!

ORAL QUESTIONS

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, in the absence of the Minister of Energy (Mr. Marshall) I would like to direct a question to the hon. the Premier. I would like to ask him in view of the fact that there is a stand-off between the federal government and the provincial government on the offshore resources, would the hon. gentleman care to indicate to the House who gets accident reports or reports on unusual incidents that occur offshore? Are these reports made to COGLA, are they made to the Petroleum Directorate or are they made to both provincial and federal agencies?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: To the best of my knowledge they are made to both groups.

MR. NEARY: Mr. Speaker.

MR. SPEAKER: Before I recognize the hon. the Leader of the Opposition (Mr. Neary), I do not have much information but I understand there are a number of students and their teachers in the galleries from Eastport and certainly on behalf of all the hon. members I would like to welcome you here today.

SOME HON. MEMBERS: Hear, hear!

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

MR. NEARY: I think Your Honour should have added that these students and teachers are from the Terra Nova district.

Now, Mr. Speaker, a supplementary to the hon. gentleman. Now that the hon. gentleman has told us that reports are made to the Petroleum Directorate, which is a provincial agency, would the hon. gentleman tell the House if he has any knowledge of a certain event that happened recently offshore involving a supply vessel ramming one of the columns on a rig in fifteen foot waves that caused the captain to be fired? Does the hon. gentleman have any knowledge of that incident?

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

PREMIER PECKFORD: I do not have any personal knowledge of it, Mr. Speaker, but I will undertake to find out. The Minister of Energy (Mr. Marshall) is in Calgary today as a matter of fact, but I will find out for the hon. the Leader of the Opposition (Mr. Neary).

MR. NEARY: Mr. Speaker.

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

MR. NEARY: The captain I was referring to was the captain of the service vessel, not the rig.

Now, Mr. Speaker, would the hon. gentleman tell the House if the matter of who is in charge of these rigs, whether it is the captain or the toolpusher, has that problem been resolved?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: I cannot answer that question specifically, I will undertake to get the information for the Leader of the Opposition. I know this past year there have been—I do not know how many meetings — innumerable meetings between the Petroleum Directorate and COGLA and

PREMIER PECKFORD: the companies on this whole question of lines of authority on both the ships and the rigs, the rigs in particular because the rigs are where the real problem occurs. So to the best of my understanding there has been a system put in place where the lines of authority are much improved over what they were on the night that the Ocean Ranger went down, for example.

MR. ROBERTS: We hope so.

PREMIER PECKFORD: What?

MR. ROBERTS: I do not disagree. I am just saying that we all hope so.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: The premier is going to undertake to get that information for the House.

Now, Mr. Speaker, let me ask the hon. gentleman a supplementary in connection with safety offshore and drilling offshore. Would the hon. gentleman indicate to the House if to his knowledge the problem of launching lifeboats in stormy weather is realistic? The last

MR. NEARY: report that we heard from I think a witness testifying at the Ocean Ranger Commission of Enquiry, a very knowledgeable person in the field, said that it is virtually impossible to launch a lifeboat from these rigs in severe Winter storms. Now would the hon. gentleman tell us if that problem has been resolved?

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

PREMIER PECKFORD: Well, that is one person's opinion that the hon. Leader of the Opposition (Mr. Neary) is quoting. So whether that is a categoric, valid statement in what size sea, what kind of lifeboats, I mean, because the Leader of the Opposition quotes something does not make it gospel. All I can say is that additional research has been ongoing for the last year or so as it relates to both the question of lines of authority around exploration rigs, as well as lifeboat launching in rough seas, as well as a host of other safety, especially safety measures that are needed offshore on these rigs. Especially in that period of time which seems to be the most turbulent from all the history of the meteorological records, from somewhere around between January and March, because that is when you usually have that weather window or turbulent storms, there is no, I think stating the obvious again, perfect system of lifeboat launching in rough seasons from an exploration oil rig. There is no perfect system, no total guarantee.

MR. ROBERTS: Nor is there from the ship.

PREMIER: Nor is there on the ship, exactly. But, you know, improvements have been made and are being made aboard all of the rigs that are off here.

It is a constant source of trouble for the government and for the Minister of Energy (Mr. Marshall) in the approach - and I say this quite without malice or without emotion, I am just trying to describe the situation - the way in

PREMIER PECKFORD: which the Minister of Energy (Jean Chretien) in Ottawa treats the matter as opposed to the way we treat it or the two governments treat it, as reflected through COGLA and through the Petroleum Directorate. They are far more lax and trust the companies more than we do. And we are now, for example, engaged over the last couple of months, especially in the last few weeks - and the minister responsible for Energy (Mr. Marshall) has made a statement publicly on this - in discussions with all parties to try to figure out, to see if we can work out some regime for this January to March period of time in this turbulent area, We have not finalized discussions there but they will be completed in the next week or two.

But on the specific question asked by the Leader of the Opposition (Mr. Neary), I can only inform him from the best of my knowledge that there have been improvements made to the lifeboat system on oil rigs that are exploring, but obviously there is a long way to go yet before we are at a place that everybody is going to be happy with the system used.

One of the more flamboyant or more dramatic ideas for improvement to lifeboat safety has been this one where you almost shoot the lifeboat from the deck, shoot it right off and it goes off so far, I forget how many metres, 100 metres or whatever -

MR. ROBERTS: What would be the impact of the lifeboat on the water?

PREMIER PECKFORD: - with a specially designed lifeboat. I have seen some of them, they are now under study in Norway. But for all the latest work done on it, there is no practical application that they are comfortable with yet and that the licencing authorities will approve. So there is a lot more work to be done there. There have been improvements but there is still a long ways to go.

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

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

MR. NEARY: Would the hon. gentleman
indicate to the House what position his administration
is taking on Winter drilling in these negotiations?
What position? Do they agree or disagree that Winter
drilling should go ahead between January and March,
Mr. Speaker? What is the position of the administration?

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: We are in the process of
finalizing that now, Mr. Speaker, as I mentioned in answer
to the previous question and we are into very intensive and
extensive meetings with COGLA, with the companies and
everybody concerned about it. Suffice it to say at this
point in time it seems to us that we are being the stricter
of the two levels of government when it comes to this whole
question of Winter drilling, especially from January to
March. I do not think I am overstating the situation at
all: We are taking a stronger safety approach to the
situation than we see reflected in the meetings that we
are having with COGLA and other representatives of the
federal government and the companies. And so it is because
of that difference in our approach to it that the meetings
have not yet been finalized so that we can say we have
had successful meetings and here is what is going to
happen because there is this divergence of view on it.
Hopefully we will be in a position in the next couple
of weeks, before the House closes, to give a definitive
position on it to the Leader of the Opposition and to

PREMIER PECKFORD: the people of the Province.

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

MR. NEARY: I hope so, Mr. Speaker, before the Winter season is upon us.

Now, Mr. Speaker, a new question. I was talking to the 40 students from Eastport, in Terra Nova district earlier today down in my office, and their teachers, and they are interested in knowing of course when the by-election is going to be held in Terra Nova. Could the hon. gentleman enlighten the House when we can expect the people of Terra Nova to once again have representation in this House?

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Well, Mr. Speaker, I do not know any of the students who are in Grade XII, are, in the reorganized high school programme -

MR. NEARY: No, they are not.

PREMIER PECKFORD: - but we have introduced some new courses through the Department of Education into the school programme which are intended to provide a greater amount of information to our young people before they graduate from high school on the political process, the British Parliamentary system of government and so on, and whether they have already taken that course or not I am not sure and I cannot ask them right here and now, the rules of the House do not permit me to. All I want to say, Mr. Speaker, is that under that system a leader of the government has decisions to make relating to when an election is going to be called and when a by-election is going to be called. I am sure the students behind me appreciate that when you are into a political process

PREMIER PECKFORD: like we are, that the Prime
Minister or the Premier or the leader of the government
at that time would not, for strategic reasons and
tactical reasons, wish to show his or her hand before
the by-election or election is actually called. So
in the truest

PREMIER PECKFORD: form of British parliamentary democracy in government, I will only say that when I have made up my mind I will be informing immediately all those concerned, including the people of this Province.

MR. WARREN: Mr. Speaker.

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

MR. WARREN: Mr. Speaker, I have a question for the Minister of Transportation (Mr. Dawe) but he has just stepped outside so, in his absence, I will ask the Premier.

Now that we are approaching Winter, could the Premier advise - the hon. the minister is coming now, I will wait for him.

Now that Winter is approaching, and, as usual in other Winters we do expect snow, could the minister advise whether there will be one shift of the snow clearing crew this year, or two shifts or three shifts? What are his intentions this year with regard to snow clearing?

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

MR. DAWE: Mr. Speaker, last Winter, as everyone realizes, perhaps was not as harsh a Winter as we had the year before, but the department successfully completed a year of snow clearing and operations on the roads in both Newfoundland and Labrador that was very, very adequate. We will continue to provide the same high level of transportation maintenance in this coming Winter as we have in other Winters. And again, Mr. Speaker, I would like to take this opportunity to

MR. DAWE: compliment the staff of the Department of Transportation for the efforts that they put into the snow clearing and ice control programmes throughout the Province. They are perhaps the best staff in the country. I have talked to other provinces, spoken to people who live in other provinces and who have had the opportunity to travel on the roads in Newfoundland in the Winter and we have by far the most efficient staff. We have what I consider to be perhaps the best programme of snow clearing and Winter maintenance anywhere in the country and we will continue to provide that high level of service to the citizens of this Province.

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: Mr. Speaker.

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

MR. WARREN: Mr. Speaker, I must say one thing, that the staff is much better than the minister.

A supplementary to the minister.

In view of the fact that Winter has already reached Labrador - there have been several inches of snow in several places - and in view of the fact that the Department of Health has closed down the North West River hospital and there are twenty kilometers of road between North West River and Goose Bay, is the minister satisfied that a one-shift system will be in place on that road or will he go ahead with a two or three shift system?

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

MR. DAWE: Mr. Speaker, first of all, I am perhaps somewhat disappointed in the member for Torngat Mountains. I had anticipated a potential

MR. DAWE: leadership candidate on the other side to be a little, perhaps, more civilized in his approach to questions.

MR. SIMMS: And one of the best ones over there.

MR. DAWE: However, I would like to assure the member and this hon. House that, as I indicated in my original reply, we will continue to provide the high level of service expected by the citizens of this Province and we will take whatever measures that are necessary with regard to snow clearing and ice control to keep the Department of Transportation at that efficient level. So whatever is necessary to do, Mr. Speaker, to maintain that high standard, we have been willing to do in the past, we have done in the past and certainly we will do the same in the future.

MR. ROBERTS: Mr. Speaker.

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

MR. ROBERTS: Thank you, Mr. Speaker.

A question, or two or three depending on the answers, from my friend, the Minister of Health (Mr. House), who has had the Summer and the Fall now to ponder and to ruminate. I wonder if he could begin by telling the House, Sir, whether he has received as yet the report of the special Monitoring Committee which he set up, as he will recall, to look into the effects of the shut-downs which resulted from the government's refusal, justified or no, to give the hospitals of the Province the money which, in the view of the administrations of the hospitals they needed to enable them to operate at the hitherto constituted

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MR. ROBERTS:

report yet, Sir?

levels. Has he received that

MR. SPEAKER (Russell):

MR. HOUSE:

I want to

The hon. the Minister of Health.

Mr. Speaker, on the hospitals,

MR. HOUSE:

reaffirm what did happen. We gave one of the highest increases in Canada to our hospitals, which was 12 per cent last year. The hospitals did say that they were going to have some difficulty in living with that and they took certain measures to try to do it. That, of course, is a good indication of what administration, I guess, is all about, having a valid parameter and trying to work within it. I want to compliment the hospital boards on the great job that they did do.

When we gave the hospitals their budget they did have some concerns. So we did put in place a Monitoring Committee which would, I guess, assess the situation over a term and it was my understanding they might report back from time to time or acquaint us with any real bad problems that were being experienced. They did not, but they are in the process of compiling a report on what they deem to have been the effects of that particular shutdown of beds this Summer, but I have not received that as of yet.

MR. ROBERTS: Supplementary, Mr. Speaker.

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

MR. ROBERTS: Mr. Speaker, I thank the minister. I understand him to say that he has not received any report of any kind from the Monitoring Committee but that he expects and understands he will receive one shortly. Can he tell us, yes or no, will he table that here in the House, or if the House is not meeting will he make it public when he does receive it?

MR. SPEAKER: The hon. Minister of Health.

MR. HOUSE: Mr. Speaker, I put that in place more or less to keep me and the department advised and they will be advising us. I have not indicated that I will make it public, I will take it under advisement whether I

MR. HOUSE: will or not. But the project was put in place to advise the department and myself.

MR. ROBERTS: Supplementary, Mr. Speaker.

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

MR. ROBERTS: Thank you, Sir. That is a definite maybe, I guess.

Can the minister tell us, please, how many beds were closed at peak, because it would have gone up and down, and how many bed-days were lost as a result of the measures which the hospital boards throughout the Province were forced to adopt as a result of the government's failure to provide them with the money which they needed that would enable them to continue operating at the previously authorized levels?

MR. SPEAKER: The hon. Minister of Health.

MR. HOUSE: Mr. Speaker, I do not have these figures now. As a matter of fact, I gave the number of beds just before we rose.

MR. ROBERTS: No, I gave them.

MR. HOUSE: No, we gave the information, I confirmed then the hon. member was not exactly correct, but we did give the information.

MR. ROBERTS: I was one quarter of a bed-day out.

MR. HOUSE: We gave the information. I will be able to get it. The point about it is what was said at that time has been pretty well affected and most beds in the Province are open now. I do not know the exact peak number of beds are, but certainly I will be able to get that information. But it was given to this House.

MR. ROBERTS: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary, the hon. member for the Strait of Belle Isle.

MR. ROBERTS: Mr. Speaker, the minister is no better at doing his House work or his homework now than he was before the House rose. I understand through that he has undertaken to get that information. Would he also undertake to get the cost savings which resulted from these forced bed closures so that we in this House and the people of the Province can see just how much we saved? Maybe he can just indicate yes or no? And I have another question growing out of this. I do not see his head moving at all.

MR. HOUSE: Finish your question.

MR. ROBERTS: All right, I will finish it. I will come again, Mr. Speaker. One advantage to having a valiant few, we band of brothers, we have lots of time for Question Period, so we will let the minister, if he is not prepared to be civil, answer and then perhaps I can catch your eye again, Sir.

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

MR. HOUSE: Mr. Speaker, the hospital boards were given money to run the system and they felt that they had to take certain measures to live within that budget. One of the factors that they did consider was the fact that they would close beds in the Summer in order that they would not have to employ relief when people went on holidays. That may have been up to two or three or four per cent, I do not have the exact figures, but that was the strategy within the hospitals. They said, 'Look, in Summers gone by, we had to close beds because we could not get nursing staff enough to keep the hospitals open, That is not the case now but we have found that in Summers mostly we are looking after only emergencies and emerging problems.' That is what they did this Summer. By their getting together and working on it through the hospital boards, they decided to close down in the Summer and only handle emergencies. I do not know the dollar savings but I am sure that they can tell me what it was. What they were trying to effect was not having to hire and pay people for the holidays, That was estimated up to a 4 per cent saving. I do not think they effected a 4 per cent saving but I do not know what it was.

MR. ROBERTS: Mr. Speaker.

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

MR. ROBERTS: Mr. Speaker, when you strip away the gobbledygook the minister did not answer that. Let me ask him again: Will he undertake to lay before the House an indication, a figure or a number, or a number of numbers, or a figure of figures as to exactly how much was saved this Summer by the bed closures which were forced by the government, I am not allowed to debate him so I will not, but if I could I would say that the minister's

MR. ROBERTS: answer that he just gave is, of course, a complete abdication of responsibility. He is playing the Pontius Pilate game, washing his hands and saying, 'It was not me who did it, it was these others.' When of course, he did not give them the means to do the job, he can hardly now say the fact that the job was not done is not his responsibility. Of course it is his responsibility, that is why he is paid as the Minister of Health. But will he undertake to give us this information?

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

MR. HOUSE: Mr. Speaker, the people in the hospitals report to us periodically, we know what they are doing with their funding. If it can be made available I will not hesitate to make it available, but I must bear in mind that right now I am speaking and answering questions that are being posed by a former Minister of Health and the services have shot up considerably since he was Minister of Health.

SOME HON. MEMBERS: Hear, hear!

MR. HOUSE: And never before, Mr. Speaker, including this year, have there been so many services and so many people being hired in the health care field as there is this year.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: Mr. Speaker.

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

MR. ROBERTS: In fact, Mr. Speaker, everything has improved except the caliber of the Minister of Health and the information he gives the House.

Mr. Speaker, let me ask the minister -

MR. HOUSE: No smart alec remarks now.

SOME HON. MEMBERS: Oh, oh!

MR. ROBERTS: Mr. Speaker, if the minister goes into a battle of wits he should not come in unarmed. He wanted to start this kind of dialogue, let him now not complain when he gets back considerably better than he gives. Let him take a measure from

MR. ROBERTS: his friend, the Minister of Fisheries (Mr. Morgan), who, when he goes into a battle of wits, goes in at least half armed most of the time.
Mr. Speaker -

MR. HOUSE: That is an old one.

MR. ROBERTS: Yes, it is an old one but so, Sir, is the Minister of Health (Mr. House). Mr. Speaker, can I as the minister whether he has received any reports throughout the Summer either from boards, or from professional people employed in and about the hospitals, or from individual citizens, patients or otherwise, any reports of difficulties caused by the bed closures which were forced by the government as a result of the government's failure to give the hospitals enough money to enable them to continue to operate?

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

MR. HOUSE: Mr. Speaker, as in every year since I have been Minister of Health, and I presume before I became minister, people write from time to time outlying problems that they are having getting service and usually, being the good minister that I am, I follow up on these.

SOME HON. MEMBERS: Hear, hear!

MR. HOUSE: And usually we can get the matter resolved. In most cases, Mr. Speaker, you are able to satisfy people when they ask questions. A couple of boards have written me individually giving reports on the Summer's activities and I have this and certainly will be reviewing it and be governed by it to the degree that I possibly can. Yes, I have received reports from some individual boards, some

MR. HOUSE: people, and I have responded to them and will continue to do so. And I want to reiterate again that, while the Summer was not problem free, I think it was handled very well by the boards and by the department.

SOME HON. MEMBERS: Hear, hear!

MR. HODDER: Mr. Speaker.

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

MR. HODDER: Mr. Speaker, I have a question for the Premier. According to the latest statistics the unemployment rate is 17.4 per cent, which is up 2.6 per cent, which means that another 1,000 Newfoundlanders are out of jobs more than last month. Would the Premier tell the House why the unemployment is so high in the Province and whether the government has any plans to deal with the increasing unemployment as revealed in Statistics Canada's latest figures?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Why are there so many people unemployed? Well, we need more economic activity around the Province than we have right now.

MR. NEARY: Ours is an independent poll.

PREMIER PECKFORD: Ours is too.

MR. ROBERTS: Independent of reality in your case.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Well, I have seen a wonderful poll, Mr. Speaker, on the Leader of the Opposition (Mr. Neary) and on the Liberal party, I am going to tell you right now.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER PECKFORD: Talk about unemployment and economic problems. We are all familiar, Mr. Speaker, to try to answer the question posed by the member for Port au Port (Mr. Hodder) with the economic situation both in Newfoundland and across Canada, in the world, and as we began over the last year to fight inflation, of course, what usually happens is that you get a corresponding increase in unemployment. This is most pronounced in Canada over almost any other of the Western industrialized nations which have tried to get inflation down and who have been successful in getting inflation down. France is one of the few

PREMIER PECKFORD: OEDC countries that has not been able to do it successfully up to now and I think they have taken certain measures over the last few months to try to it down.

When you add to that the problems that we have both in Labrador City as it relates to iron ore, and in the fishery over the past Summer, and in the forestry industry right now as it relates to Bowater and layoffs - which even occurred at Grand Falls - you know, we are an export orientated economy, and the economy of Newfoundland goes when the markets are buoyant in other parts of the world. We export our iron ore to many parts of the world, not simply to the United States - in the Wabush situation, most of that is in the golden triangle and South into the United States - but as it relates to IOC ore it goes to Europe and to Japan. So I mean, you know, we are highly dependent upon whether the market is strong in those countries or not. And when it comes to paper, we all know what happened on the Bowater situation, well, both Abitibi-Price and Bowater; last year and well into this year they are going somewhere near 80 per cent or less capacity. The paper markets in the United States even have only just recently started to come back a little bit. Abitibi-Price are all over the world with their marketing. In Bowater's situation they transferred a lot of their paper out of the Corner Brook mill into the European Economic Community and, of course, EEC has been having a lot of problems themselves economically.

Recently, in the last six months, the Bowater Corporation has been trying to diversify its market and has succeeded in doing so to a large degree, stopping a lot of downtime that was suppose to occur this Fall

PREMIER PECKFORD: in Corner Brook, both in Saudi Arabia and in the Far East, Taiwan, and Japan and in Egypt, just recently, in the last month.

So on the fish side of things we are almost completely dependent upon the United States. I think the Minister of Fisheries (Mr. Morgan) has been to the United States this year four, five, or six times trying to market Newfoundland fish. We have now under our restructuring agreement put in place new initiatives as it relates to that to try to help that out. So we have -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Russell): Order, please!

PREMIER PECKFORD: - Burin and Grand Bank re-opened, we have Baie Verte reopened, we have Flat Bay reopened, we are in the process of trying to get St. Lawrence reopened, and getting a new owner for the Bowater mill in Corner Brook. Mr. Speaker, so when one looks at the economic situation that we are faced with on the unemployment situation, one has to look at it relative to the major resource industries that we are dealing with, and that is fish, that is trees, and that is minerals which accounts for, you know, well over 90 per cent of the Gross Provincial Product of this Province.

Now fourthly, Mr. Speaker, and this has been confirmed if you look at our Budget of this past year, the private construction industry in Newfoundland has been down.

What we have been doing this past year or so is try to stimulate that through a government fund.

PREMIER PECKFORD: We have the Confederation Building extension out here which is providing hundreds of jobs right now in the construction circles.

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

MR. SPEAKER (Russell): Order, please! The hon. Leader of the Opposition on a point of order.

MR. NEARY: I know the hon. gentleman is trying to get the press' attention there, Mr. Speaker, but how much time is left in the Oral Question Period?

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

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: To that point of order, Mr. Speaker. I believe the Leader of the Opposition (Mr. Neary) is being very consistent. Yesterday he made a point of order which was no point of order, and he just made another one just like it.

MR. SPEAKER: The time for the Question Period has expired.

MR. SIMMS: Therefore there is no point of order.

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

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

MR. NEARY: I know it is getting near four o'clock and Your Honour has to go on to Private Members' Day, but I will have time to raise my point of order. Yesterday, Mr. Speaker, the House will recall that the Minister of Fisheries (Mr. Morgan) quoted from a document in this House and then undertook, on directions I believe from

MR. NEARY: Your Honour, to table that document. That document has not been tabled and I ask Your Honour to enforce the rules of the House. If Your Honour will go back to Tape 2876 in yesterday's Hansard, Your Honour will find that the minister did undertake to table the documents. We were looking for them today, they have not been tabled, Your Honour, and we would like to have the rules of the House enforced.

MR. SPEAKER (Russell): The hon. Minister of Justice to that point of order.

MR. OTTENHEIMER: Mr. Speaker, if I could just speak briefly on that point of order. No doubt if the hon. minister undertook to table it I am sure he will table it. He may not have had an opportunity to do so so far because it will be recalled that yesterday afternoon he was giving an outstanding address -

SOME HON. MEMBERS: Hear, hear!

MR. OTTENHEIMER: - on the restructuring of the fishery and no doubt he will be tabling it as soon as he finds it convenient.

MR. SPEAKER: Order, please! To that point of order, the hon. Minister of Fisheries (Mr. Morgan) might have indicated that he would table some information but it was not at the instruction of the Chair.

It being Private Members' Day

we shall proceed with Motion Number 9.

PREMIER PECKFORD: If I could just rise with the concurrence of the House -

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: - I just wanted to present, if it is all right - I forgot it when we went through the others - the Fall sittings of the House and so on that I said I would get for the Leader of the Opposition (Mr. Neary). I got all the data on the Fall sittings of the House and

PREMIER PECKFORD: there was somewhere around -
for thirty years there were 137 days, and there have
been 116 days already in 5 years. In other words,
there were not really any regular Fall sittings as I
had indicated earlier and the Fall sittings only
started since this administration came to power.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Russell): Order, please! We will now
proceed with Motion Number 9 to be introduced by the
hon. member for the Strait of Belle Isle.

MR. ROBERTS: Mr. Speaker, we now know
how many days of Fall sittings there were. If only the
Premier had been able to attest to the quality as
opposed to quantity we might be a little further ahead.

 Mr. Speaker, the resolution
which stands in my name is a very straightforward one.
It has got none

MR. ROBERTS: of the Whereas clauses with which all of us, including myself, like to decorate our Resolutions from time to time. I did that in drafting it because the Whereases seem generally to be a waste of time and most often they are simply a means of trying to state the argument which, in the opinion of the proponent, supports the Resolution which follows them.

I think this Resolution is so straightforward and is so non-controversial, even though it is of such great importance, that in the result we did not need any argumentative clauses or any statements of opinion as to why this motion should be adopted.

The motion would simply achieve two things, Mr. Speaker, first it reaffirms the House's commitment to the principle that it and it alone, or we and we alone here in the House retain the ultimate responsibility for the control and the supervision of the expenditures by the Government of the Province and by its agencies and secondly, it constitutes a Standing Committee of the House which I have suggested be named as the Standing Committee on Crown Corporations. I have suggested as well, Mr. Speaker, that the Committee on Crown Corporations should have powers similar to those laid upon the Public Accounts Committee and should proceed in a way similar to that adopted by the PAC in dealing with the matters which come before it.

The PAC, Mr. Speaker, has, I suggest, three features which mark its operation - they are not necessarily unique to the PAC, one is and the two others are not. But simply for the purpose of refreshing hon. gentlemen on the point, the PAC, as

MR. ROBERTS: with any Standing Committee or any Select Committee of the House, has a majority drawn from members who support the government. At present, given the overwhelming majority who sit to your left, Sir, as opposed to those who sit to your right, the majority on the PAC is out of whack in that it is four to three, four representing the government side and three representing the Opposition side. I have not worked out the numbers but I suspect if it were strictly proportional it would be about six and one or five and two or five and point something.

PREMIER PECKFORD: We earlier on stated that we would leave it as it was.

MR. ROBERTS: Yes. And I appreciate the Premier's decision to do so and I acknowledge publicly that it was not only, in my view, a very wise thing but a very right thing for him to do and he and his colleagues did not have to do it.

PREMIER PECKFORD: And the Chairman is doing a good job on it.

MR. ROBERTS: Well, I concur on that modestly, too, and that brings me to the second point that, of course, the Chairman of the PAC is nominated by the Leader of the Opposition and is almost inevitably, and I think you could say always, drawn from the ranks of the Opposition. I would suggest that the Chairman of the Standing Committee on the Crown Corporations ought to be equally a member drawn from the Opposition benches.

Finally, of course, the PAC has over the years, and I think we have solidified this now, the wise leadership of my Vice-chairman, my friend from Humber West (Mr. Baird) and with the firm direction of all of our colleagues on the Committee, I think we have

MR. ROBERTS: set a very definite pattern for the proceedings. We have simply built upon the work done by preceding Chairmen, my friend from LaPoile (Mr. Neary), my friend from Baie Verte - White Bay (Mr. Rideout), our absent friend who used

MR. ROBERTS:

to sit for the Burgeo - Bay d'Espoir seat and is now on a different seat in a different House, and all those who served over the years, I think it is a pretty good pattern. The Auditor General's Report is referred to the PAC and I am sure all the members are familiar, Mr. Speaker, with the proceedings. Each session tends to be the same. The witnesses are in, the Auditor General gives his side of a particular question and then the departmental officials respond. Not ministers - I do not think we had occasion to ask a minister to come before the PAC. We tend to deal with officials because, of course, the officials are responsible for running the department. The deputy ministers in this Province are by law, and in my view rightly so, responsible for the administration of their departments, responsible for the administration of the expenditures authorized by the House. That is the public part. The Committee then in a private session considers what has been put on the record in the way of evidence at the public hearings, and when that has been done the Committee make whatever recommendations they wish. We have tabled, I believe, in the PAC one report and we hope the second one will be ready before the House adjourns this Fall. If not, it will be ready when the House comes back in the New Year. I think we have another hearing on Tuesday next, do we not? As I recall, it is the last of the public hearings that we have scheduled in dealing with the current Auditor General's Report. That, by the way, Mr. Speaker, as an aside, will bring us up to date. I think for the first time in history the PAC will then have dealt with the Auditor General's Report on a current basis. I understand that the Auditor General intends to bring in to the government shortly his report for the year ending 31 March 1983, which is an astounding and outstanding achievement for

MR. ROBERTS: him to have been able -
MR. NEARY: Will we get that before the
House rises?

MR. ROBERTS: I do not know. It goes to the Finance Minister (Dr. Collins), if the House is meeting, he tables it; if not, I assume he will make it public. It should be made public as quickly as possible. But it is an outstanding achievement by the Auditor General and his staff to have that report ready since we are still only eight months away from the end of the fiscal year. The Auditor General has done an outstanding job and I think that should be noted.

MR. NEARY: If it is available there is no reason why it cannot be tabled.

MR. ROBERTS: I agree completely. If the report is in the hands of the ministry it ought to be made available to the members of the House and to the people of the Province. If the House is not meeting, then it can certainly be made available through the mail or the normal distribution channels, and then formally tabled when the House resumes. It would be a travesty to try to keep the report close and to keep it private and confidential until the House meets, presumably sometime in February or March for the third session of this General Assembly.

I go into the PAC work, Mr. Speaker, simply to illustrate how in my suggestion the Standing Committee on Crown Corporations should function and, I venture to say, would function.

MR. ROBERTS: How it would function would be up to the men and women who serve on it as members.

Mr. Speaker, it seems to me that we have in this motion an opportunity to bring about a significant reform, I am pleased and grateful that the Premier is here today, I know he has a great number of commitments and a great many demands upon his time, but I am heartened by the fact that he is at least listening to the debate when he is not in conversation with his colleagues, and I am hopeful that he will recognize the merits of this proposal. I have no hesitation in saying that unless the Premier is prepared to endorse it there is no way it will be accepted. It is a Private Members' motion but none of us in the House is naive. We all know how this government is run, we all know the reality of the power structure in the present administration, so I hope that the Premier will concur and we will be able to adopt this motion. It is entirely in the hands of those opposite, all that we can do is bring it in. But I suggest, Mr. Speaker, that it is a significant step forward. It will not be entirely a pioneering step. My research has shown me that there is at least one such committee in Canada, one such body in Canada, that is in British Columbia where there is a Standing Committee on Crown Corporations, which I think is functioning fairly effectively.

MR. SIMMS: Is that the only province?

MR. ROBERTS: I say to my friend for Grand Falls (Mr. Simms), as far as I know that is the only province that has it. In Ontario there is a Select Committee on Hydro currently at work as I understand it.

MR. SIMMS: On one problem.

MR. ROBERTS: I think so, but Ontario Hydro is a monstrous problem for the Government in Ontario right now.

MR. SIMMS: B.C. is facing extending its committee.

MR. ROBERTS: In British Columbia, as I understand it, it is a Standing Committee on Crown Corporations, I may have the name wrong but it is a Standing Committee of their Legislature, I am told.

MR. NEARY: The Auditor General of Canada is trying to get permission or get approval to start one.

MR. ROBERTS: In Ottawa, the Public Accounts Committee - the Standing Committee on Public Accounts to give it its correct name - does go into the Crown corporations. I have a cutting here I just want to check. Ontario Hydro has been before the PAC, the Public Accounts Committee in Ontario. So it is not a Standing Committee, but that, I think, because there has been a horrible story of mismanagement and monstrous costs have been incurred by the people of the Province. It is really quite frightening what is going on in Ontario Hydro.

MR. NEARY: It sounds like our Hydro.

MR. ROBERTS: Mr. Speaker, let me just say very briefly what I mean by a Crown corporations, I am not trying to be legalistic or technical. I use the term in a very wide sense: any body corporate either wholly owned by the Crown, or a body a body corporate that is controlled by the government through partial ownership of its shares. Because even if the government do not own all the shares in a body, it is still a Crown corporation if in fact the government do control it.

And I would suggest, Sir, to the House that we have in Newfoundland an entire layer of government in the form of these Crown corporations. Their range and their scope, I think and I venture to suggest, will come as a surprise to all of us. I have knocked around in the public life of this Province in one way or another, in one form or another for about twenty years now, and I think I am as well informed as many, not

MR. ROBERTS: At least fifty. There may well be more than that but I have listed down fifty. These seem to fall into two types, A fairly large number are the building corporations, by which I mean the corporations set up to own, in the legal sense, the buildings which the government built under the lease-back arrangement in the 1960s. For example, there is, I believe, a Confederation Building Corporation, I do not know if it is listed here. But there is a BLC Building Corporation Limited, a Gander Hospital Corporation Limited, a Grace Hospital Corporation Limited, a Grand Falls Hospital Corporation Limited and so forth. And these corporations do little except each year receive the rental payments or lease payments, in fact, from the government - they are all in the estimates each year, you can look them up and then they use that to pay the mortgage and, of course, the mortgages are secured by debenture bonds on the property. Confederation Building I guess will be paid off this year or next year. It is amazing how time goes. Maybe I am getting old but I can recall when it was built and when it was opened. But, Mr. Speaker, leaving that aside we have got the other group, which are the ones that I am particularly concerned with, and these are the operating Crown corporations. And there is nobody in Newfoundland and Labrador, Mr. Speaker, who is not affected in his daily life by these corporations. In no particular order: The Newfoundland Liquor Commission; the Medical Care Commission; Newfoundland and Labrador Hydro; the Public Utilities Board - you could go on and on, Mr. Speaker. - the Public Utilities Board is a body corporate, is a Crown corporation - the Minister of Justice (Ottenheimer) looks a little askance - the Workers' Compensation Board. I mean they go on and on and on and on and they range from minnows to whales, from dwarfs to giants. I found one, the Newfoundland

MR. ROBERTS: Crop Insurance Agency which in 1981 - and that is the most recent figures I was able to obtain - had revenues of \$25,700 and assets of \$58,700. That is on one end. You go up to Hydro, Mr. Speaker, and in 1981 Hydro had revenues of \$203 million and assets of \$1.738 billion, \$1,740,000,000. So, you know, they go from one end to the other. There is a Public Accountants Licencing Board, quietly and no doubt effectively doing its work in the Province, which in 1981 had revenue of \$1,658 and had assets of \$3,908, Hardly a significant player in the economic life of the Province, but compare that with the Newfoundland and Labrador Housing Corporation which, again in 1981, had assets of \$174 million and revenues of \$32,900,000. Mr. Speaker, I see the note coming down. I got five minutes left. I wonder if I go a minute or two over would hon. gentleman allow me to.

SOME HON. MEMBERS: By law.

MR. ROBERTS: I thank my friend opposite and my friends on this side.

The Newfoundland Liquor Commission, a body that some hon. gentlemen may - some hon. ladies even may - from time to time have occasion to support, in 1982 - these are 1982 figures - had revenues of a little over \$92 million and had assets of \$14.5 millions, mainly I guess in the form of the stores and so forth. An interesting side light on the NLC is it had revenue of \$92 million and expenditures of \$40 millions, which certainly indicates a pretty healthy rate of profit, \$52 million

MR. ROBERTS: on those figures, not all of which came to the kitty of the Province but a fair amount of it did. I guess we are going to try to drink our way into solvency. The Marystown Shipyard, one of the shining successes in the Crown's corporation, and I pay due tribute to the Minister of Development (Mr. Windsor) and more importantly to Mr. Tom Whelan and the staff of the yard who, I think the minister will agree quite readily, are the men and the women who made it work.

MR. NEARY: Not forgetting, of course, the people who built it.

MR. ROBERTS: If it had not been built by the Smallwood administration, of course, it would not be there to this day. But the shipyard had revenues in 1981 of \$31,400,000 and had assets of approximately \$25 million. So what we are getting at, Mr. Speaker, are significant economic bodies. These are not just small, specialized, important agencies such as the Crop Insurance agency or the Public Accountants' Licensing Board. They range all over the gamut, and there is no one of us in this Province who is not at some point in the course of the year, and often more than once, in contact with these corporations, Mr. Speaker, the Crown corporation, the fifty of them, have, by my figures - and it is difficult to get exact figures, the reports are sometimes tabled and sometimes not, I have been able to get some 1981s, some 1982s - but in very rough approximation to give the House some idea what we are talking about here, these corporations in the most recent reporting periods have accounted for about \$600 million in revenues. It is a lot of

MR. ROBERTS: money, \$600 million, all of which, of course, in one way or another comes from the people of this Province. They administer assets of somewhere between \$2.7 billion and \$3 billion. I apologize for the vagueness, \$300 million is an awful lot of vagueness, but it is impossible to know. These Crown corporations do not even have a common accounting policy. I have checked and some of them accounts for assets on one basis, an historical cost acquisition, and others account for them on a replacement or on a depreciated basis, there is not even consistency there, it is of the order of \$3 billion. They have, as best as we can determine, about 3,100 employees. So what we are talking about, Mr. Speaker, is a very, very, very significant part of the activity of the public sector in this Province. It is an entire layer of government, Sir. I suggest, without trying to be dramatic or trying to cast any imputations of any sort, I suggest that it is an entire layer of government that is now beyond any realistic, any regular and practical accountability controls. Of course all of these report to ministers, and of course all of them are run by boards of directors, whatever name is put on them. And I am not suggesting that any of these are being run crookedly or improperly. I may quarrel with the policy or the practices of some of them, but that is not why I am here, it is not why I am suggesting

MR. ROBERTS: this committee. All of them were run by competent men and women. In fact most of them, I suggest, are run very well indeed. But they are not subject to Treasury Board, they are not subject to any of the controls which apply to every part of the government as such. They are not subject to Treasury Board or to the Organization and Methods and Management people unless they make a special effort. I guess if Treasury Board ring up the NLC and say, "We are going in to have a look at you," NLC cannot do anything except say, "Very well, come on in." But they are not subject in the course of their day-to-day life to the controls that government departments have. Their estimates are not debated here in the House or in the committees. Officials do not appear as they appear before the committees to assist the ministers. What do we know in this House about Hydro? Occasionally we have political debates on policy but what do we know about its -

MR. TOBIN: (Inaudible).

MR. ROBERTS: I wonder if my friend from Burin-Placentia West (Mr. Tobin), who has a very powerful voice, could either keep it down or if he and the minister could have their tête-à-tête outside. I do not want to interrupt him but he is interrupting me inadvertently.

The whole panoply of controls which have evolved over the years to enable the House effectively to try to control and administer public expenditure does not apply to these Crown corporations. There is ministerial responsibility of course, but ministerial responsibility is not an effective means of engaging in the kind of supervision that this House, in my opinion, should engage in, and does engage in through the estimate committees and through the PAC with respect to all other government

MR. ROBERTS: activities. And that, Mr. Speaker, that of course is why I put forward this motion now.

Mr. Speaker, all of these bodies are audited, in fact are audited by the Auditor General. All are audited, Mr. Speaker, and there is no suggestion that there is impropriety. If there is I am quite sure the Auditor General or the private auditors would report it. The small ones are audited by the Auditor General, the big ones are audited by private firms: Marystown Shipyard, the Newfoundland and Labrador Development Corporation, Hydro, Fibrply, Hardwoods, the PU Board, Nordco, the Workers' Compensation Board, all of which are fairly significant economic activities, are audited by private CAS, and that is fair enough, no problems there, you have to pay them but the Auditor General would doubtless need more staff if he had to do more work and we would have to pay them too.

Mr. Speaker, they are all run by boards, and I have no hesitation in paying tribute because these men and women often work for very little pay - honorariums are generally very small if they are there at all - and in some cases public servants do it as part of their duties, in other cases private citizens. Take the Medicare Commission, which I believe has some full-time people on it and more drawn from the private sector. In fact the majority is drawn from the private sector. I do not recall now whether they are paid, if so it is fairly nominal, \$50 or \$100 a day and their travel if they have to travel, but it does not cover the cost of their time. Very competent men and women give of their services to the public. But that is not the point.

MR. CARTER: What is it?

MR. ROBERTS: The point is that this House, Mr. Speaker, has no control, has no involvement, no member of this House. We have 52 members of whom roughly - what? - 20 are in the ministry, counting the odds and sods. So that leaves 32 men and women - no, there are no women private members, 32 men or 31 and the gentleman from St. John's North (Mr. Carter), who have no useful role to play in dealing with these Crown corporations. I suggest, Mr. Speaker, there is a job here which this House can do, I suggest that it is one which this House should do. I think we have the means by constituting this Committee to forward the public business of this Province. I think the PAC, the last three or four

MR. ROBERTS:

or five years has shown what can be done by a group of members who are prepared to approach a matter and, not in an unpartisan way, but are prepared to approach it putting partisan politics in their correct perspective. And the public, I venture to say, are better served because of the work of the PAC than they would have been if it had not been for the work of the PAC these last three or four or five or six years, whatever period you wish to take.

I suggest that a Standing Committee on Crown Corporations would enable the House better to discharge its duties and, accordingly, Sir, I ask for support. My friends on this side, we have caucused, we will support it, but I ask for support from hon. members opposite because I suggest that the business of this Province would be better off if this committee were to be constituted. Thank you very much, Sir.

MR. WINDSOR:

Mr. Speaker.

MR. SPEAKER (Aylward):

The hon. the Minister of

Development.

MR. WINDSOR:

Mr. Speaker, I would like to address this motion for just a few moments. Let me say at the outset that the motion proposed by the hon. gentleman opposite is not totally without merit, so I am not totally negative towards the motion. Nevertheless, I think it needs some debate and some serious consideration before we make some decisions on it.

The hon. gentleman states in his Resolution the principle that 'the House retains the ultimate responsibility for the control and supervision of expenditures by the Government of the Province.'

MR. WINDSOR: I would simply point out in starting, Mr. Speaker, that all of these Crown corporations report, of course, through one or other of the ministers of the Crown, and, through them, of course, to the House of Assembly, so that these agencies and Crown corporations are indeed responsible ultimately to this House through one or other of the departments. In fact, I think in my present portfolio I have about ten or eleven Crown corporations which are answerable through me, which I deal with on a very regular basis in some cases, some more than others obviously, because of the mandate of those corporations and because of the sorts of activities that they carry out. Some, in fact, we do not any longer have, that we have been successful in divesting ourselves of, as is a policy of this government, and I mention just by way of example, for instance, Burgeo Fisheries, which we have been successful in divesting ourselves of to National Sea Products; Labrador Linerboard mill, which is again one of the great success stories of this government, a Crown corporation which became a Crown corporation because it was a bankrupt company and government was forced to take over in order to ensure that it continued as a very viable and important part of the economic strength of the Stephenville area. We were able to turn that around and divest ourselves of it and now, of course, it is one of the strongest forest products companies in North America, if not in the world; United Cotton Mills, which again was a Crown corporation which we divested ourselves of, and, again, Newfoundland Fibrply. And these four examples, Mr. Speaker, are examples of Crown corporations which are really businesses and I think there must be a distinction drawn here. And here is perhaps the key point that I want to make this afternoon,

MR. WINDSOR: I suggest, if all of the information that is contained within that company, the basis under which they are doing their bidding, because they are indeed bidding, they are competing with such private companies as Halifax Industries Limited, St. John's Drydock, other shipyards in Eastern Canada and perhaps around the world as we compete for contracts to build supply vessels, fishing trawlers and other such vessels. So, Mr. Speaker, I think it would be a great disservice, in fact, I think it would be extremely detrimental to that company if the kind of confidential information that that company must have in order to be competitive were to be brought before public scrutiny. And I think hon. gentlemen opposite would have to agree with that sort of thing.

Just using again the Marystown Shipyard as an example of one Crown corporation, and although, as I say, I think it would be very difficult to put it before public scrutiny, I want to make the point that it has been well scrutinized. In 1980 we had a Task Force which reported on the shipyard, on the activities of the shipyard, on what changes may have been needed at that point in time. And let me say that the recommendations of that Task Force, of course, were of great benefit in seeing the kind of economic turnaround we have seen at the yard. Further to that then there was a Royal Commission which gave recommendations and again the recommendations of the Royal Commission were very, very valuable. Then we pursued divestiture of the yard and, of course, the Province has provided financial guarantees. So I think what we are saying is that we have an operation here which is a business, must be operated as a business and really all of its books and certainly all of its information should not be made public. But I point out that there is a Board of Directors, there is a Board of Directors which controls and directs the

MR. WINDSOR: operations of that company, the operations of management. And I would compare in this case the management of that company to the staff of the civil service of any government department. They have a Board of Directors, of course, which is the government of the Province. We direct the operations of the various departments of government through the various ministers. In the case of the Marystown Shipyard there is a very capable Board of Directors, I might say, Mr. Speaker, which is directing the affairs of the management there. They, Mr. Speaker, answer to me as Minister of Development, the hon. Minister of Finance (Dr. Collins), and the hon. Minister of Fisheries (Mr. Morgan), who are the shareholders of the Marystown Shipyard and to whom the Board of Directors in turn report, and, of course, we in turn report to the government of this Province. I would suggest there is indeed a great deal of scrutiny that is provided through that sort of co-operation.

Now, Mr. Speaker, I want to point out that the Marystown Shipyard is not alone in that regard, that in addition to that normal reporting procedure we do have - the hon. gentleman has stated that not all of the information goes, for instance, before Treasury Board. In many cases that is true but in most cases, particularly the Crown corporations that answer through my department, there is a budget that is required of government, there is a budget that is submitted by those corporations to me as Minister of Development which I in turn include in the Estimates of the Department of Development, and which come to this hon. House. Now, obviously hon. gentlemen opposite do not have all of the detailed information that is contained in the day to day workings of those corporations but they do have a figure, and based upon the figure and the fact that

MR. WINDSOR:

I might add, Mr. Speaker, that in addition to that the Resource Policy Committee of Cabinet, which I Chair, some time ago decided that there was certainly a valid reason for doing a regular review of many of our Crown corporations in insuring that in addition to the normal safeguards and the normal controls placed upon them that there certainly would be some benefit, or perhaps, in fact, great benefit in, on a periodic basis, on a regular basis, reviewing the activities and the success and failures of the various Crown corporations. So as a result of that, Mr. Speaker, several months ago the Resource Policy Committee decided that we would undertake this year a detailed review of five Crown corporations. I

on behalf of the Committee, wrote to the presidents or chairmen, as the case may be, of each of these corporations and asked them to submit to us a detailed report on their activities, both as it relates to what they are doing and why, the policies of the corporations, some information on how they actually function, the structure of the corporations and, of course, the financial records of the corporations. The ones that we chose for this year, Mr. Speaker, were the Newfoundland and Labrador Development Corporation, the Newfoundland and Labrador Housing Corporation, NORDCO, Newfoundland Hardwoods, and Hydro. Now, Mr. Speaker, to this point in time, as I recall,

we have the reports from Hydro, from NORDCO, from NLHC and NLDC, and I think Newfoundland Hardwoods will be available very shortly. The reason that one is not available is that we had some time ago appointed a new board of directors and we are giving them time to familiarize themselves with the operation and do a thorough analysis of Newfoundland Hardwoods to see just what in fact may need to be done at Newfoundland Hardwoods. And, again, Newfoundland

MR. WINDSOR: Hardwoods is an example of the type of Crown corporation, Mr. Speaker, that is competing. It is competing in the hardwood industry. Again, I suggest that it would be highly improper and very difficult for that company to compete if its business activities were scrutinized publicly. I have no problem with them being scrutinized internally, but from a commercial confidentiality position, again, Newfoundland Hardwoods is one of the corporations that needs some protection in that regard.

MR. NEARY: Are they making anything down there now?

MR. WINDSOR: Newfoundland Hardwoods? Well, that is a fine question, Mr. Speaker. Newfoundland Hardwoods again is another example of where we have in the past experienced some difficulties but it is now and it has been for some time, a self-sufficient business and it is not receiving any subsidy from this government.

MR. NEARY: Is it making any money?

MR. WINDSOR: It is making some money.

MR. NEARY: Is it making any products?

MR. WINDSOR: It is making products, yes, at the moment, if the hon. gentleman is referring to the Mount Pearl plant versus the Clarenville one.

MR. NEARY: At Donovans.

MR. WINDSOR: Yes, in Mount Pearl.

MR. ROBERTS: That is part of Mount Pearl now.

MR. WINDSOR: It certainly is one of the fine industries in Mount Pearl, the great historic district of Mount Pearl, Mr. Speaker.

We now have thirty-nine persons employed in that plant full time, actively making products.

MR. ROBERTS: How about the Clarenville one?

MR. WINDSOR: Clarenville, I do not have the

MR. WINDSOR: figure here for Clarenville, but certainly Clarenville is operating. The figure is probably here somewhere, it does not jump at me from the notes, but it would be probably something of the same order, I would think. But again, Mr. Speaker, the point I want to make is that it is a good industry at the moment. Generally speaking, the company is making a profit and is not receiving a subsidy.

NORDCO is another good example, Mr. Speaker, of a Crown corporation that was set up as a federal/provincial corporation a number of years ago under a federal/provincial agreement which has now expired and, of course, the Province, as is normal when the federal government decides to withdraw funding support for various programmes or departments or agencies, the Province has had to pick up the burden of that.

I am pleased as well to report, Mr. Speaker, that NORDCO is now self-sufficient. It is now generating enough revenues to meet its research and development costs and is now actively, in fact, Mr. Speaker, operating as any other consulting firm in this Province and is, in fact, generating enough expertise within there that it is now being recognized as a center of excellence, particularly in cold ocean engineering,

MR. WINDSOR: and is now doing research and development work for many countries around the world. So we are now through NORDCO exporting expertise and technical knowledge out of this Province and this is something that this government has been supporting and trying to develop for some years. We have been saying we can do that sort of thing and I think NORDCO is certainly a success story.

MR. WINDSOR: NORDCO, by the way, at the moment has 110 current permanent and contractual employees. And I think the important point to note and to make here is that it is now operating on a break-even basis. And whereas in the past there have been criticisms that NORDCO is unfairly competing with private consultants, because of government subsidies, that is no longer and has not been for the last two years at least a valid argument. NORDCO is self-sufficient, and I think, therefore, it certainly has every right to compete for business.

Newfoundland and Labrador Development Corporation, Mr. Speaker, the hon. gentleman opposite mentioned that briefly. Here is another example where although it acts as really a financing agency for government, it is the financing arm of government and is to some degree a quasi government department, the problem here is that dealing on a day-to-day basis with many private businesses. We are funding those private businesses, and, obviously, before we make a decision to provide any financial assistance, we do a thorough analysis on the viability of the industry and the need for financing. So there is a tremendous amount of confidential information which is contained in the files of the Newfoundland and Labrador Development Corporation.

So if we were to say that the Newfoundland and Labrador Development Corporation should be scrutinized to that degree, then, obviously, whoever was doing that assessment would

MR. WINDSOR: have the opportunity to publicly question, perhaps, some of the financial assistance that is given, and in order to do so, of course, you would want to and would have to look at the personal and private records of those companies that are being financed and, again, there is no question that that would be of great detriment to those particular companies. So I would suggest that the Newfoundland and Labrador Development Corporation -

MR. ROBERTS: But these are public funds.

MR. WINDSOR: These are public funds, yes, and we have good public servants and we have audited the reports as to how it is done, and we have reports to Resource Policy Committee of Cabinet or to government.

MR. ROBERTS: But not to the House.

MR. WINDSOR: Not to the House, as such, no.

MR. ROBERTS: You are not letting the House in on it.

MR. WINDSOR: We are reporting to the House through the minister responsible for the Crown corporation. The minister reports, the minister is responsible.

MR. ROBERTS: In other words, that is the blind leading the blind.

MR. WINDSOR: The minister answers for the corporation and says, Yes, this is what we are doing and I will give you whatever information I can, but if it gets confidential, then obviously I cannot.

MR. ROBERTS: Of course, the officials before the Committee could say exactly that, too, and would.

MR. WINDSOR: If the mandate were as has been given to the Public Accounts Committee, and I have had some experience on that Committee. I note, Mr. Speaker, that it was this administration, this government that established the Public Accounts Committee, that there was not one previously in place,

MR. WINDSOR: and as a result of that the accounts of the various departments of government are now scrutinized in that manner and we think it was a right and proper thing to do and we support it.

MR. NEARY: Is it the Moores Administration you are talking about?

MR. WINDSOR: The Moores Administration.

MR. NEARY: The Moores Administration.

MR. WINDSOR: This government, the former administration.

MR. NEARY: I see. Okay.

MR. ROBERTS: The ones that the Premier repudiates all the time.

MR. WINDSOR: Now, Mr. Speaker, in addition to some of these, and there are so many others I could talk about, but just to make another point I point out that we have a number of development corporations, such as the Harmon Corporation, for instance.

MR. WARREN: Are you going to uncover that one?

MR. WINDSOR: I beg your pardon?

MR. WARREN: Uncover that one.

MR. WINDSOR: Uncover that one! The Harmon Corporation, Mr. Speaker, is a fine corporation which again does not receive any funding from government, not a penny. It is totally self-sufficient, it has government assets, yes, which it administers, and through leases and sales generates enough funds to operate that corporation, Mr. Speaker. And, I might add, that again is another fine corporation, another success story. Just to give you some numbers on that, Mr. Speaker, the corporation over a number of years has created a number of jobs as a result of some of their activities. I had those numbers here, I cannot find them now, but they are carrying on significant activities, Mr. Speaker, on behalf of government to generate industrial development and business for the Stephenville area, and have had a tremendous amount of success in that regard.

MR. WINDSOR: Other corporations, Mr. Speaker, such as the Happy Valley - Goose Bay Development Corporation: Here is a different example now where there are federal/provincial funds involved at this point in time, shared on a 90/10 basis. Now, you are talking federal government funds in Happy Valley - Goose Bay, and I am not sure, Mr. Speaker, if we have the right to do a thorough investigation of how federal funds are spent. Perhaps we do, but I think it is a question that we would certainly need to address.

Other corporations such as the Gander Development Corporation; that one, Mr. Speaker, is funded by the Province, certainly, but again, it is carrying out activities on behalf of the Town of Gander, particularly the airport for which it was primarily established. Just as an example, some of the work they are doing, Mr. Speaker, one of the great programmes that they have ongoing is the Trans-Ocean Plane Stop Programme. The corporation has been, I think, one of the leading agencies involved in promoting this particular programme. As a result of that, I am informed that that programme has been responsible for producing 186 direct jobs for a gross economic impact of \$18 million, Mr. Speaker. This is the Gander Development Corporation, the number of jobs created under the TOPS programme - 186 jobs with a gross economic impact of \$18 million. That is in addition, Mr. Speaker, to the tours and promotions and all the other activities that are undertaken by that corporation.

How is my time going, Mr. Speaker?

MR. SPEAKER (Russell)

You have two minutes left.

MR. WINDSOR:

I have two minutes, okay.

I do not wish to take a great deal more time, Mr. Speaker. The Newfoundland and Labrador Housing Corporation is another point I wanted to point out,

MR. WINDSOR: Mr. Speaker, which has a very large budget, which answers already to the House to a great degree because the Estimates of the Housing Corporation are contained in my Estimates and we are answerable. It is, in fact, a quasi-branch of the Department of Development. It is somewhere between a Crown corporation and an arm of the Department of Development.

MR. ROBERTS: It is neither fish nor fowl, but it is still not the first (inaudible)

MR. WINDSOR: It is in-between.

DR. COLLINS: It has its own board.

MR. WINDSOR: It has a Board of Directors, it has its own audit report, as do all of these, Mr. Speaker. And these audited reports, by the way, and the annual reports of the corporations are tabled here. Over the past couple of months I have tabled eight or nine that I have listed here. I think in the last session I actually tabled them.

MR. ROBERTS: That is where I got my figures on the fifty of them, they all came from audit reports except Hotel buildings Corporation, I wish you would table that one.

MR. WINDSOR: That is the Holiday Inns Corporation.

MR. ROBERTS: It lost \$1 million last year.

MR. WINDSOR: That one comes under the Minister of Finance (Dr. Collins).

MR. ROBERTS: He gets all the winners.

MR. WINDSOR: I would like to make sure that the Minister of Finance is responsible for all of those.

MR. ROBERTS: But I noticed it lost \$1 million last year. That is the subsidy we paid Holiday Inns.

MR. WINDSOR: I would not think so.

MR. ROBERTS: \$1 million, John.

DR. COLLINS: What, the Hotel Holdings?

MR. WINDSOR:

At any rate, Mr. Speaker, just to conclude, as it relates to the Newfoundland and Labrador Housing Corporation, that corporation does have a considerable budget, a very high budget. We handle quite a bit of money on behalf of the Province in the run of a year, but I might point out that again a very large portion of that

MR. WINSOR: funds, coming through federal/provincial programmes which we are administering. But other than that, Mr. Speaker, there is probably not any great reason why the Newfoundland and Labrador Housing Corporation could not answer, although again I say that the corporation as a quasi arm of this department certainly already comes under great scrutiny in this House because I have, of course, responsibility for answering in the budget estimates. I might just point out, Mr. Speaker, that I did not spend a great deal of time in the budget estimates last year because many hon. members did not show up for them, though there was a great opportunity there for giving information.

Mr. Speaker, just to conclude let me say, as I said in the beginning, that there is indeed, I think, some merit in the suggestion made by the hon. gentleman opposite, I do not wish to dismiss it out of hand. I hope that I pointed out here some of the pitfalls and some of the things that need to be reviewed. And I think they need to be reviewed carefully, Mr. Speaker, before we make such a final decision. Therefore, Mr. Speaker, I would like to move an amendment to the resolution.

MR. ROBERTS: Do you have a copy?

MR. WINSOR: Yes, one for the page and one for Opposition. I move the following motion, seconded by the hon. member for Stephenville (Mr. Stagg) that all the words after, "And it be resolved further," in the fourth line be struck out and replaced by the following, "That this House instructs the government to study the implications of constituting a standing committee on Crown corporations; and be it further

MR. WINDSOR: resolved that this House instructs the government to inform the House during the Spring session whether or not it will undertake to constitute such a committee."

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Aylward): It would appear to the Chair that the amendment would be in order and the Chair will accept the amendment. Have there been copies distributed?

MR. ROBERTS: Yes, I have a copy of it.

MR. SPEAKER: I will accept this amendment. The hon. member has finished?

MR. WINDSOR: Yes, I have, Mr. Speaker.

MR. SPEAKER: Are there any more speakers on this amendment?

MR. SPEAKER: The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, I rise to support the hon. Minister of Development's amendment to the motion, and in doing so I would like to associate myself with many of the arguments he has made in this matter. I think the impression may be that the Crown corporations do not get adequate supervision. Now adequate, of course, is a very subjective term. Some people may think that a certain thing is adequate and another person may think that thing is inadequate, but I think it certainly would be wrong if hon. members, or the public for that matter, did get the impression that the Crown corporations are not supervised in their operations and specifically in their financial dealings. As the Hon. Minister of Development (Mr. Windsor) mentioned, in all cases the budgets of these Crown corporations are scrutinized by the department to which the Crown corporation relates. The minister of each department has to put the

DR. COLLINS: estimates from the Crown corporations into his departmental estimates. These estimates are put through the usual budgetary process, they then come ultimately in the main estimates to this House, this House, in most instances, not perhaps in all instances, it does not necessarily follow in all instances, but in most instances these estimates are then sent to the Estimate Committees and the Estimate Committees consider them. And, as hon. members know, the

DR. COLLINS:

Estimate Committees have on them, members from the Opposition. Finally, the total estimates are debated in this House. So there are quite a number of opportunities in that process for the financial dealings of the Crown corporations to be subject to scrutiny and questioning.

In addition, of course, Crown corporations, I believe invariably, are required to have an annual audit done by professional accountants and these accountants have to put their name to the investigation that they have carried out to make sure that the dealings are proper and comply with regular accounting procedures. In some instances, also - I do not know if this is so in all instances, the Auditor General has the right - I know this for a fact under the Hydro Corporation anyway - at his own initiation to approach the Crown corporation over a particular matter that might concern him and can carry out an investigation. And in that instance, of course, he is at liberty, because he is a servant of this House, to report his concern and to report the results of his investigations to this House if he sees fit, in his annual report. Now, I do not mean to imply that that necessarily then gets to the Public Accounts Committee. Because not all Crown corporations are in the public accounts, the Public Accounts Committee may not actually have an opportunity to review a particular matter that the Auditor General takes under his wing; but nevertheless, the case stands that the Auditor General can investigate any matter that concerns him and that his audit could well be in addition to the audit as carried out by the Crown corporation's professional auditors.

DR. COLLINS: Crown corporations also, in many cases, put in annual reports that are made available to the members of this House and to the general public and, of course, during Question Period, members of this House can bring up any matters that they glean from these annual reports.

Finally, Mr. Speaker, in any case, there are special arrangements made and the one that springs to mind most readily is that the Hydro Corporation has to go before the Public Utilities Board any time that they feel that they need a rate increase. And there is a very detailed examination by the PUB. The PUB hearings are open to the public, the public can intervene in the hearings. For instance, a member of this House, if he feels concerned about the operations of Hydro, can be an intervener himself before the PUB.

DR. COLLINS: so I just lay these out, Mr. Speaker, to indicate that even though it may appear that Crown corporations are a thing unto themselves, that they tend to go their own way quite without regard for what the public may think, or the members of this House may think, in actual fact there are a number of processes in place to which these Crown corporations have to comply and have to submit information about their dealings, and that this information is readily available to members of this House should they wish to go after it.

Now, Mr. Speaker, the hon. Minister of Development (Mr. Windsor) did bring in an amendment to the motion and I support that because, as he said, it is not that this concept or this philosophy is without merit, but we just do not know the implications at this stage. I believe I am correct in saying this, I do not believe there is a single province in Canada that has a special standing committee charged with the duty to carry out review and scrutiny and reporting on the financial dealings of Crown corporations. And the fact that other provinces have not found the need to go this way raises the question, you know, is it a wise way to go? It is not to say that it is an unwise way to go, but it just raises the question, is it a wise way to go. I would say that in view of that perhaps the subject should be looked at in some detail before a final decision is made.

MR. ROBERTS: Would the hon. minister permit a question?

DR. COLLINS: Sure.

MR. ROBERTS: We on this side have obviously got to decide whether we agree or not, not that it matters a hoot in the vote but it matters a lot in the reality of it. Can the minister tell us whether the government - I have trouble with this word "instruction", I am not sure this House can instruct the government, but can the minister tell us whether he and his colleagues, who I suggest were not taken completely unaware by the amendment, are prepared to accept the undertaking and that we will have a Ministerial Statement or something in the session to begin next Spring in response, because that would make life a lot easier if we knew that. And, I mean, all we can do is ask any of the ministers to give an undertaking in behalf of the Cabinet. We have a couple of the senior ministers here and if the Finance Minister or Justice Minister says, "Well, we will get back to the House," then that would certainly be taken by me as being a commitment.

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

DR. COLLINS: Mr. Speaker, just a preliminary comment there. In this government there are no senior and junior ministers, there are ministers in this government. Each minister is a minister in his own right and he is equivalent to all other ministers, with the possible exception of the first minister. But deleting that word that the hon. member mentioned, I think I am in the position to state that we will respond in the way that he has suggested.

Mr. Speaker, just before the hon. member opposite rose I was going to say that I am aware that I believe in Ontario they do have a committee which looks at one aspect of a Crown corporation. I am

DR. COLLINS: referring specifically to Ontario Hydro. Hon. members I am sure are aware that they have had a great deal of difficulty with their nuclear generation in the last numbers of months, and this has caused such great concern that the Ontario Legislature have decided to strike a special committee to look at that aspect. It is not to look at the whole of Ontario Hydro and specifically not to regard the financial dealings of Ontario Hydro, but to look at this specific area of concern.

I believe also that the Quebec Legislature

DR. COLLINS: .

has a committee dealing with Quebec Hydro. Now, this committee is not confined to financial matters such as I think the original unamended motion suggested we should do here, have a committee just dealing with the financial matters of Crown corporations, this particular committee of the Quebec House, the National Assembly, deals on a much broader basis; they have, I believe, a day set aside where they will have officials from Hydro Quebec come before this Committee of the National Assembly and range over the whole field for which Hydro Quebec is responsible, you know, their plans, their operations, how they see the economy of the country and of the province impacting on their operations, that sort of thing. It is a total look just for a matter of general information to the Committee of the National Assembly and accordingly, from them to the National Assembly itself. So these are initiatives in other provinces. But I would like to emphasize that no province, to my knowledge, has a Standing Committee such as was suggested in the original Resolution brought in.

AN HON. MEMBER: (Inaudible).

DR. COLLINS: I do not believe so. I do not think that they have a committee such, it is my understanding, as that the hon. member opposite suggested. I am open to correction on it but that is the information I have. And for that very reason, I fully support the amendment brought in by my hon. colleague that this matter, which may well have some validity, does need considerable study as to its implications and also to see, if we do decide to move in this direction, exactly in what form we should move.

I am sure none of us in this House wish to unduly interfere or disrupt the operations of

DR. COLLINS: Crown corporations. If we have any desire at all, what we want to do is to make sure that their operations comply with their mandate more closely. There may be a number of ways of doing that, and my understanding of the amendment is that this is what will happen. There will be study done on this whole question and we will see if we will move in that direction, that will be the first decision, and secondly, if we move in that direction, in exactly what form we should move.

With those words, Mr. Speaker, I support the Resolution as amended.

MR. ROBERTS: Mr. Speaker.

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

MR. ROBERTS: I have, of course, a right to close the debate but I obviously do not wish to speak if any other member wishes to. But I think there is a consensus through what in the British House of Commons they call the usual channels, which is a buzzing behind Your Honour's head. If nobody wants to speak, I will close the debate, and I think we have a consensus on this. I think the suggestion is then that we would call it a day so as not to begin debate on the one which stands in the name of my friend from Torngat Mountains (Mr. Warren) but begin that next Wednesday rather than have an interrupted debate. If that is agreeable, and I hear no opposition, let me first of all say that I think it is agreed by all

MR. ROBERTS: that perhaps it would be better if this amendment substituted the word 'requests' for 'instructs'. I think a number of us feel that the House has no right to instruct the government to do anything, if the House does not like the government there is a remedy, it can flick it out. But if that is agreeable, perhaps the motion could be amended by unanimous consent. The amendment would be: AND BE IT FURTHER RESOLVED that the House request the government to inform the House during the Spring session whether or not they will undertake to constitute such a committee'.

MR. SPEAKER (McNicholas): Is that agreed?

SOME HON. MEMBERS: Agreed.

MR. ROBERTS: That being so, Mr. Speaker, let me say that we on this side are prepared to accept the amendment, it is part of the way towards what the motion asks. It is not all the way, but I think it is certainly reasonable.

MR. CARTER: Half a loaf is better than none.

MR. ROBERTS: I concur with my friend from St. John's North (Mr. Carter), 'Half a loaf is better than none', and I am not even sure this is half a loaf, but certainly it is better than nothing. I feel as do all of us on this side, that the subject matter of the motion is of sufficient importance that it should be dealt with in a measured and considered way. One of the frustrations of being in Opposition, and there are frustrations as some of the hon. gentlemen opposite will recall, and very few I suspect will find in two or three years when the country next renders a verdict, one of the frustrations of being in Opposition is that one has little opportunity to take part in the activities of government as opposed to the House in any considered and measured way, you know, you simply have to bring in a motion like this and it is debated and then it is

MR. ROBERTS: disposed of. I thought the points made by the gentleman from Mount Pearl (Mr. Windsor) and the gentleman from St. John's South (Dr. Collins) both had some merit. I certainly would not dismiss them as being without validity, I think the need to protect commercial confidentiality is one which we would all acknowledge and with which we would all agree. I would simply say so as to put it on the record, that I think the House can rely upon the common sense of a Committee of the House; after all the Committee will be struck of members of the House. Even if one could not rely on the common sense of members or for some reason they took leave of their senses as members occasionally do, the government always has the support of the majority and that is there. And finally, of course, many or most of the Crown corporations I suggest with all respect are not commercially competitive. There are some which are, but the big ones, Hydro, Medicare, even NLHC - not DC, HC - these are not commercially competitive in the sense of which the term is normally used. You know, it is not something we need to debate because it will be looked at in a considered way and I hope that whoever opposite in the ministerial sense is responsible will feel free to call on me if I can give assistance to him. I am willing to buy him lunch, whoever is responsible, and give him my thoughts. I feel very strongly that this is something which we should do. But in any event, the confidentiality point is well taken but there is the other side of it, of course, these are public funds that are being dealt with and the House has a role as well as the government. I have not in any way attempted to derogate from the government role, in fact, I do not even think I criticized the way in which the government runs some of the Crown corporations although I certainly could. There are a number of Crown corporations which, in my opinion, have problems in their administration or in their policy but that is not the point of the motion today.

MR. ROBERTS: Anyway, Mr. Speaker, I think that we on this side are prepared to support the amendment. As I understand it, what comes out of it is the House will request the government to study the implications of constituting a standing committee on Crown corporations along lines suggested in the resolution, and that the government in turn have undertaken to inform the House, at some point in the next session in what my friend, the Minister of Justice, calls a reasoned statement which hopefully will announce a change, a change to implement the principle of the resolution. So on that basis, Sir, I am prepared to conclude my remarks. My friend, the Opposition Leader (Mr. Neary) asks that - he said he would be back, he had to slip out to make a phone call. But I will simply conclude. We can put it to a vote, I assume there will be unanimous support and then, I understand, the usual channels have agreed that the House will adjourn until tomorrow morning, is it not? We are meeting tomorrow morning.

AN HON. MEMBER: The Leader is being interviewed on the radio.

MR. ROBERTS: The Leader is being interviewed on the radio. Well, that is something to which we should all listen, because we would all learn.

SOME HON. MEMBERS: Oh, oh!

MR. ROBERTS: Hon. gentlemen, we have heard even from the gentleman from Windsor-Buchans (Mr. McLennon), and the gentleman from St. Barbe (Mr. Osmond), it is reassuring, Sir, to know they are both alive and with us. There are a number of people in this Province, Sir, most of them constituents of both hon. gentlemen who have been wondering whether, in fact, they had collected their life insurance payments or not. I am glad to know that such

MR. ROBERTS: was not the case, Sir, as I hope to have the pleasure in one way or another of meeting them both in the polls in the next election so they can get whatever properly they deserve at the hands of their constituents.

MR. MCLENNON: I withdraw my remarks about -

MR. ROBERTS: Mr. Speaker, when you are after elephants you do not want to be diverted by mice so I will pay no more attention to my friend from Windsor-Buchans (Mr. McLennon) on this occasion.

Mr. Speaker, I want to thank hon. gentlemen opposite for the courtesy they have done in dealing with this matter on its merits. I appreciate that. They will understand, I know, the spirit in which I say it was not always the case and perhaps will not be the case in the future. We are all partisan and that is the way this system works. But I think this matter is one which has potential to benefit the Province beyond the partisan sense. I am grateful that hon. gentlemen have dealt with it in that manner, and I look forward with confidence to the results of a study on the merits of the idea. I think the merits are such that the idea must commend itself and that we will have a standing committee on Crown corporations constituted within the life of this General Assembly, if not this session of the House.

Thank you very much, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: Mr. Speaker, just for a second, with permission from the House I would table the documents asked for by the Opposition earlier.

MR. SPEAKER (Russell): Agreed.

Is the House ready for the question?

All those in favour of the amendment, "Aye", contrary "Nay", I declare the amendment carried.

All those in favour of the motion as amended, "Aye", contrary "Nay", I declare the motion carried.

The hon. Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, I move that the House adjourn and it has been agreed on both sides that tomorrow being Thursday will be the last sitting day. Obviously Friday, Remembrance Day, is a public holiday and many members, I think, especially those living outside of St. John's, have functions they wish to perform in connection with Remembrance Day, so I move that the House adjourn until tomorrow, Thursday, at 10:00 A.M., and obviously we would sit from 10:00 A.M. to 1:00 P.M.

MR. ROBERTS: Restructuring, are we carrying on with that?

MR. OTTENEHIMER: Yes.

MR. SPEAKER: It is moved and seconded the House do now adjourn until tomorrow, Thursday, at 10:00 A.M., those in favour "Aye", those against "Nay", carried.

I do now leave the Chair until tomorrow, Thursday, 10:00 A.M.