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**VERBATIM REPORT**

FRIDAY, APRIL 11, 1975

SPEAKER: THE HONOURABLE M. JAMES RUSSELL

The House met at 11:00 A.M.

Mr. Speaker in the Chair.

MR. SPEAKER (STAGG): Order, please!

It gives me great pleasure before opening the formal proceedings of today, to welcome to the galleries forty-three Grade XI students from Twillingate Central High School with their chaperons, Mr. Colbourne and Mr. Horwood. On behalf of all honourable members I welcome you to the galleries today and trust that your stay here will be interesting, informative and hopefully educational.

REPORTS OF STANDING AND SPECIAL COMMITTEES:

MR. SPEAKER (STAGG): The Minister of Provincial Affairs and the Environment.

HON. W.G. DAWE (MINISTER OF PROVINCIAL AFFAIRS AND THE ENVIRONMENT): I would like to table the regulations under the Credit Reporting Agencies Act, 1974.

ORAL QUESTIONS:

MR. NEARY: Mr. Speaker, now that the honourable Minister of Fisheries is back from the battlefield, I wonder if he could tell us as briefly as possible why the Province took the position that it took at the recent energy conference that they would support British Columbia and Alberta for their increases in gasoline and heating fuel?

HON. J. CROSBIE (MINISTER OF FISHERIES): Mr. Speaker, the honourable gentleman has just made a savage attack on Prime Minister Trudeau, because all we did was take the same position as the Government of Canada has taken, and that is to realize the fact that oil and gas prices are going to have to rise because they cannot be kept in Canada at half of what they are elsewhere in the world. There are a large number of reasons why they are going to rise in any event. To suggest that any increase be done over a period of time - certainly not the full increase now, but over three or four years, or whatever is worked out with the producing Provinces - and that the effect be cushioned to protect the consumer as long as we can.

So, the position that the Newfoundland Government took was the

same as the position taken by Prince Edward Island. It was the same as the position taken by the Government of Canada. It was the same as the position taken by the Government of Quebec, the Liberal Government of Quebec and the Liberal Government of Prince Edward Island. It was the same as the position taken by the Government of British Columbia, and of course the Government of Alberta and Saskatchewan feel that they should get a proper return on the resources they have in their Province.

In addition to which, of course, Mr. Speaker, we are a resource rich Province that believes in the principle that the Provinces should control and get the revenue from their own resources. We see no reason why oil and gas should be singled out as the only commodities in the country whose price should be controlled forever in this manner. So, those are some of the reasons, Mr. Speaker. The Prime Minister's position and Premier Moores' position are the same positions.

Now, this can all be debated, of course, in more detail, Mr. Speaker, when the estimates of the Department of Mines and Energy come before the House. We will be pleased at that time to debate it all in detail and to explain it all so that even the honourable gentleman can understand. In addition to that, Mr. Speaker, the conference was very successful insofar as Newfoundland is concerned because the Government of Canada and the Governments of Nova Scotia, Prince Edward Island, Quebec and this Province have agreed that it is necessary now to have a regional grid to carry electricity from one province to the other and that a study should be made into the remaining hydro resources in Labrador and in Quebec and in the construction of interconnecting transmission lines between these provinces so that Nova Scotia, Prince Edward Island and New Brunswick could get power from Newfoundland and Labrador and Quebec as well as Ontario, and that this whole concept should be and it is now supported by them all, and they have agreed that this study should be conducted in which all would participate. Steps will be taken to have that carried into effect in the next month or two.

Now, this is a huge step forward, Mr. Speaker, for this Province. We have, as honourable gentlemen know, a large potential for hydro-electric energy development in Labrador yet apart from Gull

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Island, huge quantities of power that should be developed as soon as possible for the use of the Eastern half of Canada and particularly provinces



such as Nova Scotia which are almost solely dependent on oil. And the only way these sources will ever be developed if it is a major effort of all of the groups that I have just mentioned. So it has been agreed that studies should be commenced in all these hydro resources and to the establishment of the concept of a regional grid for the transmission of electricity, which is a huge step forward. And, from that point of view, Mr. Speaker, the conference was a great success.

And as I say we have no hesitation, Mr. Speaker, once we get to the estimates of Mines and Energy, to discuss this matter, and to point out to the honourable gentlemen the error of their ways.

MR. NEARY: Mr. Speaker, I hardly got the heart to pursue this matter any further but I do want to ask the minister a supplementary question. Would the minister tell the House whether an increase in oil prices in this Province will automatically mean an increase in the electricity rates also to the consumers of this Province?

MR. CROSBIE: I understand, Mr. Speaker, that the Board of Commissioners of Public Utilities had heard an application from Newfoundland Light and Power a few weeks ago in connection with a rate increase for Newfoundland Light and Power. And that they also approved, as has been approved, I guess, in every province of Canada, a formula under which the rates for electricity can go up as the price of oil goes up, if the price of oil goes up. It is an automatic. It is some kind of a formula that is used so as the oil prices go up the cost of electricity goes up in proportion to the added expense that that produces on the system. So I am not familiar with all of the details but, I think, there is such a formula under the new rates that have been approved. And that puts us in the same position as every other province of Canada.

MR. NEARY: Mr. Speaker, a further supplementary to the minister. Would the minister tell the House - or is the minister aware that the Board of Commissioners of Public Utilities have no jurisdiction over these hearings involving the Newfoundland Power Commission? And is the government going to take any steps to rectify this situation so that the hearings can be hearings and the Board of Commissioners for Public Utilities not have

their hands tied behind their backs?

MR. CROSBIE: Mr. Speaker, I am not aware of what the honourable gentleman states since it is not correct.

MR. NEARY: It is correct.

MR. CROSBIE: The Board of Commissioners of Public Utilities have jurisdiction -

MR. NEARY: Over the Newfoundland Power Commission.

MR. CROSBIE: - over rate increases by Newfoundland Light and Power and the other utilities on the Island.

MR. NEARY: No, no.

MR. CROSBIE: They cannot decide the question as to whether Newfoundland and Labrador Power Commission should increase the rate they charge for power to the retailers of power. That is something that the Minister of Mines and Energy said we are considering. And it is the government's view that the Board of Commissioners of Public Utilities' jurisdiction should be increased in the future. Its jurisdiction now is the same as it was in 1971, and in the years before this government took power. But that position is being reviewed by government, and we believe their jurisdiction should be extended in the future. So while they have no jurisdiction over the rates that are charged by the Power Commission to Newfoundland Light, they have jurisdiction over what rates are charged by Newfoundland Light or other utilities to the customer. Well, that is being reviewed and I think they will be given an enlarged jurisdiction within the next year.

MR. NEARY: Mr. Speaker, a further supplementary. Would the honourable minister care to indicate whether the Premier will be in his seat today or were the fellows with the white jackets down at Torbay waiting for him when he landed to take him away?

MR. SPEAKER (STAGG): Order, please! That question is out of order, of course.

MR. CROSBIE: The question is out of order, Mr. Speaker, but the Premier certainly is not. I mean he is in good form and good shape and he is conducting public business today in Montreal. And as far as I know -

MR. NEARY: No doubt! No doubt!

MR. CROSBIE: will be back to the province -

AN HON. MEMBER: Inaudible.

MR. CROSBIE: That is right, they have taken him into Waterford Valley, I think. The muttering and sputtering about all the gas prices! But the Premier will be back, I believe, this evening, Mr. Speaker, and he will be here on Monday morning.

MR. SPEAKER (STAGG): The Hon. Member for Labrador North.

MR. M. WOODWARD: Mr. Speaker, I have a question for the Minister of Fisheries and Intergovernmental Affairs. In light of the results of the Energy Conference and reports from the news media that one of our sister provinces, Alberta, is prepared or willing to get involved in the financing of the development of hydro in the Province of Newfoundland, can the minister tell the House if this means that the Lower Churchill will commence this Summer on a full scale construction basis as the result of the aid that we are getting from Alberta?

MR. CROSBIE: Mr. Speaker, the position is that the Gull Island or the Lower Churchill project insofar as this government are concerned will be proceeding this year. But as has been explained -

MR. WOODWARD: It started last year with a half a dozen people with pickaxes.

MR. CROSBIE: You know, the Upper Churchill, I suppose, took about twelve years to get off the ground. It is the planning of this government that the Lower Churchill will proceed this year.

MR. WOODWARD: Fair enough! Fair enough!

MR. CROSBIE: However, before, Mr. Speaker, the final release -

MR. WOODWARD: Inaudible.

MR. SPEAKER (STAGG): Order, please!

MR. CROSBIE: - before the final release

is given the government will have to be satisfied that financing can be arranged for the whole project, that the cost estimates are accurate and that they are safe and proper and prudent for this project to proceed. Now, the work is proceeding onwards and by this Fall the final project release will have to be given and by that time the final decision will have to be made. The Government of Alberta has said that they are prepared to assist this Province in developing that great project by a way of loans to the Province for the project and if that is all arranged with the Government of Alberta who would be a considerable assistance to the project to have large amounts of money -

MR. WOODWARD: Is it a definite commitment from them now?

MR. CROSBIE: We have a commitment that they will lend money to the project. Now, the amount of that and the total amount and how it will be done all has to be worked out and will be during this present Spring and Summer. So, certainly that will be considerable assistance to getting this project underway and carried out. But the position still remains the same, that the government will not make a final decision until we know that everything is in order and the latest date for that to be done is, I think, September or October of 1975.

In the meantime, money will be spent on the work that is being carried forward so that it can be completed by 1980, if we get the final go ahead.

MR. SPEAKER (Stagg) The Member for Bell Island.

MR. NEARY: Mr. Speaker, I wonder if the minister responsible for crabs in this Province, the Minister of Fisheries, Sir, could tell us if he has received any representation from the crab industry -

MR. CROSBIE: Crab.

MR. NEARY: Crab, yes, to find some solution to the inventories, getting rid of the inventories that they have on hand at the present time?

MR. CROSBIE: Well, Mr. Speaker, I have not received any representations from the queen crab industry because they are dealing with the government that has jurisdiction on the matter and that is the Government of Canada at Ottawa. They have been dealing with the Minister of Fisheries, The Minister of State of Fisheries, Mr. LeBlanc, and the Fishery Prices Support Board, which is the agency of the Government of Canada which deals with marketing of fish and fish products. They have discussed with them their inventories and disposing of their inventories and as I understand it, the crab producers in this Province have disposed of a great deal of their inventory, but the prices are down, are going to be down this year. The prices on the market are certainly going to be greatly reduced and they will have to decide what price they are prepared to pay for crab if they are operating this year. But they are dealing with Mr. LeBlanc and the Fishery Prices Support Board and that is where they should be dealing.

MR. NEARY: Mr. Speaker, it looks like we are going to have plenty of crab meat but no liquor. I wonder if the minister responsible for the Newfoundland Liquor Commission could tell us if any steps are being taken to avert a strike in the liquor stores throughout the Province?

MR. DOODY: Mr. Speaker, the Treasury Board negotiating team are currently talking to the negotiators for NAPE, the union that represents the Newfoundland Liquor Commission employees. There have been negotiating now for several weeks. A conciliation officer is involved. There is a most unusual set of circumstances when the strike vote was distributed and sent to the employees to be signed before the final details of an offer were made public to them. Indeed, the details of the offer could not be made private or public because they have not been finished yet. They are still negotiating. So, to the best of my knowledge, there is no strike imminent or in sight at the Liquor Commission stores. I would hope that there will not be. The regular collective bargaining process

is in being and I would hope that it will solve whatever problems there might be.

MR. NEARY: Mr. Speaker, I wonder if the Minister of Justice, Sir, could tell the House whether or not there is any foundation to public statements that are being made that the crime rate in Newfoundland, especially in the city of St. John's, is on the increase and if so, what steps the minister is taking to deal with this situation?

MR. HICKMAN: That is like asking somebody, Mr. Speaker, when did you stop beating your wife. I can only -

AN HONOURABLE MEMBER: Inaudible.

MR. HICKMAN: That is right. The honourable gentleman picks up a little item from a paper, obviously that has not been researched, and says, crime is on the increase in the City of St. John's.

SOME HON. MEMBERS: Inaudible.

MR. SPEAKER (STAGG): Order, please!

MR. HICKMAN: Last Fall, Mr. Speaker, there were -

AN HON. MEMBER: The heading, "Then fists flew," what about that? That was researched.

MR. HICKMAN: The honourable gentleman, I suspect, is referring to a matter that is presently before the court and I hope he does not want

by making undue, unfortunate comments in this House, I hope he is not trying to aid and abet the accused because statements like that during a trial, when a trial is in progress -

MR. NEARY: That is in the paper, headlines.

MR. HICKMAN: Statements interpreting, Mr. Speaker, statements interpreting evidence that is presently coming out in court at a trial, these statements can very seriously prejudice a trial that is in progress, and confer upon certain people rights that they are not entitled to have.

MR. NEARY: Do not be so foolish!

MR. HICKMAN: Now, Mr. Speaker - foolish! You will see how foolish it is if some smart lawyer latches onto your statement here this morning.

Insofar as crime is concerned, Mr. Speaker, we -

SOME HON. MEMBERS: Inaudible.

MR. HICKMAN: The evidence that has been submitted to me indicates, one, that vandalism in the St. John's Area during the last twelve months has declined; number two, that the number of break and entries in the City of St. John's have increased during that period; number three, that the rate of increase of crime in the Province of Newfoundland is considerably below that of any other comparable Canadian City; and number four, the high number of arrests and prosecutions, successful prosecutions that have taken place and are taking place indicates that the Newfoundland Constabulary, which is the police force responsible for policing the City of St. John's, are doing a very, very competent and satisfactory job in apprehending those



who run afoul of the law.

I hope there is nobody half-witted enough in this House to suggest that we should station a policeman in front of every shop. The policeman's responsibility is, number one, by his presence in the general area to try and deter people from committing offences, and, number two, when an offence has been committed, to try and apprehend the offender. Number three, the sentences that are being imposed by the magistrates in the St. John's area at this time appear to be very appropriate. They show some signs of compassion, which they must, and at the same time the sentences, which vary from every case, are such as to act as a deterrent to others who may want to embark upon a regretful road to crime.

AN HON. MEMBER: When are your estimates coming up?

MR. HICKMAN: Oh, my estimates are all done.

AN HON. MEMBER: I thought you were doing them now.

MR. NEARY: Mr. Chairman, I was just wondering if the Minister of Justice, Sir, is aware that during January 1 and April 9, 1974, St. John's Provincial Courts handled 1,390 criminal cases, and is the minister also aware that during the same period this year the courts heard 1,550 cases. Not bad for an item that was not researched!

MR. HICKMAN: That is right. You know there is no point, Mr. Speaker, in my trying to straighten out the honourable gentleman from Bell Island. You know, if he did the slightest bit of research he would know that a lot of these cases, many of which are criminal in the sense that they are breaches of the criminal code, you know, impaired driving falls into that category, breaches of provincial statutes are included in that category. An awful lot of the offences that were tried during that period were committed in 1974 and not in 1975 and the other thing is that it corroborates beyond all reasonable doubt the statement that I made in this House a few minutes ago that the Newfoundland Constabulary are doing a first class job in apprehending those who break the law in the City of St. John's as are the R.C.M.P. outside.

MR. SPEAKER: The Member for Twillingate.



MR. GILLET: A question for the honourable Minister of Health, Mr. Speaker, I wonder if the minister would tell the House whether or not he has received recently any communication from the various religious denominations in Twillingate, in the Twillingate area, to enquire into the possibility and the assistance from this government of converting the old hospital which will soon be vacated, converting it

to a Senior Citizens' Nursing Home or any nursing home, but usually for a Senior Citizens' Home, if so, Mr. Speaker, what his reaction is and what assistance we can expect from this government?

MR. SPEAKER (STAGG): The honourable Minister of Health.

HON. DR. A.T. ROWE (MINISTER OF HEALTH): No, Mr. Speaker, I have received no official communication from the ministerial association of the Twillingate area on this subject. I am therefore not in the position to answer the question.

MR. SPEAKER (STAGG): The Member for Bell Island.

MR. NEARY: Mr. Speaker, I do not know if the acting Premier or the acting, acting Premier could answer this question. But, Sir, unlike the song where raindrops keep falling on your head, out in the Sir Richard Squires Building in Corner Brook concrete keeps falling on their heads. Would the minister tell us what is causing it? Is it an earthquake? Is the building falling apart? What is the problem with the Sir Richard Squires Building in Corner Brook? Is the Premier making earth shattering statements out there or what?

MR. HICKMAN: Mr. Speaker, the honourable gentleman obviously reads the papers very thoroughly. This statement was in the paper this morning. I certainly know nothing about it. I know that the building is a very new one. It was built at a time when the honourable gentleman from Bell Island was a member of the government that built it.

MR. NEARY: Perhaps that was led by the Minister of Justice.

MR. HICKMAN: I am afraid it was not.

AN HONOURABLE MEMBER: Perhaps the Minister of Fisheries.

MR. HICKMAN: Nor the honourable the Minister of Fisheries. It was built by the Smallwood Administration. It reminds me something of the Duplessis Bridge. Remember the Duplessis Bridge. The Duplessis Government was as strong and straight as the Duplessis Bridge, and then it collapsed.

MR. WOODWARD: Mr. Speaker, the Minister of Justice is very unruly nowadays.

AN HONOURABLE MEMBER: Inaudible.

MR. WOODWARD: Yes. It is becoming like the crime wave. Mr. Speaker, I have a question for the Minister of Education seeing that my colleague,

and friend, the Member for Labrador South is not in the House today. I wonder what action he has taken with regards to the school in Forteau. Looking at the media last night, I understand that problem has still not been resolved. They do not have alternate classrooms to go to. The parents have refused to send their children back into the school. There have been a whole consortium of people involved with the problem and no one seems to solve it. I wonder what action the minister is going to take or if he has taken any action to find suitable alternative classroom space for them and when do we hope to have the children back in school.

HON. G. OTTENHEIMER (MINISTER OF EDUCATION): Mr. Speaker, I did not see the report on the media as was seen last night, but I certainly am familiar with the situation. The government, or the Department of Education, has sent to Forteau quite a large number of people. The chief medical health officer from the Province was there. On another occasion two or three doctors from the Grenfell area were there. We have had two or three engineers there as well.

The reports that have come back have indicated that there is nothing at the school to cause people to be ill. The first suspicion was that there was something wrong with the furnace or that there were fumes from the furnace. The engineers reported that this was not in fact the case. The school was repainted and some additional cleaning work done some time ago. But, the reports that we have from both engineers and several medical people is that they cannot see any logical, scientific reason why people would become ill from being in the school.

We did investigate the possibility - there are two halls in the community, a hall owned by the L.O.A., an Orange hall and a community hall. Both were examined from the point of view of alternatives, but it has been reported that neither is suitable for a school. There is no other place suitable. I mean, that is a fact about which nobody can do anything at least at the present time. Since

all of the information that we have, medical and engineering, is that there is nothing wrong with the school and I am not a doctor, not a medical person. All I can suggest is that the cause of whatever it is on the information that I have about medical and engineering is not related to the building.

AN HONOURABLE MEMBER: Inaudible.

MR. OTTENHEIMER: Right and the information given me is that it is not related to the school. It is theological -

MR. NEARY: Mr. Speaker, I wonder if the Minister of Justice, Sir, could tell the House whether he has run into any flak on his new civil marriage regulations? Have there been any objections from any of the religious denominations and if so, what action the minister is taking on these objections?

MR. HICKMAN: No, Mr. Speaker, I have not. I have received a -

ORDERS OF THE DAY:

MR. CROSBIE: Motion (1).

MR. NEARY: Mr. Speaker, the minister was going to add something to his -

MR. HICKMAN: No.

MR. NEARY: No.

MR. SPEAKER: Motion (1). Committee of the Whole.

On motion that the House resolve itself into Committee of the Whole. Mr. Speaker left the Chair.

MR. CHAIRMAN: Order, please! The Minister of Fisheries.

MR. CROSBIE: Mr. Chairman, the resolution came before the Committee last time with the matter there seemed to be some dispute about the amount the government was asking the House to approve borrowing this year. Now, that amount, of course, might or might not be borrowed. We are asking the House for authorization to borrow and the amount that was asked for in the resolution was \$275 million. Honourable gentlemen opposite protested that this is too much and the amount required in the budget to be borrowed is \$203 million. We explained that we wanted to have a cushion in case the market looked good and so on and so forth. These points were all made in

the last day.

So, the government has considered the matter and we are willing to reduce it by \$50 million so that we will have a cushion of some \$20 million in addition to what is indicated in the resolution. In order to expedite the matter and to obviate a lot of argument back and forth about it, the government is willing to decrease the amount that we are asking for authority to borrow from \$275 million to \$225 million. Now, that would mean, of course, we would vote against the gentlemen's amendment opposite which was to reduce it to \$203 million and when that is disposed of, we will move our own amendment to change the amount to \$225 million.

So, I hope that that finds favour in the honourable gentlemen opposite.

MR. NEARY: Mr. Chairman, obviously the minister thinks, Sir, that we should be thankful for small blessings. Well now, Sir, let me point out to the Committee and to the minister: It is not the amount that was in dispute. It was not the amount of money that they were asking for that we were objecting to. Remember, Mr. Chairman, the government were asking for \$75 million, to borrow \$75 million, over and above what was included in the estimates brought in on March 12, about a month ago, by the Minister of Finance. It was not the amount, Sir. It was the principle. We claim that the government should not be asking for one penny over and above the amount that was budgeted for a month ago on March 12 when the minister brought down his budget in this honourable House. It is the principle, Sir, that we are objecting to, the principle of removing the responsibility for borrowing and spending money from this honourable House and putting it in the hands of the Lieutenant-Governor in Council, putting it in the hands of the Cabinet.

Now the minister has said that the government have decided to reduce the amount of \$75 million that they were asking for, reducing it by \$50 million. Well, Sir, we are still dissatisfied because, I cannot help but repeating myself, it is not the amount of money, it is the principle of the thing. We are opposed to this principle, Sir. We are a party, a group of people on this side of the House who opposed the principle of putting this kind of authority in the hands of the cabinet. We think it is too dangerous. And now, Sir, by reducing it down by \$50 million still gives the government, still gives the Minister of Finance and the administration \$22 million or \$23 million to play with. It is not bad, Sir, for a little bit of pocket money. It still gives the administration, Sir, a fair slush fund in case they happen to call an election. They still have a pretty fair slush fund. They have about \$25 million to play with.

AN HON. MEMBER: Inaudible.

MR. NEARY: I beg your pardon?

AN HON. MEMBER: Inaudible.

MR. NEARY: And although, Mr. Chairman, we have made some pretty great inroads in convincing the administration that they were wrong in asking for this \$75 million - a little bit of a victory for us. I suppose we could claim a little bit of victory. But if we voted in favour of the minister's amendment, Sir, or voted in favour of the minister's recommendation that it be reduced by \$50 million, we on this side of the House will be hypocritical because we do not agree with the principle. And the administration even though they are reducing it by \$50 million are still going to get a fair slush fund in case they happen to call a provincial general election. And we have no choice, Mr. Chairman, but to vote for the amendment that was put by the Leader of the Opposition. We are still against this principle, Sir, and we will be consistent. We will vote for the amendment and we will vote for any increase over and above the amounts of money that was called for in the minister's -

AN HON. MEMBER: Inaudible.

MR. NEARY: I beg your pardon?

AN HON. MEMBER: Vote against.

MR. NEARY: Vote against. We will vote in favour of the amendment

and against any increase in the amounts over and above those recommended by the Minister of Finance when he brought down his budget about a month ago.

AN HON. MEMBER: Hear! Hear!

MR. CHAIRMAN: The Hon. Member for St. John's East.

MR. W. W. MARSHALL: Mr. Chairman, I would like to have a few words with respect to this amendment and the proposed changes that have been proposed by the government. First of all, in dealing with the remarks made by the Opposition I completely and absolutely discount them. Because it is obvious from what they have said and the way that they have led into the debate that they have neither an appreciation of what is involved in this, neither do they support it. The only thing they are worried is a slush fund for an election type of thing.

AN HON. MEMBER: Most certainly.

MR. MARSHALL: And the way that the Hon. Leader of the Opposition when he was debating it, and the Hon. Member for Bell Island when he was debating the measure showed such an abysmal ignorance of the rules and regulations under the Financial Administration Act that it certainly calls very much into question their ability to ever form a government again, and perhaps even to sit in the Opposition.

AN HON. MEMBER: Hear! Hear!

MR. MARSHALL: Mr. Chairman, there are a few things I want to ask, pose to the Minister of Fisheries, the Government House Leader, with respect to this proposed change. Because, I think, it is very important, Mr. Chairman, in these measures, I think it is crucially important that all facts with respect to the borrowing in this Province be brought forth in this Legislature. It may well be as in the past couple of years when we brought in the Financial Administration Act and followed it with a loan bill as we were required to do, it may be that it might pass through the Legislature and be unnoticed, not be subjected to much debate here or much comment in the press. But the only safeguard we have in this Province with respect to our future and our financial borrowing is the very fact that the executive arm of government has to bring in a bill of this nature, and has to indicate to the general public exactly what is being borrowed and why it is being borrowed.

And it is for that reason that I stand on my feet in the Committee and ask certain questions.

As I read the bill there is still going to be a substantial differential between the amount that has to be borrowed, that is necessary to be borrowed under existing legislation, and the amount that is actually borrowed. Because under the Financial Administration Act you have to get authority for new debt, and under the Budget Speech of this Province this year, I think, it was \$160 millions plus \$43 millions which was to refund existing indebtedness, making the total of \$203 millions that is being mooted around, and now we are bringing it down to a total of \$225 million, so there is a relatively small cushion if you look at it that way. But the



resolution and indeed the section 43 of The Financial Administration Act more or less indicates, and does indicate, that one does not need approval to refund existing indebtedness and this makes sense because Legislatures before have already passed on the indebtedness that is being refunded. People know that money spent in the past has been spent for a certain purpose and you are merely transferring one type of debt for another.

In addition this resolution to make it more certain and the bill itself says, a sum of money and such additional sums or sums of money as may be required to renew or refund securities issued under any act of the Province. So the question I ask the honourable the minister is whether or not we are borrowing, we are authorizing the borrowing by bringing it down to \$225 million, actually an increase of \$65 million that is unnecessary under the, unnecessary in a sense, it may be necessary but not specifically required at this time, or whether it is just merely the difference between \$203 million and \$225 million, because that is a very significant differential. I would like that fact brought forth because if the Legislature wishes to vote to give the executive arm or the Cabinet this power to borrow an extra \$65 million, as the Leader of the Opposition says from time to time when he is lost for words, so be it. The Legislature has passed upon it as the honourable Minister of Finance has indicated when he brought in the bill.

But I think it should be made abundantly clear before this Committee and before the House and before the people of this Province what the borrowing represents. As I read it, subject to correction, we are authorizing the borrowing of \$160 million, \$160,300,000 as I remember, as stipulated in the Budget, plus an extra \$65 million. I would like that trite question pursued, As I say, if the Legislature wishes to vote for it, the Legislature votes for it.

Now I would like to point out a couple of very pertinent matters with respect to this power to borrow and why it is necessary to emphasize

and re-emphasize over again the crucial importance of the amounts of money which this Province is going to borrow being brought forcibly to the attention of this Province. In the Budget Speech much has been made of the fact that this is a \$1 billion budget, The government has indicated its pride with respect to it, and the pride is justifiable because had the previous administration been in, or any other administration, I doubt very much whether they would have had the confidence of the financial community, or any group of people, to be able to sustain a budget of this nature. So as I say on the one hand there is grounds for pride.

But there is another aspect to it that I think has to be drawn to the attention of the public. That in order to sustain the public services in this Province, in order to carry on government as we have carried on under very hard conditions, namely as a result of the huge, monumental debt that we inherited, because we have to, although we are not supposed to speak of it, we have to spend \$60 million or \$70 million a year from year one in this administration in purely and simply the financing of the previous debt and this mounts, as anyone who has got a bill payer loan from that great financial institution that advertises itself knows, if you re-finance and you have to pay on past indebtedness and to borrow from it how much it mounts up.

MR. NEARY: Never borrow money needlessly.

MR. MARSHALL: That is right. And this is what this exercise is all about. If money is available, if you borrow more, if there is that differential between - now before I get onto that, I just want to emphasize this again, there is a reason for this government to be very proud of the fact it can bring in such a large spending budget but we got to look for where the money comes from and I think it is very crucial and essential that the government, that this House, that the public and that everybody awake to the fact that the public debt of this Province, in order to sustain services, is mounting. Thankfully it is in the hands of a group of sane, sensible, rational people who can administer the affairs of the Province in a rational manner and therefore you can have confidence in it.

The fact of the matter remains, Mr. Chairman, that the public debt of this Province is ascending and it is a matter of concern to everybody, and I know it is a matter of concern to everybody on the government benches. Now, this particular act was brought in purely and simply because of the necessity to bring this forcibly to the attention of the people of this Province, that is the amount of the borrowing.

As we know from 1966 to the coming in of this administration, they could borrow, the government could borrow, in a way, I suppose, that was not countenanced by any other democratic government in Western society. Perhaps they might be able to do it in Moscow or Czechoslovakia or China, I do not know. But, they could do it through secret government borrowings in cabinet. They did not have to get any authorization from the legislature and they told them after the fact.

Now, the reason for this measure is this. We vote, The government brings in its budget. Its budget, it says, how much, how it is going to meet these expenditures. From revenues it is going to raise from taxes. From revenues it is going to get from the federal government and from borrowings. These are the three main sources.

Now, if money is available, I think, as everyone knows, it can be spent. If you have a cushion, then it is open for the executive arm of government to have access to more money than they had budgeted for. It is entirely possible for them to spend more than their budget. Hence, this is what happened in years gone by, in the last days of the Liberal Administration, why there was such a horrendous increase in the public debt. Every year they came back with huge amounts of supplementary supply which are expenses over and above the amount that is necessary or that had been estimated. In other words, they spent more as a result of it.

So, this is the thing. If money is available, you have a cushion. If money is available, it can be spent. The second thing is this. In order to just have the borrowings authorized up to or near to, with a slight cushion, the amount which one budgets, it requires the civil

servants and it requires the executive arm of government to budget accurately because, for instance, if they overestimate the amount of revenues and have, in order to meet expenditures, to use monies found by means of loan, they can do so. But, if the loan is not available, they would have to come back to the House of Assembly and explain the fact that the budget was out slightly and this is the reason. Now, the reasons can be justified. But here again it comes down to the executive arm having to come and explain why the debt has increased.

So, Mr. Chairman, I view this as being essential to the government in the future of this Province. I view it as being critical to the social and economic development of this Province. I view it as necessary so that we do not continue to spend in any manner monies of our children and our grandchildren without it being explained in the most minutest detail.

AN HONOURABLE MEMBER: Hear! Hear!

MR. MARSHALL: and Mr. - I "Hear! Hear!" and I keep hearing from the Opposition. I would that I had heard "Hear! Hear!" from the Opposition when the gentlemen there opposite were over here and I was over on their side introducing a similar measure in the House.

AN HONOURABLE MEMBER: Hear! Hear!

AN HONOURABLE MEMBER: Inaudible.

MR. MARSHALL: No, at the time the honourable Leader of the Opposition was too oft to be down on his bended knee to the right of the seat which the present Premier occupies.

AN HONOURABLE MEMBER: Inaudible.

MR. MARSHALL: Oh, it is very relevant because I do not seek and I do not desire and I abhor, Mr. Chairman, any kind of support from the Opposition on this particular point because I do not like getting support from people whom I regard as having spoken with forked tongues.

AN HONOURABLE MEMBER: Hear! Hear!

MR. MARSHALL: Now, Mr. Chairman, as I have said -

MR. CHAIRMAN: Order, please!

MR. NEARY: It is out of order, Sir. Make him withdraw and apologize

MR. CHAIRMAN: Order, please!

While the honourable member is speaking in the vernacular, I do detect that the phrase "speaking with forked tongue" comes within the phrases which would be prohibited under parliamentary language. I do not think it has been used before. I suggest the honourable member might rephrase his remarks, preferably withdraw.

MR. MARSHALL: Thank you, Your Honour. What I really mean to say, very politely, is, they say one thing over there and they say another thing over here. This is really -

MR. NEARY: The Roberts administration has not been over there yet.

MR. MARSHALL: The Roberts administration never will be. The only place the Roberts administration is going to get is outside of the -

MR. CHAIRMAN: Order, please!

MR. MARSHALL: But I do not think that is relevant either, Mr. Chairman. I am in the midst of making a speech.

MR. EVANS: Joey's dog water.

MR. MARSHALL: Now, as I say, the amount of this debt is extremely high, of the provincial debt, and I do not think it is a matter that we should hide and I do not think it is a matter that we should not discuss and we should not discuss very, very freely with the people of this Province. It is not the fault of this administration. This administration has laboured very hard and very diligently as I have said under great odds as the result of the position that the Province was placed into. It is already, as I say, it is already shown that it is more than is needed, this particular supply bill, and I am just wondering whether the House can be informed as to how much it is because then the House can vote upon it.

I had to say myself, Mr. Chairman, I had to say this quite candidly, that I have reservations myself about giving a government any great amount of money more than it budgeted. I would never entertain it with any government. In this particular case, I have extreme confidence in this government itself. However, Mr. Chairman,

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

MR. NEARY: Inaudible.

MR. CHAIRMAN: While the honourable member is congratulating himself on being so clever in withdrawing his remarks, however, a person may not say indirectly or by contradicting what he would have said. So, the honourable member is treading on very thin ice. He may fall through.

MR. MARSHALL: I do not mind, Mr. Chairman. I can see the honourable member smiling over there. So, once he keeps smiling, I do not mind. But the point of the matter is this, Mr. Chairman, I want to make this quite clear as an individual in the backbenches, as a supporter of this government, and I want to make my position publicly known on it. As I say I have grave reservations about giving any government this particular power and if the nature of this is to give the government a large amount of money, well I will not be here when this matter comes up for voting, less it be construed if I voted against it that I am voting lack of confidence in the government. A vote against this would not mean lack of confidence in the government, but as far as -

AN HONOURABLE MEMBER: Have the courage of your convictions.

MR. MARSHALL: I have the courage of my convictions to explain right now, Mr. Chairman.

AN HONOURABLE MEMBER: Order, order, Mr. Chairman.

MR. NEARY: (First part inaudible) traitor and a coward and run out of the House. Stand up like a man.

MR. CHAIRMAN: Order, please! Order, please! The Member for Bell Island may feel that he is having sport at the expense of the Member for St. John's East. However, traitor and coward, these are phrases which, while they may be uttered in jest or just to interrupt the honourable member, they are completely out of order and the honourable member should know this and I suggest to the honourable

member that a couple of times this morning I have had to bring these matters to his attention and in doing so I have had to interrupt an honourable member who is speaking and has the right to be heard in silence.

MR. MARSHALL: Do not pay any attention, Mr. Chairman. If we could only have a little sound proof box to put him in occasionally, or another type of box to put him in. But anyway, Mr. Chairman, I am explaining my position. I am explaining it crystal clear. It might be easy for a person just to slip out of the House and not vote at all and say later on he was not there when it voted. But as far as I am concerned, I am making my position crystal clear that I have grave reservations about giving any government a large cushion between the amount budgeted and the amount for which it receives authority.

SOME HONOURABLE MEMBERS: Hear! Hear!

MR. MARSHALL: Consequently, Mr. Chairman, I would not like these statements, as I say, to be construed as lack of support or lack of confidence in the government. I have unbounding confidence in the government. However, I shall,



Mr. Chairman, very likely not be in the House if the resolution is in its present form or in the form as it is contemplated. Because we must -

MR. NEARY: Resign. If you do not like it resign.

MR. MARSHALL: - because, Mr. Chairman, we must come to grips really with this problem. I reject, with great respect, I reject quite directly any statements made by any person at any time that we must not talk of the nature of the public debt in this Province, because I feel that it is a subject which ought to be debated and debated over and over and over again so that the people of this Province realize that the services that they are getting do not come from manna from Heaven but they come out of the pocket of themselves, and when they are borrowing they come out of the pocket of future generations. And the fact of the matter is that there is a limit to everybody's borrowings, and the people of this Province should be fully aware of it. And the only manner in which they are going to be aware of it is to measures such as this.

So I reject, Mr. Chairman, any suggestion that we must not talk about the public debt from any quarter whatsoever. I think it has to be debated, and it has to be debated, but I would say responsibly -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: - and not in the manner, not in the manner in which the Leader of the Opposition debated it the other day with respect to bonds, and he gets up and says something which is completely and absolutely hearsay for crass political purposes, then and in that event that is extremely and completely irresponsible, insupportable and without any justification whatsoever. But when somebody wishes to get up and talk about our debts in a responsible manner -

MR. NEARY: Mr. Chairman, on a point of order. I do not want to let that go because I am disappointed Your Honour did not pick it up. The member was just questioning the motive, Sir, of the statements that were made by the Leader of the Opposition the other day when he spoke in this debate. And I would submit, Sir, according to ruling, after ruling, after ruling that is made in this honourable House that the member is completely out of order. And I ask Your Honour to rule it as such, and ask the minister either to rephrase or retract his statement.



MR. MARSHALL: Utter nonsense, Mr. Chairman. Look - that one is not allowed to question the motives of one. I am not questioning the motives - goodness knows I wish I knew what motivated the Hon. Leader of the Opposition.

MR. EVANS: He would have to get a brain first to get a motive.

MR. MARSHALL: I would not presume to guess it. This is a fact, of statement of my opinion that the Hon. Leader of the Opposition made certain statements which were not founded in fact and that he had nothing to support, and he should not have brought it in unless he had something to support it, so it lies in the realm obviously of a matter of opinion.

MR. SIMMONS: Mr. Chairman, to the point of order.

HON. MEMBERS: Oh, oh, oh.

MR. SIMMONS: The Member for St. John's East in replying to a point of order raised by my colleague really evaded the point of order. The point of order relates to his statement that the Leader of the Opposition had made certain statements for crass political purposes. Now that is assigning motives, Mr. Chairman. You can say it in whatever terms you want, that is assigning motives. It has nothing to do with the member's opinion. He is stating forthright that he thinks that the Leader of the Opposition did something for a particular purpose. And I submit that is quite unparliamentary, and he should be asked to withdraw it.

MR. MARSHALL: Mr. Chairman, so that we get away from this foolish nonsense, let us put it this way. If it was impugned that I was impugning the motive of the Hon. Leader of the Opposition, I withdraw it. But I reassert the fact that my opinion that it was done, my opinion is a statement like that has to be done, taken as for political motives if it does not follow with supporting facts. Now let us cut out the nonsense.

MR. CHAIRMAN (STAGG): Order, please!

While I must admit that I did not hear the words in their entirety. However, it does appear from the recap as given by honourable members to my right it does fall into the realm of a difference of opinion between two honourable members, and their interpretation of what is the implication of bad motives or motives different from those

acknowledged. Now the phrase "crass political motivations" or whatever, I do not think that that is an unparliamentary phrase. It is certainly not a complimentary one.

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: If the Chair wishes any prompting from any honourable members I will ask for it. I am attempting to make a ruling on this matter. I would think that in this institution that if we had to rule that

political speeches were unparliamentary then it would be very unlikely that anybody would speak at all.

MR. NEARY: Mr. Chairman, reluctantly, Sir, we disagree with your ruling on this side of the House and we wish to appeal your ruling.

AN HON. MEMBER: Inaudible.

MR. NEARY: That is not the way to do it.

AN HON. MEMBER: Inaudible.

MR. NEARY: What is the way to do it?

Mr. Chairman, we want the Speaker to come back in the Chair so we can appeal Your Honour's ruling.

MR. SPEAKER (STAGG): I will have to appeal it to myself, I guess. In view of the fact that there has been an appeal, I will resume the Chair.

MR. NEARY: Mr. Speaker, during the Committee, Sir, on the Bill -

MR. SPEAKER (STAGG): Order, please! This is a rather unprecedented procedure so I will have to invent it as I go along. The normal procedure is that the Chairman of Committees would report to the Speaker, unfortunately since I am performing both functions today I will have to report to myself, so I will tell the House exactly what happened.

While I was in the Chair of Committee, I ruled on a matter, a point of order raised by the honourable Member for Bell Island, I ruled that the remarks made by the Member for St. John's East were not unparliamentary and my ruling was appealed and the motion now is that the ruling of the Chairman of Committees be upheld. Those in favour "aye", those opposed "nay", In my opinion the "ayes" have it. The ruling is upheld.

MR. NEARY: Record the standing vote.

MR. CHAIRMAN: Call in the members.

Order, please! The motion is that the ruling of the Chairman of Committees be upheld, those in favour please rise:

The honourable the Minister of Municipal Affairs and Housing, the honourable the Minister of Health, the honourable the Minister of Social Services, the honourable the Minister of Provincial Affairs and Environment, the honourable the Minister of Rehabilitation and Recreation, the honourable the Minister of Education, the honourable

the Minister of Justice, the honourable the Minister of Fisheries, the honourable the Minister of Industrial Development, the honourable the Minister of Finance, the honourable the Minister of Forestry and Agriculture, the honourable the Minister of Rural Development, Mr. Dunphy, Mr. Marshall, Mr. Evans.

Those opposed please rise:

Mr. Gillett, Mr. Woodward, Mr. Neary, Mr. Rowe, and Mr. Simmons.

MR. SPEAKER: The motion is carried.

MR. SIMMONS: Mr. Speaker, I rise on a matter of privilege, on a matter affecting the privilege of the House. I cite Beauchesne 155 in which it says, "It will be useful to give examples here of expressions which are unparliamentary and call for prompt interference, these may be classified as follows, number one the imputation of false -

MR. SPEAKER: Order, please! The Chair's ruling has gone before the House and

the ruling has been upheld. For the benefit of honourable members all of these parliamentary or unparliamentary phrases have to be taken in the context in which they are uttered. The opinion of the House in this case is that this phrase was not unparliamentary and consequently, the Chair's ruling is upheld.

MR. SIMMONS: Mr. Speaker, I was not questioning the ruling of Mr. Speaker. I am aware of the procedure -

MR. SPEAKER (STAGG): If the honourable member is directing himself to another matter, then he may.

MR. SIMMONS: Mr. Speaker, I am about to outline a matter of privilege. I fail to see how Mr. Speaker can decide whether I am indeed raising a matter of privilege until I have been allowed at least briefly to outline the facts and the circumstances.

MR. SPEAKER (STAGG): Maybe it was unfair for me to anticipate the honourable member, so he may continue.

MR. SIMMONS: Mr. Speaker, I am dealing essentially with the matter that was raised by my colleague in Committee except that he raised it as a point of order. I am raising the matter as a point of privilege and I submit that the Chair has not ruled on the matter of privilege. I would like to outline it and then put a motion to the Chair.

MR. SPEAKER (STAGG): Order, please!

Evidently my anticipation of the honourable member's remarks was quite correct. It is quite common - well, it is not uncommon for the Chair's rulings, either the Speaker's rulings or the Chairman's rulings, to be challenged. In this case this was done. The ordinary parliamentary procedure was proceeded with and the honourable member just cannot proceed by way of personal privilege or any other. If he were to raise that remark, it should have been raised at the time in Committee. I would anticipate that a similar ruling would have followed. However, the time has now gone by for that.

MR. NEAPY: Mr. Speaker, I would like to rise on a matter, Sir, of the privilege of the House. Inasmuch as that Your Honour himself was placed in a very, very embarrassing position, wearing two hats as Chairman of the

Committee of the Whole and then having to return to the Chair to make a ruling on a ruling that Your Honour had already made. I would submit, Sir, that this is most unusual. I have no doubt but Your Honour did the best he could under the circumstances. But, Sir, I am going to suggest this as an alternative, that we have an assistant Chairman, an assistant Deputy Chairman of Committees. We have other honourable gentlemen, Sir, who have chaired the Committee -

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

Now, the honourable gentleman is proceeding to make a speech that is entirely irrelevant. To explain one of the remarks he made, it is not really awkward for the Chairman of Committees to have to assume the Speaker's Chair. It happens quite frequently. The motion was put to the House. The honourable the Speaker did not have to rule on it himself. It was put to the House before honourable members here and the ruling of the Chairman of Committees is upheld.

Now, subsequent debate is out of order and it really does not matter who is in the Chair. I am sure that that should explain the matter.

MR. NEARY: Mr. Speaker, as a matter of privilege of the House, I think that it would be better and it would appear to be much better if the assistant deputy Chairman sat in Committee of the Whole, left Your Honour free out in his office to have a smoke or a coffee and then Your Honour could come in and then it would at least appear to us, those of us who do not understand the legal involvement of all this, Sir, it would appear that justice is being done.

MR. SPEAKER (STAGG): Order, please!

Well, maybe if we could get Mr. Lamoureux out of retirement to come down and have the Chair in Newfoundland, it would solve many of these problems. However, we get by as best we can. The honourable member knew that when he raised the point that this possible embarrassment might arise where the Chairman might have to occupy two positions. It has arisen. Now, he has compounded it by arguing about it. So, I think that we are just wasting time here.

On motion that the House resolve itself into a Committee of the Whole. Mr. Speaker left the Chair.

MR. CHAIRMAN: The Member for St. John's East.

MR. MARSHALL: Mr. Chairman, with a bit of respite, perhaps I can go on in a similar vein.

AN HONOURABLE MEMBER: (First part inaudible) - drive him out of his mind.

MR. MARSHALL: Once I drive the honourable members opposite out of their minds, I will certainly - no, I cannot, because you got to have a mind to be driven out of, really. Mr. Chairman -

AN HONOURABLE MEMBER: Do not be nasty now. Is that parliamentary?

AN HONOURABLE MEMBER: Order!

MR. MARSHALL: Mr. Chairman, I mean to be parliamentary and nice. Assistant assistant Chairman of Committees on my left, Mr. Chairman. But, Mr. Chairman, look, just in conclusion, I think I have made the points that I wanted to make. I have also made my position, I think, abundantly clear with respect to this matter. If I have not, I certainly meant to.

I want to say that with respect to this, I have heard it mooted around with respect to this procedure that we are now going through of getting authorization before you borrow, that this causes somewhat, I think it does and I think it is somewhat of a problem, not as much as it mooted to be but it certainly was one that was discussed when this amendment was going through. It does cause a little bit of concern to the public servants because of the fact that it is perhaps inconvenient to them. It is very hard for them, because they go over and they have to, particularly if they come to the end of the time when they are borrowing money and they have a possibility of getting an issue, of picking up an issue or issuing an issue, whatever they do, which is more than the amount authorized, they then have to come back to the legislature for it. I realize that that is inconvenient, but that is just too bad. That is one of the prices that we pay. The inconvenience is one of the prices that we pay, as far as I am concerned, for effective operation of government, for effective dissemination of essential information

to the general public and for the proper carrying out of governmental functions. I also as I say, and I do not think I need to dwell on this anymore, I have dwelled on it sufficiently, I do not ascribe to the situation that we must not talk about the debt of this Province. I think on the contrary that we should be talking about it an awful lot more than we are because of the rate at which it is mounting, a rate at which it is mounting unavoidable. People of the Province, I repeat again, can be thankful really in a way of - thankful is not the word, it sounds too pretentious really, but I think that people of the Province have confidence in the fact that they have a government who is able to manage them through difficult times such as this.

In the meantime, Mr. Chairman, in the meantime I think it is crucially essential in this time and in this day of 1975 more so than it was at any other time, it will probably be more so, more crucial next year and the year after, that the people of this Province know exactly not only how much is being borrowed but exactly what it is borrowing for. I know there is the argument that all expenditures are approved before the fact when the budget is brought in, after the fact on supplementary supply, but the fact that the legislature has the right to approve subsequent expenditures through supplementary supply is only really a theoretical right because no legislature would dare, could dare because of the jeopardization of the credit of the Province, refuse to grant supplementary supply which has been validly issued by the executive arm of government pursuant to a valid authorization and delegation from the Legislature itself.

So, the point is once it is spent on supplementary supply it is spent and if extra monies have to be borrowed in order to spend this money, extra monies have to be borrowed. It is not a case, and I also reject unequivocally, it is not a case of whether one does or does not have trust and faith in the government at all. It is purely and simply a matter of vital, dire necessity to the people



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of this Province that they understand and that they are fully aware of the amount of the debt or the reason why the money is being borrowed and where the money is going. Thank you, Mr. Chairman.

MR. CHAIRMAN: The honourable the Member for Hermitage.

MR. SIMMONS: Mr. Chairman, just a few comments before we have the question on the amendment. My colleague, as you recall, moved the amendment, my colleague the Member for White Bay North moved the amendment that we reduce the amount being requested by \$70 million back to \$205 million. Perhaps to save time later I shall address myself to both matters, if permitted, the question involved in the amendment itself and the question which has been raised by the Minister of Fisheries, giving notice that the government intends to introduce another amendment.

I listened last week with some interest to the Minister of Fisheries when he spoke to the main motion, I believe it was, at that particular time, the main resolution. He, like the member this morning, was accusing the Leader of the Opposition of making statements for political reasons -

AN HON. MEMBER: Inaudible.

MR. SIMMONS: I wish it - I will not say it. It would be unparliamentary, Mr. Chairman. The Minister of Fisheries was accusing the Leader of the Opposition last week of doing things for political reasons. He talked about making statements calculated for the public and then we hear the Member for St. John's East do the same kind of thing this morning. Well, I would like to come back to him in a moment, to his remarks in a moment.

First of all, having gone on for some time, the Minister of Fisheries, about how the Opposition was making statements calculated for the public consumption, not concerned about the public interest, not concerned at all about money matters, but only concerned with reaching the public of Newfoundland, then the Minister himself indulged in what must be one of the less rational diatribes we have ever heard in this House, when he talked about if this bill was not passed, if this resolution was not accepted by the Committee, there would be no industrial development. He would not put it that directly, He asked the Leader of the Opposition if he was in favour of no industrial development, no

health services, no community services of various kinds, that kind of diatribe.

Now during this particular debate on this bill today and a few days ago, I have seen an awful lot of people politicking, Mr. Chairman, and I have just learned that it is parliamentary to assign that kind of motive to members of the Committee. The Member for St. John's East talks about how crystal clear he has made things now. Well, Mr. Chairman, it might be inferred, and I am prepared to leave myself open to that possibility, it might be inferred that I am just a little slow to understand -

AN HON. MEMBER: On the uptake.

MR. SIMMONS: That may be it, a little slow on the uptake. But I listened pretty carefully to the Member for St. John's East and I tell you that one thing is not very crystal clear to me and I suggest to other members of the Committee, is where he stands overall. I think I know where he stands on this particular issue but he got into the larger issue of his confidence in the government, so anxious to keep assuring the Committee, keep assuring the House that he has confidence in the government that one gets the feeling, one gets the feeling somehow, like Judas of Scripture, he has to keep saying, not I, to assure himself and those around him that he does have confidence in the government.

Mr. Chairman, I fail to see how he can have confidence in the government. He does not agree obviously with anything the Minister of Fisheries says and quoted him at length this morning. He does not agree with the present bill, or the government's stand on the present bill before the House. We know where he stands in terms of the way the government handles its proposal to rent office facilities.

So, Mr. Chairman, I submit that the only evidence we have that the Member for St. John's East has confidence in the government is his say so. On the contrary we have a whole lot of evidence that he has no confidence in the government.

MR. CHAIRMAN: Order, please! The honourable member is being irrelevant.

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He is getting into a area of debate that has nothing to do with this particular amendment that is before the House and his remarks directed to the Member for St. John's East are irrelevant.

MR. SIMMONS: Thank you, Mr. Chairman. As still a relatively new member of this House I make the mistake of thinking that the broad range that he was allowed is allowed me as well. I now understand that it is not so I shall confine myself to the

MR. CHAIRMAN: Order, please!

The honourable member is not going to be permitted indirectly to criticize the Chair. The inference from the honourable member's remarks is quite obvious, that one -

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN: The honourable member may speak again when the Chair is finished. The inference is that the Chair favors one group over another, the honourable member is given a great deal of leeway here, and this honourable member is not.

Well, that can only be interpreted as a criticism of the Chair and challenging the Chair's ruling which has already happened once this morning and I suppose could happen again.

MR. SIMMONS: No, Mr. Chairman, I do not want to challenge the Chair's ruling. I appeal to the Chair to give me the same range as has been given other members, whatever side of the House they sit on.

MR. CHAIRMAN: Order, please!

The honourable member's appeal falls on receptive ears but unfortunately the appeal is not necessary. The honourable member is going to dig himself into a very deep hole if he persists in making these remarks which criticize the Chair. Although this particular Chairman is not really too upset one way or the other because the honourable member thinks he is partisan or whatever, however, the Chair is a much more venerable institution than the person who happens to be sitting in it at the time, and remarks of this type are not going to be permitted.

The honourable member makes a direct challenge each time he does this sort of thing. It cannot go unchallenged.

MR. SIMMONS: Mr. Chairman, I appreciate the fact that the Chair and the person occupying the Chair has rights which I shall try without prejudice to uphold. At the same time, I have certain rights too. One of the rights I have, Mr. Chairman, is not to have words put in

my mouth. At no time did I suggest, say or infer that the Chair was partisan. I know how to do that. When I feel that, Mr. Chairman, I shall, as is my duty as a member of this House, go through the proper procedures in order to have the matter corrected.

MR. CHAIRMAN: Order, please!

Now, we do eventually come to the point where an honourable member persists in irrelevance and he can be directed to discontinue speaking. The Chair has done this before on, I think, two occasions. But, it is a rather extraordinary procedure.

Now, the honourable gentleman is persisting in continuing a debate with the Chair. Now, the debate under discussion is the amendment as proposed by the Leader of the Opposition, and the honourable member is persisting in attempting to ensure that his rights are upheld. Well, the Chair will do its best to uphold the honourable gentleman's rights. But, it is not going to be chastised or is not by inference going to allow the honourable member to let it be thought that the Chair is not impartial, the obvious inference from what the honourable member is saying.

MR. SIMMONS: Mr. Chairman, if necessary I will make it a matter of privilege. I am saying, before I proceed on to this other matter, that I have not said the Chair is partisan. If I left that impression, I want to withdraw it. That is what I tried to say a minute ago. I think that got misinterpreted, but that is what I meant to say.

I was talking, Mr. Chairman, a moment ago, about the Member for St. John's East and his stand on this particular issue, and he leaves me, as one member of this Committee, pretty, pretty puzzled on where he does stand. I believe I know where he stands on this issue. He starts off his few remarks this morning by assuring us that he is not going to side with the Opposition members of the Committee. I see later as I listen to him why he thought to do that because the stand he takes is really a duplicate of the stand that has been taken by my colleagues on this side of the House. It is the same stand.

So, for once, whether the Member for St. John's East likes it or not, once again, Mr. Chairman, he finds himself in just about total agreement with a stand that we have taken on an issue. It is not the first time, Mr. Chairman, that that member has found himself in almost complete agreement with the Opposition on a matter. Now, I do not care, Mr. Chairman, whether that member likes it or not, but I draw some consolation from the fact that his stand coincides with our stand.

I draw from it the consolation that despite all he says about our motives and so on, our political motives on this side of the House, I draw from it the consolation that nevertheless there is proof, the proof of a member on the other side finding himself so often duplicating our stand. I find in that the consolation of a proof that we are doing some of the right things on this side of the House. We are taking some of the right stands on this side of the House. And here is another issue where we, me and my colleagues here are firmly convinced that we are taking the right stand and the only rational and proper stand that can be taken on this issue.

Now I listened last week to the Minister of Finance address himself rather briefly to this subject. It does make one wonder, Mr. Chairman, who in effect is the Minister of Finance on that side of the House. He says very, very little on the subject that most intimately affects his responsibilities. But he did say a few words, give him credit where credit is due. He did say a few words last week, Mr. Chairman, on the subject of this bill. He said at one point, he said that it had been decided the amount of \$275 million had been decided - and I believe I quote him almost exactly here, I certainly hope so - The amount of \$275 million had been decided because the market might be good when and if they go to the market to get the money. They decided on \$275 million because the market might be good. Mr. Chairman, without taking the minister's remarks out of context, if you follow that through to its logical conclusions you get this - if the market is good we will borrow \$275 million. So if we happen to find it is excellent let us borrow \$500 million, \$600 million. If it is really, really very excellent, well, why not borrow \$1 billion while we are at it. There has got to be some other reason, some other rationale, Mr. Chairman, for borrowing in that there is a good market. Should it not be related to the needs of the time? Should you not decide in part that the amount you are going to look for is the amount that is going to meet the need of that particular moment, I use moment in its broad context. Should not need dictate to the minister and his colleagues in cabinet what decision to arrive at when it comes to massive government borrowings? And, Mr. Chairman, should not one other



factor affect the government's decision - this document right here? Am I to understand correctly that this is in an affect a request, a set of recommendations from the Lieutenant-Governor in Council as to what their projected expenditures ought to be this year? Or are they saying, well, this is within \$75 million or \$100 million? Is that what they are saying? I understand this to be a fairly firm, and I would hope a well thought-out set of recommendations from cabinet as to what they project to be their expenditures for the forthcoming year.

And I would also understand that it contains a proposal, a set of proposals as to how government intends to raise these amounts of money, this amount by taxation, this amount by borrowing and so on. Mr. Chairman, these fairly elementary assumptions are the case, that this is what the government intends to expend, not \$100 million less, not \$100 million or \$200 million more, but this is what the government honestly and rationally proposed to expend, number one. And two, this document also contains their proposals for how they intend to raise that amount of money. I can only come to the conclusion that, one, the minister and his officials have done their homework well. They stand by this document. I can only come to that conclusion or the only other possible conclusion, they have not done their homework and they are covering all their bets in this bill. And they are saying, oh, we might be out by \$50 million, 75 million bucks here.

AN HON. MEMBER: Inaudible.

MR. SIMMONS: So let us cover all our bets. Let us just be sure just in case.

Mr. Chairman, I discounted the Minister of Finance's reason for borrowing the amount of \$275 million, and the same arguments can apply to the \$225 million of which the Minister of Fisheries has given notice this morning. I discount the reason given by the Minister of Finance that the reason they went for \$275 million, or now a little later on \$225 million, is that the market might be good. We have

got to have better reasons for borrowing money than the reason, the presumed reason that there is no trouble to get it. If that is the only reason, why stop at \$275 million? Why not borrow unlimited amounts of money?

I submit, Mr. Chairman, that the reasons are different from this all together and have nothing to do with the ability of the market to accommodate that kind of request. That is not the reason at all. The reason is the one that the Member for St. John's East came up with a good expression for, the cushion. It is the cushion. I share his feeling, his concern, about what can happen when the cushion is there. He said it very well, Mr. Chairman, the old story that if it is there there is more of a tendency to spend it. Had I said that first, Mr. Chairman, one could assign to it all kinds of suspicions as to whether I was suggesting out loud that perhaps the fellows in government were less than honest for that kind of thing.

I did not say it first. The member for St. John's East -

MR. CHAIRMAN: Order, please! Order, please!

I hope the honourable member is not going to pursue that line of debate, that the honourable member may not say indirectly or by inference or any other way what he cannot say directly.

MR. SIMMONS: Mr. Chairman, I said if I had said it first that motives might have been assigned to me. Mr. Chairman, you can be assured that if I feel that the government's motives in this matter are less than honest I would say so in a very direct way. So, a moment ago I did not infer that. When I want to say it, I shall say it and either take the consequences or withdraw it if it is ruled unparliamentary at that particular time.

What I was saying a moment ago is that I did not make the initial statement on this matter, that statement about if there is a cushion then it is available to the executive branch of government and the tendency is there to spend it. I believe that in essence is what the Member for St. John's East said. I am saying I was not the first person to say that. I endorse that statement, but he said it first, and it is significant, Mr. Chairman, that it was he, a former

member of cabinet, who said that particular statement because he is not now a member in Opposition who has had no access to the kinds of things, no access to the knowledge, to a knowledge of the kinds of things that go on in cabinet. It is not a person who sits here and can only guess or try and find out, and very often second-hand, some information about what really goes on.

Now, it is not that kind of a person saying it, Mr. Chairman. It is rather a person who sat in the inner councils of government and who knows the way this cabinet operates. I say to the Committee, Mr. Chairman, we should place double or triple, if you like, weight on the statement that has been made because it was made by the Member for St. John's East. I wonder if he is really trying to tip us off on something. I wonder if he is really trying to say, Mr. Chairman -  
MR. MARSHALL: A point of order, Mr. Chairman. We have gone through this before that. The Opposition will agree with the tenet that it is incorrect to ascribe motives to an individual.

MR. SIMMONS: No, that is okay.

MR. MARSHALL: Now, you know, the honourable member is really ascribing motives to the words which I say. In other words, he is saying for the reasons what I say. I think he is really getting on the track if he is not directly on it, Mr. Chairman, of motives. I thought I explained myself quite clearly. I do not really need the assistance of anyone to explain the import of my words. I think I put them forth quite adequately.

MR. SIMMONS: Mr. Chairman, I believe the honourable Member for St. East has risen on a point of order. I did not hear him say it directly, but I believe he was. If he was, Mr. Chairman, I submit that this is no point of order, but it is a difference of opinion between me and he on this particular point. I am dealing at some length with some of the comments he made. If at such time as I say something which would assign motives, I think at that particular point it is time for somebody to bring me to order if indeed the assignment of motive is unparliamentary at that point.

MR. CHAIRMAN: Well, honourable gentlemen have thrown it into the Chair's lap again and the question of motives has come up for some discussion here this morning and I did make a ruling earlier, a person speaking about political motives, and that is the only ruling that was made. There are many motives in this world, many motivations, some of which are unparliamentary when used in the House and that is the only ruling that was made and honourable gentlemen may attempt to, but the Chair is not going to be bound to accept any type of adjective placed before the word motive. And I trust that will be borne in mind by honourable members as they speak.

MR. SIMMONS: Thank you, Mr. Chairman. If I may pursue, I was referring a moment ago to the statement made by the Member for St. John's East to the effect that if a government has a cushion, a cushion of money over and above what is projected in the Budget, and that amount is available to the executive branch of government, then the tendency is there to spend it, more of a tendency than if you do not have the money. I think that is a fairly, almost an axiomatic statement which applies in our own private lives too, you tend to spend more if it is available or appears to be available to you.

I was saying, Mr. Chairman, that I read more significance into it and I am distressed that the Member for St. John's East thinks that I am assigning motives to him because that was not the intention and luckily he is in the Committee right now and can obviously have the opportunity, when I am through, of correcting any misimpressions that I might have left concerning the matter. But what I want to say, Mr. Chairman, is that he and I, in terms of our relationship to the present administration, are somewhat different by comparison in that I have never been a member of the present administration and so that if I make these kinds of statements then -

MR. CHAIRMAN: Order, please! The honourable member seems to have a

the ability to force the Chair to intervene quite frequently, which is not done by choice, but the honourable is being irrelevant to the amendment as proposed by the Leader of the Opposition. Now if there is a difference of opinion between the honourable member and the Member for St. John's East, that is one matter. That is maybe unfortunate, I know it is a fact, but it is irrelevant to this debate on the amendment as proposed by the honourable the Leader of the Opposition. And I brought this to the honourable member's attention on a number of occasions but each time he appears to want to get back into the argument with the Member for St. John's East.

It may be, it may be that earlier in the debate, the member for St. John's East may have had slipped in a few things that were irrelevant, that happens sometimes but it does not, unfortunately, give unlimited licence to reply in kind. It is quite often that honourable members make irrelevant comments but unfortunately for other honourable members who wish to reply in detail, equally irrelevantly, when the Chair rules on it it has no choice but to persist in that type of ruling.

MR. SIMMONS: Mr. Chairman, once again I was not seeking to question your ruling, I was talking about the cushion, the amount between the \$203 million in the Budget and the \$275 million in the bill and I think that is what the subject is all about. Now, Mr. Chairman, that is what I have been trying to address myself to and in so doing I have been referring to certain remarks by the Member for St. John's East. I did not understand Mr. Chairman's ruling to be that I could not mention the member, If that is the ruling I shall refrain from mentioning him but I was referring to the cushion. the term that he used, the cushion I understand it to be in this case, the cushion between \$203 million and \$275 million, and that is what we are trying to address ourselves to.

My colleague, the Leader of the Opposition, has introduced an amendment which would reduce that cushion by \$70 million and I am trying, struggling, Mr. Chairman, to be relevant, I assure you. And in listening to the Member for St. John's East, I take particular advice from what he said

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in regard to this cushion because he knows whereof he speaks insofar as the way this government deals in money matters and I say to members of the Committee that it is important that all of us hear loud and clear what the Member for St. John's East has said on this matter.

Mr. Chairman, it is difficult to persue this matter without referring to the Member for St. John's East because he was the person who had spoken last and I made many of my notes around him. I had hoped that we would be able to get together on this one. He did say he supported us and

My colleague from Bell Island made the mistake of saying "Hear! Hear!" and suddenly I learned that the Member for St. John's East did not even want our support. Well, I would hope, Mr. Chairman, that would operate differently in this Committee. I had hoped that we would decide each issue on its merits. If there are people on that side of the House who support the Opposition amendment or, equally, if there are members on this side of the House who do not support the amendment, I would hope that we could be men about it. I would hope that we could stand for what we believe in and vote and let the chips fall where they may. I know that is what I intend to do, Mr. Chairman, on this particular amendment.

I cannot get worked up that some people who may be voting for this amendment, may at the same time violently disagree with me on many other matters. I think that is very irrelevant, very irrelevant. I disagree with the Member for St. John's East on many matters, but I am delighted that on this particular one we are going to be standing together. But, of course, perhaps, Mr. Chairman, the difference is that we do not, or I do not in this particular instance exhibit or demonstrate very visibly such venom for him as he does for us and for what we stand for.

Mr. Chairman, I believe the amendment that was submitted by my colleague, the Member for White Bay North, deserves the support of every member of this Committee. I would hope that it could be supported unanimously. I gather from the Minister of Fisheries that will not be the case.

Let me in conclusion, then, just say that we will or I will vote for the amendment introduced by the Leader of the Opposition because it serves the intent we wanted to achieve, to bring back the amount of money within \$1 million or \$2 million of the amount that was projected in this budget as being needed through borrowing. I take the minister's word that if \$203 million was what they wanted, \$203 million was what they should get if they can give ample reason. We will decide that as we go through the estimates.

So, the Leader of the Opposition's amendment was really completely



in step with what was requested in the budget, give or take a million dollars, but the Leader of the Opposition rounded it off at \$205 million on the argument that when you go to the market you normally go and look for amounts in round figures. Perhaps \$205 million might be better than \$203 million but that is for people who have been involved in the market and those sums to say, and I have not been.

I will vote for the amendment for that reason, Mr. Chairman, and if the Minister of Fisheries or one of his colleagues introduces the other amendment, if it provides for anything over and above \$205 million in borrowings, I will personally vote against that amendment for the reasons I have stated.

AN HONOURABLE MEMBER: Hear! Hear!

HON. V. EARLE (MINISTER OF FINANCE): Mr. Chairman, I do not intend to get into any long argument or discussion on this. The honourable Member for Hermitage on the other side said that I was a person of few words and did not comment very lengthily on things, because for the simple reason, Mr. Chairman, I credit members with the intelligence to be able to sort out the facts for themselves and see what we are getting at.

I would just like to refer simply to this matter once and for all, I hope. The reason that the \$275 million figure was arrived at, as I explained earlier, was that there was a \$65 million carry-over from this year which was not used, but it was automatically cut out when last year's allocation was cancelled. So, there is a \$65 million balance not used. That amount was added on to the \$203 million which we are supposed to borrow to give us, as members have called it, a cushion. Now, it is only a question for the House to decide whether they want a cushion or how large a cushion is to be or how small a cushion is to be.

We, in the Department of Finance, felt that the cushion of \$275 million or an extra \$75 million was required. The House may differ with us on that. The Member for Hermitage stated, well, when you say \$275 million, why should it not be \$400 million or \$500 million.



What he seems to fail to understand is that this government has brought back into this House the control of what we borrow. When we state \$275 million, it is \$275 million, not \$400 million, not \$500 million. We are asking the House

for that authority. If they do not feel like giving us \$275 million, that is it, but the fact still remains that it is the House's authority to borrow whatever the sum may be.

Now, I am rather amazed that, on the question of supplementary supply, it went through this House, a total of \$135 million on supplementary and interim supply, with no discussion and no argument whatever. If supplementary supply had been debated, it would have shown that these additional amounts were required for the legitimate operations of the government and they were all well advised and well required. This is the only condition under which this government will borrow supplementary supply, not for political purposes or any other matter which the honourable member on the other seems to think. That matter was not debated at the time. So, there is not evidence produced as to why supplementary supply was required but our record on supplementary supply has been a very good one indeed, and it will continue to be so.

AN HONOURABLE MEMBER: Inaudible.

MR. EARLE: Now, what is the money required for. I think the honourable Member for St. John's East asked what is the money required for. The \$203 million in the budget is detailed in the estimates exactly. There has never been presented to this House a clearer or more concise budget if people want to take the trouble to read. Every item of expenditure is spelled out there and the \$203 million is completely accounted for to the last cent and what we want it for. Now, of course in that \$203 million there is provision for \$24 million approximately of debt retirement and debt servicing. This is part of the \$203 million and that is part of our expenditure. The honourable Member for St. John's East asked that question. I just wanted to clarify that.

In listening to the honourable Member for St. John's East, I think he has a much clearer understanding of the budget and of our requirements than most other members of the House. He has asked some very pertinent questions and I wanted to take the opportunity to point

out to him that this retirement of debt and servicing of the debt, of course is included in the \$203 million. He did also make another remark which he said monies are required for the unhampered development of the Province which is really the case.

The fact is that we may need money at short notice, such as this year. In the current year just passed we had this balance of \$65 million on the books but our people were actually in the markets, both European and American and could have borrowed more money than that but the restrictions of the act would not allow them to borrow more money than \$65 million. So, that went by default. It was cancelled out when this new loan bill was brought in. The fact may well occur in twelve months time that our people will be in the markets and wish to borrow possibly \$100 million at that time. Now, that does not mean to say, as was the case this year, that if they borrowed or were given permission to borrow \$100 million at the end of next year, that would be spent in the current year. It could not be spent under the estimates unless you brought in an outrageous supplementary supply which I do not think the House would go along with, That \$100 million could not be spent. It was not to be spent this year if we had borrowed it. But that is borrowing in advance for the following year to take advantage of market conditions, and this is what we are asking for.

Now, the House seems to feel and I think that our side have agreed that if it goes to the \$225 million that that will be sufficient. I feel it is barely sufficient and the House may well need to come back at some later date and ask for an increase, but be that as it may, I am quite prepared to say if the House is agreeable to the \$225 million that we will accept that and vote on it.

MR. CHAIRMAN: Is the Committee ready for the question on the amendment?

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Those in favour of the amendment "aye". Those opposed "nay".

In my opinion, the "nays" have it.

AN HON. MEMBER: Divide.

MR. CHAIRMAN: Noted, on division.

The honourable the Minister of Fisheries.

MR. CROSBIE: Mr. Chairman, I will move an amendment that the amount of \$275 million be deleted and replaced by \$225 million in the Resolution and in the bill.

MR. NEARY: On a point of order, Sir. Before the minister puts his amendment, the members on this side asked to divide the House. Can we do that in Committee?

MR. CHAIRMAN: You do not divide in Committee.

MR. NEARY: I see.

MR. CHAIRMAN: Noted, on division.

MR. NEARY: Okay, Sir. All right. I learned something new today.

MR. CHAIRMAN: Is the Committee ready for the question? Those in favour "aye". Those opposed "nay". In my opinion the "ayes" have it.

AN HON. MEMBER: Divide.

MR. NEARY: Look! Would not vote.

MR. CHAIRMAN: Noted, on division.

MR. MURPHY: (Inaudible)

MR. CHAIRMAN: Noted, on division.

MR. NEARY: Long or short?

On motion resolution, carried.

On motion Resolution as amended carried.

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

MR. CHAIRMAN (Neary): Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have passed a certain Resolution and recommended that a bill be introduced to give effect to the same.

MR. SPEAKER: The Chairman of the Committee of the Whole reports that they have considered the matters to them referred, have adopted

a certain Resolution and have recommended that a bill be introduced to give effect to the same.

On motion report received and adopted.

On motion, a bill, "An Act To Authorize The Raising Of Money By Way Of Loan By The Province." read a first, second and third time, ordered passed and its title be as on the Order Paper.

MR. SPEAKER: Is it agreed that we now call it one o'clock?

AN HON. MEMBER: It is agreed.

MR. SPEAKER: It now being 1:00 p.m. I do leave the Chair until 3:00 p.m. this afternoon.

The House resumed at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (STAGG): Order, please!

On motion that the House resolve itself into Committee of Supply. Mr. Speaker left the Chair.

MR. CHAIRMAN: 1209-01. Head 1209-01, page 81.

MR. NEARY: Head 1209-01, grants to the Newfoundland Farm Products Corporation, \$1,500,000. I presume, Mr. Chairman, that this is the heading under which falls the abattoir down at Pleasantville.

AN HONOURABLE MEMBER: Oui.

MR. NEARY: Ah, oui. Take my candy out, Sir.

Mr. Chairman, for some time past I think it has been realized that there is a great need in this part of the Province for a new abattoir. The old abattoir down here at Pleasantville, Sir, which was a building that was taken over by the Province when the Americans withdrew from Fort Pepperrell is unable to handle the production in Newfoundland at the present time.

Now, I am sorry I was not here last night. I was over on Bell Island last evening attending a meeting of that part of the new District of Harbour Main-Bell Island electing the executive for that part of the district. So, I do not know if this matter came up. The minister's name came up, by the way, the Minister of Industrial Development, the junior Member for Harbour Main. I spoke very kindly about the honourable minister, Sir. Most people did not know who he was. I had to tell them that I thought he was a fine fellow.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: What happened to Joey, by the way. Get him up so I can get inspired. I can get fired up when I see him. There you go. That is better.

Mr. Chairman, I do not know whether this matter of a new abattoir came up or not, but, Sir, I would submit that because of the number of hogs - I am not looking at the honourable gentlemen when I am talking about hogs.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Well, we are talking about, not chicken - what do they call these?

AN HONOURABLE MEMBER: Broilers.

MR. NEARY: Broilers - the number of broilers that are being produced now in this part of the Province, Sir, the farmers tell me that the abattoir down at Pleasantville is unable to handle the production.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: No, the farmer - well, maybe the farmers should build a new one, Sir. I do not know. Maybe the minister is right. But if they do build a new one they are going to need tremendous financial involvement on the part of the Province. But this has developed into a very serious problem, Sir, for the broiler operators and for the hog raisers in this part of the Province.

Now, I understand the situation out on the West Coast has been alleviated somewhat thanks to Mr. Callahan and his very farsighted policy.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: I beg your pardon?

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Trying to help out who?

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

MR. NEARY: No, Sir - Mr. Chairman, I am putting in a word for nobody. I am putting in a word for the farmers. They cannot expand, Sir, and there can be no new operations started up until such time as the government faces up to this problem of building a new abattoir in the Eastern section of this Province. The minister agrees with me and I am sure there are farmers, producers, over in the minister's own district, down around Whitbourne. Every one of these gentlemen whom I have spoken to over the last two or three years tell me that they cannot expand and no new applicants can be considered because they have a quota. They are on the quota system down here at the abattoir, and they can only actually bring in their boilers and bring in their hogs in turn. They have to almost queue up. It is

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a desperate problem, Sir. I would like for the minister to let us have his views on whether or not the government intends in the foreseeable future



to build a new abattoir? Are they waiting for the farmers to make their move? If so, how far are the government prepared to go in financing this abattoir? It is very, very important, Sir. And unless something is done about it I am afraid there is going to have to be a drastic cutback in the industry, Sir, in the broiler industry and in the hog raising industry. And a lot of the farmers are going to be discouraged because they are frustrated now. And I think the minister is aware of this. So I would like to get the minister's views on whether or not the government are to proceed in the foreseeable future with the establishment of a completely new modern abattoir in this part of Newfoundland, in the Eastern section?

MR. COLLINS: Mr. Chairman, with regard to the Farm Products operation in Pleasantville, some of the things which the honourable member refers to are true. The building and the equipment is such that it is not conducive to efficient processing. It makes it difficult to reap the full benefits from the broilers and the hogs which are processed there. This government are well aware of that. We have had a consultant. The consultant report is in, incidentally, now. We have had a consultant look at it to tell us what needs to be done and what the projected costs are. And I do not know the cost figure at this particular time because the report just came in recently.

We have also had the Federal Department of Agriculture take a look at it for us because they do have some expertise in this particular field. And they have been kind enough to do three or four commodity studies for us, and this is one of the studies which they agreed to do for us for nothing, incidentally. Those two reports are now in the hands of the Farm Products Corporation, and the officials of the department. And, in due course, recommendations will be made to my colleagues and what will happen I am not prepared to say at this time, of course, but we are aware of what needs to be done down there.

The honourable member mentions the abattoir, and my friend and colleague from St. John's East Extern just mentioned the problems which we have at the Swine Breeding Station, which is a follow over from the past administration, I might say, where this pond, the name of the

pond evades me now, but there is a serious pollution problem out there. This government were forced, not forced but agreed last year to provide some facilities for the Sunshine Camp people whose boys were going there swimming and found that they had to give up that particular area because of the fact that it was polluted. I think we spent in the order of \$80,000 last year, if my memory serves me correctly, to provide alternate facilities for them. But I do know there is a pollution problem in that area still which has been there for a good many years and which we are going to have to deal with.

Last evening before we finished the honourable Member for Hermitage raised some questions about what was happening on the West Coast. And I might say that under the Farm Products Corporation we operate the Pleasantville complex, which is the main complex. We also operate the new complex now at Corner Brook. The Corporation activity over there is confined to purchasing, processing and marketing of hogs and broiler chicken and fowl. And just recently we arranged, made some money available, and arranged with a group of farmers over there, dairy farmers, whereby we are providing a section of that building to them to enable them to be able to process their dairy products, their milk. There is two reasons for this, Number one, is that the processing facility which was at Stephenville was burned in February, and some of the farmers tell us that that was a little bit distant for the farmers around Pasadena, Midlands and Corner Brook generally. So those farmers are now going into an operation in the new complex at Corner Brook, and we wish them every success, of course, and we know that will be successful and will go a long way in solving the needs of the citizens of Corner Brook and the general urban area in terms of being able to

provide them with fresh liquid milk. We also operate a facility at Doyles, the small slaughter house which is registered under the Provincial Department of Health. It is not involved in the purchasing or marketing but it is confined only to the slaughtering of animals. We also operate a building at Robinsons. I have some figures here somewhere. The cost of those operations, the operating cost or the projection for this year at St. John's is \$1,080,000. At Corner Brook it is \$350,000. At Doyles it is \$8,000; Robinsons, which I just mentioned, \$17,000. At Bishop's Falls, which is in my own district, the projected cost there this year is about \$30,000. That is a fairly major operation as well; Comfort Cove, a slaughter house; Lethbridge, a vegetable storage really, let us say vegetable processing, but it is storage essentially. Winterland, the Winterland Agricultural Society occupies a portion of that particular building. In Clarendville and Harbour Grace we have a facility as well.

I might say for the information of the Committee that in 1974 there were 21,377 hogs slaughtered. There were 1,152,000 broilers slaughtered, that is not the right term, slaughtered - processed; 164,000 fowl; very few cattle because we are not into the beef cattle business in any big way in Newfoundland but there were 350 head of cattle slaughtered and 100 of different other animals.

The forecast for 1975 in terms of hog is 26,000 and we are forecasting 1,600,000 broilers to be slaughtered this year. I might also say, Sir, that in 1974 in all of those facilities there were 4 million pounds of vegetables processed and we are looking forward to processing 4.5 million pounds this year. The working capital provided on current accounts by the Department of Forestry and Agriculture to Newfoundland Farm Products Corporation in 1974 is \$1,310,000. Now, this year we are projecting \$1,500,000. The number of employees, incidentally, last year was 125. With the coming on stream of the operation in Corner Brook plus one or two other areas where we are improving the services, we are projecting seventy-five to have

150 people on staff in those particular places.

MR. NEARY: Mr. Speaker, the honourable minister seemed hell bent, Sir, on giving out these very boring, tedious statistics that have obviously been prepared by his officials in case he was questioned in the House. The question I put to the minister, Sir, was about the abattoir down at Pleasantville and then the minister had to get up and make a long winded oration releasing all these statistics hoping the newsmen up in the press gallery would pick them up and give them a bit of mileage.

MR. COLLINS: I understand -

MR. NEARY: Well, Sir, I was not impressed. I was not impressed. I would like to hear the minister - figures, that was one of my very weak subjects in school, Sir, was mathematics.

MR. COLLINS: That was not the only one.

MR. MURPHY: As Minister of Welfare too.

MR. NEARY: Is that so? Is that so? We will find out the next time around. But, Sir, what I want to know from the minister, the minister could have said Newfoundland is now self-supporting in pork or now self-supporting in broilers, now self-supporting in milk, eggs, dairy cattle. That is the kind of a statement I would like to hear the minister make, not throw out a bunch of statistics that do not mean a thing. Sir, the minister muttered something under his breath about pollution down at the Swine Breeding station down there off the Portugal Cove Road near Winsor Lake, down near Winsor Heights. I do not know what the minister was driving at. Is it the intention of the government to close down this Swine Breeding station?

The minister sort of said, well, this is something we inherited from the former Liberal administration, as if that was something bad.

MR. COLLINS: (First part inaudible) Liberal administration.

MR. NEARY: Yes, the minister did, Sir. Go and get the tapes and play the tapes back. The minister sort of muttered as if this was something bad. But, Sir, there would be no hog industry in Newfoundland

today but for that Swime Breeding station down off the Portugal  
Cove Road.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Well, we could have went up in the minister's back  
yard.

AN HONOURABLE MEMBER: Inaudible.

AN HON. MEMBER: .... city water supply.

MR. NEARY: Right across from the city water supply. If there is one subject -

AN HON. MEMBER: Inaudible.

MR. NEARY: If there is one topic that the senior Member for Harbour Main is familiar with, Sir, is hog breeding. He is an expert on it.

AN HON. MEMBER: Inaudible.

MR. NEARY: Mr. Chairman, I remember in this honourable House the former Premier of this Province, Mr. Smallwood, during the estimates of the Department of Agriculture - Mines, Resources and Agriculture it was at the time- there were two things that used to intrigue me about Mr. Smallwood.

AN HON. MEMBER: Inaudible.

MR. NEARY: First of all, Sir, -

AN HON. MEMBER: Inaudible.

MR. NEARY: No. First of all, he was a walking encyclopaedia on manure - on manure.

HON MEMBERS: Inaudible.

MR. NEARY: Members may laugh at that, Sir, but I remember Mr. Smallwood and my honourable friend the Minister of Fisheries will remember -

AN HON. MEMBER: Inaudible.

MR. NEARY: - when Mr. Smallwood would stand in this House to speak about the various kinds of manure, you could hear a pin drop in the House it was so interesting.

MR. MURPHY: And you had to hold your nose.

MR. NEARY: It was so interesting, Sir.

MR. MURPHY: It was so realistic.

MR. NEARY: No it was -

MR. MURPHY: Inaudible.

MR. NEARY: It was so interesting, Mr. Chairman. And the other thing that Mr. Smallwood was an expert on was that Swine Breeding Station down at - and my honourable friend was here and heard the discussion. And I was often intrigued about Mr. Smallwood's description of the pigs, of the operation -

AN HON. MEMBER: Inaudible.

MR. NEARY: When you went down as a visitor.

MR. MURPHY: I thought he was a movie actor one day when he was describing the slim....

MR. NEARY: I remember one time -

MR. DOODY: ... recruiting candidates.

MR. NEARY: No, I remember

AN HON. MEMBER: Inaudible.

MR. NEARY: Mr. Chairman, I remember one time in this honourable House -

HON. MEMBERS: Inaudible.

MR. NEARY: I feel kind of shellshocked after that meeting last night.

Mr. Chairman, the honourable Premier, I remember, he was so fascinated with this operation, and so proud of this Swine Breeding Station down there off the Portugal Cove Road that every year it was an annual event in this House when the honourable Premier would invite members of the House to come down to inspect -

AN HON. MEMBER: Inaudible.

MR. NEARY: - invite the members down to inspect that Swine Breeding operation. And I remember the Premier said you would have to dress up in oilskins and put on your jumper -

MR. MURPHY: And you would have to have a bath before you go down.

MR. NEARY: - and you would have to take a shower before you go in there, put on your long hip rubbers. And I remember he used to say even members of the Opposition, my honourable friend was there at the time, would be welcome to come down providing they would assure the honourable Premier that he would not contaminate the hogs, the swines.

MR. HICKEY: I was wondering where all the contamination went. Now we know.

MR. NEARY: Now we hear, Sir, now we hear, just to get on a serious note for a moment - I do not know whether I am interpreting the minister's remarks correctly or not. But is it the intention now of the government to close down that Swine Breeding Station?

AN HON. MEMBER: No.



MR. NEARY: Are they going to carry on? Have we reached the stage yet, have we yet reached the stage in Newfoundland where the government can get out of this business and leave it up to the private producers, the private operators? Will the government have to stay in to this business? Do they have any intention? Because as my honourable and dear and lovable friend, the Member for St. John's East Extern, the Minister -

MR. HICKEY: Who said that?

MR. NEARY: - for Japanese Affairs - as the minister said, Sir, it is near the city water supply. And so does the government intend to relocate this operation? What future is in store for this operation down here off the Portugal Cove Road, the Swine Breeding Station? Perhaps the minister in three minutes could give us the answer.

HON. MEMBERS: Inaudible.

MR. COLLINS: Mr. Chairman, I also had the experience of listening to -

MR. MURPHY: Mr. Smallwood.

MR. COLLINS: - O,L.F. talking about - he is looking at you all of the time, you know. His hair did not stand on his head yet, but I suspect if it is left on that desk long enough his -

AN HON. MEMBER: Inaudible.

MR. COLLINS: hair will stand on his head looking at the honourable member.

AN HON. MEMBER: Inaudible.

MR. COLLINS: But I would like to inform the Committee that not only do we not have any intention of closing that particular facility out, we are doing a fair amount of work down there, a lot of work in fact, in terms of improving the breed of the pig. And I might inform the Committee, and I am sure they will be proud to hear this, that we are receiving inquiries from just about all over the world, from all over the States, from Cuba and other places where they are interested in obtaining some of our small pigs,

MR. NEARY: Inaudible.

MR. COLLINS: because they are a



very healthy variety, species of pigs. Probably one of the most healthiest species in the world today and of course I have got to give a lot of credit for that to the man I succeeded, my good friend and colleague, now the Minister of Manpower and Industrial Relations.

With regard to the pollution in that particular area, as I said there is a problem, we are aware of it. The Department of the Environment have had a study done which was received yesterday, I believe. My honourable friend agrees. I think it was yesterday and government is looking at that to see whether it is necessary in order to clear up the mess in that particular pond.

MR. SIMMONS: Mr. Chairman, a few questions I would like to raise on the Farm Products Corporation before we move on, and a few comments I would like to make. First of all I would like to refer to the facility at Pleasantville. I missed the first ten minutes of the Committee this afternoon so the minister may well have already given information respecting the facility at Pleasantville.

I understand that it is quite an obsolete plant, quite an inefficient plant in many respects and indeed may well be quite an inefficient operation at Pleasantville, an operation on which it is my understanding that the government is losing a bundle of money in terms of operating. I am wondering if the minister could indicate to the Committee whether his officials have looked at this in terms of cost, in terms of the unit cost per unit of production, whether you are talking about broilers or hogs or whatever, I am wondering if the minister's department has determined exactly what kind of money they are losing on this operation. It is my understanding, and I stand to be corrected, it is my understanding that they are losing, Mr. Chairman, a bundle of money on the Pleasantville operation. If that is the case, I am wondering if there are proposals to rectify this situation, to make the plant more efficient, to modernize it, or to bring it near to capacity in terms of production.

While I am on the subject, I ought perhaps to refer also to the Corner Brook facility, which is a much newer and more modern operation, because I want to raise some of the same kinds of questions as they relate to the Corner Brook facility too.

First I will talk about the operating side and raise the questions such as I have raised in respect of Pleasantville. Is it true that the Corner Brook operation is losing even a larger bundle of money than is the Pleasantville operation? Is it true that the Corner Brook facility is operating at less than half capacity, substantially less than half capacity at the present moment? I understand the capacity of the Corner Brook plant is about 10,000 broilers per day. They can actually take, receive, and slaughter and prepare for market, package, 10,000 broilers a day, that is the capacity of the facility at Corner Brook, I am told.

I also understand that there are at this moment just two suppliers, two producers of broilers providing broilers to the Corner Brook facility. One, I believe, produces about, or has a capacity for about 30,000 to 32,000 broilers and the other - the first is in the Pynn's Brook area, the second in the Howley area, has a capacity for about 10,000 broilers. I would like that question answered as to how near capacity the plant is operating and if the suggestions I have made are correct, that it is operating at far less than half capacity.

Now, Mr. Chairman, I ask that question for two reasons. One for the obvious reason that at some point we must relate cost to production. We must at some point be able to justify the amounts of money that we are spending on the continued operation of a facility such as this. Now, Mr. Chairman, if

this situation of operating at less than half capacity is strictly an interim measure, if in six months or a year the minister can assure us that present plans will take up the slack, will see to it that the plant is operating near to full production, well, of course, that would be an understandable situation.

If, on the other hand, the government is proceeding from month to month and year to year without any real hope of bringing the Corner Brook operation nearer to full capacity, then I believe the minister has to answer to the Committee as to why or how he can justify a continuing loss in respect of the Corner Brook operation. That is the first reason I asked the question.

The second, Mr. Chairman -

AN HONOURABLE MEMBER: Do you want it to close down?

MR. SIMMONS: No, Mr. Chairman. The minister interjects, do I want it to close down. No, I have not suggested that. I have asked him what the plans for the facility are. Will the government say that it intends to operate indefinitely at less than half capacity? I say that would not be the approach. I say what government ought to do, if he is looking for suggestions, is make it somewhat easier for people who want to get into broader production, to get into it.

I know, Mr. Chairman, from three good sources, that persons on the West Coast who have been wanting to get into broader production have met with nothing but frustration from the government on this matter. There are three or four issues. One is the cost of land in the area. I am told that because of the government's failure to intercede in this matter that one would-be producer or producer - I am not sure which - would-be producer, I guess - one would-be producer is presently paying about \$600 per acre on the West Coast for land for broiler production purposes.

I am told also that a number of individuals on the West Coast who have been wanting to get into broiler production have been faced with an undue amount of red tape in terms of processing crown land applications for those purposes.

AN HONOURABLE MEMBER: Inaudible.

MR. SIMMONS: No, I answer the minister, no I am not advocating that the minister or his colleagues shut down the operation. I am advocating, though, that whereas we have here the potential for quite an industry on the West Coast of the Province, that the onus is on the minister and his department to see to it that this broiler and hog facility, this abattoir in Corner Brook operate as near to full capacity just as soon as possible. At the time the minister interjected that question I was about to come to my second reason for raising the question of the present operation of the Corner Brook abattoir.

The second reason is this. It is my understanding - again the minister can verify or contradict me on this - it is my understanding that there is still a substantial amount of money owed by DREE to the provincial government in respect of this facility. I understand that when the abattoir was constructed it was done under the auspice of a DREE agreement, and that as a result of one of the provisions in the agreement that the balance of the DREE money would not be receivable by the provincial government until such time as the plant is operating at at least fifty per cent capacity. I understand for that reason there is still a large amount of money which the provincial government has not yet received from DREE, capital monies which would be applied against the expenditure, the capital expenditure on the Corner Brook abattoir.

I would like the minister to comment on that if he would and indicate to the Committee if he cares to, exactly, first of all, whether there is some money owing from DREE, the reason why it is owing at this moment, and the amount of money that is owing to the provincial government from DREE in respect of the Corner Brook abattoir.

Before sitting down, Mr. Chairman, just one or two other points. While we are talking about

the West Coast and I do believe the item I want to raise now comes under the jurisdiction of the Farm Products Corporation, although I am not certain and the minister can certainly correct me on this.

I understand that a couple of years ago the government purchased from an owner in the, again in the Pynn's Brook area, a privately owned farm. The minister is indicating that this farm is not being administered by the Corporation. No, not being administered. But perhaps it does not come under this. I was not aware of that but if the minister might want to respond to this matter because it does lie in the area of production and marketing, the minister is aware of the farm I am talking about without my naming the individual, perhaps the minister might want comment on this. I understand that this particular farm in Pynn's Brook area, which is now owned by government, is operating at far less than capacity and indeed operating at considerably less capacity than it was two years ago when it was first taken over by the provincial government and I am told from good sources that a good part of the problem, a good part of the reason why this farm is not operating at anything near capacity has to do once again with inefficiency and with, I am told, some mismanagement insofar as that operation is concerned. Again I would like the minister to respond on that.

Mr. Chairman, also I understand there was a task force set up, I believe specifically to deal with poultry production although it might have had a wider terms of reference, but it addressed itself to poultry and the Chairman was Mr. Parkinson. Perhaps the minister could indicate whether the Committee has reported and if so I wonder if he is in a position to indicate the kinds of recommendations the task force has presented to government insofar as poultry production is concerned. I have then, Mr. Chairman, raised several questions for the minister, a very quick recap, is the Farm Products Corporation losing money on its Corner Brook and Pleasantville operations? If so, how much and what are the government's proposals to rectify the situation? Is there any money due from DREE in respect of the Corner Brook facility? If so, what amounts

are involved and on what conditions will the government be eligible to receive the money, and I think related, what efforts are being made to increase production at the Corner Brook abattoir? I would like to know and I believe I raised this question already, what steps the government is taking to encourage additional persons to get involved in broiler and hog production on the West Coast, and in particular what the government might be doing to assist in terms of keeping the cost of land for agricultural purposes down, the cost of land on the West Coast for these purposes and finally I raise the questions relating to the task force on poultry production.

MR. DOODY: Mr. Chairman, if I may add one or two words on this particular subhead, particularly on the history of the Farm Products' two abattoirs, the Pleasantville facility and the newer facility at Corner Brook. When this administration took office the first portfolio that I held was the Mines, Agriculture and Resources ministry, as it was then known, and one of the first things we looked at and faced was the building that was started in Corner Brook in a frenzy and a rush, I think it was started just shortly before the election call, before that, probably just a coincidence but it was done rather hurriedly. The design was something less than adequate and we were faced with a decision then of either cancelling the project itself because it had not been properly planned, neither in terms of the coming on stream of the product lines that would be necessary to make use of its facilities or indeed of the building itself.

We could find and receive very little co-operation from the contractors who were working there, or indeed from the architect involved. And so after some frustrating experiences with these people we undertook to get a new group in to supervise and finish the construction of the operation.

Many changes had to be made, Sir, and I think that this is probably the main reason why the operation is not in full production at the present time. As construction proceeded over the past three years, considerable expense was involved, a great deal more expenditure than was anticipated, certainly by the original designers and certainly by this administration at the time that it made the decision to go ahead with the completion. I know the roof had to be changed completely. It was designed in such a way as to being incapable of holding the snow, the weight of the snow that would fall on it. I remember that some walls had to be torn out because they had neglected to put in adequate wiring. There was insufficient planning gone into the refrigeration itself. I remember the doors were defective and insufficient. They were of the size that made it impossible to use them effectively with the type of equipment that would have to be moved in and out of there.

The building itself had to be raised. A false floor had to go in because it was put in such a place that it would be impossible to get trucks in and out of there. It was one of the most amazing foul-ups that any administration ever inherited. I must congratulate the minister who was referred to a few minutes ago by the present minister, the now Minister of Manpower and Industrial Relations. He and a group of people whom he got together, the Board of Directors, the management of Farm Products and I think it was Delta Construction, I think was the name of the company who eventually finished the operation out there. I think it was a Mr. Lionel Cameau, if my memory serves me correctly, who restored order out of chaos and did a fantastic job in getting the operation into the shape that it is in now.

As I say, the reason in my estimation and in my memory that it is not up to the production that it should be at the present time is because of the confusion in the construction. It would have been catastrophic had the department, had this administration brought into production, into growth style, into a stage where they were ready for



processing flocks or broilers or herds of hogs and have no facility on the West Coast ready to handle them. So, they very wisely, in my estimation, decided to bring the various product lines into operation when the plant was ready to receive them. I understand that this is now what is happening. The honourable member opposite is probably quite correct in saying that there are two broiler flocks in production now in the West Coast area. There were probably others come on but the minister is far more knowledgeable in that than I.

The DREE situation, as I remember it, was that this plant was designed to be financed through a usual DREE incentive grant. It was not a DREE agreement as such. It was the usual DREE incentive grant undertaken to pay so much per job and undertake to pay so much percentage of the capital cost of the structure, thirty days subsequent to its being in production and so on. As the member indicated, these conditions have not been met because of the unfortunate history of the plant. We still have hopes of getting this DREE participation. I have been in recent conversation with some of the officials at Farm Products. They have told me that the indications are that DREE still are interested in participating but to say that DREE money is owed is not quite correct because it is not actually owed until all the conditions of a DREE incentive offer, not a grant, are met.

It is the same sort of thing we described a little while ago in another estimate debate and so I feel that the DREE money will come into the operation when these conditions have been met. The Pleasantville operation down there is as the Member for Bell Island described it. It was sort of an ad hoc arrangement that was attempted on an experimental basis and it has been added to piecemeal ever since like topsy. Gentlemen who run that plant down there are to be congratulated. They are, to my estimation, almost magicians to be able to do the job down there that they do. The member mentioned something about the, they almost had to queue up the producers to get in there. I think that what he actually means is that a very orderly and efficient system has been arranged



in timing, both in terms of the growth and production of the flocks and in terms of their reception at the processing line, so that there is a steady, even flow through and not a glut of birds coming in on one particular week with the plant out of production the following week with the result in confusion in the market place as well as in the employment situation at the plant.

So, really this lineup that the member speaks of is really a compliment to the management and

to the efficiency and organization that they have achieved down there under the most difficult conditions. I would hope that a new plant could be built in the St. John's area and certainly in the East Coast area. It has been demonstrated -

AN HONOURABLE MEMBER: Inaudible.

MR. DOODY: Yes, that is an excellent idea. Holyrood, Colliers, Avondale.

AN HONOURABLE MEMBER: Inaudible.

MR. DOODY: Yes, and we might even get you a job running it after you are defeated in the next election. With the knowledge and expertise that the honourable member demonstrated to this Committee this afternoon about the manure and about the swine, I can see a brilliant future ahead of him in this sort of field. If he could just get out of politics, we will assure him - well, we will make sure he gets out of politics.

I would like to see a new plant being built, as I say. It is a big undertaking. I do not know exactly and I do not know really what plans there are for it. I do feel that if such an undertaking is begun then there should be massive participation by the industry. I feel that the broiler producers and the hog producers themselves should have, not only a say in the management of it, but they should have a substantial investment in the capital cost of the plant because, after all, these are the people for whose benefit the plant primarily is.

I have no intention of delaying the Committee any further. I just wanted to say these few words of the history of the operation and then that is about it, Mr. Chairman.

MR. CHAIRMAN: Shall 1209-01 carry?

MR. HICKEY: Mr. Chairman, I just want to make a few brief comments while I have the opportunity on this subhead in relation to the pollution in a section of my district as a result of the Swine Breeding station on Portugal Cove Road. My honourable friend from Bell Island said that my colleague just gave him a bunch of statistics. I can certainly not provide many or much figures, but I can state a few facts.

To begin, Mr. Chairman, way back when the former Premier invited all of us to go to the Swine Breeding station on Portugal Cove Road in a way which only he is known for describing that project as being the greatest thing that ever hit the Province, I do not think there is any doubt that the project accomplished a great deal in terms of the hog industry. But when we hear, Mr. Chairman, honourable gentlemen opposite criticizing this administration for planning or for priorities or both, one wonders really how serious they are because the situation which has developed in my district as a result of that complex on Portugal Cove Road is a clear-cut indication and pure evidence of the lack of planning or indeed the lack of even average or normal consideration for what will happen to the environment or lakes, ponds, what have you of an area when you set up this kind of activity.

There is a lake or a pond, whatever one wishes to call it, sloping down from where that facility is that is being used for years and years, Mr. Chairman, by quite a number of Boy Scout groups from the city and surrounding area.

AN HONOURABLE MEMBER: What about Boy Scouts? No Boy Scouts?

MR. HICKEY: Girl Guides also frequent the area. Mr. Chairman, they had developed quite a facility through their own efforts with little or no assistance as I can recall from the government, just through their own hard work and determination. My colleague from St. John's Center I am sure is quite familiar with it. Lo and behold, as a result of this facility that was developed on Portugal Cove Road, the pond that so many thousands of children and adults alike used for swimming and

for recreation purposes has been destroyed. I am informed, Mr. Chairman, from the best expertise that is available in terms of environment damage or pollution control that it will take in excess of twenty years for that pond, provided the pollution is stopped, for that pond to even come back to the state where it can be used, and even then they will not guarantee it, where it can be used for swimming or for recreational purposes.

Now, Mr. Chairman, this may not seem very important or it may not seem a very big issue, but I can assure the Committee that it is a big issue, not only in the area that I refer to, it is a big issue in this Province, a big issue in this Country today, and this Province is blessed with probably one of the best environments, if not the best in the Country, and to see that an administration would put the kind of facility and spend the kind of funds that were spent in that area, and I am not quarrelling with the expenditure initially, but to make that kind of expenditure without any due regard for the affects it was going to have on the environment and the surrounding area is just appalling. It is also a fact, Mr. Chairman, that even those of us who lack the expertise in terms of pollution or proper management of environment did not hesitate just from pure common sense to point out in this House way back in the late '60s when the former Premier was enunciating his policy on hog breeding, and standing in his glory describing this great facility, it was pointed out and the record of Hansard, Mr. Chairman, can show it, I for one, and my colleagues of that particular day, raised the questions of pollution, of damage to the environment. I do not suggest, Mr. Chairman, and I am certainly not suggesting that we knew exactly what was going to happen, I am not saying that. I am simply saying that from purely a common sense or practical point of view anyone familiar with that area, anyone familiar with the terrain would know that the very appearance of the area, one quick look at it would indicate the way the land slopes and beneath that high point where this facility is, this lake and others, and one of the main streams that runs through the town of Torbay and into the sea - it was very simple for one to raise the question or to be concerned about the matter of pollution.

AN HON. MEMBER: Inaudible.

MR. HICKEY: But, Mr. Chairman, as was always the case at that time those comments fell on deaf ears.

AN HON. MEMBER: Inaudible.

MR. HICKEY: As a result when this administration came to office it was too late, it was too late to save that particular pond and the facility that those people had developed over the years. As a result of the damage, Mr. Chairman, this administration had to provide a swimming pool at a cost of something in the order of \$75,000 for this group.

AN HON. MEMBER: Carried, Mr. Chairman.

MR. HICKEY: As a result, Mr. Chairman, of the damage that was done -

AN HON. MEMBER: Carried, Mr. Chairman -

MR. HICKEY: That is all right. The honourable gentleman can "carry" all he likes -

MR. MURPHY: Carry on.

MR. HICKEY: - but I am sure he realizes that he does not like to hear the truth.

AN HON. MEMBER: Inaudible.

MR. HICKEY: Mr. Chairman, as a result of the damage that was done the brook or river that flows through the town of Torbay, which is not a couple of hundred people any more, it is 4,000 people today - and those children who swam in that brook for generations can no longer swim there,

the town, townspeople are concerned, that pollution, Mr. Chairman, is still evident and will be, because despite the efforts by this administration, my three colleagues who had a hand in helping bring about a solution or a cure, all that will do, Mr. Chairman, is prevent further pollution and will allow those areas, hopefully, and I say hopefully, Sir, to get back to normal over a period of twenty or thirty years.

It is a pretty sad commentary, Mr. Chairman, to have to look forward to thirty years, or twenty years, where part of the population cannot use a pond or a brook that they have been in the habit of using for generations. This is the kind of thing, Sir, that annoys people, when for so little money at that particular time, precautions could have been taken.

We did not need any sophisticated anti-pollution equipment that they talk about today. It was not equipment really that was necessary. It was the location, for one thing. It was the way it was developed, another thing. The so-called lagoons that were set up were not set up properly and as a result the pollution occurred. Mr. Chairman, if there is one thing that I would ask my colleague is to keep in mind that while corrective measures have been taken and while we are well on our way at least having taken care of or prevented further damage, is to remember and to attempt to see whatever he and his officials can do to minimize the amount of pollution that runs through the Town of Torbay today. Something has to be done. There is a steady flow of pollution going into the sea through that river, I do not know what the answer is, Mr. Chairman, and what concerns us is not so much the fact that the children cannot swim in the river, but if in fact they do, children are children and how do you police children who have been used to swimming in a brook and all of a sudden now cannot.

I am also advised, Sir, that it could be most injurious to health for those children to swim in that brook. I do not know what the answer is, but I would say to my colleague that we must take a look at that, because not only does it prevent the normal kind of recreation

that the children were used to, but something much much more important, the health of the population of Torbay and the public generally who have used that brook in terms of the swimming holes that are there and who, to the best of my knowledge, there has not been any corrective measures taken or there has not been the kind of publicity which is necessary to prevent them from using it. I would ask them to take them into consideration and take whatever measures he can, as I am sure he will.

MR. SIMMONS: Mr. Chairman, I am wondering if the Minister of Forestry and Agriculture would respond to the questions I had raised. I thank the Minister of Industrial Development for responding in part to some of the matters I had raised but there are three which I would remind the Minister of Forestry and Agriculture of again and try once more to see if he is prepared to give the answers. If he obviously does not have the answers, well - is the minister going to speak? Oh well, fine.

MR. COLLINS: There is not much I can add, Mr. Chairman, to what my colleague the Minister of Industrial Development, the information which he gave to the Committee concerning the building at Corner Brook. These are the facts and the Corporation people are now in the process of negotiating with DREE to see what monies can be obtained in the form of incentive grants.

The honourable member mentioned about the need to increase the put-through, if you want to, in the plant over there, and certainly there is a need for that. There is a need for added production in terms of broilers and hogs and I can assure him that the department is doing all we can to encourage people to get involved in this particular endeavour.

With regard

to Pynn's Brook, I am sorry that I do not have the information on Pynn's Brook here now because that heading was passed last evening, but I can certainly get the information on Pynn's Brook for the honourable member and we will let him have it probably later on this afternoon if I can get a chance to get the information up for him.

One of the problems, I might add, in terms of the broiler industry or just about any endeavor in Newfoundland in terms of livestock and broiler production and egg production, if you want to, is the tremendous high cost of feed. This is another area where I mentioned, in fact some time ago, that we did have five commodity studies done. One of those deals with the Farm Corporation's business, and in relation with that much work has been done towards trying to find ways and means to provide feed to the farmers at lower rates. It is of great concern to all of us. I am sure it is of a major concern to the farmer because it is the major input cost in his business. Certainly if we can arrange some means to bring that cost down, then not only will farming become more attractive to the people who are in it but probably attract some additional people to that particular industry.

I might add, Mr. Chairman, that the agreement which was entered into by the present feed suppliers and Newfoundland was entered into some years ago by legislation, and that is still on the go. Those people have a monopoly which was agreed to by government at that particular time and this is creating a real problem for all of the farmers in the Province. My officials and I with the Farm Products people are now investigating this. Of course to do away with that agreement - I am not saying we are going to do away with it - but to even consider anything but that one, we have got to have an alternative and have a better arrangements.

So, these are some of things which we are looking at, and please goodness, some way can be found. I am afraid some way is going to have to be found if we are going to be able to encourage people to continue in the livestock business and in the poultry business. Otherwise, as I said, the major input cost is feed. If it came to something like



that, it might not be viable in the future.

MR. SIMMONS: Mr. Chairman, I do not want to delay the Committee unduly here because I think if we do not soon get to the Social Services estimates, the minister might have some additional ulcers.

MR. MURPHY: Inaudible.

MR. SIMMONS: That is being nice. That is being concerned for the minister, Mr. Chairman, a concern that he not be any more ill than he is at present, Mr. Chairman. I do want to come back to the comments that were made by the Minister of Industrial Development. He referred, when I raised the question about the efforts to increase production at the Corner Brook abattoir, he referred to his version of the history of this particular plant, how it got to be constructed and how the floor was too low and that kind of thing. One thing, Mr. Chairman, that continues to puzzle me about this whole business of government is that somehow the great bunch of dedicated civil servants, competent civil servants which I think they are, devoted civil servants, full-time, in touch, these same people who are now on the various floors of this building and who are competent and dedicated - we concede all that - and who in many cases are the same people we are talking about who were in their respective posts say three or four years ago under another administration, those same people now who according to all the testimonials we hear are doing all the right things, four years ago did all the wrong things. They did not know how high floor levels should be. They did not know what kinds of brick you should choose or what kind of steel you should put into a building. They were all wet about everything. They did not know the first clue about policing the design for a building in Corner Brook.

I mean, is the minister suggesting that this kind of thing gets decided by the politicians, that cabinet sits down and goes over building plans? Is that what he is trying to tell us? He knows the difference and he used the old scapegoat approach to avoid the question. The question I asked was not where there faults with the building and how did they get there and were they corrected. Let us suppose the

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minister is completely right. Suppose, Mr. Chairman, that the faults that they found with the roof in the building and the floor in the building, suppose that the minister is completely right and that all of it relates to incompetence on the part of the last regime and their stupidity and everything else, suppose all that, which I do not subscribe to, but suppose all that, here we are

three years later plus, and he is still using that excuse, a weak one at best. Because I submit, as I suggested a moment ago, that these decisions are decisions which are policed and decisions which are made by civil servants, and I would say the same civil servants who made those decisions, if they are bad decisions, are the same ones who are working in this building now by and large. And where is the big transfiguration? Why all of a sudden are those same people making all right decisions? What utter nonsense!

AN HON. MEMBER: Transformation.

MR. SIMMONS: Transformation, Mr. Chairman, I am sorry. Thanks.

Transformation. What explains the transformation? I have heavenly thoughts today, Mr. Chairman. Transformation was the word I was looking for. What explains the sudden transformation that the civil servants who made all the wrong decisions on Corner Brook are suddenly, lo and behold, making all the right ones about everything? I submit, Mr. Chairman, that that has nothing to do with the reason why the Corner Brook abattoir is not operating anything near full capacity. The reasons are quite different.

Now the Minister of Forestry and Agriculture manages to skate over the question very quickly. And I suggest too quickly. I have talked, Mr. Chairman, to a number of people on the West Coast including three people who have made pretty determined efforts to get into a broiler production, and their efforts have been frustrated. Now suppose, you know, I am talking to, of the three, one warped individual, suppose I am talking to one who has an awful chip on his shoulder against the government. I would submit that all three of them do not, I do not want to mention their names here in Committee, but they are reasonable people who have the financial backing and who have the interest, and I believe, I do not know, because I have not been involved in this business, but I believe from what I am told have the expertise and the confidence, they have the management capabilities to get into this kind of operation, and yet they tell me - this is not hearsay, Mr. Chairman, I have talked to these three individuals - and these people tell me that the reason they are not in production today on the West Coast, and not supplying broilers and hogs to the Corner Brook abattoir, the reasons, to sum them up, relate to the frustrations they continually run into

when they try and pursue this matter with government. There is not the co-operation that one would expect in terms of facilitating land problems, be it crown land or privately owned land. The cost of land they are running in to is exorbitantly high. But I have gone over these matters, so in the interest of saving time I shall not repeat myself.

I just want to emphasize and put the question to the minister one more time, not for him to answer just in general terms that we are doing a lot. I do not ever suggest that his officials are not busy. That is not what I have asked. I am saying what, specifically what efforts are being made to increase production at the Corner Brook abattoir? And, you know, when can we expect some results? Will it be June 1976? Or December 1976? Or this coming Fall? At what point can the minister say, and I realize he is not, you know, completely conversant on every detail affecting his department. I am not asking that. I am saying does he know or can he find out is there some kind of a schedule whereby they hope to be at fifty per cent production by a given month? Or at seventy-five per cent production? Or do they hope at some point in the future to be at full production? That is the question, Mr. Chairman. What specifically is being done to increase production? And when do they expect to gear up to near full production?

Another question I asked, which was not touched on at all by either of the ministers in replying, relates to the kind of money that is being lost by the Farm Productions Corporation? Now, Mr. Chairman, we are not talking about a charitable institution, We are talking about a properly constituted business operation, a corporation, incorporated under the laws of the land. I would presume they follow the normal business procedures. I presume they know what profit and loss statements are. I would presume they know what kinds of money they are spending on the various aspects of their operation, and what they are getting back as a return for their investment. So it is not a hypothetical question, and I do not think it is a very difficult question. Surely this Corporation like any other in this country have balance sheets. And the question is very simple: Is this Corporation losing money? I suggest that it is, and it has not been contradicted. I am suggesting it is losing a bundle of

money on the Corner Brook abattoir. And I have also said, Mr. Chairman, and let me repeat for the record, I see nothing wrong in a short term with this operation losing money as long as it is in the short term, as long as the overall assignment of the Corporation is to increase the production of the Corner Brook abattoir to a point where it eventually makes money. So we are talking about an essentially simple business operation where you have

a very modern plant, certainly that is an asset. You will have, I presume, a competent staff. I have no reason to think they are not. You have adequate funding for the purpose and you have a raw material, if I may use the term. You have broilers and hogs. Now the problem lies in the fact you do not have enough of these, but what I am saying is you have a market, I should say.

So you have the various ingredients for a successful business operation if you can presume something, presume you have enough raw material, presume your market is large enough to take whatever you can turn out and that kind of thing without getting into details. So it is not a charitable institution. It is not a make-work operation. On the surface of it it should be a profit making operation given full production, or given near to full production. So the question I ask is simple and I think deserves an answer, is the Corporation losing money? If so, how much money is it losing?

Finally, Mr. Chairman, the matter of DREE again. Can the minister put any dollar value on the amounts? I concede, as the Minister of Industrial Development has so well said, that it is not a matter of what is due from DREE, I appreciate the relationship there. It is a matter of a DREE offer. But presuming that at some point in time this operation satisfies their requirements, the conditions that the minister referred to, at that point in time, what kind of money are we talking about? What dollars are we talking about? Can the government expect to receive \$500,000, \$1 million or so much per job, or what is the answer insofar as DREE is concerned?

MR. COLLINS: We have said, Mr. Chairman, that the Corporation are now negotiating with DREE to see what monies are available from that particular source. Now if the honourable member can read, and I am sure he can, if he cannot he has been hoodwinking a lot of people in Newfoundland for a good number of years, the figures are in the estimates under 1209-01, Grants to Newfoundland Farm Products Corporation - \$1.5 million. Now that is what it is costing us to operate Farm Products, and we have not seen Canada Packers nor Swift Canadian nor anyone else rushing down to

Newfoundland to get involved in the facility which we have down in Pepperrell or to get involved in the facility which we have in Corner Brook. It is a simple fact of life that if we are going to support the farming operations in Newfoundland, whether they be dairy men, whether they be broiler producers, whether they be egg producers or swine producers, or whatever, government has got to get involved and subsidize the industry.

Now with regard to Corner Brook -

MR. SIMMONS: Inaudible.

MR. COLLINS: It is marked a grant. I said grant to the Corporation.

MR. SIMMONS: Inaudible.

MR. COLLINS: Now, Mr. Chairman, that is what it cost us to operate the Farm Products Corporation. Now with regards to Corner Brook, the building has just come on stream. It is a new venture over there. There has not been sufficient production over there so far to provide the put-through which is needed to make the operation efficient and spread the cost over the resultant put-through. So that is going to cost us money for a while too.

When the honourable member asked me to project at what time, whether at six months or one year or two years or five years or ten years, when that operation will become self-sufficient in terms of breaking even or making a profit, I certainly cannot provide that information. I doubt if anyone in this building or anyone in this Province can tell us that. We are hopeful that the farmers on the West Coast will respond to the need and take advantage of the facility which has been provided to them and as time goes on and the production increases, please goodness that facility will be able to break even, if not make a profit.

MR. WOODWARD: Mr. Chairman, before we move on and relinquish the minister of his official duties in the House in the estimates, a few questions I would like to ask, and maybe it is closer to home. The minister did touch briefly on subsidies for feed and things of this nature, I want to recall to the minister, and refresh his memory just briefly about

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a couple of months ago we had a producer in Labrador South, Mr. Normore, who was forced into folding his business because of the high cost of feed and the transportation costs of getting feed into that sector.

Now, Mr. Normore was producing broilers, and I think as well was an egg producer and supplying that part of the coastal Labrador, the southern part from the border through to Red Bay, and then last year on a number of occasions had fresh eggs flown into the Cartwright area and the Black Tickle area and Port Hope Simpson, which



we thought was the beginning of an industry of something that was produced locally to avoid having the high air rates going in and consequently would bring down the cost to the consumer. But there was a turn for the worst and the industry now, as I understand, has folded and is not producing anymore. That poses one question. The other question it poses, Mr. Chairman, and I brought this to the attention of the Committee and the department last year, the minister was not in that department last year - the minister changes every year before the estimates come up so he can take on a new portfolio - but the problem that we are having, not only in the Goose Bay-Happy Valley area but also throughout the whole of Labrador is where people are bringing in eggs and retailing them illegally which they are not supposed to do. They are importing eggs from other Provinces. Some of them are coming in from Quebec. Some of them are coming in from New Brunswick. I think the greater volume are coming in from New Brunswick and they are not using eggs from the Island of Newfoundland.

I would like for the minister to make a note of that. I am sure there is sufficient evidence down in the department. I would like to think in terms of the minister taking some very strong action in this respect, Mr. Chairman, going down to Labrador and literally picking up those retailers by the scruff of the neck and hauling them into St. John's and putting them in jail. Then he will discover at that time why they are doing it. There is no means of transportation, Mr. Chairman, where you can sell eggs in Newfoundland and have them flown into Labrador. There is no means of transportation that has the capacity to handle the volume of eggs that is going into Labrador, where they can buy from the Newfoundland producer.

So, consequently, the route is primarily from Moncton to Goose Bay, and this is in error. Now when I mean that you should go down and pick up the retailers, I was not in a serious vein, Mr. Chairman, but the law has been broken, and not because we are getting them from Moncton that there is any way that we are getting subsidized. I

understand through the Egg Marketing Board facilities that there is a means of equalization of rates that should be applied throughout the Province. This indeed is not taking place in Labrador. So, maybe we can hear the minister's views on this and maybe we can hear the minister's policy, if his department has a policy, as to how we can promote local producers in the Labrador areas and what type of subsidy. If we are looking at \$1.5 million in a subsidy here to produce broilers and pork for a portion of the population of this Province, no doubt, Mr. Chairman, that some consideration should be given to help to alleviate some of the burden and the high cost that other people have to bear throughout this Province.

Maybe the minister can tell the Committee what type of policy, or if his department has any policy, or his government in this respect, but the problem of eggs, and no one has taken any action in that respect but I am sure that the number of the retailers in the Goose Bay-Happy Valley area have brought it to my attention, look we must sell eggs illegally because we cannot get the eggs from the Province. If we are going to have eggs we have to bring them across the border from another Province. This is happening every day of the week. No one has taken any action in that respect. I am very much afraid that first we will have to look at providing some means of transportation whereby we can get eggs from one part of the Province to the other. I think this is a very real and it is a very important question, Mr. Chairman, and maybe the minister can enlighten the Committee in that respect.

MR. COLLINS: Mr. Chairman, I do not know if I can enlighten the Committee but I can appreciate the problem that the honourable member refers to and there is not only a problem with eggs, I suppose, in Labrador. It is probably a problem with a lot of the food commodities. One of the solutions, the best solution, I would suggest, is the production of the eggs in Labrador, in the Goose Bay-Happy Valley area, but then of course there is

the feed problem which I referred to a little earlier on.

AN HONOURABLE MEMBER: Inaudible.

MR. COLLINS: Well, if the feed was there and the hens were on site, the laying hens, you would get eggs all through the year. That is a problem. Not only is feed a problem in Labrador, but it is also a problem in the Island part of the Province because most of the feed which farmers use has to be imported. When I say it has to be imported, as it is now, it is coming through one group who have a monopoly. I do not want to repeat in this honourable House some of the allegations which have been made by farmers to me concerning what might be happening with regards to price, the price of the feed, but it certainly bothers me.

As I said, one of the purposes of the commodity studies which we have done is to try and find ways and means, whatever they might be, to get feed, make feed available to the farmers of the Island and the Labrador section of the Province at reasonable rates so that they can produce and be able to sell at competitive prices. I think that is the key to it.

Now, what will happen, Mr. Chairman, I really cannot say. But, it is a great concern to me, to the government, and it has been studied enough now. We have the report from the federal people in the department and please goodness we will find means one way or the other to be able to solve the feed problem. If we could solve that, I think it follows then that a lot of the other problems would automatically be solved.

With regard to the sale of eggs, I will certainly undertake to look into that through the Egg Marketing Board.

AN HONOURABLE MEMBER: Inaudible.

MR. COLLINS: I would like to know where the eggs are coming from and what they are being sold for, what price they are being sold for.

MR. WOODWARD: They are coming from New Brunswick.

On motion 1209-01 carried.

MR. CHAIRMAN: I note that 1209-02, 03 and 04 are being transferred to

another set of estimates, the estimates for tourism.

Head VIII, Social Services.

MR. MURPHY: Mr. Chairman, if I may, just before we start and it is customary.

AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: What is today?

AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: As is customary, Mr. Chairman, on my part to try to impart the good news to all the people of the Province, Sir, and particularly to the honourable members of the House who I know are very much concerned with what is happening when we are spending fifty-odd million dollars in this Department of Social Services - would you mind distributing these, Sir, please to the press and to the House. It is not sing along with Mitch but perhaps read along with Ank.

Mr. Chairman, in introducing the estimates in my department for the consideration of the House I would like to make a few introductory remarks - I have some competition, I think - relating to the programmes administered by the Department of Social Services in this Province.

I would first like to give a brief account of some of the things this government has done in the field of Social Services since December, 1972. The first thing we set out to do was to improve the programmes of the department. We realized that the greatest need was to improve the social assistance programme and increase the social assistance rates for persons in need. In our department we are concerned above everything else with keeping families together and aged and handicapped persons in their own homes as long as possible. We recognize that adequate income support is the most effective way of doing this because little had been done, Sir, in the previous seven years. Only a seven per cent increase over that span of time, seven per cent increase in the rates over the previous seven years before we took over. We had to completely revamp the social assistance programme, Sir.

This we did based on two fundamental principles. First, that need and not the reason for the need should be the only criterion for assistance.

Secondly, that work should be always more profitable than welfare, and that there should therefore be a realistic relationship between social assistance rates and the minimum wage. In the process we increased social assistance rates substantially to help thousands of poor people to keep pace with the rapidly escalating costs of living. We now have a year under our belts in operating this programme and I can say without equivocation that the new programme changes and especially the increased rates have been acceptable, almost universal approval, by all of our social assistance recipients throughout the Province. This year on January 1, we implemented a special provision in the new Social Assistance Programme and increased social assistance rates in relation to the cost of living. All social assistance recipients received a 12.7 per cent increase on January 1, 1975. Perhaps one of the most forward steps we have taken, Sir, is the Department of Employment Opportunities. Other improvements were made programme-wise by my department last year with considerable success. We expanded the Employment Opportunities Programme designed to create and/or find jobs for social assistance recipients. We placed special project officers in each of the five welfare regions in the Province, and we assigned a number of welfare officers to the Employment Opportunities Programme on a full time basis.

The table below shows the results of this particular programme over a ten month period. This gives the total number of social assistance recipients placed into employment or training from April 1, 1974 to January 31, 1975. In permanent employment 545; temporary employment 812; and to some form of vocational training 97, for a total of 1,454, Sir. That means that 1,454 persons who are receipt of social assistance, Sir, had been removed either wholly or partially off the social assistance rolls. As indicated these results are most encouraging. We have taken literally hundreds of dependent families off the social assistance roles and placed them in gainful employment, many of them in permanent jobs. We think this is infinitely better than letting them languish on social assistance. We have given them training and upgrading, and we have given them earned income, But most of all, we have given them hope for

themselves and their families.

This year we will be continuing our efforts in creating and finding jobs for social assistance recipients. We have provided \$600,000 for community development and work activity projects. And I am happy to say, Sir, that only this morning we had a very well attended meeting, unfortunately I could not be there, with the Minister of Manpower and his staff and the federal people on the Community Employment Projects and this is a new programme that is being created between the federal government and ourselves, and a project that is being carried on jointly by the Department of Labour, if you like, or Manpower and Industrial Development with our department.

Community Development Projects are designed to provide valuable work experience for chronic social assistance recipients through participating in improving the social and economic conditions of their community. In other words that is different communities of the Province will be taken, Sir, and looked at and worked on as the handicapped people are concerned and those who are socially handicapped. Projects are initiated in apathetic communities where standards of living are low, and the rate of dependence on government assistance is high. Community Development operates on the principle that meaningful change in a dependent community can best be brought about by involving the people themselves in the process of problem identification, and in initiating and implementing projects to remedy the problem. In practice the project would have the effect of providing work instead of relief.

AN HON. MEMBER: Inaudible.

MR. MURPHY: Right, Sir.

Community Development is a new and exciting way of providing valuable stimulation and meaningful employment in dependent communities, and the cost involved is shareable under the Canada Assistance Plan. We propose to initiate a number of special projects throughout the Province which will employ and involve social assistance recipients. Many of them will subsequently progress to other jobs or will undertake academic or vocational training. These projects differ from LIP and LEAP projects in that they are aimed at the rehabilitation of the

individual rather than just creating jobs per se. Employment is a spinoff effect after the rehabilitation process.



Work activity is a service concept of the Canada Assistance Plan. The concept may be implemented mainly through small projects involving limited numbers of chronic dependent social assistance recipients who need sheltered work experience to qualify them for entry into the competitive labour market. The intent of the project is to rehabilitate individuals with long histories of dependencies on government assistance.

My department, Sir, believes that a limited number of work activity projects should be undertaken, not only because of the hope that they hold out to the chronic welfare recipients but also to show the intent of government in doing something of a rehabilitated nature rather than paying out checks indefinitely. I am sure that the taxpayers of this Province, Sir, would be very happy to hear that.

The cost of work activity projects, once approved by the federal authority, is sharable under the Canada Assistance Plan. Also, in co-operation with the Federal Government, we are launching this year a new employment strategy that is aimed especially at persons who have particular and continuing difficulty in finding and keeping employment and that is the meeting I referred to that we held this morning with the Department of Manpower.

Mr. Chairman, we are making a determined effort at helping rehabilitate the chronically unemployed and the many hundreds of socially, physically and mentally disabled persons in the Province who represent a great reservoir of productive potential. I now come, Sir, to child welfare and protection and I am very happy while the member is on his feet, the Member for Bell Island, to say that we are continuing the work that was started by the previous administration which I think was one of the most human things that this department can do. We are criticized in many cases, Sir, for social assistance as such, but I think child welfare and I think that



bears out today that it is a tremendous programme, Sir, and I am happy to say that we are continuing at the rates established and that we have very few children at this time available for adoption.

During the past year we have attempted very quietly to improve our services to children in their own homes and in foster homes and particularly to children in conflict with the law. It will be of interest to note that there has been a steady decline in the number of children available for adoption. Indeed, Sir, we now have the happy situation in which the demand for adopted children is greater than the supply. Mr. Chairman, our greatest efforts have been at preventing neglect and keeping children in their own homes which I think is the basic function of any society. The new Social Assistance Programme has worked wonders, Sir, in enabling unmarried parents to keep their children, who otherwise would have to be surrendered for adoption. Also, our social workers have done much to prevent family breakdown and neglected children by providing counselling and other supportive services to help families cope in the face of increasing social and economic pressures.

We have also had much success in helping bring about improvements in home conditions and family life which have resulted in returning children to their own homes who had earlier been removed, Sir, on grounds of neglect. In fact, and I was startled so when I read this figure, very much startled and amazed, over 500 children, Sir, were returned to their own homes during the past year. Now, I think that is an amazing performance, Sir. These are children that had been taken from their own homes because of neglect or some other reason and during the past year, the past twelve months, Sir, my welfare department, my social welfare workers down there, child welfare workers have returned over 500 children back to the parents, to their natural homes. I think, Sir, that in itself would warrant my department and the work that they are doing.

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Mr. Chairman, this is what Social Services is all about, prevention and rehabilitation and it certainly pays dividends, Sir, in human values. I must tell this honourable House, Mr. Chairman, that we have introduced a systematic way of improving foster home rates and child welfare allowance rates for people who care for children for whom this department has some responsibility. We have tied our child welfare rates to the cost of living and new rates will be effective on April 1, 1975. This is in addition, Sir, to substantially increased rates that we made available to foster parents last year and the reason for that, Sir, is that we put these children in foster homes and I think anybody who has been minister of this department, and I think there are three or four in the House at the present time, know it is one of the very, very touching parts of our department to look after these children whether they are unwanted or whatever they may be.

The table below, Sir, compares foster home rates, and I will not give them. But the increase is shown there. I will not go into that because I will table this purposely for it.

Mr. Chairman, we have also gone about improving services to child in conflict with the law. And we have been assigning more and more skilled social workers to this work. Our efforts, of course, are aimed at keeping children in their own homes, and keeping them out of conflict with the law. I believe that much more needs to be done in the field of juvenile correction, Sir. We feel that if we can sow the field now, Sir, it will avoid that grim day of reaping later on when these children will come under the care of our newly appointed correction officers. And I am very happy, Sir, that government have already made a significant step forward in the field of adult corrections by the appointment of a Director of Adult Corrections, and I am very happy to welcome Mr. Jack Fagen to the ranks of social work.

I firmly believe, Sir, that a corresponding set is now essential in the field of juvenile corrections. That is what we are looking at very carefully, Sir. And we need a full-time director to give special attention to the problems of delinquent children and delinquent youth, although they do come under the Department of Child Welfare. But we are trying to pattern on the same as the Department of Justice have done with the Director of Adult Corrections.

In our field services, Sir, our emphasis last was mainly on making programme improvements. And we will be doing more of the same in 1975-1976. This year our main efforts will be on making improvements staff-wise. And why we say staff-wise is, Sir, to make our staff more available to people. That is the purpose of our staff, to serve people. And particularly, Sir, and I request this to the members of the honourable House who get so many inquiries from their constituents, so that they can work very closely with welfare officers in the different districts. And I am very happy, Sir, to congratulate all these, I think, there are some 265. From the favourable comments I received, Sir, from all the M.H.A's that they are getting the greatest co-operation from them, and everybody is working together to solve this

very serious problem of helping those who in most cases, Sir, cannot help themselves.

We will concentrate, Sir, on organizing and utilizing staff resources to the best advantage. And at the same time we will upgrade the level of competence of our staff as a whole. Indeed we have already reclassified our welfare officers as social workers, Sir, a change of name perhaps, but we want to indicate a new emphasis on service rather than on welfare.

Mr. Chairman, we have also reorganized our field services delivery system to put supervision in all of our multi-worker district offices throughout the Province. In the past, out of necessity, supervision had to be delivered from central locations to staff in district offices. This meant that supervisors had to travel many miles to provide professional consultations and supervision to direct service staff. This arrangement was necessary, Sir, because of the scarcity of qualified professional social workers to fill supervisory positions in this Province. Now, Sir, thanks to the growth and development of our own school of social work at Memorial University, and through a far-sighted programme of in-service training initiated in this department many years ago, we now have a large body of professionally trained social workers to staff our district offices. This new organizational arrangement became operative on April 1 this year. And again there is another table set out showing the numbers. And it might be just a little indication - in January 1972, Sir, we had 199 welfare officers, in January 1975 we had 245, Sir, an increase of some 46, and in addition we had special projects officers, five new ones, and special investigators of four - four of these appointed.

On staff development, Sir, I want to say a special word about this. You will note that we are planning to spend \$74,000 this year on the recruitment of professional personnel and the on-going training of our social workers staff. I cannot think of anything that we are doing that is more important than staff development. The quality of service that we deliver hangs in the balance, Mr. Chairman. We can have the best programmes and policies in the world and we can have the best

organization possible but without qualified and dedicated staff the whole system can be discredited.

In planning and research my department has also been active in the field of planning social services. During the past two years Federal-Provincial Welfare Ministers have been planning to improve the social security system in this country. The Hon. Marc Lalonde on a number of occasions described the progress that has been made. An improved

Family Allowance Plan has been introduced. Great improvements have been made in the Canada Pension Plan. An employment strategy has been introduced and most important of all, we are now in the midst of planning for a guaranteed income for all needy Canadians and I am sure that Mr. Lalonde, when we meet, will recognize the honourable Member for Bell Island as perhaps the first one in Canada to bring forward such a great idea.

Mr. Lalonde has indicated that this guaranteed income should be available to Canadians within the next year and I think that is very good news. What form it will take, we do not know. What it will cost to participate, we do not know. It is one of these intangibles, but, Sir, in my attending these meetings and looking at what has been going on all across this great Dominion, Sir, it is all dollars. I might mention here, Sir, in case I do not get a chance, that our contribution, Sir, to social policies in this Province is four cents out of every of our earned dollar, Sir, as compared to the average of two cents all across Canada. So, we are putting twice as much per average of our income into providing social services for the people of this Province.

Mr. Chairman, social planning is amongst the most complex matters presently being undertaken in Canada. There exists the hodge podge of social insurance and social assistance programming through which maximum amounts of public funds are being passed. Indeed, over \$11 billion are passing through the welfare system and several more billions are now being earmarked for the welfare system. It is vitally important, Sir, that federal and provincial planning be co-ordinated in this field. To this end great progress has already being made. In my department a great amount of the time of my senior executive officers is utilized in planning. Indeed, our management resources are being stretched to the limit in planning and administering welfare services.

With these remarks, Sir, I close and get ready to introduce my estimates, but before I do, Sir, in case I do not get a chance, I would

like to thank my Deputy Minister who will be sitting in with me, his staff in the department and all those connected in any way, Sir, that are doing such a tremendous job in delivering this wonderful service to all the people of this Province who need our services. Thank you very much, Sir.

MR. NEARY: Mr. Chairman, I must say that I am completely overcome. I am flabbergasted, Sir, at the paper just delivered by the Minister of Social Services. Sir, I would have to congratulate the author, the author or authors of that paper. It goes -

MR. MURPHY: He will be in now in a minute.

MR. NEARY: Yes, he will be in in a minute. That is right, Sir. A gentleman, Sir, I must say that I trained that staff well. I trained them well. I set a good example. I left some good ideas behind, Sir, and I am glad to see that the author or authors, I think there was more than one author of the paper, there were two or three authors -

MR. MURPHY: Inaudible.

MR. NEARY: That is right. The authors, Sir, I made no mistake in selecting these gentlemen for their positions, Sir, and I certainly trained them well and I am glad to see that they are carrying on the good work that I started in that department as minister. I do want to thank the minister, I do want to thank the minister for his couple of kind references that he made in his introductory remarks concerning the Adoption Programme that I had the privilege of starting when I was in that department.

Mr. Chairman, I think I said in this honourable House before, and I will repeat it now, there is nothing in my whole career in political or public life in this Province that I am more proud of than the Adoption Programme that I started when I was minister of that department. I will be proud of it, Sir, until the day I die. I think, let me see if I can make a rough estimate, I think, Sir, that along with the staff of the Child Welfare Department, between the staff and myself, during my three and a half years as minister of that department, I think that

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we were able to place well over 1,000 children. We were able to find adoptive parents and adoptive homes for over 1,000 children. That above anything else that I ever did or that I will ever do again in public life is something, Sir, that I am proud of and if anybody ever asked me before I close up my old peepers in this world, when I am drawing my last breath, when I am just about ready for the last gasp, if they say, what do you think you accomplished most while you were on the face of this earth, I would have to say, finding homes for these little babies. The second thing



that I think I would have to say that I am proud of was getting rid of the old voucher system and giving the welfare recipients a little bit of dignity and self-respect by paying them in cash instead of by the demeaning voucher system. I think that would have to be second on my list. I do not know what the third one is. I am not going to run down over a list of -

MR. MURPHY: Leave a little bit for me.

MR. NEARY: Leave a little bit for the minister. But Sir, I am glad to see that some of the ideas and recommendations and some of the things we were discussing when I had to leave that department, when my term of office was interrupted for the time being, are being continued, Sir, and Mr. Chairman, I do not intend to go into any great detail on the minister's salary but I do have a couple of positive constructive suggestions for the minister that I would like for the minister to take under advisement.

In the paper that the minister just delivered, that would be a very good paper, by the way, to give at the Department of Social Work over here at Memorial University, it would be a very good paper indeed. There is a little bit of civil service bureaucratic jargon in there but I think if that were removed and the paper were put in common sense language that it would be a good paper to give at the Department of Social Work over here at Memorial University. Maybe I was out for a couple of moments, Sir -

AN HON. MEMBER: Inaudible.

MR. NEARY: Yes, well I want to just throw out these four or five things for the minister to think about and the first thing is day care. Now the minister for some time now has been playing around with this matter of a day care policy and so far as I can see, Sir, we have not had yet a definite statement, or a definite commitment from the minister on what sort of day care centre policy the department intends to proceed along.

This is one of the pieces of unfinished business, I might say, that I left behind too.

AN HON. MEMBER: Inaudible.

MR. NEARY: I did. We were discussing it in my - My honourable friend, the minister is right, knows full well that I nearly drove the staff crazy down there trying to develop a day care centre, but I think it is important, it is important, Sir, that we have a good day care centre in this Province so that people in the lower income brackets, I am not only talking about people on social assistance, Sir, but people in the low income brackets, widows, working mothers and so forth, will have their children properly cared for while they are out trying to earn a living for themselves and their family, and I would like to get the minister's views on that. I think it is imperative that we develop a day care centre rather quickly, not because Teach-A-Tot has a deadline until the end of this month, but they are waiting, they are anxiously waiting, Sir, to find out what sort of financial assistance they are going to get from the minister's department.

Now, Sir, another matter that I raised the other day, I put a question to the minister the other day about rentals and the minister mentioned, I think in his paper there, that social assistance has in some way or other now been related to the cost of living. But rentals, as the minister indicated to me the other day in the House, Sir, had been pegged at \$180, and that is the maximum in the City of St. John's. I think it is \$180. It may be less than that.

MR. MURPHY: \$175.

MR. NEARY: \$175, the maximum rental, Sir, is \$175 in the urban centres and it is less than that in the rural areas. And I could never figure out myself, Sir, why there had to be a difference between the rentals in urban centres and in the rural areas but the civil servants always managed to convince me that this had to be so. I could never understand it and I never did change it.

But, Sir, we hear almost daily now announcements by the Newfoundland Tenancies Board that rentals are increasing and the other day we heard an announcement that an increase had been approved for Omega apartments.

AN HON. MEMBER: And St. George's Court.

MR. NEARY: And St. George's Court, Sir. And I had a number of calls and

I am sure the minister has had calls -

MR. MURPHY: It is in my district.

MR. NEARY: Not only that, what is the other one over here? Kenny's -

MR. MURPHY: Kenny's Pond.

MR. NEARY: Kenny's Pond Apartments, Sir -

MR. MURPHY: Inaudible.

MR. NEARY: Yes, they have been calling me up and the senior citizens, the people who have very low income and the people on social assistance just cannot cope with the high rentals and what is happening they are robbing Peter to pay Paul. They are taking sometimes, they are taking their food money or their fuel money to help pay the rent. So I would like for the minister to consider this matter because you cannot get anything in the City of St. John's today for \$175. I believe the announced increase for Omega the other day was \$195 or \$197, that is the minimum rental, over here at Omega.

It is the same all over the city, Sir, so

I would like for the minister to take a look at rentals because I do not think that we really have kept pace with the increases that have taken place in rentals.

Now, Sir, another thing that has always concerned me - I have discussed this on numerous occasions with the officials of the department - is the image of the person on social assistance. People, in my opinion, are too quick to come down on the backs, on the heads of the social assistance recipients. Sometimes maybe, Mr. Chairman, it is their own fault. Sometimes it is their own fault, they invite criticism. I am going to throw this out as a positive, constructive idea for the minister. Would the minister consider running clinics all over this Province, something that I had hoped to start? I hope that the minister will see what I am getting at.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Well, I would not make such a bad social worker, I do not think. But, run clinics all over the Province to more or less show people how to spend their money because, Sir, a lot of the criticism of welfare recipients is that they go out and they buy Coke and they buy chips and they buy all kinds of things that are not nutritious. I have even heard school teachers say, Sir, that the kids of families who are on social assistance will come down to the school with their half dollar for lunch and they will go and buy a coke during the lunch period or they will buy a bag of chips whereas the children of the, let us say as the minister's office said, the children of the people who pay the taxes, do not have that half of dollar. They may only have a quarter and nine chances out of ten they have been told that they are not to buy coke and chips and that sort of thing.

So, somehow or other the image has gone abroad of the children of welfare recipients of people on social assistance, no teeth in their head and holding a bottle of coke in their hands, going around with a bag of chips. Well, I think, Sir, that this image of the person on social assistance could be changed if clinics were sponsored all over this Province, not only for people on social assistance but for people in the low income brackets so that people who have a record of success in

running households could advise these people on how they can get the best value out of their social assistance dollar, how they can get the most nutritious food. I believe, Sir, that this would be a very worth-while project and something that I hope that the minister will take under consideration.

Another suggestion I have for the minister, Sir - I am going to throw all of these out now and perhaps the minister would like to react and then we can go on because most of the stuff in this department, Mr. Chairman, is motherhood stuff, as the minister knows, not much political mileage to be had out of it. I think we can probably get through the estimates fairly quickly. Two other suggestions I have for the minister - the Minister of Health is not - yes, the Minister of Health is in his seat.

That is the matter, Sir, of supplying dentures and eyeglasses. Now, I know there has been a slight amendment to the eyeglass situation that I think before I left I made the last change. I do not know if I made the change or the Minister of Health made it but between the two of us we worked out a formula whereby mothers of children going to school could qualify for eyeglasses because the mother had to help the child with his homework. But, that is as far as we go, Mr. Chairman. I am sure that every honourable member of this House has had the heartbreaking experience of adults coming to you half blind in some cases, half blind and all we can do is say, well, why do you not go down to CNIB. That is all we can say. We call up the Minister of Health or his officials, sorry, we cannot provide you with eyeglasses. Call up the Minister of Social Services or his officials, sorry, we cannot provide you with eyeglasses. Go down to CNIB and CNIB will always say - now sometimes they help. I cannot say that about them. Sometimes they do help. But they are hamstrung because they do not have the finances.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: That is right. So, I hope, Sir, that the day is not too far away - I know what the Minister of Health is going to say, look at the amount of money involved. But, fifty per cent of it is recoverable from the Government of Canada via the Canada Assistance Plan.

AN HON. MEMBER: Inaudible.

MR. NEARY: I beg your pardon?

AN HON. MEMBER: On need.

MR. NEARY: On need. That is right, Sir. And it would not be given if there was not any need. Fifty per cent of the cost of denture and eyeglasses, Sir, could be recovered from the Government of Canada via the Canada Assistance Plan. And I do not think we should dilly-dally with this any longer. I know you are opening up, Sir, or some ministers may think you are opening up a can of worms. But how can we, Mr. Chairman? But how can we when you look through the estimates and see all the extravagance and waste? How can you deny a poor diabetic in his middle 50s with no dentures, how can you deny him a set of teeth so that he can chew up his food? Well that is what we are doing, Sir. And that is not the minister's fault. I know. I realize that. I was there and I did not change it, and I argued about it and I fought over it, struggled. But now that we have reached the stage, Sir, where we are getting a little more affluent and a billion dollar budget and so forth, I think, there is serious consideration should be given to providing people who are handicapped, physically disabled, unemployed through no fault of their own, we should consider providing them with dentures and eyeglasses always based on need. And the same way with wheelchairs and crutches and that sort of thing, Sir.

You know, Mr. Chairman, as affluent as we have become in North American and in Canada and in Newfoundland that we still somehow or other can not see our way clear, we still can not see our way clear to provide people, double amputees, in some cases, to provide them with wheelchairs. I had to go around recently myself, I spent about two or three months searching Bell Island and the Avalon Peninsula to try and find a wheelchair for a gentleman who had both of his legs amputated. I finally located an old wheelchair and was able to get somebody to fix it up so that that gentleman could enjoy the few remaining years that he has on the face of this earth. And this is the sort of thing,

Sir, that I think we should be looking at now. And I hope that the minister will look at my suggestions in the proper light. And I am not trying to get any political mileage out of this. It is not political hay. This is all sincere on my part, Sir. And I think it is all humanitarian and the sort of thing that we should be looking at as elected representatives of the people here in the House of Assembly.

MR. MURPHY: Mr. Chairman, I would like to take advantage of just answering to the best of my ability just what the honourable Member for Bell Island has put forward, and I would say that he is the former Minister of Welfare or Social Service, as I say there are others in this House and I know that anybody who had anything to do with this department must have some reaction to the tremendous problems that faces the, you know, we have many, and a great many unfortunately, Sir, money is the answer to curing an awful lot of them but you know we do what we can with what we have.

Now just on day care, Sir, this thing is something. The honourable member said he talked about it three or four years ago. It was brought to our attention, I think, some two years ago to a great extent perhaps by a group called The Early Childhood Development Association, I believe, Sir, was it? And we did meet with them at cabinet. And we did set up a group to meet with them. And I was designated as the minister possibly to deal with them. And out of that we created an Interdepartmental Committee, I believe there were five. I can be corrected. I think Health was on it. Education was on it. What other departments were on it?

AN HON. MEMBER: Manpower.

MR. MURPHY: Manpower. Anhow five into that deal, what we call the human things, you know. So they went out, Sir, and they prepared - and I do not know if the honourable member - has it been released yet?

AN HON. MEMBER: Not public.

MR. MURPHY: Not public. But there is a report, a very comprehensive one that came in and if the member wants to remind me I can get it. I do not know if it has been publicly released but at least I will make it available. But this is something that will make a lot of suggestions.



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Now we did have, and perhaps I might go back now to, two years was it? Or three years? Teach-A-Tot, I think, was one of the first here in the city of St. John's at Wesley Church, and at the same time we created what we called The Home Makers, perhaps much on the same line but with different viewpoints.

AN HON. MEMBER: Inaudible.

MR. MURPHY: Now the honourable member has said and the needs for this day care centre, you know, they are so apparent in so many cases that we feel, you know, we should do what we can for them. And as I have mentioned



Teach-A-Tot now because it is one that was actually in operation and it came out of so many other things that did arise from a LIP Programme at the time and when I talk of LIP, Sir, it sort of reminds me, as far as we are concerned, when I went into life insurance business and one of my first servicing was two brothers who had phoned me and one had three children and the other had two, you see, and they had a great problem. Apparently their dad was a fairly well-off gentleman and he decided to buy a \$5,000 twenty year endowment for each of the children and one was, say, \$60 a month he was paying, or whatever it was for one family, and \$40 for the other, which was grand while he lived. He passed away just like that, of course, and here was the two fathers holding the bag to pay these darn premiums and they just did not have the money to do it. So, basically, this is what has happened to LIP. LIP steps in and these things are tremendous. They fund so much and then we start them going and the Provincial Government does take some part in it to, perhaps, a lesser extent and then suddenly LIP gets out and the Provincial Government is left holding, I will not say holding the bag, but holding the responsibility for maintaining these things.

Now, this is where Teach-A-Tot started and then we carried it on, and then the second year we got it funded on a sixty-forty, was it, Sir?

AN HONOURABLE MEMBER: Sixty -

MR. MURPHY: Sixty-forty from the Federal Government, which was good. Now, this year we have some money in the estimates, but it is not enough and I do not know if I should disclose the whole question of the thing, but there is a brief presented to us. It is just a very ambitious brief. I presume the members have a copy of it, yes? It is a very ambitious thing and actually there are fifty, and I can say this because it is public knowledge, I think there are fifty children attending that and the staff will be approximately twenty-six, I think, with salaries in the area of \$168,000, \$170,000 plus other things that happen. Now, we have -

MR. NEARY: Over \$2,000 a child.

MR. MURPHY: That is right. So, we look at the thing, and now we get into need. If this were mothers that were coming to Harvey Road or one of our welfare officers, and say, look, if you would look after my child, I can go out and get a job somewhere. It is marvellous because we can get that shared fifty-fifty. But when we go into other areas, then there is no funding on that thing. I am right, Sir. That is on need only. So, there is where the great problem arises.

Now, this thing has come out and if some of the representations, if I want to put them on the floor of this House, to see that some came from the wives whose husbands have the biggest kind of jobs, with incomes of \$25,000 and looking for grants from the taxpayers of this Province to do it, and we have them from all over the Province. There is only one that we had big funding and we have had, I will not say the excuse, but actually the fact that this was a pilot project and it has been tremendous for certain areas of children. But now it has gone all over the Province and Nova Scotia, I know, it is up to about \$4 million now and they are just being strangled as is every other Province. But all I can say is this, and negotiations are still ongoing, and we hope to keep this one going through some way or another, that we are still negotiating to try to maintain this one. But in the meanwhile, we have a draft of an act, I think which is very important, to get this Day Care Act through the House which sets out the guidelines of just what a Day Care Act involves and how far government is going and this type of thing. That might be done, and I do not know if it will have written in it, perhaps in the regulations, where income up to so much will pay so much of the cost and this type of thing. But that will all be done.

I just want to tell the honourable member that day care is to us a great, serious problem. We are doing all we can with what monies we have for this particular thing.

Now, we come to the rentals where we pay up to \$175 a month now. That is right across the board now whether

you live in St. John's or anywhere else, depending on the type of accommodation, of course. We should have a say whether it is worth or not which I think is our prerogative in that. As far as these apartments are concerned, and as I said in the House I think it was yesterday, I have not had any request yet from anybody but I sort of checked the people I knew and St. Georges Court Apartment and over here, even the Churchill Square or in my own -

AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: Yes, yes, well these - but in my own district and as far as I can see the great majority, the vast majority are pensioners as such, who in many cases, do not -

AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: Yes, yes, at Omega, Sir, yes.

AN HONOURABLE MEMBER: - only allowed \$175.

MR. MURPHY: \$175, yes. Yes, well I may go on with this now, that there are cases where people are renting for \$200 a month, where we give them the \$175 and they fund the \$25. Because in many cases I think you will find that heat is provided in a great many of these. So, that helps them. They do not have to take the oil money, if you like, out of their check, that they put it towards the heat of the apartment. I believe this would be a fact. Right, Sir?

AN HONOURABLE MEMBER: Right.

MR. MURPHY: Yes. So, that would be on that. And a single person, of course, if we can do it, we try to discourage a single person from taking an apartment because we figure he should be boarding anyhow and we could pay board for him and we got a lot of single persons that say, no I do not want to board. I want an apartment somewhere else and expect the taxpayer, not me or you or anybody, but the taxpayer to pay \$200 a month for him. So, basically, that is on that.

Now, we have again,

again, and I think it is so important, so important that the member talked about it. I can go back now to three years ago, and I think we had a great bit of fun in the House. You remember the curling team the honourable member talked about at the time where the recipients of welfare had a right to join the curling club and to curl and everything else. Someone said, on the back of the uniform will be, I am on the dole or something, someone suggested would be the uniform. But, this is what the member was projecting at that time, that they have a perfect right, they are people, they should enjoy all the privileges that pertain to other citizens.

If they cannot earn for themselves - I refer particularly now to the long term - I think it is our obligation as a community, as a people, to help them out. This is being done. But, as far as the image is concerned, since I have come in here I am very much concerned with Harvey Road quite frankly, quite frankly. Do you know we get about 3,000 visits a month down at that. Why, I do not know. But, whenever you go in there there is a group in there. If you went in on Monday, and went every day of the week, twice a day, you see the same faces still. Now, I do not know if they go in to get out of the cold or not or what they are doing there. But, basically there is no need for them there.

AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: I concede and we are already negotiating because that building is in a series of negotiations now, and perhaps to update the thing and do it up a bit to make it -

AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: Well, I do not know if he is in that business quite frankly. He has not been doing any negotiating anyway, and the honourable Minister of Public Works is not here.

We feel the same way, Mr. Chairman, that these people have prestige and everything. They should have it the same as anybody else. We do have about sixty per cent of the people who the check goes out automatically to each two weeks now. I may say that, I mean, the honourable minister says he has gone on the check system which I think is marvellous.

Why give someone a chit -

MR. NEARY: A good idea I left behind me.

MR. MURPHY: The minister left it behind. He just did not have the go, initiative enough to put it into effect, but Murphy came in and did the deed. A lot of people can think of things, but the man who puts them into effect - when the honourable member is talking about the chit, it reminds me of a story and I think I have told it many times. One of the O'Keefe's, the five young men, used to tell the story when he was in business on Hamilton Street, this welfare client came in - I think I have told the story - and he asked him to sign the name. He had to sign the name to it and he put an X down on it, you see. So, there was a guy next to him and he said, would you mind witnessing the signature and he put an X too. So, he said to him, look, chum, he says, I want you to sign it. We are not playing fox and geese. But I thought at that time it was a bit of a joke you see.

Anyhow, on that thing, Sir, quite frankly we do pay twice a month now except for the short term able-bodied who we want to come back and forth and see us because what we try to do now with the able-bodied or the short term, whatever we want to call it, a fellow who can work if he gets the opportunity to work, we want him to come back and report how he is getting on. We have a man there in employment opportunities at the different offices who will have a chat with him and find out his potential. We are hoping to improve on that. Again we are working very closely with the other departments, particularly Education, Manpower, Rural Development in many areas. Well, these are the four basis departments that are trying to do it.

Again, we have the question of counselling which I think comes under counsel. How do you spend your dollar? What should you buy? We did have a visit about six weeks ago or so from a group on this nutrition survey, and they discovered that Newfoundlanders generally were not eating the nutritious food. I was rather - I got a little bit upset because the implication was afterwards, came out with, Newfoundland children are hungry, or are something like this, half starved, you know, this kind of thing which I deeply rejected because I read in

another paper, Newfoundlanders overeat. The average Newfoundlander overeats. The trouble is he is overeating in certain things but perhaps he is not eating the food that someone says is the food you should eat. Now, right or wrong I do not know. The most of us were brought up on corn beef and cabbage or the bit of fish or something like that. Well, whether that is nutritious or not, I do not know. But, I looked at so many of our Newfoundlanders who lived to the age of ninety and ninety-five. You know, you would not kill them with a bulldozer. Well, nutrition might be another fad you know. But, the Coke and chips they are talking about now, you know, and everything else, perhaps it is a way of life. There are many other things perhaps more detrimental to us than Coke and chips. Perhaps we should give up, like arguing with each other and trying to destroy each other in the House of Assembly which might have more lasting effects. But, that is one of these things.

Our next hope, please God, if we can get them is nutritionists in our department because I think again the honourable member has been talking about the thing. We set up certain things. We give them money. Now, we do not tell them what they should eat or anything else. We give them money. There is no reason why we cannot have a counselling service. People, whether it is spending the money and different other things and this possibly I might just bring in here at this time, homemaker service which is another variation, such as the member was saying, meals on wheels and this sort of thing.

What we do, we try to get some of our people to go out and visit homes, old people, to look after them in their homes, make beds and prepare meals and this and that

and we try to keep these people in their own homes all we can instead of going to institutions, and cost an awful lot of money.

Now on eyeglasses, and the honourable minister is gone, is he, the Minister of Health I was just going to ask him -

MR. NEARY: Inaudible.

MR. MURPHY: I was just going to ask him, Sir, but we have been meeting regularly with the Department of Health on the thing and again the member puts it in its true perspective. It is a terrible thing when someone comes into you - only the other day we had this lady from one of the districts, you know, diabetic, could not see, feeling her way around, you know you say, let us get the glasses. Now you know there are special diets come in, I think this is another problem you will find. Speaking of that I might mention this here, a special diet. A lot of people are told not to eat certain things, expensive foods, to eat the rough stuff and they come in for a special diet, like you should not by eating cabbage and turnip greens and this type of thing. You know. But eyeglasses and dentures, Sir, I must say we have people who write to us, they have terrible stomach trouble because of the fact that they cannot chew their food and everything else, but it is being looked after.

But we did have some preliminary figures on it and unfortunately the minister is not here now. What was it? No, but anyhow it amounted to some millions of dollars because with glasses it is not the case of giving someone a pair of glasses and you have them until they wear out, if you know what I mean. Perhaps each year or every two years then they are back to get their eyes tested again and perhaps new lenses and this type of thing. So I must say that basically, you know it sounds a kind of trite to say we are looking at all these things. We are looking at them as did every Welfare Minister, I do not credit for being novel or anything in this. But these are some of the problems that are connected with my department and as I say again, please God when the money does come, and the policy is, of course, that what we try to do is the mother who has children in school, if she has got to have them, well this is the policy and I think that has been ongoing for some time and we try to do that



as best we can and others through other means. And as far as C.N.I.B. is concerned I feel badly that in a case, and the member has mentioned C.N.I.B. who do co-operate, if we have someone we think they can look after we send them down there but they feel they are entitled to something extra as do we. The blind people perhaps might need a little extra, Sir, but it all depends on the budgets. We try to get what money we can to put into this thing, so I think I have answered up to the present pretty well all that the member has asked.

MR. CHAIRMAN: The Member for Twillingate.

MR. GILLET: Mr. Chairman, I have listened with interest to the introductory remarks by the honourable Minister of Social Services and I have also listened with keen interest to the remarks made by my colleague, my friend from Bell Island and consequently and subsequently the answers given to his proposals by the minister who just finished speaking.

I could not help but thinking, Mr. Chairman, that this department is perhaps one of the most important departments in the entire government. Because it does not deal with minerals and forestry, it does not deal with roads and bridges and what not, it deals with human beings, and I think the minister mentioned earlier in his remarks that this is what Social Services is all about.

I am wondering also if too much emphasis is not being given and too much responsibility is not being left to the government, which in turn is the taxpayers, to take care of all the social needs of our people. And I shall just speak briefly on two or three of the items that have been mentioned. First of all, I think the incapability of many of our welfare recipients to handle, to spend the money which they receive from the department is quite evident. And I would say that we should go back to the old system because that would mean that everybody would suffer for the irresponsibility of a few.

I believe, Mr. Chairman, there are still a few recipients, even now, whose money is handled by the Social Services personnel



rather than by the people themselves. You know, it is most unfortunate but they do not have the mental capacity, they do not have the gray matter, Mr. Chairman, which is most unfortunate, but we shall have them with us always. We are told that. And it is most unfortunate that they do not know, parents I mean, do not know how to handle money, Consequently the children suffer. The children are ill-fed because of it.

AN HON. MEMBER: Undernourished.

MR. GILLETT: Undernourished. And I do not know how it can be done effectively, to tell you the truth. They do have social workers in cities on the Mainland who go around from home to home and try and teach the people. But I would say that with today's electronic media of television, and I have seen recently programmes on television telling us what type of food to eat and what not to eat, I think that can be a very effective means of getting through to the people because, Mr. Chairman, everybody has a television. Whether he is on Social Services or not, he has a television. And that would be one good way to get through to the people -

AN HON. MEMBER: Coloured television.

MR. GILLETT: It could be colour. I do not have one but many of them do.

AN HON. MEMBER: Inaudible.

MR. GILLETT: No. But I just have not bothered actually. But, Mr. Chairman, a great deal of work needs to be done. And I agree with both the honourable minister and my colleague for Bell Island, a great deal of work needs to be done in this area. This is a very, very important area because as costs increase, as our technology improves there is not going to be a comfortable position, a comfortable place, there is not going to be a comfortable pew in tomorrow's way of living for a long term recipient.

AN HON. MEMBER: Long term -

MR. GILLETT: Yes. You know, or short term. Well long term is a person who is ill, and actually he should be taken care of by Medicare. But be that as it may. So there is a great deal of teaching. I only hope that with our modern schools and with our well equipped schools that the children who are coming up today will see the error of the ways of their parents. Because, let us face it, Mr. Chairman, we have a tremendous

amount of delinquent parents in Newfoundland. I was wondering when the honourable minister mentioned about how many of the children they had managed to return to their homes. And I was wondering whether there was a reconciliation in that home, if it was brought about by the Department of Social Services or whether it was brought about by the churches or what? Or a combination of both? And I am wondering now if the children since they are back if they are reunited and if they are happily reunited or whether or not they would be better off in foster homes where they would receive love and attention, and perhaps better care and nourishment and all the rest of it.

Then there was some mention made of the Meals on Wheels. Now I believe the hospital in Grand Falls is doing just that. But I would say that is for out-patients more than for people who are in need because of Social Services. If that is the case, then I think, of course, again this is something that our churches should be doing. Churches on the Mainland do it. It seems to me that everything is left to the governments today. The government has to do every little thing. The churches are falling behind tremendously.

AN HON. MEMBER: Hear! Hear!

MR. GILLETT: Perhaps it is relevant to the discussion today, Mr. Chairman, because as I say this is a very important area and it deals with our people, and the wealth of any nation lies in its people. But we had a church meeting not too long ago in Twillingate and the question was brought up about the young people not going to church, and not going to Sunday School, because they were up in the Stadium. And I said, well if that is where they are in the Stadium that is where the minister should be Sunday afternoons. If he wants

to give the influence of the church, that is where he should be.

AN HON. MEMBER: Inaudible.

MR. GILLETT: Sure. Exactly. That is where he should be. If they are not coming to church, they are not going to be influenced by him. So he has to take his influence to them.

AN HON. MEMBER: Inaudible.

MR. GILLETT: That is right. That is right. So, I think, Mr. Chairman, that too much is left to the government to do. I hope that some of these things such as Meals on Wheels, if they are necessary and essential, will be taken care of by the chures.

Then I think the last thing that was mentioned was the supply of eyeglasses. Here again, that is to people who can ill afford it, and when it is once determined that they cannot afford eyeglasses, they are teetallers, they are trying to spend every cent of their Social Services money that they get, the mother is darning the socks and so on and so forth, they do not play bingo, they do not go to the tavern, they do not go to the Canadian Legion, they do not go to the dances, they do not do any of these things, they are the people who are in need and I say give them eyeglasses by all means.

But here again, Mr. Chairman, we have service clubs enough in this Province. They are not necessary really, they should not have been necessary. What they are trying to do now the churches should be doing. But nevertheless we do have them here, the Lions, the Kiwanis, all of these. The Lions Club, of which I am a member, and a charter member of the club in Twillingate, our motto has always been, the Lions International to supply eyeglasses to needy people and we have done just that.

So I would say to those who are within hearing distance of my voice now, those who are really in need of glasses, go to your service clubs. There you will, I can assure them, that they will receive a sympathetic hearing, they will receive their eyeglasses. They will not have to go through any irregularities. They will not have to be

told by the Department of Social Services, I am sorry we do not have a programme for you. Because the service clubs do.

MR. NEARY: There will be a sudden flow of applications tomorrow.

MR. GILLETT: But I hope they do. But they will have to be needy, of course. I hope they do. That is what those service clubs are there for.

MR. NEARY: Inaudible.

MR. GILLETT: Any of them and all of them. That is what they are there for. They do a lot of good. Do not underestimate that. They do a heck of a lot of good, but on the other hand some of the money that they have to channel into other places should go into eyeglasses for people.

But, Mr. Chairman, perhaps as we go along we can deal with some other items that might come to mind but I felt that I could not let this go by without mentioning and sort of expelling my ideas on this department. Because it is, as I look around and having grown up where I did and when I did, I can appreciate it, believe me, much more than perhaps many of the honourable members who are sitting around here now. I have seen the necessity. I have helped in it. And I say again, Mr. Chairman, that this department is a very important department. I am very proud of the fact that for three and a half years my honourable friend had the honour of heading that department.

He mentions about the greatest thing that he has ever done, that he ever will achieve, perhaps, in public life is the introduction of the programme of the adoption of children. I think behind him, Mr. Chairman, was somebody else. Because behind most men there is a woman and I think that his wife was greatly responsible for influencing him in that respect. I have heard the remarks which he made and I thought that her influence was behind him in this instance. And I think you will have to agree with me here, I am not giving any secrets of his family life here.

But, Mr. Chairman, I do want

to go on record as supporting any effort of this department and the minister who is responsible for it, particularly in helping those who are in need.

MR. MURPHY: I want to thank the honourable Member from Twillingate and I must say when someone is just a little junior to myself talks about the old times, it makes me feel a little bit nostalgic. Again, Sir, and possibly this is the only head that we will do today and I would just like to because it is a very important department, Sir, and one that we are very proud, so I do not want to rush it, but I would just like to acknowledge the honourable gentleman's worries, like the incapable of spending money, Sir. We are aware of that as everybody is and what happens in the first instance, of course, the check is issued to the father. If it is approved to our satisfaction, and this is a thing that has been going on, it is not an innovation, then we make the check payable to the mother who has the right to receive the check.

If we do get complaints, Sir, and look, I would like to say here now to everybody in this honourable House, if they are aware of any family in their own area where they feel that the monies received from this department are being channelled into areas other than to look after the welfare of their children, feel free to contact the welfare officer or contact my department. That is what we are here for, Sir, and then we will establish a trustee, whether it be the welfare officer in the district, it might be the honourable member, it might be one of a group in the area. We say, look, these persons cannot look after these children. We would ask you to do so and the check will go to them.

So, all we want is to make sure that the monies that we provide, particularly for children, are spent to the best advantage of the children in that family. Again, we come back, Sir, to the point I think the honourable member raised about the nutrition and counselling. I think this has got to become a part very soon of our department and I will say

this, Sir, that because of the fact now that there is such a tremendous decrease in the number of cases, not long term, that will always remain just about stable, about 35,000 to 40,000 people, about sixty per cent of our case load is long term, because of the fact, Sir, they are out of the work area. They cannot work, so we will have to look after them, but, and I might say this with some pride and I do not want to be political but I think we should take a little pride in what we have done, that in January, I think, 1972, our case load was 9,800 cases. That is, incidentally, was about the time that we came in, 9,800 cases.

AN HONOURABLE MEMBER: That is short term, is it?

MR. MURPHY: That is short term, those who could work, 9,800 cases, And today in February, not today, but February of this year there was a total of 4,800 cases. So, that is 5,000 cases possibly involving 20,000 people, men, women and children who today are providing for themselves rather than you and I, the taxpayers taking it out of our pockets. Now, I think, Sir, that is what this government is aiming at and that is why sometimes I may, Sir, get just a little bit upset when someone roars about the great number of unemployed in this Province. Now, Sir, whether they are unemployed, whether they have not got a job on the waterfront or in the store, the fact remains this, that of all this tragedy that is happening in this Province, only 4,800 cases are reduced to the fact that they have got to come to our department for the taxpayer to help him. Now, the taxpayer will help him in some other way and here is a case. Unemployment insurance benefits, we talk about social payments, we talk about, now this is unemployment insurance benefits, I have been arguing in Ottawa for three years, let us set up an employment insurance where if I lose my job here, I would get a job over there. In other words, be productive. In this little Province of ours where we are so far behind, Sir, we are looking for water and sewerage, we are looking for a paved road, we are looking for a well. Listen, in 1974, Sir, \$114 million was spent in unemployment

insurance. When your job terminated, here, go home and we will send you a check every week for \$90 or \$100. Now, all right, no sweat. You say I paid for that, but is not someone going to say at some time there is work to be done. Let us make an employment insurance so if I lose my job with A, I am guaranteed a job with B, and that B would be some kind of a crown corporation or something that would provide work for wages, not for dole orders, Sir, for a good wage.

Just to go on, Sir,



in social assistance last year it was \$43,785,000. I am not talking about Canada Pension which was \$7 million, Old Age Security, \$70 million, family allowances, \$54 million, workmen's compensation, \$7 million and D.V.A., \$8 million. I am not talking about these at all. I am talking about the unemployment insurance and welfare as such that we give out, \$43 million of which I would say about \$25 million was paid to able-bodied people. So, we put the \$25 million with the \$114 million and with your LIP programmes and your this and your that and the other thing, Sir, you would have in the area of \$150 million that is paid to people to stay home, do what they like, social services of some kind. That would provide, Sir, 20,000 jobs in this Province at \$7,500 a year. That is not too bad, a raise of \$3.50 or \$3.60 an hour to do productive work, Sir.

When is the world going to realize, and particularly the Provinces like Newfoundland, that let us have an Employment Insurance Programme, not unemployment. I am speaking of this, Sir, because -  
AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: Is it that? I am not sure. But, it ties in so closely with my department, Sir, where I have young men in their twenties coming in, and in their thirties and everything else, coming in looking for assistance. I say, look, why do you not go to work? Where am I going to get a job? Now, we have placed some 1,454 in jobs of some kind. But, imagine, Sir, imagine if men like the honourable Minister of Fisheries or any minister on this side had \$150 million to provide employment and promote this Province. What a beautiful place to live! God help us! Not a worry in the world. Not a worry in the world, Sir.

So, I just thought I would bring that up, Sir, when the honourable gentleman talked about people receiving their check every month. As I say, 20,000 at \$7,500 a year, Sir, there is your \$150 million looked after there, everybody doing something, paving roads. You would have a second heaven. No sweat about it, perfect. But, who thinks of that? You know are we afraid to say to someone, look, you are finishing up over here. Now, because of the fact that you are at the end of this



one, we have got another job over here. What are we afraid of?

We are talking today of minimum wages. I heard again the President of the Federation of Labour talking about \$4.00 an hour minimum wage, an hour. I started work in 1929 at \$4.00 a week for sixty hours. We have come a long way. But, are we come that way that we can afford in this little Province to say to the people, here you are in Alberta looking for people to work, Sir. I suggested one time that my employment opportunities crowd help people to find a job in Alberta. I was branded as trying to move all the people off the Island because I tried to get someone a job. So, you know, this is what you have to fight with, Sir. Unless we all face it - I do not care if you are on that side or this side - if we are going to survive, if we are going to survive, no longer can we afford to shovel the money out. We cannot do it anymore. We just cannot do it, Sir. We have got to be more productive, more productive.

Just one other thing here. When the honourable gentleman was talking, the honourable gentleman spoke about the churches, what the churches should be doing. I can only say - I am not defending the churches or any other churches - who are the churches? Is it the parish priest? Is it the minister at Twillingate? You know, do you expect him to do it? But, you are the people. You are not the pope, as the honourable Member for Bell Island says. The churches - sure the church is a tremendous vehicle, perhaps, for a fellow to work in. They assist us in many ways. But, I do not think they work closely enough with our department.

Everybody has their own little charity. You mentioned the service club, Sir. Unfortunately, I have not got a statement ready yet on this distribution, the food we had, Sir, but many service clubs dug in and donated their helpers. You know, community service to help others who cannot help themselves. We are ready at any time, Sir. I want to thank the honourable gentleman too for his comments on the thing because it is a problem, not only for my department but every member has got his problems. We handled I do not know how many thousand enquiries down there, Sir, and we are trying to set it up that your problem

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with your member will be looked after the same day, not a week after, but the same day. That is the kind of community agencies we are trying to set up, Sir.

So aside, so aside, my mail, I will say, has gone from 100, figuratively speaking, per cent down to ten per cent because of the job, Sir, that we are trying to do, because we have done away with the handouts and because we have tried to make people get some self-respect and say, look, here is a job. Go to work. If you do not, forget it. We will look after your

children but, you know. So that is the only thing that I can add to that.

MR. CHAIRMAN: Shall 801-01 carry?

On motion 801-01 carried.

On motion 801-02 through 805 carried.

MR. CHAIRMAN: Shall 806-01 carry?

MR. NEARY: I wonder if the minister could tell us now the names of the members of the Appeal Board? And how many appeals were heard in the last year or so? And if the Appeal Board moves outside of St. John's or if clients can come in to St. John's, you know, at the expense of the department?

MR. MURPHY: As far as the Appeal Board is concerned, Sir, Mr. Marcus George is the Chairman.

AN HON. MEMBER: Inaudible.

MR. MURPHY: I beg your pardon? He is doing a good job. It just goes to show that there is some good in everybody. Mr. Bernard MacDonald and Mrs. Justine McCarthy, 13 Mitchell Court.

AN HON. MEMBER: Inaudible.

MR. MURPHY: Now in addition to that we - as the member said we travel now. We go to Corner Brook, Grand Falls, and so on and so forth. So we set up -

AN HON. MEMBER: Inaudible.

MR. MURPHY: Whenever they - you know, if they get four or five cases it could be twice a month possibly, but depending on the load - they may not go out.

AN HON. MEMBER: Inaudible.

MR. MURPHY: I have the whole thing here now. But we have alternate members now, Mr. Thomas Fitzpatrick, 4 Roche Street, Mr. Norman Gabriel, Corner Brook, and Mr. Clem Thorne Grand Falls. They are alternates if one of the others can not travel. Now the number of appeals 1973-1974 they had twenty-four meetings to hear appeals, and there were seventy-six, and 1974-1975 only thirteen meetings with twenty-one. So they are certainly happy with the new minister. There is no need to appeal to him at all.

AN HON. MEMBER: Inaudible.

MR. MURPHY: That is a good job I am doing. Next year there will not be one. I mean, I hate like hell to brag, Mr. Chairman, but, you know, facts are facts.

AN HON. MEMBER: Carried.

MR. NEARY: You know, this is nothing to boast about because judging by the number of complaints that members of the House of Assembly get that somehow or other there has been a breakdown in communications between the recipient and the Appeals Board. Because, you know, I am not sure whether a lot of these people are aware of their rights and whether they can appeal and how they can appeal, and how they can be assisted in making their appeals and so forth. You know, there seems to be something -

MR. MURPHY: Perhaps there is something I might add.

MR. NEARY: Okay, sure.

MR. MURPHY: On the protest, you know, it is like protesting a call in baseball and hockey, you cannot protest the rules. You can protest the judgment but not the rule, if you know what I mean.

AN HON. MEMBER: Oh, that is right.

MR. MURPHY: So the Administrative Review Committee in 1973-1974 had 284 cases.

MR. NEARY: Oh that is better. Okay that is better.

MR. MURPHY: Right! And in 1974-1975, 164 just down about half. So each year the Tories are getting into it, the appeals are dropping off -

MR. NEARY: No! The appeals are practically doubled have they not?

MR. MURPHY: No! From seventy-six down to twenty-one in the past year.

MR. NEARY: No, no! But the Administrative Review Committee.

MR. MURPHY: Oh, yes. No 284 down to 164.

MR. NEARY: When was it 164?

MR. MURPHY: This year.

AN HON. MEMBER: Tory times.

MR. MURPHY: Twelve appeals were allowed -

MR. NEARY: They have thrown up their arms. They know that they cannot get any results ....

MR. MURPHY: Twelve appeals were allowed, you know, were upheld by the Appeal Board out of the total -

MR. NEARY: Twelve recipient won their cases.

MR. MURPHY: That is right.

MR. CHAIRMAN: Shall 806-01 carry?

On motion 806-01 carried.

On motion 806-02-01 through 03-02 carried.

MR. CHAIRMAN: Shall 806-03-03 carry?

MR. NEARY: The minister especially, but I believe other members of the administration have sort of

gone on public record as promising the blind persons that something would be done to increase their allowances and we have not yet heard an announcement that the blind people were going to get any additional assistance. We have heard complaints from the blind people recently. So I wonder if the minister could enlighten us now as to what is taking place concerning blind persons' allowances?

MR. MURPHY: With reference to that - and I refute the charge again as I did a week or so ago, nobody but nobody in my department promised anybody that they would get an extra allowance. Now as I said, we all say we will do our best for you, which we have done. As far as the blind persons' allowance, and let me clear up some misconception here, we talk about \$75 a month blind allowance. That does not apply to every blind person. If that blind person is in need and needs assistance, they will get it. There are 1,000 blind in Newfoundland, there are 1,000 blind persons in Newfoundland, 400 get assistance of some kind.

There are 1,000 blind people in Newfoundland. Of that 1,000, 400 get assistance of some kind from government, out of that 400 only 243 of these take the blind persons' allowance which is \$75, the balance get the social assistance because it is much higher. And I may say again, as I have said, some three years ago the federal government decided, the federal department, that they would phase out all these special allowances. As they say, the allowance will be need only, the reason for the need. So I think we are into our third or fourth year, what is it, five years?

AN HON. MEMBER: Six years to go.

MR. MURPHY: Six years to go and then there will be no such thing as a blind -

MR. NEARY: This is the argument. Blind people think that the social assistance should be spent on top of their \$75.

MR. MURPHY: Yes, well quite frankly we feel much the same, as I think every minister across feels that the blind should need a little more.

And also you talked about the amputees, they should need a little more, the diabetics you know, so when you start to get into special cases where do you stop. But basically they have our sympathy but at the present time that is as far as we go with it.

On motion 03, carried.

MR. HICKEY: 807-01 Before we carry that I wonder if the minister would tell the House in a brief way just how the division is making out. I asked a question because I have a particular interest in it, having had the privilege of working with that programme in the very early stages of it and introducing the Rehabilitation Division and giving it some real meaning. Certainly I am in no way taking any credit for the strides that have been made because it was really just getting off the ground. It is an area that, as far as I am concerned, Mr. Chairman, is probably one of the most important under the Social Assistance heading at least, probably equally child welfare, which as we all know is very, very important.

But this area, Mr. Chairman, to my mind provides the real opportunity for people who, through no fault of their own, find themselves in receipt of assistance, who are desirous of working, of helping themselves and providing for their family, who need guidance and counselling and who need just plain assistance to find employment and to get off of assistance. And Mr. Chairman, people are very quick to condemn some of those who are on assistance, even some of those who are on assistance for a long time, that they are lazy and this and that, I have always contended, Mr. Chairman, that this is not so, that the very, very small minority who do not want employment is not worth commenting on. By and large Newfoundlanders today are still industrious, still desirous of full employment, of providing for their families, and I think that this programme is probably, if not today, in a very short time will come into its own to be one of the most important facets of the whole social programme that this government and indeed the governments before it, have ever introduced.

I think it will, and I think it is, providing the real opportunity for people to lift themselves out of a state of dependency, slow though the progress may be, but eventually

reaching full employment, thereby restoring their initiative, providing for their families and, Mr. Chairman, I do not think there is anything that one can do for a man who has a family or a woman who has widow status and who has children, if they can even make a contribution to support their families, I think it makes all the difference in the world. I cannot repeat often enough, Mr. Chairman, that to my mind this is a real issue in the whole social programme. I wonder if the minister would comment on just what progress has been made and how successful it has been?

MR. MURPHY: I am very happy to, Mr. Chairman. Actually, and I will try to be as brief as I can on it, I did say in my opening statement, employment opportunities, that we had assisted some 1,454 people to place them in employment and I will just repeat it. Permanent employment, 545; temporary, 812; and vocational training which we call getting them into something to get them ready for employment, a total of 1,454. Now, we appointed five special project officers and these are people that keep their eyes open for LIP projects or work activity that someone is starting, like the Linerboard mill, for example. Here I will repeat what I did repeat before with Mr. Crosbie's, with the honourable minister's assistant at the time, I think Mr. Cochrane, I do not know if he still there, Sir, that we worked very closely there in the Stephenville area and we had people who otherwise would have been just brushed aside - the poor welfare fellow does not want to work! A special effort was made through Mr. Cochrane and through our welfare officers to get these guys out and bring them in and we succeeded in a great number. We have freed up some twenty-five welfare officers, Sir, who are working on this now instead of just passing out dole orders. Our work load is down on able body, so we say, look, get the rest of them off welfare.

Just to give us some idea, Sir, I have one report which came to my desk yesterday, look, and this is the eastern region that goes from St. Bernard's in Fortune Bay right back to St. Mary's, Harbour



Grace, so on and so forth, LIP projects. There were a total number of jobs under all these LIP projects of 806 jobs. There were seventy communities in this, Sir, seventy communities, look, 806 jobs through LIP. Out of that, this Mr. Monks, who is our special project officer for the eastern region, placed 267 welfare clients into that. Now I think, it might not look esoteric, but I would say, Sir, that three, two, four, five years ago there would not be ten of these people would have been bothered with to go and look for jobs because they were in the comfortable pew. They were just getting their check every month. But stimulation, and it is more leading than driving, Sir, we want someone to take these people because they have been subjected for a long while under this social area where they had not worked and had got out of the habit.

So, what we want is leaders to bring these people out, Sir, and in answer to your question, Sir, and in answer to your question, Sir, and I hope this will work, at any time if there is anybody who would like to examine any of this, if there are any projects they feel that they can let us know about, feel free. I do not care what part of the Province it is. We are all Newfoundlanders. No matter what side of the House, I think we are all working for the same purpose, to try to help our people. So, feel free anytime, if you think sometime is opening, let us know and we will get the boys working and I think, honestly, gentlemen, that is a tremendous effort, seventy communities in each one, there might have been only one in one community or one somewhere else. This is if anybody wants to see it anytime, but there were 267 who, in my opinion, would have been just brushed aside by the tide and left on the beach to wither, if you like, are now put into some kind, it might be only temporary, it might be a LIP project as my friend opposite takes great pleasure in saying, that this federal money, it is a LIP project, but we have in all the stores at the Avalon Mall and on Water Street that if you get a dollar from Ottawa, they will change it and give you 100 cents

the same as if you get it from the Provincial Government here or anywhere and that is a fact. That is true, yes. I did not know if you were aware of that, but that is a fact.

MR. CHAIRMAN: The Member for Labrador North.

MR. WOODWARD: Mr. Chairman, if I may be permitted, I might not be relevant to the subhead that we are on. I have just a few, brief general questions and remarks that I would like to make and if the minister would care to tell the Committee. One of the great problems, I think, in the inequities that exist within welfare systems really exists in Labrador and government policy is not consistent in every respect with regards to employment.

We see fit to pay civil servants and a number of people who are employed in sections of Labrador living allowance and Northern allowance over and above the normal wage scale.

AN HON. MEMBER: A hard lying allowance.

MR. WOODWARD: It is not a hard lying allowance. The hard lying days are gone. We are far better off today than you are. We are not hard lying, neither are we living under those conditions. But when you see that the welfare rates are the people live in the same climatic conditions which the minister have not seen fit - and one of the recommendations of the Royal Commission on Labrador is the fact that the Commission recommends that the Province provide a higher rate of social assistance to recipients in Labrador in recognition of the higher expenditures on food and clothing only, and that this increase should be ten per cent which is approximately the average additional expenditure between St. John's and Labrador. But the government on one hand - what I am saying, Mr. Chairman, I am sure you will agree that it makes sense - the government on one hand will send a civil servant up to Labrador who normally is employed here in St. John's and automatically his pay increases by \$40.00 a month or \$60.00 a month because of the fact that it is a higher cost of living. But your department is not recognizing this fact for your recipients, your welfare recipients. And I suspect, Mr. Chairman, that there is some, not discrimination in a sense, but some inequity that exist in this particular case. And I think the minister should review, or his department should review - it is largely due to the longer Winters and the climatic conditions where the cost is very much higher.

The other thing that is related to this, Mr. Chairman, is that the Commission recommends that an allowance to be paid to recipients in Labrador to determine the basis of the actual cost of utilities like maintenance and fuel and adjust to the basis of the recipients actual circumstances. In this case here, and when you look in most of the Northern communities, and I am not sure of the time that the additional allowance goes into effect as far as the fuel is concerned, I think there is some differential between here and Labrador, there is a \$15.00 a month, or something like that, fuel allowance increase for a period of time

during the Winter, a six month period, which in lots of cases, Mr. Chairman, is not sufficient when you go North to communities such as Nain, and the Northern Coastal communities, where we get very, very low temperatures, and our Winter sets in in October and then we have a heating season that goes all the way through the place up until, possibly some years, in May, which is a period of eight months in a lot of cases. Now this is the type of thing that we are detecting in this respect.

The other thing because of the native people and the ethnic groups that exist in Labrador, the Commission has recommended that on the federal-provincial agreement for Northern Labrador that arrangements have been made for an appointment of Family Counselling and Child Welfare Specialists to each of the Northern Labrador communities and North West River with particular attention to personal and professional qualities required. Now we are running into that same type of situation with the education system, with the schools, and the minister I am sure will run into it with his department. We have a group of people that you cannot communicate with because of the language problems. Much of his work done through his welfare officers is indeed through interpreters or someone else. So they are not really getting - so this is where we feel that specialists should be brought into play and then again we should have trained people in the community that can deal - and this is a very real problem, but it is not reckoned throughout.

You know, in all respect to the minister, I do not think the minister has been North of Goose Bay, in the Nain-Hopedale area where we have most of our native people. So

if the minister was there, I am sure, and went throughout the communities and visited with the communities, we are not only seeing a problem as far as welfare is concerned, but we are seeing the problem of people not really understanding and not adjusting to our type of society and people who are not familiar with the community type living, because they have been brought in recently from the most remote areas and brought together in a community and when you see it all put together then you get a better outlook on what is happening and you can detect this by going through the communities. There are a number of things that happened that I am not going to bring to light in the Committee today.

But these are real problems that we are going to be faced with. I would like to hear the minister's views on how he is going to reckon with those problems or if his department has any policy or any means whereby they can deal and try to improve the situation that we have today.

MR. MURPHY: Mr. Chairman, I am very happy indeed to respond to the honourable Member for Labrador North, particularly in view of the fact that only yesterday morning I had two gentlemen in my office, Mr. Andrews, Etienne Andrews, who is the Vice-President of the, I think he is Chief of the native band in North West, and also Tony -

MR. WOODWARD: Tony Penuisha.

MR. MURPHY: - Tony Penuisha, and we had quite a discussion on these things and the question arose as to discrimination. Now I had not heard this from the member, I had not been aware. He tells me that not one of the Indians in Northwest get paid by cheque, that they all now - this is not to my knowledge but I am investigating the thing. I have no word back. I do not know if the member has heard it but this was the complaint came, so anyhow this is it. This is being investigated.

As far as the social areas of Labrador is concerned, we have permission for five social workers, new social workers, we have one for Nain, Hopedale, Makkovik, Davis Inlet and North West. Now -

MR. WOODWARD: Some of those names have changed.

MR. MURPHY: No, but all right, the member thought the name was changed, now he is the member for the district -

MR. WOODWARD: Inaudible.

MR. MURPHY: Now look let me get just a little bit critical of what is happening here. Everybody sits back and says, this is happening, what is the member doing about it? Will he find a house for me? Will he find a house for me tomorrow in Nain? Well I have two people, a man and a wife, to go in there. I have been through Education. Will the member go up and get a house for me to put two people in there? Will someone do it for me? We are talking about special needs for Labrador, we give them \$15 a month extra for six months of the year. What do we do for Flowers Cove or any of these areas? How much colder can you get than it has been here in St. John's when it goes three or four below zero, in a house that is burning oil? What about food?

In Hopedale I could buy sugar for ninety cents a five pound bag and I paid \$2.65 for it here in the Avalon Mall at the same time. You know, we talk about it but do not let us use Labrador or Indians or Eskimos anymore to me. Let us talk about people's needs and let everybody share the same, Newfoundlanders. We are in St. John's Centre down there, we starved for years. We could not cut a stick of wood. We could not catch a fish, or anything else. And here were people talking about the poor people in the outports. Let us be practical, Sir.

AN HON. MEMBER: Inaudible.

MR. MURPHY: Let us be practical, Sir. Let us be practical. You are the member now for five years. Have you come up with anything yet to help these people or have you done, as the honourable member next says, leave it to the government? Leave it to the government. Will you tell me something that we can do about it? We have five men appointed, five special men to go in there. We have three now, ready to go in there now. I have a man and his wife who will go into Hopedale tomorrow, I cannot get any place for them to live. What can we do about it?

MR. WOODWARD: Build a house for them.

MR. MURPHY: Build a house for them. No sweat at all. We sent a

portable home up there, when was it, last year, and they could not unload the thing off the steamer, they had to bring it back. The facilities were not there to do it, a mobile home.

MR. WOODWARD: You should have asked me to do it, I would have done it for you.

MR. MURPHY: Well, all right. I will get the honourable member on Monday, make a note, the honourable member on Monday. He will cure all our problems. He can sit over there, no sweat at all, no sweat to it. We are fully aware, Sir, of the problems in Labrador and as I said, and I thank the government for it, they gave me five special people to go into Labrador, in these areas I mentioned to do the job that the honourable member is talking about. We are trying to do it. We have a great social problem. We have a great social problem in Labrador.

You know, you can sit back. You can smile. You can point your finger or wave your hand but when you are talking about Davis Inlet or North West River, you are not talking about conditions that we ordinary run into, Sir, and I am saying that.



Whatever about that report, Sir, everybody - we have done our work on it. We have surveyed what we had. Everybody under the department has been asked to do it. We are just waiting now for to establish the whole question of Labrador. I can just say this, Sir, that you get a \$15.00 a month fuel allowance. As I say, in my opinion, I think the people down on the Great Northern Peninsula are as much entitled to \$15.00 as they are in Cartwright or anywhere else. Quite frankly, I feel they are.

AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: What is the difference?

AN HONOURABLE MEMBER: Inaudible.

MR. MURPHY: Yes, perhaps four degrees, but when you get five below zero, Sir, you can either freeze to death or freeze to death twice. That is the difference. But, that is the answer we are working on, and I would like to meet with the member on Monday if he was there for ten minutes, to talk about his district. Let us go into the whole thing.

On motion 807-01 to 808-02-03 carried.

MR. CROSBIE: Mr. Chairman, I do not think that we can leave the estimates of the honourable minister without congratulating him on the tremendous progress there has been in his department in the last two years. The document he filed here today showing what has happened in that department should go to every household because the honourable gentleman, his heart is certainly far bigger than his brain. He is all heart. He is all heart, Mr. Chairman. What we want to do is congratulate the honourable minister who has a difficult portfolio and who has really revolutionized it in the last two years.

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

MR. CHAIRMAN (NEARY): Mr. Speaker, I hope - maybe coming events cast their shadows before them. Sir, this is the second time I have had the privilege and the honour of doing this today.

The Committee of Supply, Sir, have considered the matters to them referred and report having passed the following heads of expenditure. Head XII, Forestry and Agriculture, all items passed with some amendment.



Head VIII, Social Services, all items passed without amendment. The Committee ask leave to sit again.

MR. SPEAKER: The Chairman of Committee of Supply reports that they have considered the matters to them referred and have passed the following heads of expenditure. Head XII, Forestry and Agriculture, all items with some amendment. Head VIII, Social Services, all items and ask leave to sit again.

On motion report received and adopted. Committee ordered to sit again on tomorrow.

MR. CROSBIE: Mr. Speaker, I move that the remaining Orders of the Day do stand deferred and that this House do now adjourn until Monday, April 14 at eleven o'clock in the forenoon, eleven of the clock, in the forenoon.

On motion that the House at its rising do now adjourn until tomorrow, Monday, April 14 at eleven of the clock.

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