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VERBATIM REPORT
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Speaker: Honourable Thomas Lush

The House met at 2:00 p.m.

MR. SPEAKER (Lush):
Order, please!

On behalf of hon. Members I would like to welcome to the Speaker's gallery today the Ambassador of Spain to Canada, His Excellency Antonio Fornier. The Ambassador is accompanied by the Commercial Counsellor with the Embassy of Spain in Canada, Mrs Maria Deloras Loureda.

SOME HON. MEMBERS:
Hear, hear!

MR. SPEAKER:
I should point out to hon. Members that this is the Ambassador's first official visit to Newfoundland, the purpose of which is to become familiar with Newfoundland and its economy, particularly with respect to the fishery and related matters.

On behalf of hon. Members we extend a cordial welcome to both the Ambassador and the Commercial Counsellor, and wish them a very happy, productive and successful visit to the Province.

Oral Questions

MR. DOYLE:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for Harbour Main.

MR. DOYLE:
Mr. Speaker, I have a question for the Minister of Employment and Labour Relations. The unemployment figures for Newfoundland have been released, and needless to say they are very,

very alarming indeed. Newfoundland's unemployment rate remains the highest in all of Canada, 17.1 per cent, and that is up 3 percentage points over the same period last year, in November. The unemployment rate for Agriculture, Forestry and the Fishery is up dramatically, up 12.7 points. The Manufacturing sector, which includes fish plants, have an unemployment rate of 24.3 per cent, up 5 points over the same period last year. Finally, Mr. Speaker, the unemployment rate for the construction industry was 34 per cent in November, up 12 points over last year.

I would like to ask the Minister are these figures now alarming enough to move the Minister into action in the creation of employment programs to offset the devastating effect of these numbers?

MR. SPEAKER:
The hon. the Minister of Employment and Labour Relations.

MS COWAN:
Our Government has been continually aware, Mr. Speaker, of the unemployment crisis in this Province. It has been an ongoing problem for a number of decades now and we are not reacting in any other way than the way I stated the other day, in a calm, reasoned way, trying to find solutions to this particular problem.

MR. SPEAKER:
The hon. the Member for Harbour Main.

MR. DOYLE:
Mr. Speaker, we have yet to see any meaningful employment programs created by this Government to address these problems. Now, is

the Minister aware and does she have any understanding of what these numbers mean? Is she aware that she is soon going to be presiding over the most devastating unemployment picture since the depression days? Let me ask the Minister, can she give us some indication of what the unemployment numbers will be when the effect of the Grand Falls mill layoffs kick in, when the effect of fish plant closures kick in, when the downturn in the fishery kicks in? What is the Department's forecast of events and the effects on the Newfoundland economy?

MR. SPEAKER:

The hon. the Minister of Employment and Labour Relations.

MS COWAN:

That is a very, very complex question the gentleman has just asked. It is not one certainly that I can address in a two or three minute answer; I, perhaps, would have to write a thesis or whatever on it. I can answer his first question. I certainly am aware as Minister, and I have a deep understanding and concern about unemployment in this Province and possible upcoming unemployment.

MR. DOYLE:

Mr. Speaker, if the Minister has such an understanding of the unemployment problems in Newfoundland, I am interested in finding out what the Provincial Labour Minister told her federal counterpart last week when they met in Ottawa. I want to ask her is the story in The Evening Telegram of December 8, on page 3, accurate, in which Barbara McDougall makes the statement and I quote 'That the Fisheries Response Program is working very

well and this view is shared by the Newfoundland Government?' Did the Minister in fact make that statement? And how does she square that with the body of thought that is out there among fishermen, among people who are really affected, which says that the Fisheries Response Program is not working well at all? Her own colleagues in Ottawa, Mr. Robin and Mr. Simmons, say that the Fisheries Response Program is not working very well, but the Minister is saying it is working very well. Can she explain that?

MR. SPEAKER:

The hon. the Minister of Employment and Labour Relations.

MS COWAN:

First of all, he is being very erroneous, Mr. Speaker, in even suggesting that I made that statement. And I will not make -

SOME HON. MEMBERS:

It is in the paper. Read the paper.

MS COWAN:

It does not say I said it, pardon me!

SOME HON. MEMBERS:

The paper said it.

MS COWAN:

Excuse me!

MR. SPEAKER:

Order, please!

MS COWAN:

Mr. Speaker, I would not like to comment on any newspaper article that is brought into the House and waved in front of me. These few colleagues on the other side of the House are well aware of how news is sometimes translated. I would further speak about it

directly to the hon. Mrs. McDougall when the occasion presents itself. And thank you very much for not disappointing me, I was waiting for you to come in with that question.

MR. RIDEOUT:

Is it true, or is it not true?

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

Mr. Speaker, the Premier in his statement to the House yesterday referring to the closure of the Southside fish plant here in St. John's made the following statement on page 4, and he said: 'The Province is disappointed with this announcement'- and naturally so - 'but takes some comfort in the company's plans to maintain the plant so that it can be reactivated once stocks have recovered.'

Mr. Speaker, I want to ask the Premier will not the Premier confirm for the House that in fact National Sea Products has no plans to reactivate the Southside plant, that its plans are, in fact, to mothball the plant and, if a proper offer comes along, to sell the facility.

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

No, Mr. Speaker, that is not the advice I have. I cannot say that is not the plan of National Sea Products, I can only say to the Leader of the Opposition and the House, Mr. Speaker, that the information that is in the statement was the information

which came to me yesterday morning and I included it in the statement. How soundly based that is or whether they have other plans of mothballing it and selling it, if they can find somebody to buy it, I cannot say with certainty, but I will undertake to find out and advise the House.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

I understand the Premier undertakes to find out and advise the House. I would have thought that perhaps the Premier might have asked the officials of National Sea what their plans were in that regard.

Mr. Speaker, would the Premier acknowledge, as well, that National Sea Products have made it clear that if it is successful in selling its Southside plant, here in St. John's, it does not intend to give up any portion of its enterprise allocation to any new potential owner/operator of that facility when the stocks recover, so that, therefore, there is no long-term possibility of that facility accessing offshore fish?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

I do not think National Sea Products is the only entity that has input into the decision as to whether or not they will give up any of their enterprise allocation. They cannot just choose to sell off any plant or plants that they wish and expect to keep the enterprise

allocation. As I told Mr. Demone on a couple of occasions, those fish are not fish on the balance sheet of National Sea Products. They are fish that are in the ocean to be available to be caught and processed by the fishermen and plant workers of this Province who, and whose ancestors, have been catching and processing those fish for centuries, so they cannot be considered to be assets on the balance sheet of National Sea Products.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Nobody will disagree with that statement by the Premier. The result of the statement is what we are interested in.

Now, Mr. Speaker, in view of the fact that National Sea Products, even with the closures that were announced yesterday, will still have excess processing capacity within its system, and in view of the fact that FPI, when they announce their closures over the next few days or few weeks, whenever it might be, will still have excess processing capacity in its system, and in view of the fact that when the stocks recover, rather than take out of mothballing or closedown modes that excess capacity, because they will still have excess capacity in their systems, will the Premier not tell the House today that when closedowns are announced by National Sea as they were yesterday, or by FPI as they will be tomorrow or some other day, that in effect as far as those two companies are concerned those closedowns mean permanent closures? Is that not what those companies are talking about?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

They may be, Mr. Speaker. I do not know with certainty. I understand from the discussions we have had with National Sea Products that with the closures they are talking about in Nova Scotia and the closure of the plant in St. John's, that they are talking in terms of operating closer to 90 to 100 per cent capacity with their existing plants. Now, again, I can undertake to find out what they would expect they will be operating at with the closures they are projecting, but I understood from National Sea that they were thinking in terms of operating at a fairly high proportion of capacity, so that that is why I would expect that they would reopen a plant or two plants that they had closed when the stocks recover.

With respect to Fishery Products International, the information we have from them, I think they were thinking in terms of, depending on what fish was available to them, depending on what the allocation provides for them, closing plants that would enable them to produce at a level of production that they were producing at a couple of years ago, which may be 60 - 65 per cent of capacity, so in their case it may be more likely. Now, that is the best information I have at this moment. But nobody knows with certainty, because nobody knows what the real allocation is going to be yet. But the best information I have available is that it seems more likely that National Sea might be able to reopen, because Fishery Products, I think, were thinking in terms of not reducing to the

point where they were 90 to 100 per cent capacity. But, again, I will check those figures on proposed capacities and I will try and advise the House tomorrow, Mr. Speaker.

MS DUFF:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for St. John's East.

MS DUFF:
Thank you, Mr. Speaker.

I would like to address this question to the hon. the Minister of Fisheries. Mr. Minister, in view of the fact that the Federal Government in 1985 issued a processing licence to National Sea for the factory freezer trawler, the Cape North, over the strong objections of the Government of the day, the Peckford Government, and, in fact, over the strong objections of the Liberal Opposition, and in view of the fact that at that time a commitment was made by NatSea to the fish plant workers that not one shore job would be lost as a result of that decision, and it is now very clear that 492 shore jobs have been lost because of depleted fish stocks, is the Government prepared to take a very tough stand with the Government of Canada and NatSea, and insist that the processing license for the Cape North be revoked, and that the fish allocated to the Cape North be processed at the National Sea plant in St. John's?

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

MR. W. CARTER:
Mr. Speaker, I can give the hon. Member an assurance that such

action has been taken. In fact, I intend to table tomorrow in this House a copy of my letter to the Minister of Fisheries, in which we are demanding the very thing that the hon. Member raised. We have done it verbally, but tomorrow, Mr. Speaker, we will be tabling a copy of that letter.

MR. SPEAKER:
The hon. the Member for St. John's East.

MS DUFF:
I am glad to hear that the Government has at last taken that action. My supplementary, Mr. Speaker, is that I think the Minister is aware that the National Sea plant in St. John's plays a very vital role in the inshore fishery of the Avalon Peninsula. There are a lot of small fishermen who use that plant also, particularly during the cod glut season, when other plants in the area are busy with capelin and other species. Now, if NatSea is allowed to close, what plans has Government made to process the inshore fish which is currently processed at NatSea in St. John's, particularly during the cod glut season.

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

MR. W. CARTER:
Mr. Speaker, this morning, at 8:00 a.m., I met with union officials in my office, Mr. Earl McCurdy, Mr. Anstey and Linda Hyde, the lady from the NatSea plant, and we discussed that very matter. My officials are now contacting NatSea to discuss that very matter. We know that the inshore sector - yesterday, by the way, we met with some of the inshore fishermen. We know there is a very substantial amount of fish

landed by the inshore fishermen in St. John's, and we know that unless some action is taken now, come next spring there might very well be a glut problem. So we are now discussing that with the owners of NatSea to see what kind of an arrangement can be worked out to ensure that that kind of a situation will not arise.

MR. SPEAKER:

The hon. the Member for St. John's East.

MS DUFF:

A final supplementary. If the NatSea plant in St. John's is allowed to close, it is very widely believed that it will never re-open for a number of reasons, which I will not get into right now, which will end 500 years of continuous activity in the port of St. John's as a historic fishing port, and there is also a fear that fish that is currently processed here will ultimately end up in Nova Scotia. I would like to know from the Minister if his Government has, in fact, accepted that closure of Natsea plant as an inevitable consequence of the temporary quota reductions, or is the Government prepared to use every means at its disposal, including pressure on the Federal Government and NatSea, to keep that plant open on a part-time basis; or, another way of phrasing it, is the Government prepared to stand up and fight tough for the workers of the NatSea plant in St. John's?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, my answer is yes, yes, yes.

MS DUFF:

A supplementary, Mr. Speaker.

I would have been happy if the Minister had said, 'No, yes, yes,' because my first question is -

MR. SPEAKER:

Order, please! Order, please!

Sorry! I just have to recognize the Member. The hon. the Member for St. John's East.

MS DUFF:

Thank you, Mr. Speaker.

My first question was, has the Government accepted the closure of the NatSea plant as inevitable? Is that a no, or a yes?

MR. W. CARTER:

I shall amend my answer, Mr. Speaker: No, yes, yes, yes.

MR. MATTHEWS:

Mr. Speaker.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

I thought the weather outside was bad!

Mr. Speaker, my question is to the Minister of Fisheries. I would like to ask the Minister if he has had meetings with Fishery Products International over the last forty-eight hours or so, and if so, what were the meetings about? Is Fishery Products International any closer to indicating to the Province the possible plant closures?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, I met with the Chief Executive Officer, the Chairman of the Board, no later than an hour ago, in my office, very briefly, and he could not tell me any more today than he could a week ago in terms of what plants they will be closing down. They are grappling with the problem, and I guess in due course they will make a decision and will announce it accordingly.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

It seems that these kinds of meetings have been going on for weeks now and nobody seems to know. I do not know if they get together and have tea and biscuits or whatever, but we have a very serious situation in the Province and I would have thought the Minister would be trying to determine from Fishery Products International exactly what their plans are. Everyone in the Province and in the country knows that all indications are the maximum total allowable catch will be 190,000 metric tons.

My supplementary to the Minister: Is the Provincial Government of Newfoundland and Labrador objecting to any plant closures that may be suggested by Fishery Products International?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, I think the hon. Member answered his own question. Given the fact that the total

allowable catch will be considerably decreased from last year and from the year before, then it must follow that there will have to be cutbacks. We certainly do not look forward to seeing any plants close, but I guess there are times when you have to be realistic. And until we find out from FPI exactly what plants they intend to close - we know roughly what plants they are looking at, and I think most Newfoundlanders do, but certainly until a firm decision is made, then we will have to wait and see what happens.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Mr. Speaker, my question to the Minister is, you have denied all along that you knew, and now you are telling us that you guess everyone should know what plants Fishery Products International are looking at. Well, only a couple of days ago you denied that, and you are telling us that in your meeting today that was not discussed, the total allowable catch had to be determined.

Will the Minister inform the House if the Provincial Government is objecting? We have seen statements from Mr. Young that suggested, depending on the total allowable catch, there will be between two and four fish plants closed. That is what he said. Is the Provincial Government objecting to the closure of any fish plants suggested by Fishery Products International, or are you going to accept lock, stock and barrel what Fishery Products International is recommending?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, I think the House will recall that about a week ago the hon. Member stood in his place and said he knew then what plants were going to be closed. I am surprised he would even ask me the question. If he knows, then why does he ask the question?

I can tell him now that I do not know. I do know that a number of options are being looked at, as you would expect. There are going to have to be some changes, adjustments and readjustments, but certainly at this point in time we are not aware of what plants FPI will be closing.

MR. SPEAKER:

The hon. the Member for Grand Bank.

MR. MATTHEWS:

Thank you, Mr. Speaker.

I regret, Mr. Speaker, that I was correct on the reported closure of the St. John's fish plant. I was hoping I was going to be wrong. I am hoping I will be wrong about any closure of any Fishery Products International plant in this Province. And if this Government wants to prevent that, they can object and consequently do so.

My final supplementary to the Minister: When can we expect to hear what fish plants Fishery Products International will be closing in this Province?

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Speaker, I can only say that I suppose once all the options are investigated and thoroughly assessed by FPI, once there is a better understanding as to what

quotas will be available to them, then, I expect, FPI will do what has to be done.

I think, Mr. Speaker, it is fair to say that in our negotiations with FPI we have found them to be operating in good faith, doing the best they can in a very bad situation. I can only tell the Member and the House that I have enough confidence in that Company, and its Directors and officials, to know that they will do what they have to do and no more, in terms of plant closures.

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

Mr. Speaker, the Premier, when it is convenient for him to do so, and rightly so, has made an issue from time to time of the out-migration of Newfoundlanders and Labradorians from this Province.

Earlier today, Mr. Speaker, Dr. Doug House, the Chairman of the Economic Recovery Commission, caused people all over this Province to wake up to what they thought was a bad dream, and that was Dr. House on the CBC Morning Show saying the following, and I quote, 'We may have to do what Newfoundlanders have been doing for centuries, move outside this Province. That might be the best option.' Now, Mr. Speaker, will the Premier tell the House whether or not this policy as articulated by Dr. House this morning is shared by the Government?

AN HON. MEMBER:
(Inaudible).

MR. SIMMS:
Yes, he did?

MR. RIDEOUT:
Yes, he did, Mr. Speaker. Go down to CBC and listen to the tapes. We have the tapes, Mr. Speaker, and we will run downstairs and get them if the Government so wishes. I am not fooling. It was said, and we can produce the tapes if you wish to listen to them.

Now, the question I wish to ask the Premier is this, Mr. Speaker: Will the Premier tell the House whether or not this policy as articulated by Dr. House is shared by the Government? If it is not, when is the Premier going to yank Dr. House from the airwaves and put on a spokesperson who will, in fact, articulate Government policy?

MR. SPEAKER:
The hon. the Premier.

PREMIER WELLS:
What we really need, Mr. Speaker, is an Opposition that will tell the whole truth and not just part of the truth and so cause deception. That is what we really need.

Now, Mr. Speaker, I just finished a meeting with Dr. House and the Economic Recovery Commission. As a matter of fact, I discussed with Dr. House the interview. As a matter of fact, I have a copy of the tape and I listened to it and I can tell the House that the Opposition Leader has not disclosed to the House the whole truth, he has taken a few phrases out of it and has distorted totally what Dr. House said.

Dr. House was not announcing

policy of the Government, Dr. House was answering specifically a question put by a reporter, and he told the reporter of all the opportunities available for retraining and what would be available, and he went through all of that.

SOME HON. MEMBERS:
Oh, oh!

PREMIER WELLS:
Mr. Speaker, I will be happy to report to the House if the hon. Members want it, but it is obvious they only want to hear a distorted version. They do not want to hear the truth. Now I am quite happy to report the truth.

SOME HON. MEMBERS:
Oh, oh!

AN HON. MEMBER:
(Inaudible) the whole truth and nothing but the truth.

PREMIER WELLS:
That is right.

And it is no mistake that the oath you take in court swears you not simply to tell the truth, but the whole truth and nothing but the truth. Because, Mr. Speaker, if you do not, you can deceive more effectively by telling a simple portion of the truth than you can by telling a lie. What Dr. House did was answer the newswoman's question about what alternatives were open, and the training that would take place. He spelled all of this out. And then the news interviewer came back and asked another question: 'Could this mean leaving the Province, too?' And he said, 'Yes. And this is not unusual. People have left the Province before and then, when circumstances are better, they will come back when there are

better opportunities.' Now that is what Dr. House said. To say anything else would be to do what the Opposition have been doing for seventeen years, burying their heads in the sand, afraid to face the reality.

AN HON. MEMBER:

Right on! That is what you did in '71.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMS:

Talk about deception!

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Thank you, Mr. Speaker.

The Premier must be awfully concerned. He had Dr. House in to run through the tape, obviously.

Now, Mr. Speaker, let me ask the Premier, the master of deception when it suits his needs to be the master of deception, is it -

AN HON. MEMBER:

That is what you are.

MR. RIDEOUT:

Mr. Speaker, can you silence the hon. Member, or get him, as a backbencher, to get up and ask a question if he so wishes?

MR. SIMMS:

For a change, yes.

MR. RIDEOUT:

Is it the fundamental policy of this Government and the Economic Commission that, in fact, the best option for Newfoundlanders is to pack up their bags and leave this Province, as they have done for

centuries? Is that what the Premier is trying to tell the people of this Province through his spokesperson, Dr. House?

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

No, Mr. Speaker. And it is a gross misrepresentation of anything Dr. House said to suggest that that is what he said. He did not. The hon. the Leader of the Opposition is inaccurate in his representations to the House.

Mr. Speaker, here is the reality: The Statistics Canada estimate, and I do not know if it is accurate or not because it is only an estimate, so I caution Members, they estimate that in 1989 the population of Newfoundland is going up to 570,000, and increasing for the first time in six years. Finally we are maybe going to get back to where we were in 1983, getting back close to where we were in 1983, in terms of population. It is happening in 1989. But we do not know with certainty that it is. Because this is only an estimate, I cannot put it forward as totally reliable. It may be that it has not yet really started to increase, because we have not had time for our policies to really take hold and improve.

But what I can say, Mr. Speaker, and advise the House, there are, as of November this year, 4,000 more people with full-year jobs in this Province than there were in November last year.

Now while the hon. Members were in office they fooled themselves and attempted to fool the rest of the Province, but there were those of us who were not misled by this, by

creating these make-work jobs and pretending that they were really doing something of lasting value. Instead, all they were doing was putting band-aids on the cut and the injury without really dealing with the fundamental problem. We have taken a different approach. Mr. Speaker, we were specifically authorized to do it by the electorate of this Province voting for a real change, and that is the real change we intend to implement.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. RIDEOUT:

Mr. Speaker, the Premier is taking a different approach all right, and that is to close the whole Province down, as the unemployment statistics show for this time over twelve months last year. Now, Mr. Speaker, let me ask the Premier this: Will the Premier confirm to the House that Newfoundlanders and Labradorians this morning, having listened to Dr. House, Chairman of the Economic Recovery Commission, would be justified in looking at this Commission as a burn-your-boats commission, a resettlement commission, a mobility commission, a get-out-of Newfoundland and Labrador commission? Is that what this Commission has been set up to do for this Province?

MR. SPEAKER:

The hon. the Premier.

MR. WARREN:

Tell the truth.

PREMIER WELLS:

No, Mr. Speaker. I am confident that the people of this Province have more intelligence than to look only at one phrase that was in answer to a specific question,

that they will look at and listen to the whole of it. If they do, they will see that they are encouraged by Dr. House to expect better things within this Province and to look first and foremost within this Province.

But, Mr. Speaker, Dr. House, being a man of honesty and integrity, when the newspaper reporter said to him, 'Dr. House, in addition to what you said, does this also mean that some people will leave the Province and look for work elsewhere?' Dr. House, quite honestly said, 'Well, yes, I can expect that that would happen, too. That has been happening for years in the past. But as soon as there is better opportunity, as soon as we have time to create better opportunity here, they can be expected to come back, as they have done in the past, as well.'

MR. SPEAKER:

The hon. the Member for Burin - Placentia West, one minute.

MR. TOBIN:

Mr. Speaker, now that Dr. House has said this morning, and I quote, 'We may have to do what other Newfoundlanders have been doing for centuries, move outside the Province, that might be the best option', let me ask the Minister of Municipal and Provincial Affairs, now that Dr. House has articulated a resettlement program outside the Province, if he will live up to his commitment and announce in this House, as he has said he would, the Capital Works Programs, and if there will be a denial of water and sewer services to communities which Dr. House has suggested will have to move outside the Province?

MR. SPEAKER:

The hon. the Minister of Municipal and Provincial Affairs.

MR. GULLAGE:

Mr. Speaker, the Capital Works Program is in the process of being finalized right now. As the hon. member knows, it is prioritized by the regional offices. Health and Environment are the two most important factors and will continue to be the two most important factors, Mr. Speaker. There is no question that economic conditions in a given area are important, but the health situation in a community with water and sewer, and the environmental impact upon a community with the conditions that exist, are the most important criteria and will continue to be, and are identified as such in the criteria as we rank the various communities.

MR. SPEAKER:

Question Period has expired.

Order, please!

PREMIER WELLS:

Mr. Speaker, might I ask leave of the House to read precisely what Dr. House said? If the House is interested in the truth, I would like leave of the House to read it. Could we have leave of the House to table it. No? Okay.

MR. SPEAKER:

Order, please!

A couple of points came through in Question Period that the Chair would like to comment upon at this point for the sake of parliamentary language in the future. There were two incidents that the Chair would like to refer to. The first one was the remark made by the hon. the Leader of the Opposition to the effect that the

Premier was a master of deception. In the House we are not to impute motives to hon. Members, and it is the opinion of the Chair that to suggest that somebody is a master of deception is certainly imputing motives and ought not to stay on the record. I am sure the Leader of the Opposition did not mean to do that and it was just a matter of expression. If the Leader of the Opposition would withdraw that remark, then that would clear up the matter.

MR. RIDEOUT:

Mr. Speaker, I would be happy to withdraw anything that is not parliamentary if the Premier, and we have not checked any Hansard, but if the Premier will agree to withdraw the same reference to me about accusing me of being deceptive and deceiving the House and deceiving the people of Newfoundland and Labrador by allegedly only quoting part of certain documents. I had no intention of deliberately trying to mislead the House or whatever.

AN HON. MEMBER:

The Premier should be asked to do the same.

MR. SPEAKER:

The Chair will certainly refer to the remarks by the Premier, but I did not hear the Premier say it in the same light, but the Chair will certainly look at it and make no exceptions. I think to refer to anybody as being deceiving or to use the noun deception is certainly unparliamentary. The other statement that the Chair has been hearing from time to time from an hon. Member is to suggest, when an hon. Member is speaking, that he should 'tell the truth.' For someone to make that statement, 'tell the truth,' is

obviously an inference that an hon. Member is telling a lie. And as hon. Members know, that is not supposed to happen in this House on either side. Hon. Members are supposed to tell the truth.

MR. TOBIN:

On a point of order, Mr. Speaker.

MR. SPEAKER:

On a point of order.

MR. TOBIN:

I listened, Sir, very carefully to what you had to say. On Friday past, when I was speaking in debate, an hon. gentleman shouted across the House 'lies, lies, lies.' I brought it to the attention of the Speaker but nothing was done about it. It is also recorded in Hansard on Friday, and probably Your Honour would like to deal with that as well.

MR. SPEAKER:

I will do so.

Answers to Questions
for which Notice has been Given

MR. GILBERT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Works, Services and Transportation.

MR. GILBERT:

Thank you, Mr. Speaker.

Yesterday the Member for Kilbride asked me a couple of questions. I told him I would get an answer and report back. The questions were: I want to ask the Minister which part of the Province and which communities, or which isolated areas of the island part of the

Province, would qualify to have the Department of Transportation, equipment and staff work on private property. Further to the same question, and I want to ask the hon. Minister to be more definite to them, will he tell me if St. David's and St. Fintan's area would qualify under Provincial policy or equipment used on private property. Answer: The Member was recently provided with the Department's policy on the use of equipment within the Province on private property. He is now asking which part of the Province specifically qualifies under this policy. It is impossible to identify these areas at any given point in time, because circumstances are constantly changing. An isolated area which does not have access to any privately owned piece of equipment today might have access to such equipment next week. These requests are dealt with as they come in to the Department, and are assessed as per our policy.

The second question he asked, I want to tell the hon. Minister, that I guess, the most important part of the policy is that equipment cannot be used at all unless there is no other equipment available in the immediate area, and I know for a fact that St. David's and the St. Fintan's area do not have this type of equipment available, so probably, it would qualify. But, Mr. Speaker, I want the hon. Minister to confirm to this House that the departmental staff and equipment were seen November 9th, doing work on the private commercial property, owned by the Member for St. George's. Answer: Government equipment was not used on the private property owned by the Member for St. George's on November 9th or any other date. As a routine

maintenance activity, departmental staff are constantly reshaping shoulders along the all-paved roads. On November 9th, 1989, the Department placed a tandem load of shouldering material along route 404, which passes in front of property owned by the Member for St. George's, and if this is the incident to which the hon. Member for Kilbride refers, I cannot see how it could be inferred as work on private property. The material was spread, using a departmental grader, which is considered to be normal maintenance operation. In fact, the Robinson's unit placed and spread approximately thirty-one hundred cubic metres of shouldering material on this and other roads in their maintenance area.

MR. SPEAKER:

The hon. the Premier.

PREMIER WELLS:

Thank you, Mr. Speaker.

Yesterday, Mr. Speaker, I undertook to find out information about the layoffs at Abitibi-Price, and if I have the correct quote here, the hon. the Member for Grand Falls indicated that it was in fact 271 jobs and not 250 jobs. I undertook to determine whether or not the figure they gave us originally when they advised us of 250 was accurate. We are now told that there are 245 union jobs and twenty-six salaried jobs, which totals 271 jobs altogether. Not all of those are in Grand Falls, eight or ten, I believe, are in the Botwood area.

The other thing the hon. gentleman said is that in reality it was going to be 420 jobs, those 271 plus another 149 spares, who would now be absolutely out of work and

would be lost too. That part of the representation is totally inaccurate, Mr. Speaker. The only accurate part of it is that there are, in fact, 149 spares. It is possible, although not at this stage certain, that the 149 spares may in fact be reduced sort of proportionately, depending upon how the employees respond to the layoff or early retirement options and so on. This may affect the numbers. It could be that they may be reduced by fifteen or twenty, but there would still be a very large number, or perhaps all of those numbers as spares. That is the information, I have been advised by company officials this morning.

Now, I do not have personal knowledge. I cannot guarantee the hon. member that is right, but I undertook to find out the information, Mr. Speaker, and that is the information I obtained.

MR. SPEAKER:

The hon. the Minister of Works, Services and Transportation.

MR. GILBERT:

Thank you, Mr. Speaker.

This is an answer to a question on the Order Paper, Question 40, from the member for Kilbride. He asked, what were the number of tendered contracts which were extended beyond the accepted tender price? There were six. What was the extra cost to Government for extending these contracts? It was \$367,500. Also, provide a list of the contracts which were extended, and the location and description of the work provided. They were Merits Cove and Back Harbour Road, extension to Contract 2389; paving Loop Road at Hillview, extension 6689; paving 120 metres of road in

Portugal Cove South, extension 1689; project 5689 extended by 700 metres off Route 70 to the end of Salmon Cove because tender costs were lower than estimated; project 3989 extended by 360 metres, to include a bad section of the Bareneed road; project 10388 extended to include paving of the departmental roads in the communities of Southern Labrador.

Orders of the Day

MR. BAKER:

Order 22, Mr. Speaker.

Motion, second reading of a bill, "An Act To Amend The Mining Grant No. 11 (Conveyance of Minerals) Act, 1966." (Bill No. 46)

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

DR. GIBBONS:

Mr. Speaker, this is a minor Bill to delete two words. Back in 1888, on December 20, that is 101 years ago, a mining grant was issued in the Pelley's Island area to all the minerals except gold to an area of land. The old Volume 1 was lost in which this was registered, so back on March 25, 1966 a new Act called, "The Mining Grant No. 11 (Conveyance of Minerals) Act," was passed by this House conveying the same minerals. We have a company that is working the area and that company made a request to us to include gold as part of the minerals.

Normally under the Mineral Act we give all mineral rights when we give an area for mineral exploration, and we cannot understand at all why 101 years

ago they excepted gold in this particular circumstance. Geologically, everything we know about the area would show gold as probably a by-product of copper, lead or zinc mineralization, probable copper mineralization like at the Whales Back or Little Bay mines in the Springdale area, so we do not know why it would have excepted gold. No one can understand that, and we are suggesting the amendment now that would delete these two words from this particular piece of legislation. That is the intent of Bill No. 46.

MR. SPEAKER:

The hon. the Member for Menihek.

MR. A. SNOW:

Thank you, Mr. Speaker.

It is good to see the Minister of Mines and Energy making some minor changes to this particular Act. It would be more interesting, of course, to able to stand and see him making some energetic changes to some of our other Acts. It is indeed a housekeeping piece of legislation, bringing this particular piece of property into the other mineral properties in the Province and in line under the Minerals Act. Of course, Pelley's Island was one of the original mining sites in this Province, and contributed greatly to the wealth of the Province in those particular days, back in the 1800s. It has a lot of mining districts, such as in my own, in Menihek. We always recognize how much they can contribute economically, but they also contributed culturally and politically. In the case of the cultural activities and the contribution of Pelley's Island, I understand that the ancestors of our House Leader, the hon. Mr.

Simms, are from Pelley's Island, so they have made a contribution politically and culturally.

We do not have any problem on this side of the House with bringing into line this particular piece of property and encompassing it under The Minerals Act. Thank you, Mr. Speaker.

MR. SPEAKER:

If the Minister speaks now, he closes the debate.

DR. GIBBONS:

I thank the hon. the Member for Menihek for his comments on this.

The reason I am rising today to talk on this, actually, is that on Thursday and Friday I am going to be visiting his District of Menihek, to have meetings with both companies in that area, because that is the major area of this Province in terms of mineral exploration and mineral development. I close the debate.

On motion, "A Bill, An Act To Amend The Mining Grant No. 11 (Conveyance of Minerals) Act, 1966," read a second time, ordered referred to a Committee of the Whole House, on tomorrow. (Bill No. 46).

MR. BAKER:

Order 25, Mr. Speaker.

Motion, second reading of a Bill, "An Act To Amend The Electrical Power Control Act," (Bill No. 54).

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

If I may, just a word before the Minister stands.

I have to make the point, and it should be understood by the House, that we are doing this, I guess, by agreement through discussions the House Leader and I have had. The Minister will not be here on Thursday or Friday, which would have been the probable time this Bill might have come up for second reading. Members may recall, it had been intended to move back to Committee of the Whole today to discuss the Fishery Bill and other matters, but by agreement - and I would like to make it known, because this piece of legislation, again, has not gone to the Legislative Review Committee - we are agreeing in this particular instance, but agreeing only to this: I understand it is going to the Committee on Thursday.

MR. GOVER:

Tomorrow.

SOME HON. MEMBERS:

Oh, oh!

MR. SIMMS:

Tomorrow. Members do not know what they are talking about. Listen to the Member for Bonavista South.

This particular Bill, The Electrical Power Control Act, has not gone to Committee. Am I right or wrong?

AN HON. MEMBER:

You are right.

MR. SIMMS:

So, does everybody apologize?

SOME HON. MEMBERS:

We apologize.

MR. SIMMS:

Okay.

Anyway, having made that point, here is the agreement the House Leader and I have, and we want to make sure this is understood. It is not intended to debate this Bill today, we are merely allowing the Minister to introduce it today and then my colleague, our critic, will simply adjourn the debate and the intention is to move back to Committee of the Whole. I would like the House Leader just to sort of acknowledge for the benefit of my colleagues on this side that this is not something secret, because we were not advised of this yesterday.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Mr. Speaker, in response, I hardly know how to begin. The Opposition House Leader says this is being done by leave or something, or is he simply making the point that he and I have had a conversation, finally? He has been saying that we have not been talking for some time and that we have had a conversation. Maybe that is the point he is trying to make.

AN HON. MEMBER:

(Inaudible).

MR. FUREY:

There is no leave required. What are you talking about? We are the Government. We set the agenda.

MR. SIMMS:

We had an agreement. I was not talking to the junior Minister (inaudible).

MR. FUREY:

Well, clam up and just listen to us. We set the agenda.

MR. SPEAKER:

Order, please! Order, please!

MR. BAKER:

I did have a conversation with the Leader of the Opposition first, and then the Opposition House Leader, concerning the fact that I believe I announced we were going ahead with Bill No. 26 yesterday, the Fisheries Bill, but that I intended to call Orders 22 and 25, and I gave the reasons.

I do not want this interpreted, Mr. Speaker, as being any kind of an agreement that things have to go to the Legislative Committees before they are introduced in second reading in the House. I do not want it interpreted as any kind of agreement in any way possible. The Government calls the Orders on all days except Private Member's Days, and it is a courtesy we extend to the Opposition to tell them ahead of time what we plan to do, and, then, if there are any situations that change those plans, to advise them as quickly as possible of the changes in plans.

Mr. Speaker, there was no agreement, it was simply an advising of the Opposition as to what was going to happen today in a spirit of co-operation.

Motion, second reading of a bill, "An Act To Amend The Electrical Power Control Act " (Bill No. 54).

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

DR. GIBBONS:

Thank you, Mr. Speaker.

Mr. Speaker, on May 25, in the Throne Speech, we served notice that we as a Government would be

reviewing legislation regarding the generation, distribution and supply of electricity in this Province. We are doing that, and in the next few months we are going to be bringing in a Bill regarding The Electrical Power Control Act that is going to have substantive changes to this particular piece of legislation, and will then warrant proper discussion, proper review in the Legislative Committee and so on.

At this time, we are not ready to bring in significant changes to this legislation. What we are doing today with Bill 54 is the bare minimum required to implement what we talked about in our Budget a few months ago, of integrating the Power Distribution District of Newfoundland and Labrador into Newfoundland and Labrador Hydro, and phasing out the power subsidies that are now being paid to the District. So these are the bare minimum amendments required to do this thing only, to phase out the subsidy, provide recovery of losses this year related to the subsidy, and to delete, basically, references in The Electrical Power Control Act to the Power Distribution District, therefore, integrating it fully in the role of the District into Newfoundland and Labrador Hydro.

The amendments are broken into two parts, some, part one; to take effect retroactively April 1, because we basically started phasing out the subsidy with this year's Budget, and, part two, to take effect as of January 1, 1990. If we look at the Bill, the most significant thing here is in clause 3 which shows the addition of a section 4.1 regarding forecast costs; 4.1(a) talks about the subsidy for the period April 1 to December 31, or the phasing out

of the subsidy for that period, therefore, the accrual of losses by Hydro during that period, when the subsidy paid would be part of the \$20 million for the first year that we are still going to provide for, 1989-1990.

Section 4.1(b) regards the losses that would accrue after December 31, 1989 as the subsidy gets continually phased out; and part (c) regards any losses regarding the implementation of a guaranteed fee.

So these changes that are talked about in this particular Bill, part one, really do this only, except for deleting the references to PDD, the major part of it to phase out the subsidy over a three year period.

Part 2, starting with Section 5 of this Bill, again the same; and part 5 (b)(i) introduces a new definition for "rural customers." Rural customers are these people who were previously served by the Power Distribution Districts, so the use of the phrase 'rural customers, then, will be seen throughout this particular part of this Bill.

Section 6, shows amendments to Section 3, of The Electrical Power Control Act, this is the restatement, then, of the policy regarding electricity in the Province. The declaration of policy whereby the rates to be charged are going to be reasonable and not unduly discriminatory, that is no change from at present; (b) has a minor change which basically ties the rate of electricity to forecast cost for one or more years. Previously it talked about costs for a three year period based on a study of future costs for that period, or

some other period; 3(c)(i) and 3(c)(ii) have not changed at all. And there is a deletion of a section in the old Act that was referring to the PDD. So a new power policy is now as stated in Section 6 of this Bill.

On the next page, 7, Section 9 refers to some amendments to Section 6 of The Electrical Power Control Act and repeals the former Section 6 and replaces it with the new wording, but, again, there is no substantial change, actually, from what was in the former Section 6. It, again, allows for the integration of PDD into Hydro by deleting the references to that, particularly into Section 2.

The same thing in the next Section. Section 10 of this Bill deletes the words 'PDD' and replaces those words with the 'Hydro Corporation'. Further down in Section 11, referring to Section 9 of the Electrical Power Control Act, we are only adding the words 'or rural customers' there in this particular section. No other substantive changes throughout Section 9. The old Section 9 is replaced by this new section 9, but really all it does is add 'or rural customers' to that particular part of the Bill.

As we go further, no real substantive changes. Section 15 is repealed and again you can see in section 15 the addition of 'and rural customers' at the end of 15 (i). And in 15 (ii), on the top of page 9, the addition of 'nor a rural customer'. So no significant changes, other than these minor changes to allow the integration of the PDD with Hydro.

There are some other minor consequential amendments further down. One regards the inspection

of wiring standards. This is now added to this particular Bill so that no power will be given unless a facility has been inspected appropriately and approval given.

And the next Section 'Non-payment of Charges', this is a standard Section being placed in this Act and being put here, again, because of the integration of the PDD with the reference to 'rural customers'. So it is not really a change from present policy.

Assets and liabilities of the PDD as a result of these amendments will rest with the Newfoundland and Labrador Hydro Corporation, and the former Act, which implemented the Power Distribution Districts, The Rural Electrification Act, will be repealed upon implementation of these amendments.

MR. HEWLETT:
Mr. Speaker.

MR. SPEAKER:
The hon. the Member for Green Bay.

MR. HEWLETT:
Mr. Speaker, pursuant to the agreement between the two House Leaders, I adjourn debate until later in the week.

MR. SPEAKER:
The Member for Green Bay has adjourned the debate. I am not sure whether -

MR. BAKER:
Mr. Speaker.

MR. SPEAKER:
The hon. the Government House Leader.

MR. BAKER:
Mr. Speaker, in terms of procedure that is perfectly okay. All it

means, then, is I will call a different Order of Business now and I call Order 3.

MR. SPEAKER:

The Chair wants to know what has happened here.

MR. BAKER:

My understanding, Mr. Speaker, is that the Opposition has moved the adjournment of the debate on this particular Bill because they want an extra day or so to get ready, and that is perfectly okay with me. We can go ahead and call that Order again some other day; Thursday, Friday or the week after. I would now like to call Order 3.

MR. SPEAKER:

Order 3.

The Motion is that I do now leave the Chair for the House to resolve itself into Committee of the Whole to discuss an "Act To Give Effect To The International Convention On The Law Applicable To Trusts And Their Recognition."

On motion, that the House resolve itself into Committee of the Whole to consider said Bill, Mr. Speaker left the Chair.

MR. CHAIRMAN:

Order, please!

A Bill, "An Act To Give Effect To The International Convention On The Law Applicable To Trusts And Their Recognition". (Bill No. 30)

Motion, that the Committee report having passed the Bill without amendment, carried.

MR. BAKER:

Order 4.

A Bill, "An Act Respecting The

United Nations Convention On Contracts For The International Sale of Goods'. (Bill No. 31).

Motion, that the Committee report having passed the Bill without amendment, carried.

MR. BAKER:

Order 6.

A Bill, "An Act To Amend The Education (Teacher Training) Act." (Bill No. 48).

Motion, that the Committee report having passed the Bill without amendment, carried.

MR. BAKER:

Order 7.

A Bill, "An Act Respecting The Department Of Works, Services and Transportation". (Bill No. 33).

MR. SIMMS:

How many Clauses are there?

MR. CHAIRMAN:

Eighty-six.

MR. SIMMS:

Move all eighty-six Clauses.

On motion, Clauses 1 through 86, carried.

Motion, that the Committee report having passed the Bill without amendment, carried.

MR. BAKER:

Order 8.

A Bill, "An Act To Amend The Local Road Boards Act". (Bill No. 34).

Motion, that the Committee report having passed the Bill without amendment, carried.

MR. BAKER:

Order 5.

A Bill, 'An Act Respecting The Department of Fisheries.' (Bill No. 26).

MR. CHAIRMAN:

Shall Clause 1 carry?

MS DUFF:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the Member for St. John's East.

MS DUFF:

Mr. Chairman, I would like to continue some remarks in relation to The Fisheries Bill this afternoon, before we finally adopt that Bill.

Yesterday I went into some detail in the four minutes that I had to speak about my very serious disappointment over yesterday's announcement that NatSea would be closing, and that that disappointment did not only relate to the fact that there was going to be a serious job loss in my community, but related more to the fact that at least as I perceive it, and as I think many of the people in St. John's perceive it, the Government let that plant go without a fair fight.

AN HON. MEMBER:

That is not true.

MS DUFF:

They did not get mad, they did not get tough, they did not take action, and there is certainly room to believe, and I hope I am wrong, that in the message they gave to National Sea, if it was not exactly that it is alright to close the St. John's plant, it certainly was an implied message that that was a better option than

closing Burgeo or Arnold's Cove, with no real attempt to go for the only fair and humane option, which would have been to keep all plants open on a shared downtime. I thought the Government, perhaps, had far too much sympathy with the long-term business plans of international companies like NatSea, and it clearly is part of their business plan to downsize their fishing plants so that they can deal with the overcapacity they have in existing plants, not only in Newfoundland, but in Nova Scotia, and that the people of St. John's, particularly the fish plant workers, have been led to slaughter like sacrificial lambs because it did not matter enough to this Government to fight for them.

Now, I am a little less mad and a little bit happier having heard the comments from the Minister of Fisheries today who says that he is now going to fight, that he is going to try and insist on keeping that plant open on shared downtime, that he is going to do something about the factory freezer trawler licences, and he is going to recognize the value of that particular plant to the inshore fishery on the northeast Avalon. I most certainly hope he will make good on that commitment. And if he does, I will be the first person to congratulate him, because I think it is imminently possible.

I know how credible NatSea can be, because I sat and met with them with the City of St. John's Council. Butter would not melt in their mouths when they try to tell you how tough it is and how important it is, but they are a corporate giant who have diversified extensively into multi-national markets, and now,

when they have participated in the good times in this Province, they are just not prepared to participate in the bad times and I think they have to be made to do so.

We are all talking as if this is temporary, and everybody is saying that it is a temporary closure until the stocks rebuild, but for some reason or other, and I can well understand it, the fish plant workers do not believe that if this plant closes it is a temporary closure, and, quite frankly, neither do I. I think it depends to a great extent on how much faith you have in the fishery, and what your long-term agenda is in terms of the fishery. And things I have heard said, both by National Sea and by this Government, certainly lead me to believe that it is part of the long-term agenda of both the company and the Government to downsize this fishery, which may be all well and good if what you are talking about is the macroeconomics of international industry, but it does not do a darn thing for the microeconomics of the individual fish plant workers who are going to be laid off with a pitiful compensation package no matter where they are.

I know for the past 17 years oftentimes the previous Government was criticized for moving in and subsidizing certain industries in this Province in order to make them economic enough to stay open, but the reason they did that is that they had the real compassion to understand that the microeconomics of human individuals is important.

I listened yesterday to the hon. the Member for Stephenville talking about how important it was

to save the capital so that you would have - the Member for Lapoile - some money to use down the road sometime when you want to make everything very rational, and criticizing, certainly by implication, the previous Government for having moved in, whether it is the mining sector, the forestry sector or the fishery sector, to subsidize those industries. But I think you also have to realize that extensive layoffs deplete the capital, whether it is put directly into the business, or put into welfare payments or other forms of support for laid off workers, but they do not only deplete the capital, they deplete the self-respect and the dignity of the workers, and, to my mind, that is a far more viable option.

Now, the workers at National Sea do not, like this Government, take comfort in the fact that NatSea have said, - and I underline that word 'said', that they are mothballing this plant for reactivation, because they do not believe it. And how can they believe it when their own Member yesterday in Hansard said, 'Let me say in closing, Mr. Chairman, I will tell you I have not given up. I have given up on this piece of steel on the Southside, on the configuration of a plant, but I have not given up on the people.' Now, if the member says 'I have given up on this piece of steel, this configuration of a plant,' then that is pretty devastating, because the member, being a member of Government, certainly is in a position to know more than I do about what the real agenda of Government is, and that says to me that in spite of the more optimistic comments of the Minister of Fisheries, the member, and I know he is a frustrated

member today, must really feel that this plant is gone. That is all I can read from these comments.

MR. MURPHY:
(Inaudible).

MS DUFF:
That is exactly what was said.

I just want to mention for a moment the question of the real state of the fish stocks. Now, I know we have the Harris Report and I am not going to underplay the seriousness of the crisis that we have right now in the fish stocks, but it has certainly been denied by NatSea, from their own research, that the fish stocks are in as bad a condition as is being said. Even Dr. Harris, himself, although he certainly is not prepared to backtrack on his recommendations, has indicated that the research that went into developing those figures on the fish stocks was certainly not what it should have been, and I think there is a very real chance, because the research needed to be done a lot better, that the actual situation may not be as grim as it is being pointed out to be today. It does not matter how many graph charts you do or how many computer printouts, if it is garbage in it is garbage out, and you can refine bad research as much as you like and not get any nearer to the truth. What the fish plant workers would have liked, given that there are questions about the necessity for the stock reductions, is for Government to negotiate a period of grace for them until the Federal Government can be pushed to do what it should have done a long time ago in terms of managing these fish stocks, and that is get a better handle on the facts. That is what they are asking this Government to do, to

negotiate a period of grace so that no plants need to close, at least not in the National Sea configuration, until we know a little bit more about what we are talking about. Because if the plant closes NatSea has no intention of ever opening it again, because it does not fit in with their corporate plan.

I only want to make one more comment, because it has become very clear to me, while sitting and listening to the comments on this, how important it is for this Government to have a greater say in the management and jurisdiction of the fishery. We know the Government of Canada did a lousy job, probably because they do not understand the fishery as well as they should, and because they do not perhaps care as much as they should. It may not be as important to the Government of Canada as it is to the people of Newfoundland and Labrador. Brian Peckford knew that. He understood, if he understood nothing else, that the fishery was more than a corporate bottom line, that it is part of the whole weave, the warp and woof if you like, of the life of Newfoundlanders, their political, social, economic life, their family life, their dignity, their pride, their identity, whatever you want to call it. There is nothing as important as the fishery in this Province, and therefore he fought like a dog, some say like a crackie, until he got the Federal Government to agree to place that whole issue of fisheries jurisdiction on a meeting for the First Ministers as the number one priority item, and we now have a Premier who is telling us that we do not need more jurisdiction because we would not have the ability to exercise

it. I hope the Premier will change his mind on that issue and recognize the importance of that issue to the Province of Newfoundland. I hope that the one bright spot that we are going to hear in the economy of this region is not going to be that CN Marine have agreed to have a year-round service out of Argentia on the Clara and Joseph Smallwood, because that will make it possible, not only for mother's sons to leave Newfoundland, which is what they may have to do if we have any more plant closures in this Province, but they will have to take their mothers with them.

I would only say once again to the Minister of Fisheries from today I think you are on the right track. Keep fighting and do not stop fighting until they agree to keep that plant open on a part-time basis.

SOME HON. MEMBERS:

Hear, hear!

MR. CHAIRMAN:

Shall Clause 1 carry?

The hon. the Minister of Fisheries.

MR. W. CARTER:

Mr. Chairman, I just want to have a few very brief words on this Bill.

I want to reply to some of the statements made by the Leader of the Opposition during second reading of the Bill, and I note from his comments, Mr. Chairman, that he supported the initiatives we are now taking with respect to the reorganization of the Department of Fisheries, and he supported the action we have taken with respect to abolishing the Fishing Industry Advisory Board and incorporating it into the

activities of the Department of Fisheries. I welcome the hon. Leader's support in that regard.

He was critical, Mr. Chairman, in certain areas and, I suppose, being Leader of the Opposition, that is what one would expect. But, by and large, I gather from his comments that he supported the Bill and could not offer too many objections to it.

Now, Mr. Chairman, the hon. the Member for St. John's East in her few remarks - I just came in on the tail end of her comments; I was at a meeting - talked about the plant on the southside of the harbour and the need to keep that plant in readiness for reactivation. We have talked about that. We have had meetings with the various officials, people of NatSea, on that very matter. I am encouraged by the fact that they are mothballing the plant rather than walking away from it, but by virtue of the fact they are mothballing it, it certainly gives hope that at some point in time down the road, maybe the plant can reopen, and I certainly hope it does.

I believe, if the fish stocks rehabilitate, as we think they will, if we apply the proper management regime and adhere to the normal practices of conservation, the fish stocks will rebuild and that fish plant will then be back to what it was before this tragic set of circumstances occurred.

This morning we talked about the problem that could arise with respect to the inshore fishery in St. John's and, contrary to what a lot of people think, and I suspect a lot of people in this House, certainly in Newfoundland, one is

not inclined to give St. John's credit as being a major inshore fishery port. In fact, I believe outside of Bonavista and maybe two or three other inshore fishing ports, St. John's ranks very high.

Yesterday, the Premier and I met with the union, and at that meeting was Mr. Charlie Roberts, a well-known St. John's inshore fisherman. I have known Charlie for a number of years, and when Charlie tells me something, I believe him, because I think the man is sincere, and he has been at it long enough to know what he is talking about.

Yesterday, Charlie told me that from the inshore sector alone, in St. John's, the trap fishery, normally there would be a landing of four and one-half to five million pounds of fish. That is a fairly substantial quantity of unprocessed fish. In fact, that would sustain a fairly large feeder plant operation. Feeder plants say, give them three million pounds of put-through, and they can justify keeping the plant in operation.

I am told that the fishery in St. John's will produce an amount of fish in excess of that. In fact, the four and one-half million pounds is a very conservative estimate. Charlie was telling me that from other sources, quite likely that amount could be almost doubled.

We talked about it, and this morning I invited the union to come to my office at 8:00 a.m. and we had a further discussion on that matter, because it certainly does not give me peace of mind knowing that come spring, when the trap fishery is at its height, that fishermen in St. John's will

have to dump their landings. I want to take whatever action is necessary now to prevent that from happening. I do not want to wait until the traps are in the water and fish are in the boats and the fishermen are then faced with the prospect of having to dump their fish.

We talked about a number of things. For example, we wondered maybe if NatSea would be interested in reactivating the plant purely as a seasonal operation. We know that the plant is capable of processing about 60 million pounds of fish a year, and we know that it is very, very unlikely, indeed it is a certainty, that a light quantity of fish will not come from the inshore fishery. But it might well be that there will be enough inshore landings to warrant that plant being kept open as a seasonal plant to accommodate the 1990 trap fishery, and maybe years beyond 1990. Certainly, my people are discussing that possibility with Mr. Cooligan and the other gentleman, who is Henry Demone, Chief Executive Officer of NatSea. We cannot very well tell them to do it; NatSea is a private company. Granted they operate by leave and licence of the Government of Newfoundland and Labrador, but as a private company they do have certain rights and certain prerogatives, and I do not think the Province is in any position to force them to re-open that plant if it is not their intention to so do.

I think this will be of interest to the hon. the Member for St. John's East, and of course my friend from St. John's South, the question arose, by the union, and I must give credit, the young lady, Linda Hyde, I never met a

more articulate and better spokesman. I am not just saying that for political reasons, because I have nothing to gain by saying that. But I have to say that she handled herself extremely well, and the points she made this morning were well made and were certainly well taken. She was a credit to her union and to the people she represents.

But we did talk about that, and she raised a point and a very valid one, that NatSea occupies a very valuable piece of real estate in St. John's Harbour. In fact, you have heard the expression about things being as scarce as hens teeth. Well, land on the waterfront of this Port, St. John's, is as scarce as hens teeth, there is just no land to be bought. Mr. McCurdy, the union rep, reminded us how long and how hard they had to work to find a place to provide an inshore boat basin for the inshore fishermen. I think eventually they came up with Prosser Rock, I think it is called, and that is far from ideal. But under the circumstances and given the unavailability, if that is the right word, of a better site, they were lucky to get that.

So the question came up, what could possibly happen to the NatSea premises? Is it possible, for example, that one of these days NatSea might get a generous offer from some offshore supply company who might want to move in and buy that waterfront property, buy that big and well-constructed metal building as a warehouse or a place in which to conduct certain types of businesses? And, you know, the more we thought about it and talked about it, the more likely that appeared to be a reasonable prospect. That

company is obviously strapped for money. It is a well-known fact that NatSea is not a wealthy company any longer; they have a very substantial debt load, and they are not flush with money at this point in time. So who is to say that if an attractive offer were to be made for the purchase of that property, as indeed could very well happen, then we want to be sure that that does not happen. We want that premises to remain as a fishing premises, and as a site of a very major and a very important fish processing facility.

I now have my people checking with the Registry of Deeds and Companies and checking with the owners of National Sea to get the details on the land on which the building is erected, to find out if it is leased. I understand that is leasehold land, and NatSea has a certain lease on the premises. I have asked my people to find out what the details are when the lease is up for renewal, and to find out, as well, if it is possible that the National Harbours Board, who is the landlord who owns the land, will be able to give this Province the right to first refusal. If and when that land ever goes up for sale, then I believe the Province should have the option to purchase that land and, in its wisdom, hopefully, allow it to remain there as a fish processing facility. We are taking whatever steps can be taken to ensure that that happens. Because, as I said a moment ago, there is a danger that if it is left wide open, then quite conceivably one of these days we could learn that one of the big offshore companies, Mobil or some other company, when Hibernia is starting, rushed in and bought that and you can forget

it then for all times as a fishing facility. So that is being looked at.

Certainly we are going to talk to NatSea about the possibility of providing maybe a seasonal operation, thereby heading off before it starts the problem that I believe will surely arise come spring, that of there being too much fish and too little processing capability. We know that in other years the area from Cape St. Francis up in my hon. friend's District, St. Mary's - the Capes, had a reasonably good fishery. Last year, for example, the fishery would have been a total disaster were it not for the factory freezer ship that was stationed in the Harbour. Of course, the Polar Storm, which was engaged by my Department, moored itself I believe in River Head, St. Mary's - The Capes, in Petty Harbour and other parts of that area, and bought surplus fish. I forget the exact number of tons that were bought, but I do know that the amount of fish that was salvaged by virtue of that operation made the exercise extremely worthwhile.

AN HON. MEMBER:

The Cape North (inaudible).

MR. W. CARTER:

The Cape North, as my friend reminds me, was stationed in Placentia Bay, and I understand that it, too, succeeded in purchasing a large quantity of fish, again fish that would -

AN HON. MEMBER:

Petit Forte and Paradise.

MR. W. CARTER:

Petit Forte and Paradise.

- fish that would otherwise have

been dumped. Mr. Chairman, if there is one thing that this Province cannot afford right now - one thing - in light of all the publicity we are getting because of the depletion of our fish stocks and the cost that will be incurred in coping with that problem by both the Federal Government and the Province and, of course, by the private sector, if there is one thing we cannot afford to allow to happen it is to have one pound of fish dumped in this Province during 1990 and succeeding years, because that would be sending an entirely wrong message to the powers that be, to the other fishing countries of the world. For example, how could my hon. friend, the Premier, rationalize his comments this morning to the Spanish Ambassador when he made a strong case for conservation, for Spain to take a more responsible attitude towards the fishery? How could we rationalize that kind of a statement if we were to allow fish to be dumped in this Province, with all the headlines it will generate next summer, because we did not have the capacity to process that fish? It would make a joke of all that we have been saying and all that we have been doing. I can tell you now, Mr. Chairman, that we have no intention of allowing that to happen.

So, given all these concerns, Mr. Chairman, it might well be that there is justification for the NatSea plant to reopen strictly and purely on a seasonal basis, maybe, to accommodate the inshore fishery. I recall, two months ago, entertaining a delegation from Bauline, Pouch Cove, Portugal Cove, Torbay and parts of St. John's, and I believe one or two from the hon. Member for

Ferryland's District, who came to my office desperate, begging me almost, to make sure that the plant in Witless Bay would be rebuilt. They understood the problem, the time constraints, they understood the fact, of course -

MR. CHAIRMAN:

The hon. Member's time has elapsed.

SOME HON. MEMBERS:

By leave.

MR. CHAIRMAN:

By leave.

MR. W. CARTER:

They understood the constraints under which we operated and the fact that to rebuild that plant in these present circumstances would require me to come up with a pretty good explanation, because it could be said by others that there we are, allowing plants to close in one area and then encouraging plants to rebuild almost in the same area. But we took a chance on it. These people said, Look, we need that plant. If we do not have it, we are going to be in real trouble. So we took a chance and we started action on attracting a new operator. Luckily, we found that new operator and I am happy to report today that come 1990, the fish plant in Witless Bay will be rebuilt and will be fully operational. In fact, to ensure that it does, we have required the new operators to post a bond - I believe it is a cash bond - in trust with the Department, guaranteeing the Department and the fishermen against the eventuality of that plant not being in operation and not being rebuilt, as is outlined in their proposal.

Mr. Chairman, I thank the hon. Members for leave to allow me to say these few remarks. I can assure the hon. Member for St. John's East and the gentleman for St. John's South, that while we have no responsibility for what happened to that plant on the Southside, and I am being quite honest, the fact of the matter is, Mr. Chairman, the management of fish stocks does not fall within the ambit of the Provincial Government. Despite that, we intend to bend over backwards to do everything humanly possible to ensure that the hardship that will be imposed on the people affected, will be minimized as much as possible. Thank you very much, Sir.

SOME HON. MEMBERS:

Hear, hear!

MR. CHAIRMAN:

The hon. the Member for Ferryland.

MR. POWER:

Mr. Chairman, I want to say a few words about the Bill itself and about the fishing industry in Newfoundland, in particular as it relates to National Sea's closure of the plant on the Southside. Although I agree with some of the things the Minister just said, and I obviously concur with some of his comments about the need for the glut fishery to be taken care of, the plant in Witless Bay which is badly needed, if you talk to individual workers who are displaced at National Sea Products this week, they will say they are not in very much agreement with what the Minister has said or with what the Provincial Government has done. In fact, almost every worker I have spoken to, some of whom live in my District, in Bay Bulls, Petty Harbour and the Goulds, and some of the people who

live on Shea Heights, are absolutely disgusted, because they feel they have been deserted, absolutely deserted by the Provincial Government in this Province. That is the reality of what the workers feel. Now, we all know the fishing industry is in trouble, but these individuals who live on Shea Heights, and who live in my District, honest to God believe that the Provincial Government did not stand up and fight for them as individual workers in this Province. They really believe the Newfoundland Government concurred with a large international company which says it is better to lay off some people in St. John's than to lay off people in Burgeo or Gaultois.

Now, I want to say to the Newfoundland Government and to the Minister, if that is the attitude you have, you are going to find it very, very difficult to get re-elected, to get any support in St. John's or the other urban areas of this Province; when you look at the problems in Grand Falls and the problems in St. John's. If anybody thinks it is easy or easier or less difficult to make a mortgage payment on Shea Heights than it is to make one in Burgeo when you are not working, if anybody thinks it is easier to pay on a pickup in Burgeo when you are not working than it is in St. John's when you are not working, then all I can say is, the Minister of Social Services is going to have an awful lot of people on his doorstep. Because the reality is that it is probably more difficult to make your payments, to keep your family together in an urban area when you are unemployed than it is in a rural area when you are unemployed. Now, it is not easier in either place; but anybody who

thinks it is easier in an urban area does not understand the way people have to live in an urban centre. And I will tell you there is an awful lot of people at that plant on the Southside who are saying, why did not the Newfoundland Government demand of National Sea, demand - now you can say we have no control over them because they are a big company and it is the Federal Government's fault, and the fish quotas are in trouble - but why did the Newfoundland Government not demand instead of closing down 500 individuals, 500 families in St. John's and allowing twelve months work in Burgeo, why did the Newfoundland Government not demand, order, direct that you must keep the St. John's plant open for six months and keep Burgeo open for six months, and let it work that way until the fish stocks rebound. Now, why could you not do that?

Now with all due credit to my differences with Brian Peckford over the last couple of years, I guarantee if he was sitting over in that seat he would not have sat there chairing a Cabinet Committee and listening to National Sea Products saying, 'we are just going to do this.' And the other part is that this has happened so quickly and so easily, with so much concurrence by the Federal Government and by the Provincial Government, that it now seems that when these international companies come in, they know they are not going to be in for a hard time; they know they are going to be in for a logical, sequential, rational analysis of why they have to close down plants.

And the other thing I want to say, Mr. Chairman, is that I am sick and tired, also, as a Member

representing an inshore fishing District, of listening to the sanctimonious FPI and National Sea Products. If you listen to those two companies, the only culprits in the fish stock problem are the Portugese, the Spanish, and the poor old scientists up in Ottawa who did not have enough money to do research. Talk to some of the draggermen who worked with National Sea and FPI, and five years ago, when they finished dragging up off the coast of Labrador, the sea was white, absolutely white with fish that was thrown away because it was not big enough to be really profitable fish. National Sea and FPI deserve to take some of the blame for the destruction of the fish stocks in this Province, but when you listen to them, they did not do anything wrong, they were always concerned about the stocks.

I find in National Sea's comments this week almost the same disregard for their employees; the way they let the announcement go on, almost trying to get the Minister of Fisheries and the Provincial Government to make the dirty announcement for them. They treated their workers with the same disregard they treated the fish stocks. No wonder their company is in trouble, and their company is going to be in more and more trouble.

And when I hear the Minister of Fisheries saying today that maybe some of the solution for the plant on the Southside is to open it up as a seasonal plant, the Provincial Government better be very, very careful of trying to do these things in an ad hoc manner. How can you open up that large plant on the Southside of St. John's and say you are going to be able to satisfy your U.I.

requirements, ten weeks work or twelve weeks work, and you are going to be able to do it on the inshore fishery, when already on the Avalon Peninsula you have an awful lot of small inshore fish plants which are not going to get resource short plant fish because of the cutbacks in quota? Where are all those fish plants along the southern shore and in Conception Bay going to find fish stocks to satisfy their workers?

So all you are going to be doing if you open up that large plant on the Southside that only has access to a couple of million pounds of fish, is you are going to have 400 workers trying to satisfy their U.I. out of it, you are going to find that all you will do is displace. Somebody on the Southside may get U.I., but somebody in other parts of the Avalon Peninsula will not. So you have to be very, very careful.

And I say to the Minister, as this thing starts, and as it unfolds with FPI doing the same thing, our Provincial Government and our Federal Government has to start saying to these companies that they have a responsibility to these workers. It is not just the Minister of Social Services who has to worry about these people now. I found in the National Sea announcement this week a very callous disregard for a lot of long-term employees, and I also find a very poor understanding of the social demographics of trying to live in a city as opposed to living in rural Newfoundland.

All I can say is I want to encourage the Minister of Fisheries, when FPI comes in and when National Sea comes back with some more bad news, to start putting up a real fight. At least

let them know when they go back to their corporate board room that they cannot come into Newfoundland and take us for granted, that we do have control over fish processing licences, if nothing else, and there are things we can do, and to not start those meetings and negotiations and discussions with the attitude that we really cannot do anything, the fish stocks are in bad repair, and the people are going to get laid off anyway. I can only encourage the Minister of Fisheries and the Government to take very hard stance with these companies when they come in with some very bad news for us over the next few months.

MR. W. CARTER:

Mr. Chairman, I am only going to take a moment, because I already overextended my time in my previous remarks. My colleague from Port de Grave wants to take part in this debate, but I think, while it is fresh on our minds, I have to respond to some of the things that my hon. friend and colleague across the way just said.

First of all, he talked about Government taking responsibility for the closure of the NatSea plant. Mr. Chairman, that is not correct, and I think the hon. Member knows that. Looking at all the facts, then he must know that this Province, even though, I suppose, we can demand anything and we can insist on anything and we can cajole and we can beg and we can do everything else. But the decision to close the St. John's plant was that of the officials of the National Sea Products Company. That decision was a corporate decision made in the board room of that company.

Now, Mr. Chairman, there are two

different situations in the Province. National Sea was not subject to a restructuring agreement, it was not the subject of a privatization arrangement, as is the case with FPI. Fishery Products International, as we all know, was restructured, subsequently privatized. Under the Act privatizing Fishery Products International, they undertook to do certain things, one being that they would be required to give the Province three months notice of their intentions to close a plant or plants, and that once that notice was served, then either or both Governments had it within their power to do certain things, namely, to carefully assess the financial circumstances surrounding the company and to offer the company a subsidy that would offset any losses incurred by that company by virtue of having to continue in operation by order of the Governments. That is part of the Privatization Bill. In fact, I believe I have a copy here. If I do, I shall read it into the record of the House, because it does set up quite clearly a different situation vis-a-vis the situation with NatSea.

The Government does have that right, Mr. Chairman, in the case of NatSea, to offer a subsidy to keep the plant operational, but that is not as simple as it might sound. Because if that were to be undertaken by the Government, then, of course, there is the possibility of the countervail raising its head. There are people who say that maybe the countervail threat is being used as an excuse for not taking some action, but, Mr. Chairman, we have been told that it is a very real threat, and, in fact, if we were

to provide subsidizes under certain circumstances, that not only would the countervail affect the company concerned, but it would affect the whole Atlantic east coast fishery. Therefore, any actions taken in that regard with that kind of a threat hanging over, Mr. Chairman, would have to be very carefully assessed as to the consequences it would have on the future of the Canadian fishing industry as a whole.

Yes, I have it here. This is a section of the FPI privatization agreement, February 17, 1987 Clause 5. It states, 'If the Board of Directors of FPIL at any time approves the permanent closure of a plant, the approved action shall not be proceeded with for ninety days after notice of the approved action is given to Canada and Newfoundland. In the event that either or both of Canada and Newfoundland oppose the approved actions, then FPIL, Fishery Products, shall continue operations at the existing levels and the party or parties so opposing that action shall assume the additional cost associated with the continuation of the existing levels of operations which are incurred after the ninety day period. The cost so assumed, including the loss of income to FPIL, shall be determined by reference to a firm of chartered accountants agreed to by Canada and Newfoundland and FPIL or, in the absence of such agreement, as determined by reference to arbitration as set out below. If both Canada and Newfoundland oppose the action contemplated, the cost associated therewith shall be borne equally. If any disagreement arises between Canada and Newfoundland and FPIL with reference to, or any matter arising thereunder upon which the

parties cannot agree, then any such disagreement shall be referred to arbitration by a single arbiter in accordance with The Arbitration Act, which decision shall be binding and conclusive on the parties to this agreement.'

So, therein, Mr. Chairman, is what makes NatSea different from FPI. Now, then, let us assume for a moment that the Province, either working alone or in conjunction with the Federal Government, chose to oppose or to invoke this Clause of the Privatization Agreement. We have been told that all kinds of possibilities exist for problems, the main one, of course, being the countervail. The Member for Kilbride (Mr. R. Aylward) shakes his head. I am not a lawyer. I am not an expert on such matters.

AN HON. MEMBER:
(Inaudible).

MR. W. CARTER:
Mr. Chairman, the whole business of countervailing tariffs are becoming much more sensitive now that we have free trade. There is a lot more attention being focused on the countervail than there was before the Free Trade Agreement became effective. There is another problem, of course, Mr. Chairman. As desirable as it is to provide that kind of a subsidy to keep a fish plant, or a number of fish plants in operation, where does it end? There was hardly a fish plant in Newfoundland last year that made money. I can name at least a half dozen major inshore fish plants that lost money, and, I suspect, if they continue next year, will continue to lose money.

MR. MATTHEWS:

May I say something, Mr. Chairman?

MR. W. CARTER:
Yes, of course.

MR. CHAIRMAN:
The hon. the Member for Grand Bank.

MR. MATTHEWS:
Thank you, Mr. Chairman. I appreciate the hon. Minister giving me this opportunity. In discussions with both fish companies, but in particular with Fishery Products International, since you refer to what I call the key Clause in the FPI agreement, where either party can object to referral to chartered accountants and then pick up the losses jointly, or individually, as Governments. Has Fishery Products International shown the Government what it would cost? Have they given you any preliminary figures or guesstimates on, say, what it would cost to keep a plant, or two, or three or four plants open? They are saying they would lose money. You have inferred that they would lose money. I know there would have to be a referral to a reputable chartered accountant's firm, that is understood, but has someone looked at a bottom-line figure? If the Harbour Breton plant, for instance, is to operate next year at the same capacity, or at reduced capacity, let us say at reduced capacity, what would that do to the bottom-line figure? Has anyone come up with that so that we would have some rough idea as to what we might be talking about in the way of a subsidy?

MR. CHAIRMAN:
The hon. the Minister of Fisheries.

MR. W. CARTER:
I suppose in the past month we have had more than a dozen

meetings with FPI and almost as many with National Sea, and those questions, by-the-way, have come up, as to what extent Government would have to subsidize a plant, or plants, to make them viable from FPI's point of view. I do not want to start throwing around figures, because they are still being worked on. I should inform the House that we have - I believe we have already done it, by the way - engaged people who are specialists in that field, chartered accountants, to check the figures, check any figures we get from the two companies. Because while we are not suggesting that these men are going to pad the books, or lie, or deceive the Government, certainly we want to be satisfied, we want to satisfy ourselves, by professionals, that the figures we get are accurate and can be substantiated.

MR. CHAIRMAN:
The hon. Member's time has elapsed.

SOME HON. MEMBERS:
By leave.

MR. W. CARTER:
We intend to do that. Yesterday in the House one of the gentlemen opposite, it might have been the Member for St. Mary's - The Capes, asked our position on the fish going to Nova Scotia. I replied that we would do whatever we could to prevent that from happening, that we would not take too kindly to seeing vessels sailing past St. John's and maybe Burgeo or some other plants that were being underutilized, and fish being caught in our waters and taken to Nova Scotia for processing. And that is true.

Mr. Chairman, we make that statement and we base our

arguments on four very fundamental principles. We believe that if those principles are applied and adhered to, the principle of adjacency, the principle of historic usage, for example, the principle of economic efficiency, and the principle of economic dependency, who can argue that fish caught on the Funk Island Banks, on the principle of adjacency, should be taken to Nova Scotia and not landed in the plants adjacent to or near the Funk Island Banks or the Northern Grand Banks?

Who can argue that we do not have basis under the historic usage principle? I mean, our forefathers fished those waters, I suppose while the buffalo were running wild on what is now Halifax.

Who can argue that economic efficiency is not a sound principle on which to base the fact that that fish should be landed in Newfoundland? Surely it is more economical to land that fish in otherwise underutilized plants in Newfoundland, as opposed to taking it all the way to Louisburg or Lunenburg or Canso for processing, greater distances that are costly and jeopardize the quality of the product.

And who can argue, of course, Mr. Chairman, that economic need or dependency is not a good principle on which to base that argument? Who can argue that Newfoundland does not have greater economic dependency on that fish than do the fish plants in Nova Scotia or any other part of the world?

So, in answer to the hon. gentleman's question - I did not get a chance during Question Period, because I try to keep my

answers short - we are making a strong case that fish caught in our waters be landed in our Newfoundland owned and operated fish plants. We do it on these four principles.

Now, conversely, if these principles are adopted, as we hope they will be, there are some downsides to it, as well. While the Province would repatriate probably 8,000 or 9,000 metric tons of fish from Nova Scotia by virtue of applying those four principles, it would have some downsides in the Province, because what you are saying then is last in, first out, pretty well. So it might well be that the mid-distance, the Scandinavian longliner quota would be on the block. It might well be that a very substantial reduction would occur in the Resource Short Plant Program.

AN HON. MEMBER:

That is a strong likelihood.

MR. W. CARTER:

A very strong likelihood. But if we can repatriate 8,000 or 10,000 pounds of fish from Nova Scotia, then that is greater, of course, than these two programs put together. And, hopefully, if we could do that, then it might well be that with the proper kind of negotiations, the Newfoundland Government would have the right, maybe, to reallocate some of that fish to a mid-distance fishery or to a Resource Short Plant Program. I say maybe, and I underline the word 'maybe' because we do not have at this point in time the legislative authority to take that kind of action. But, certainly, it is a case that we would make and make strongly.

AN HON. MEMBER:

(Inaudible) position on that?

MR. W. CARTER:

Mr. Chairman, yes. I suppose in the history of Newfoundland, certainly since 1949 - I can say this with all honesty - there has never been a more concentrated effort on any given set of circumstances or problems than is being given to this problem. We have had a Committee now since shortly after we were sworn in as Government, and the Federal Government, to their credit, recognized the impending crisis and immediately set up a Cabinet Committee, headed by a man whom I know very well, The Right Honourable Joe Clark, and on which Mr. Crosbie is serving and several other -

AN HON. MEMBER:

You supported them?

MR. W. CARTER:

I supported them, yes, and I was very proud to do it. Very, very proud to do it. I probably would have done it today if he was running. I have a lot of respect for him, and I give him credit. The Premier and I met with him on August 23, and I can tell you now that we would not have received a better reception or a more attentive ear from a Newfoundlander or from a Liberal Member of a Federal Cabinet. The man was very sympathetic, very understanding, and expressed a great deal of interest in doing something to help Newfoundland over this critical period.

But, Mr. Chairman, I was pointing out, and I am going to take my seat now, that there has been a massive effort made in the past number of months by officials in my Department -

AN HON. MEMBER:

Did you say (inaudible)?

MR. W. CARTER:

Yes, and he did a very good job for me, too. I lost that one through no fault of his.

But, Mr. Chairman, we have made a massive effort and I give a lot of credit, as the Premier did yesterday at the press conference, to officials on both sides, and to the Federal Task Force. Mr. Ken Stein, on a daily basis, is in this Province meeting with my officials, working hard day and night. There is no regard for time or effort, Sunday, Saturday, it does not matter what time of the week or what time of the day. But there has been a very big effort made, and I repeat what I said a moment ago, that I doubt if there has been such a concentrated effort made on any single issues since Confederation as we have seen made on this issue. And it is working very well. I think the fact that yesterday Mr. Crosbie could stand up and announce a number of programs in response to the crisis that is imminent from the closing of the NatSea plant, I think the Federal Task Force will have to agree that most of the initiatives that have been taken to date, and most of the initiatives that will be taken, emanated from the Provincial Task Force. And I think it is to their credit and to the credit of the Federal Task Force that they were willing to listen and to work with the Provincial Task Force, and when they saw a good idea, it did not matter where it came from, obviously they were willing to adopt that idea and that course of action and incorporate it in their overall plan. So I give full credit to both Task Forces, and I can only hope that they will

continue to work in co-operation with each other and, at some point in time not too far distant down the road, we will be able to announce other programs that will have even far greater impact on the future economic diversification of our Province.

MR. HEARN:
Mr. Chairman.

MR. CHAIRMAN:
The hon. the Member for St. Mary's - The Capes.

MR. HEARN:
Thank you very much, Mr. Chairman.

This is certainly an issue with which we could have a lot of fun playing politics, but it is little consolation today to the people who work over on the Southside, and to many others who will be affected in the next few weeks, that we are in here blaming each other for what is happening in the fishery.

I listened with interest to the hon. Minister's comments and agree with many of them certainly, as we all do as Newfoundlanders, but as he finished up he was talking about the Task Forces, both of which are made up of very qualified people, and I am sure will do a credible job. However, their job is not a pleasant one, because their main job is to react to what is happening in the fishery, to put in place support programs, etc., and that, in itself, is a poor substitution for a steady job. So the point is, I suppose, that where at all possible, governments can play a part to try to keep as many of the plants open as possible.

What we are seeing here with the closure of National Sea, and I

raised it a couple of days ago, is the fact that a major plant is being closed here in St. John's, in Newfoundland, a plant that ordinarily processed between 30 million and 40 million pounds of product. That product is not going to be dispersed to other parts of the Province. Some of it will, but a large percentage of it is going to be brought outside the Province. Unfortunately, when FPI comes down with its decision, undoubtedly there will be plant closures, at least that is what we are being told, there will be consolidation, there will be people put out of work. And even if things start turning around as of now, hopefully we have hit rock bottom, and if we have learned anything at all from the experiences of the past, we would think, we would hope that the future of the fishery is not a thing of the past, that there is a future. Because if there is not, then a lot of us are going to have pretty hard times ahead, and a lot of people in the Province are in for some pretty desperate times.

I am not sure, Mr. Chairman, whether or not we are playing into the hands of the companies, and for awhile I am going to put on my N.D.P. hat, the one with which the Member for Pleasantville (Mr. Noel) should be familiar, and I am sure he will agree with me. We have two major companies, both of whom are now playing both sides against the middle. There are going to be winners on two fronts. The consolidation is going to enable them to operate fewer plants for a larger percentage of the time. Right now they are operating at maybe anywhere from 40 - 70 per cent efficiency. By closing a number of plants and eliminating a number of trawlers and workers and people

in management, and what have you, their operations become consolidated to the time where hopefully they will be efficient.

Now, what happens as the turnaround comes, and hopefully there will be a turnaround? The quotas increase, the companies pick up more product, and the efficient plants that they will be operating now will become more efficient, so the companies become richer. Can you see them five years down the road taking some of the excess product they have gotten and bringing it down to Burgeo or Grand Bank or re-opening the St. John's plant, or whatever? I would suggest to you that the answer is no, they will not. If they are let close plants - I said, if they are let close plants - these plants will not re-open. The company is looking at the bottom line, as perhaps companies should. That is why they are in the business, and that is why we are not. We are in here to look after people, they are out there to look after profits and there is quite a difference. We are supposed to be concerned with the people, their bottom line is profits. And if they consolidate to make their companies viable, those companies will become richer and richer.

If Newfoundlanders out around today have any dollars to invest, I would suggest to them that they run out and buy shares in FPI and National Sea, which are now at a pretty low price. Because these companies, five or six years down the road, if there is a turnaround to any degree in the fishery, will become extremely viable operations, and the price will be paid by the communities, including St. John's and the surrounding communities here, who are affected

by step one. The price has been paid by these people.

What do you do about it? That is where the social conscience has to come in, and that is the part Governments have to play. We do have a say in what will happen with FPI. If FPI closes plants, this Government and the Federal Government can go to them and say no, you do not. You keep that plant open, and we will worry about the price to pay afterwards.

National Sea: Perhaps the Provincial Government does not have much clout with National Sea, but the Federal Government does. Because if National Sea is not allowed to transfer the 30 million or the 40 million pound of product which it generally processes to any other of its facilities, then it might not rush to back away from the Southside.

If I were sitting in the seat of the hon. Member for St. John's South, I would be putting pressure on my colleagues to talk to the Federal Government, to suggest to them that they not let National Sea transfer its quota from the plant. That is the only saviour at present. Because once the jobs are gone, once the plants are downgraded, the chances of rebuilding are very slim. We have two very rich companies, one operating mainly outside the Province, using Newfoundland Product, and the other operating at least within the Province. In the meantime, we have a number of Newfoundlanders who are out of work with no other alternative except to accept social programs put in place, or to pack up and head for the mainland. That is not a very bright future for the people. I hope that internally, within Government, within Cabinet,

that the rumors coming out are not true, that there are not power plays taking place, that the Member for St. John's South has not paid the price because he was not in Cabinet and because the Member for Burgeo was, as we are going to see with the university, where we see the university, if there is one - there should not be one established, by the way. I will say that. There should not be a central university. But if there is one established, we will see it in Gander. We will not see it in Lewisporte, where all the original support for the university came from, by the way, and the people who have lobbied and worked and put the whole thing in place came from Lewisporte, but I would suggest to the Member that the university will be in Gander because he is not in Cabinet and his colleague is. It would have been in Grand Falls, but I am afraid it will not be now. So, I would hedge my bets that it will be in Gander, simply because of the power plays.

I certainly hope that the rumor is not true, that the pressure is being put on the Federal Government and FPI to make changes in their program so as to selectively, to the desires of this Government, close plants that this Government wants to see closed, and leave open plants that sit in Districts belonging to certain Members on the Opposite side. I hope it is not factual. It is only a rumor, but it is a very, very strong rumor. In fact, I can go a little bit further than that, but we might have more to say on that later on. If that is factual and if you think that politics has been played so far with this issue, then 'you ain't seen nothing yet.' Because if this Government is going to try to

manipulate the situation that is as bad as it is, then we are in for a real racket. Hopefully, as I say, this is not true, because this is too serious an issue to play politics with.

As I say, our bottom line is people. We should be interested in keeping jobs alive. We can only do that if we work collectively, provincially, federally, and whatever else, because we are being taken for a ride by the companies, number one, in relation to the consolidation and the effect it will have down the road, but secondly, in the pressure to get Governments to bend, and this Government is starting to move, and I guess even some of us are, saying, well, we can keep an extra plant alive perhaps if we let them have the resource short, if we let them have the middle distance, if we let them have the extra quotas that have been given out mainly to Nova Scotian firms, by the way, in the last few years, and if we let them cut into the inshore allowance, which we should not. But if they get this extra grab, which they are after, it depends upon how the quotas come down. We might be able to keep an extra plant or two open if we get this extra product. If we give it to them, and some of them maybe we should, whatever is more beneficial. We have to make the best use of the resource, there is no doubt about that. But they are coming at it from both sides. They are looking for the extra allocations and, in the meantime, they are consolidating their efforts. If they get any extra help, they should be made keep all plants alive in the interim. Because if the fishery does turn around, hopefully there is hope that we can move out of the

present crisis and Newfoundland can stay alive as Newfoundland is. But if we hide our heads in the sand, then it is going to be too late, in a few years down the road, when we have too small very viable companies stay alive, doing exceptionally well to the detriment of, not only rural, but we also have urban Newfoundland affected. The ball is in our court, and it depends on how we play it whether we will be the winners or losers. Right now the score is companies one, and the people of Newfoundland nothing.

MR. CHAIRMAN:

The hon. the Minister of Social Services.

MR. EFFORD:

Thank you, Mr. Chairman.

SOME HON. MEMBERS:

Oh, oh!

MR. EFFORD:

We did not make an agreement, but I was told to be nice and I am going to be nice for a change. I am not going to tell about all the wrong doings of the former Administration for seventeen years, but, I am going to point out that the hon. Member for Ferryland (Mr Power) stood to his feet and he really said what I said over there when I was in the Opposition about FPI, the sanctimonious attitude that FPI would take when becoming privatized. I ask to refer back to 1987, and would ask all hon. Members to dig out Hansard, you should dig out Hansard 1987, when FPI was being privatized and look at myself, the Member for Fogo at the time, Mr. Tulk, the Member for St. Barbe, the Member for Burgeo - Bay d'Espoir, the then critic for Fisheries, Mr. Carter and myself, look at Hansard and see exactly

what we said about the privatization of FPI, sometime down the road when the situation is taking place, and it is taking place today, the impact and the callous way in which private companies would have towards the effect on the fishery of Newfoundland and Labrador. Just look at it and you will see again how wrong you were in allowing and supporting, the privatization of companies like FPI.

AN HON. MEMBER:

(Inaudible) the clause -

MR. EFFORD:

Never mind the clauses. You can skate around it and you can do all you like but the fact remains, dig it out, and you will go back again and say, well, why was I so stupid not to listen to the Opposition of the day, and to predict and to agree that the privatization of FPI would cause the Province. Facts remain. You can get your research officers to dig it out and it is there. Day after day, day after day, FPI, Vic Young. We stated it. What was he doing? He was running a hydro company, a hydro company with a pocket full of money. You do not need any administrative ability to run a company with multi-millions of dollars. We knew the impact that if ever the day came when the fishery would go on the decline, and quotas would be cut, what a private company would have to do. As the Minister of Fisheries said this afternoon, they have to show a profit, they have to pay off their investors, they have to pay their expenses. Private companies have to go by the balance sheet on the books. The Member for Ferryland today criticized them for it but he was a Member of the Cabinet of the day that supported the privatization of FPI. He also

pointed out what the hon. Brian Peckford, the Premier of the day, would have done if he were here today. Well, we are very glad that he is not here today because if he were here today and did the same things that he did in those days, and he was the one, he was the Premier when FPI was privatized, and that is the penalty we are paying today. At that same time we were talking about free trade. He was the Premier and he was talking about the impact it would have on the fishery of Newfoundland and Labrador. Now, I read a document just today, it is not yet public, but I read a document today where the former Government had an income security study done in Newfoundland and Labrador, and one of the recommendations in that study to that former Government was a paragraph having the impact, the negative impact that free trade would have on the fishery of Newfoundland and Labrador and fishery related jobs. It was in the study that was recommended, that was done by this former Government. And they are the Government that voted for free trade and stood in this House of Assembly and misled the people on the impact that free trade would have on the Province of Newfoundland and Labrador, and that will be tabled in the House of Assembly when the time comes. That is what we have to sit in the House of Assembly and listen to the other side, the now ineffective Opposition.

AN HON. MEMBER:
(Inaudible).

MR. EFFORD:
The former Minister for Ferryland (Mr. Power), he was the one who spoke on it today. He was the one who stood in the House, but he was

a part of the Cabinet who made that decision. Now this did not happen yesterday, this did not happen last week, this did not happen in 1989, and it did not happen in the last six or eight months, the problem had to be accumulated over the last number of years.

SOME HON. MEMBERS:
Oh, oh!

MR. EFFORD:
But in the last seventeen years, in the last ten years, forget the last seventeen years, the last ten years we had a fighting Premier, he went to Ottawa with baseball bats, as I said yesterday, went to Ottawa fighting continuously to keep the Newfoundland fishery. But if he had to sit down and done some suggestive thinking, suggestive, constructive ideas on how to solve the problems of the day because they were happening then, number one, we talk about overfishing. Overfishing was the problem, it has been one of the major problems, the destruction of the fishery. Privatization and FPI was a major problem.

Factory freezer trawlers were a major problem. Free trade a major problem, all implemented by the former Government.

MR. R. AYLWARD:
(Inaudible).

MR. EFFORD:
The Member for Kilbride (Mr. R. Aylward) is going to speak next. Now if he can stand up and tell me that all of those things were not brought in and not supported by the former Government then I will change my mind and say I will apologize and say I am saying the wrong thing. Go back through the books in Hansard. Everything that

is said in the House of Assembly whether it be right or wrong is recorded. All you have to do is go back to the privatization of 1987 of FPI and you can see. The factory freezer trawlers were on the same discussions in the House of Assembly. And just after that so was free trade and the effect the subsidies would have on jobs in Newfoundland. But you totally supported it. You now have to pay the consequences for it.

MR. R. AYLWARD:

Do you support free trade?

MR. EFFORD:

Do I support free trade? Absolutely not. Not that free trade.

MR. R. AYLWARD:

(Inaudible).

MR. EFFORD:

I said it at the time, and I will say it again. But, Mr. Chairman, it is time for us all to wake up. It is time for all of us to realize that the problem was caused and the problem is not going to go away.

SOME HON. MEMBERS:

Oh, oh!

MR. PARSONS:

(Inaudible).

MR. EFFORD:

Of course, if we listen to the Member for St. John's East Extern (Mr. Parsons) we would not have to worry about a free trade agreement with Canada or the United States because we would be a part of the United States. Anti-Confederate. The whole anti-Confederate themselves sitting down there in the corner. We would not have any worry, Sir, about free trade. We would be totally -

MR. PARSONS:

(Inaudible).

MR. EFFORD:

I am going to tell you one thing we are no worse off today, it is not because we joined Canada. It is because of the Government the last seventeen years in Ottawa and combined with Newfoundland. That is why we are worse off today. And the Member for Grand Falls (Mr. Simms) can smile, but when he goes back to his constituents and he looks at his constituents that he is now losing 275 workers and escalating, as he said yesterday in the House, to 420 in the House blame that on free trade and you will be telling the truth for a change. You cannot blame it on this Government. You can blame it on free trade. You blame it on your own Government for agreeing with it today. Can you actually face up to that fact in your District? Or do you go back in your District and hide your head in the sand?

MR. SIMMS:

I do not blame it on anyone. (Inaudible).

MR. EFFORD:

Oh, oh! Stand up in the House of Assembly and say what you like. But when you go back to your District and you look at your people, Mr. Chairman, going in the unemployment lines and you know in your own conscience and your own mind. But I would love to be at the polls when he goes there the next election, and I do not think the majority -

AN HON. MEMBER:

He is gone! He is gone!

MR. EFFORD:

He is a worried man these days. I do not know, but does he have

enough years for his pension? Do you really, does your age and the number of years you served total sixty. It sure better. It sure better be there because you are going to need it, you are going to need it because you know very well that the people of Grand Falls are very educated, a very educated constituent, you cannot -

AN HON. MEMBER:
(Inaudible).

MR. EFFORD:

But I was not, I was being nice until old anti-confederate, old anti-confederate back over there had to stand up and start talking. I still think he is spending confederate money, I really, really do. I still think he is spending confederate money, no question about that. Mr. Chairman, let us talk about something that is happening in the Province. When you talk about fishing, fishing this day and age, fishing was worked at all their life, fishing was worked at all their life in the fishing boats, who now have to resort to the Department of Social Services and to try to get enough money to at least give their kids some decent food over the Christmas holidays, I mean that is heart breaking. That is disgraceful, that is taking away the dignity from the human factor of our Newfoundlanders and Labradorians who lived on a tradition. Now, can the old anti-confederate stand on his feet and say that this side caused it. Honest to goodness, now, look in the mirror, talk to yourself, talk to yourself before you come to the House of Assembly, once in awhile. Look in the mirror and look at it and say to yourself, okay you have got the conscience and face to stand up in the House of Assembly this

afternoon and really blame it on this side, we caused these problems in six months, we caused free trade, we caused the privatization of FPI, we caused factory freezer trawlers to come to Newfoundland, we caused all of that in six months. My God, can we ever accomplish, can we ever accomplish, come on.

MR. CHAIRMAN:
Order!

MR. EFFORD:

My friend there for - where is the Member from, the former Minister of Social Services, Burin - Placentia West, do not get me talking about what he did, when he was campaigning, about how we got around to the doors, and how we supported the fishing industry.

MR. CHAIRMAN:
Order please!

The hon. the Member for Kilbride.

MR. R. AYLWARD:

I was willing to give him leave, Mr. Chairman, but the Member for St. John's South, said no. Mr. Chairman, I just want to have a few words on this Bill, I do not want to let this Bill go past without raising some of my concerns on what is happening in this Province generally but particularly what is happening to a lot of very good friends of mine, people, who only a few years ago, I represented on Shea Heights, people who are going to be thrown out on the streets, Mr. Speaker, because this Government, the Government of this Province are sitting on their hands and doing nothing. Mr. Chairman, the hon. Member for Port de Grave just spoke and he raised some issues, but there is one thing that I heard in this House since I

have been here ten years or so now, was one person in this House who always use to say: what we need in this Province to help us out of the hole which we are in, to help us out of the bad situation, what we need is more say in the management of our fishery. Now, who used to say that, I wonder, how many of us can remember who was the person who kept saying that and kept saying that to the objection of the people over there, Mr. Chairman, the people who are now in our position, Brian Peckford kept saying it and the hon. Member for Port de Grave was very adamant then that Brian Peckford caused most of the problems that are happening in our Province. But what did he say yesterday, I think it was, Hansard for Monday, yes, the hon. Member for Port de Grave said, we must have more say in the management of our fish stocks. Newfoundland and Labrador, the people of this Province must have more say. Mr. Chairman, that is a direct policy, a direct policy from Brian Peckford, Mr. Speaker, that he is trying to take credit for now.

AN HON. MEMBER:

Read what he said last year, the other Hansard (inaudible).

MR. R. AYLWARD:

I do not have the other Hansard. But, Mr. Chairman, one other thing that I want to comment on, the hon. Member for St. John's South did have a few words of wisdom yesterday on this, he did have a few words of wisdom to say on this Bill yesterday, and I do not envy the man, I really do not envy him. He seems to be a nice fella, I never knew him very much before he got elected, but -

AN HON. MEMBER:

He would not ask a question in the House for two days, three days.

MR. R. AYLWARD:

He does not seem to be too bad, Mr. Chairman, but he is either muzzled by the Cabinet and his Premier, he is not allowed to say, he is not allowed to stand up and fight for his constituents or the other Members in the Cabinet, Mr. Chairman, from St. John's are not giving him the hand, like we used to do. The St. John's Cabinet Ministers would try to do for any Members who are not in Cabinet from St. John's, if they had problems, we tried to give them a hand, Mr. Chairman, but the weak St. John's Members we have in the Cabinet now, will not help the Member for St. John's South. They are leaving him out on his own, Mr. Chairman, but -

AN HON. MEMBER:

He never asked a question in the House (inaudible).

MR. R. AYLWARD:

- I was surprised and I felt fairly bad for him. I feel bad, I suppose for the people that I represented one time in Shea Heights who are going to be desolate. I mean a lot of these people have two of the family, the husband and the wife, working down in that fish plant, and there is quite a few of them had three in the family working in that fish plant. And it is bad enough for one person to lose his job. It is bad enough for one person in a household whether it be the primary bread winner, whoever that might be in the family, or the secondary person working in that family, Mr. Chairman. But a lot of the people down in National Sea are going to - both people in the household are going to lose their jobs. And that is what makes it

so tragic, Mr. Chairman, that this Government would not stand up and help them, they would not do anything for them.

Doug House gave the comment yesterday that they should move away, and that is the way he thinks, probably. It is the way that the Premier thinks, I know that.

AN HON. MEMBER:

No it is not. (Inaudible) really thinks.

MR. R. AYLWARD:

It is the way that a lot of the Federal bureaucrats think, in Ottawa, they want the fishery downsized. There is no doubt about that. They wanted it while we were there, the 17 years of mismanagement that you keep talking about. They wanted this years ago. They wanted to downsize the fishery, Mr. Chairman. We would not put up with it. We want them to manage the stocks properly, Mr. Chairman, we want them to get the fish that is caught in Newfoundland's waters, Mr. Chairman. We want them to get that fish and bring it into Newfoundland, not send it off to Nova Scotia or anywhere else to be processed, Mr. Chairman, unless we have no use for it in this Province. We should have all the fish in the Grand Banks, and all the fish, especially the Northern cod, shipped to this Province and put in -

AN HON. MEMBER:

Read the quote.

MR. R. AYLWARD:

That is the quote for Dr. House. We are after reading that a dozen times. Everyone knows that he wants us all to move away because it will look like he is doing a

great job. If we all move away, if 30 per cent of Newfoundlanders moved out tomorrow, Mr. Chairman, the employment rate would be great because everyone is gone away. It would look like the Wells Government or the Commission of Government are after doing a great job. That is why he wants them to move away. It is no trouble to know why.

But, Mr. Chairman, I want to just make mention of one of the comments. Now, he made a lot of other comments, and I do not want to take this out of context, I was not here when he said it, I just read it. When I picked up Hansard today, I read it, and he referred to me then as the last paragraph. I do not think it is the last paragraph, but it is close to the last. The hon. Member for St. John's South said yesterday, 'Mr. Chairman, remember this, if this Government starts to put its hand into the public purse to subsidize, and I say this in all sincerity, to pick up everything that is going to fall next year or the the next year and a half, it is impossible.' Why is it impossible? I am reading the hon. Member's comment from yesterday, it is not really a speech. Why is it impossible? I do not know if the hon. Member was working at Fishery Products when the tax payers of Canada and the tax payers of Newfoundland put their hand in their pocket and helped restructure it. They could do it for National Sea, they could do it for the fish plant down - I do not see any problem with it at all. This is not a wasted industry, Mr. Chairman. We are trying to keep the fish plant open until the stocks rebuild. That is what we are trying to do. We are not trying to subsidize the industry forever. It is shocking. You

should be ashamed of yourself, Mr. Chairman. And I am upset, not for you, Mr. Chairman, but I am upset for the people of Shea Heights, for the people up there who are going to hurt because of this. It is shocking.

Mr. Chairman, I believe the political plan of this Government, and I sincerely believe this, there is a political plan in this Government, Mr. Chairman, and I believe that the Premier is - I do not know if I can say devious enough, I will not say it.

AN HON. MEMBER:

Yes, you can say devious.

MR. R. AYLWARD:

But the Premier would probably be cunning enough to put this political plan in place. Mr. Chairman, if I could shut it down, and shut it down, and shut it down any time, any business for the first two years, and I will get it down to rock bottom and blame the last 17 years to the Tory Government, and in the next 2 years, Mr. Chairman, there can be nothing but improvement, and I will go around and tap my chest, Mr. Chairman. That is the political plan of this Government. They are going to bring us right to our knees, Mr. Chairman, and then hope that they will get credit for trying to bring it back. It is not fair.

Mr. Chairman, I will give you comparison of a back bencher in our Government, in the Government of the last 17 years who had the exact same problem as the Member for St. John's South. He had a fish plant that was going to close in his District. He was not in Cabinet. He was a backbencher at the time. Did he give up on them? Did he say, no subsidy?

Did he just wash his hands of it and walk away from them? No, he did not, Mr. Chairamn. He kept after the Government at the time and the Government at the time listened to him and we have a fish plant now in Burin which has quite a bit of activity in secondary processing now. We have no initiatives coming from this Government. Where are all the under-utilized species out there that we could be trying to get into St. John's, Mr. Chairman. We should be taking them in here.

Mr. Chairman, I am now going to say to this Government now, the hon. the Member for Bellevue (Mr. Barrett) because he is fairly content that his fish plant in Arnold's Cove is open, and I am glad it is because Arnold's cove needs that fish plant, but it is not safe yet. I will tell you why it is not safe, because the union is not through with what is going to happen in this plant in St. John's. There will be other things that will happen and that is going to affect Arnold's Cove and the hon. Member should keep on top of it. When you try to land fish in St. John's and ship it to Arnold's Cove the union members are going to have something to say about that. I know the people of Shea Heights, Mr. Chairman, they will not be pushed around. The people in Shea Heights did not get pushed around when they built that road out through Southside Hills. They were well heard from when that road was going through. They were not pushed around when the urban renewal was in their area. They stood up for their rights and they got what was deserving of them. They got a good urban renewal rather than the bulldozer tactics when the Liberal Government went in and tried to flatten their houses and take all

their land. That is what was happening at Shea Heights but the people on Shea Heights stood up for themselves and they will stand up for themselves now, Mr. Chairman. They will not let this fish plant close without a fight. I can assure you of that, Mr. Chairman. I also say to the Member for St. John's South, Burgeo is saved. The Member for Burgeo - Bay d'Espoir (Mr. Gilbert) is very pleased that his fish plant is saved and I am, too. I admit it. I am glad the fish plant is going to stay open in Burgeo. If they could all stay open for twelve months a year it would be great. I would prefer that they would share their fish with the people in Shea Heights and the people over on the Southside Road so both of them could open for half a year. There would be no fish plant in Burgeo without this Government because we subsidized it for years, but he will not subsidize St. John's South. Burgeo was left to be open, Mr. Chairman, without Brian Peckford keeping it there until it was sold.

SOME HON. MEMBERS:

Hear, hear!

MR. CHAIRMAN:

Order, please!

MR. R. AYLWARD:

Mr. Chairman, this is not the first time in our recent history that fish plants were supposed to be closed.

MR. CHAIRMAN:

Time is up.

SOME HON. MEMBERS:

By leave.

MR. R. AYLWARD:

Just a couple of more minutes, Mr.

Chairman.

MR. CHAIRMAN:

The Chair feels that we have not sufficient support to allow leave in order for the speaker to carry on. I have a speaker behind me who still waves me to recognize him because I called order.

The Member for Bonavista South.

MR. GOVER:

Thank you, Mr. Chairman.

It gives me great pleasure to participate in this particular debate here today. I guess, given the fact that Bonavista South is basically the place where everything got underway, where the famous basket got lowered down almost five hundred years ago.

SOME HON. MEMBERS:

Oh, oh!

MR. GOVER:

It is basically where it got started. Now, we have to face a fundamental reality, I suppose, with respect to this debate on plant closures. Plants are closing because the resource, due to scientific errors in the assessment of the stocks, is not what it was thought to be. At one time it was forecast that by this date there would be 400,000 metric tons of fish and we find much to our displeasure that there is only 200,000 metric tons of fish, or less, and that is an indisputable fact. What does the Opposition propose as the solution to this problem? Well, we should have more say and more management in the fishery, and we should have a greater jurisdiction. The Fighting Newfoundlander went up to Ottawa and he fought and he fought. The Meech Lake Accord was brought in and every demand Quebec

had been accommodated. All demands Quebec had were accommodated. And, what did he get for us? Well, we put in on the agenda for the next time around. It can be on the agenda from now until doomsday and unless there is a consensus to change the constitution, to change the jurisdiction, then what does that commitment in the Meech Lake Accord mean to Newfoundland? Absolutely, zero, nothing.

MR. CHAIRMAN:
Order, please!

I am having difficulty hearing the speaker. I request that hon. Members on both sides not do so much talking among themselves.

The hon. the Member for Bonavista South.

MR. GOVER:
Thank you, Mr. Chairman.

Now, Mr. Chairman, I am happy to some extent that we did not get that jurisdiction then because on what basis could we have managed the fishery? A former deputy Premier of the last Administration in February of this year said the biological expertise of the Federal Government was scant and it was practically nonexistent at the provincial level. So what was the Provincial Government going to use to manage the increased jurisdiction that they never got in the fishery if they had no biological expertise? What were they going to use to manage it? It is absurd. Their whole position is absurd.

Now there is no doubt that there was increased employment in the fishery due to the fact that everyone expected quotas to go up. From 1975 to 1987 the number

of plant workers increased from 10,000 to 30,000 the number of fishermen increased from 15,000 to 30,000. Well, if it is not factual we can talk to the Federal Minister of International Trade who used those figures this morning, that the number of plant workers increased three fold and the number of fishermen increased two fold. Now there was no doubt that was due to an expectation that the quota would rise, but there is also no doubt that it was due to the fact that this fishery was seen as the employer of last resort, due to the failure of the previous Administration to diversify the economy of rural Newfoundland.

We are still waiting for that famous day when the sun will shine, and have not will be no more. It is yet to come. And it is because of that fact that if anything happens to the fishery in Bonavista South there will be no alternate employment because for seventeen years they failed to diversify the economy of rural Newfoundland.

In fact, if you took all the initiatives of the previous Administration, I would say that you would put them in a very small salad bowl and have lots of room for cucumbers and you could season it with oil and vinegar, and the oil is still in the ground since 1979, 1982, 1985, and it is still out there in Hibernia. Of course, the vinegar is all the people who left this Province in the last seventeen years. Now we have inherited a mess.

Who owns the oil? Peckford decided that we own the oil and he fought and he argued and he took it to the Supreme Court and the Supreme Court said that you do not

own it. So we fought for bargaining powers, and when we could have made a deal - he did not make a deal.

This is the reason that this Government has set up the Economic Recovery Commission, to try to diversify the economy of rural Newfoundland so that there will be employment opportunities in rural Newfoundland independent of the fishery. It may fail, but at least we tried.

As the Minister of Fisheries has said, the time has come to raise the status of the fishermen in this Province, to make them superior to the doctor or the lawyer or the teacher, to raise his income to an acceptable level, to give him proper status in this Province.

In 1986, the average family income from the fishery in Newfoundland was \$20,000. In Nova Scotia, it was \$35,000 and on the family farm, it was \$32,000, half of that coming from unemployment insurance payments. And the hon. Member for St. John's East Extern (Mr. Parsons) says we would be better off outside Confederation. Where would the unemployment payments come from? Where would the Canada Pension Plan payments come from? Where would the old age pension plan payments come from? Where would Medicare come from? We would be much better off, there is no doubt about that at all!

Now, the Opposition says, keep all the plants open. Subsidize, subsidize, subsidize. The answer to that is, what about the free trade agreement? What about GATT? What about countervail? Destroy the whole fishery. Subsidize and raise the price of fish across the board, destroy the

whole fishery so that all plants can stay open. Well, certainly, if there were any economical way and legal way to subsidize these plants so they could all stay open, I am sure this Government would do it, but we have to take a responsible position.

And the analysis from the Opposition is weak on almost every issue, not only the fisheries issue, but any issue. My good friend from Burin - Placentia West (Mr. Tobin) says we are out to destroy rural Newfoundland with amalgamation, that that is a resettlement program when, in fact, resettlement means you take people from A and move them to B, but amalgamation means you leave them in A and you make that unit more viable. That is our commitment to rural Newfoundland.

Now, if we follow the proposals that have been put forward over there, we should start to construct immediately a new museum in Newfoundland, the fishermen's museum, because if we went along with the proposals being proposed by the Opposition I am sure that in five years time the fishermen would be an obsolete species in Newfoundland and Labrador.

Thank you, Mr. Chairman.

SOME HON. MEMBERS:

Hear, hear!

MR. R. AYLWARD:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the Member for Kilbride.

MR. R. AYLWARD:

Thank you, Mr. Chairman, very much.

Mr. Chairman, I just have a few more words to say on this -

SOME HON. MEMBERS:

Oh, oh!

MR. R. AYLWARD:

I do not have it written on anything, I cannot.

MR. SIMMS:

(Inaudible).

MR. R. AYLWARD:

Mr. Chairman, I understand there was an agreement here today when the hon. the Member for -

AN HON. MEMBER:

The hon. Member for Port de Grave.

MR. R. AYLWARD:

Yes, the hon. the Member for Port de Grave was to speak, and then I was, and the Government obviously has broken that agreement again by putting up another speaker. But I do not mind, Mr. Chairman, if anyone has something on their mind with this Bill and the serious situation that the people on Shea Heights and the people in St. John's generally who work in the fish plant find themselves today they should be up. Every one in this House, every St. John's Member -

AN HON. MEMBER:

St. John's Centre.

MR. R. AYLWARD:

Every one of them over there except one of them are sitting on their hands ever since this debate started, Mr. Chairman. And the thing that pisses me off more than everything else, Mr. Chairman, is the Member right there laughing at them. Mr. Chairman, the Minister of Finance (Dr. Kitchen) has been laughing at this debate ever since it started. He is still laughing at it, Mr. Chairman. And that is a shame.

SOME HON. MEMBERS:

Hear, hear!

MR. R. AYLWARD:

Mr. Chairman, he is laughing at the people on Shea Heights and he is laughing at the people who lose their jobs at National Sea, Mr. Chairman. And he should be ashamed of himself.

Mr. Chairman, there are many people who will comment on the situation of our fishery in the next little while and there are people with many different views and there are people with different expertise. The Minister of Fisheries (Mr. Carter) has a certain expertise that he elaborates and the Premier has a certain expertise. But, Mr. Chairman, there is a person in this Province who should be considered an expert, I guess, also in the fishing industry in his reign, Mr. Chairman, and he would be the Leader of the Fishermen's Union, Mr. Richard Cashin. And what does he have to say about this situation, Mr. Chairman? He is the person who is very knowledgeable in what is happening in the fishery in this Province and he is also knowledgeable about countervails and free trade and he has been involved in this since day one.

One thing I noticed that he said in the paper Saturday, December 9, The Evening Telegram, Mr. Chairman, 'Both levels of Government should stop National Sea Limited from closing the St. John's plant.' Now, Mr. Chairman, he is a knowledgeable person in this business. Why would he say something like that if he did not believe it to be true, Mr. Chairman? He also said, Mr. Chairman, on free trade which the Premier and Members opposite seem

to want to slough this off that free trade is going to shut down our whole fishing industry on the East Coast if we go with some subsidies. Mr. Chairman, Mr. Cashin says that the fish plants should be kept open. All of them should be kept open for part of the year. Mr. Cashin dismisses the arguments that direct financial assistance to the fish companies would violate the terms of the Free Trade Agreement. He is an expert in this field the same as people over there, certainly, as much as they are, and probably a lot more than most of them, and he does not seem to think that the free trade between Canada and the United States would be affected if we put direct financial aid.

What I would like to do today is plead to the Cabinet Ministers from the City of St. John's to try to protect the 500 jobs that are going to be thrown away when National Sea closes this March. Let them get up and represent their constituents. We had a call today from a person on Goodview Street. Is that in the District of Kilbride, I wonder? Where would Goodview Street be? Which district would that be in in St. John's? I am not sure about all the District boundaries in this city, Mr. Chairman, but I think Goodview Street is in St. John's Centre and the Member for St. John's Centre (Dr. Kitchen) has been laughing at this debate since it started. He should be ashamed of himself. The Member for St. John's North (Dr. Warren) should be up speaking on this. He has a responsibility to get up and speak in this debate. The Member for St. John's West (Dr. Gibbons) has a responsibility. The Member for Pleasantville (Mr. Noel) has a responsibility. The Member for

Mount Scio - Bell Island (Mr. Walsh) has a responsibility to speak in this debate and come up with some suggestions they might have to keep the fish plant open. I have suggestions. Whatever has to be done to keep it open should be done. That is my suggestion. You should do it. I think the Member for St. John's South (Mr. Murphy) will agree with that, Mr. Chairman. I still believe, what he said in debate and what is recorded in Hansard, is not actually what he meant. I think that he would support this side of the House, when we say that it would not hurt to subsidize, or to share the fish between all the fish plants to keep them open for part of the year. That would not be a big problem, Mr. Chairman. We are only trying to do it for two or three years so that the fish plant does not close and disappear and when the fish stocks come back there will be no fish plant, there will be no fish plant workers, and there will be no trawlers working out of St. John's.

Thank you, Mr. Chairman.

SOME HON. MEMBERS:

Hear, hear!

On motion, clauses 1 through 35 without amendment, carried.

Motion, that the Committee report having passed Bill No. 26 without amendment, carried.

MR. BAKER:

I move that the Committee rise and report passage of the Bill.

On motion, that the Committee rise, report progress and ask leave to sit again, Mr. Speaker returned to the Chair.

MR. SPEAKER:

The hon. the Member for Bellevue.

MR. CHAIRMAN:

Mr. Speaker, the Committee of the Whole have considered the matters to them referred, and have directed me to report Bills No. 30, 31, 48, 33, 34 and 26, without amendment, and ask leave to sit again.

On motion, report received and adopted, Bills ordered read a third time on tomorrow, Committee ordered to sit again on tomorrow.

MR. SPEAKER:

The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Speaker. It being within a minute or so of 5:00, I would first of all like to announce to Members that on tomorrow, the Private Member's resolution has been decided. The Member for Grand Bank (Mr. Matthews), I believe, has a Private Member's resolution that he is going to bring forward.

On Thursday, we will be bringing in the second reading of Bill No. 44, and then, we will be doing some third readings first, then, second reading of Bill No. 44, and, depending on how that goes, perhaps the Committee stage on Bill No. 40.

MR. SIMMS:

(Inaudible) second reading?

MR. BAKER:

Depending on how that goes, perhaps into Committee on Bill No. 40, and some third readings, first. There will be a number of third readings we want to get through.

MR. SIMMS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Opposition House Leader.

MR. SIMMS:

Okay, so we know about the Private Member's resolution by the Member for Grand Bank tomorrow; we also know about the amendment, I guess. That is probably going to be coming to us.

The Government is going to proceed, then, on Thursday, to call Bill No. 44, the Public Utilities Board changes. The Public Utilities Bill is going to Committee prior to Thursday, is it, as I understand it? It is not?

MR. BAKER:

I will respond when you are finished.

MR. SIMMS:

I mean, the reason I am asking is because it is a fairly lengthy Bill. There were a lot of changes. The report was tabled by the Premier in June. There do not appear to be emergencies there. Maybe it might be wise, and the Committee might want to have a look at it. They might want to recommend some hearings to get people's input into changes to the Public Utilities Board. It is very significant. That is the reason I asked.

The other thing is, I talked to the Government House Leader earlier about Bills 36 and 37, which have gone through Committee, as I understand it, The Fisheries Loan Act and The Public Service Pensions Act. So it might be an idea to try to do those at the beginning if he will accept suggestions. He probably will not from me, but I will make them

anyway.

The other one that I would like to make mention of is the Act To Amend The Day Care and Home Makers Services Act which at the present time has not had first reading yet. And I gather the Committee has dealt with that it is -

MR. EFFORD:

You cannot find your Chairman.

MR. SIMMS:

I gather it is dealt with. It is your Chairman. It is not our Chairman. But I gather it has been dealt with. You might want to do first reading on it, and move that one through, I gather that one might be one of interest. Then you are going to go into Committee on the Economic Recovery Commission.

So we can bring on the eggnog at least for next Thursday or Friday. A fair bit of subject.

MR. BAKER:

Yes, the interpretation of the Opposition House Leader is correct. There are a fair number of pieces of legislation here that need to be dealt with. And I am just indicating on Thursday what we would like to deal with or partially deal with depending on how far we get with the first one. And we will see how it goes from there.

MR. SIMMS:

What happened to Bill 54 which we agreed to adjourn today to carry on Thursday?

MS VERGE:

Bill 54, where are you?

MR. SIMMS:

Pardon?

No, we had discussions and we said the Minister would give the introduction. We let him give the introduction today, we will go along with that. Not that we had to. But then we agreed to adjourn the debate and carry on the debate on Thursday. But the Minister (inaudible).

MR. SPEAKER:

Order, please! Before the hon. the Government House Leader speaks

MR. SIMMS:

Stop the clock.

MR. SPEAKER:

Yes, I wanted direction as to what to do at 5:00 o'clock.

MR. SIMMS:

Agreed.

MR. SPEAKER:

Okay. The hon. the Government House Leader.

MR. BAKER:

Thank you, Mr. Speaker.

There are so many things said, maybe I should not react to them because we might get into a lengthy haggle.

MR. SIMMS:

Not with me, boy!

MR. BAKER:

It is my understanding that the second reading of that Bill, the Bill was introduced, the hon. Member who responded, the hon. the Member for Green Bay (Mr. Hewlett) needs some time to prepare for the Bill and we will give him some time. We do not mind giving him some time, and I did not think there was any absolute urgency to deal with that on Thursday. So I have informed the House as to what

the Government is going to call as Government Orders on Thursday and we will see how things go.

MR. SIMMS:

It is so easy to see the Government House Leader break that many agreements, you cannot believe anything.

SOME HON. MEMBERS:

Oh, oh!

MR. BAKER:

Mr. Speaker, I move that the House at its rising do adjourn until tomorrow.

On motion, the House at its rising adjourned until tomorrow, Wednesday at 2:00 p.m.

MR. SIMMS:

Mr. Speaker, just before you go I forgot to mention that that for a select few over there that the Opposition has its party on this afternoon. So they know who they are.

MR. SPEAKER:

This House stands adjourned until tomorrow, Wednesday at 2:00 p.m.

Index

Answers to Questions

tabled

December 12, 1989

*Tabled by Hon. Minister
of Works, Services &
Transportation 12 Dec. '81*

QUESTION

Mr. Bob Aylward (Kilbride) to ask the Honourable the Minister of Works, Services and Transportation to place on the tabel of the House the following information:

1. The number of tendered contracts which were extended beyond the accepted tender price. 'e
 - What were the extra costs to Government for extending these contracts?
 - Also, provide a list of the contracts which were extended and the location and description of the work provided.

ANSWER

PROJECT

Merrits Cove Road and Back Harbour Road
Extension to 23-89

Paving Loop Road at Hillview Extension
to 66-88

Paving 120 m of road, Portugal Cove Road,
Extension to 16-89

Project 56-89 extended by 700 m off Route 70
to the end of Salmon Cove because tendered costs
were lower than estimated.

Project 39-89 extended by 360 m to include bad
section of Bareneed Road.

Project 103-88 extended to include paving of
Department's roads in communities in Southern
Labrador.

Additional Costs of Government For Extending
Above Contracts

\$367,500

Tabled by the Honourable David S. Gilbert, Minister of Works,
Services and Transportation, December 11, 1989

EXTENSIONS TO CONTRACTS

1989/90

Project	Contractor	Date Approved
Merrits Cove Road and Back Harbour Road, Extension to 23-89	Western	09/29
Paving loop road at Hillview Extension to 66-88	Shannon	08/01
Paving 120 m of road, Portugal Cove Road, Extension to 16-89	Shannon	10/25
Project 56-89 extended by 700 m off Route 70 to the end of Salmon Cove because tendered costs were lower than estimated	Shannon	08/15
Project 39-89 extended by 360 m to include bad section of Bareneed Road	Pennecon	07/06
Project 103-88 extended to include paving of department's roads in communities in Southern Labrador	H.J.O'Connell	07/04

*Tabled by Hon. Minister
of Works, Services
& Transportation 12 Dec
1989*

MEMO

TO: Minister

FROM: Roberta Bustard, Public Relations Specialist

RE: Question in House December 11th

DATE: December 12, 1989

Question:

I want to ask the Minister which parts of the Province, which communities or which isolated areas of the Island part of the Province would qualify to have the Department of Transportation equipment and staff work on private property?

Further to the same question, I want to ask the Hon. Minister to be more definite to them. Would he tell me if the St. David's, St. Fintan's area would qualify under the Provincial Policy on Equipment use on Private Property?

Answer:

Mr. Aylward was recently provided with the Department's policy on the Use of Equipment within the Province on private property. He is now asking which parts of the Province specifically qualify under this policy. It is impossible to identify these areas at any given point in time because circumstances are constantly changing. An isolated area which does not have access to any privately owned piece of equipment today, might have access to such equipment next week. These requests are dealt with as they come into the Department and are assessed as per our policy.

Question:

I want to tell the Hon. Minister that, I guess, the most important part of the policy is that equipment cannot be used at all unless there is no equipment available in that immediate area. And I know for a fact that the St. David's, St. Fintan's area does have this type of equipment available. So probably it would qualify.

But Mr. Speaker, I want the Hon. Minister to confirm to this House that the Departmental staff and equipment were seen Nov. 9th doing work on private commercial property owned by the Member for St. George's (Mr. Short).

Answer:

Government equipment was not used on the private property owned by the member for St. George's on November 9th or any other date.

As a routine maintenance activity, Departmental staff are constantly reshaping shoulders along all paved roads. On Nov. 9, 1989, the Department placed a tandem load of shouldering material along Route 404 which passes in front of property owned the Member for St. Georges, and if this is the incident to which the Hon. Member for Kilbride refers I cannot see how this could be inferred as work on private property. The material was spread using a Department grader which is considered to be a normal maintenance operation.

In fact, the Robinson's unit placed and spread approximately 3,100 cubic metre of shouldering material on this and other roads in their maintenance area.