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# **VERBATIM REPORT**

**TUESDAY, APRIL 13, 1971**

**SPEAKER: THE HONOURABLE GEORGE W. CLARKE**

The House met at 11:00 A.M.

Mr. Speaker in the Chair.

PETITIONS:

HON. W.N. ROWE (MINISTER OF COMMUNITY AND SOCIAL DEVELOPMENT): Mr. Speaker, I beg leave to present to this hon. House a petition which I have received from the good people of Westport and Purbeck's Cove in the district of White Bay South. The text of the petition is as follows: "We the undersigned persons who find it necessary to commute frequently and regularly over the section of road from the Baie Verte highway to Westport and Purbeck's Cove are concerned about the inconvenience and hazard involved because of the narrow, hilly and winding nature of the road. We all agree that this vital link with Westport and Purbeck's Cove merits immediate attention and action by the authorities. It is the prayer of your petitioners that a programme of upgrading and improving be commenced in the forthcoming construction season and that this programme be continued until the total length of the road is brought up to an acceptable standard for secondary roads."

The petition, Mr. Speaker, is signed by 196 residents of those two communities which represents by far the majority of the voters of Purbeck's Cove and Westport. So I have no hesitation whatsoever in supporting this petition, the prayer of this petition, as a matter of fact I support it wholeheartily. Ever since Bowaters pulled out of operations in the Westport and Purbeck's Cove area, some five or six years ago, the whole area has been somewhat depressed and all the workers in those two communities are forced of necessity to go elsewhere to seek employment. So we are talking about a road which is not merely used for pleasurable purposes of driving back and forth on a Sunday afternoon, we are talking about a road which is vitally necessary for the bread and butter of the people of Westport and Purbeck's Cove.

I support the petition wholeheartily, Mr. Speaker, and I move that it be received by this hon. House and referred to the department to which it relates.

HON. F.W. ROWE (MINISTER OF EDUCATION AND YOUTH): Mr. Speaker, I would like to support the prayer of that petition. The people of Purbeck's Cove are living in one of the historic communities of that great bay, White Bay, and, as the member for the district has pointed out, they have suffered reverses entirely beyond their control in recent years, I have said this here before and I would like to repeat it; that the reverses that such communities have suffered it seems to me could be avoid if the parties concerned entered into long-term planning in respect of their woods operations. I do not think that any company big or small has the right to go into an area, this is very pertinent to this petition, Mr. Speaker, has a right to go into an area and build up a community and encourage certain standards to be adopted and encourage people to settle there and build homes and improve their homes for ten or twelve or fifteen years and then overnight pull the economic rug from under their feet and leave the community derelict, and that is what has happened with some of these communities.

MR. ROWE (F.W.): Yes, the Premier reminds me, Mr. Speaker, that other Provinces have had this problem and are trying to face up to it by Legislation. In the case of Ontario they are now stating that companies carrying on operations of this kind must give a fair degree of warning to the communities concerned. That has not been done in respect of a number of communities in Newfoundland, especially in White Bay South and White Bay North too, I might add.

The people of Westport, Mr. Speaker, and I do not say this as a matter of idle flattery, the people of Westport constitute one of the finest groups of people in this entire Province, and within Westport, of course, I include the adjoining smaller community of Purbeck's Cove That road that they have there which was originally a woods road and some years ago we had it improved on and a portion built to link up Westport and Purbeck's Cove with the main Baie Verte highway, that road is still only a woods road and there is no doubt in my mind that the economic survival of Westport and the adjoining communities depends on an improvement

MR. ROWE (F.W.):

to communications in that area.

I would like to support that petition. It gives me great pleasure both as a matter of sentiment and as a matter of practical economics to support that petition from my former constituents in White Bay South.

MR. J.C. CROSBIE: Mr. Speaker, I would like to speak in support of the petition also. What is requested in the petition is something that people have come to expect these days and should have and in view of the great plans which the Minister of Community and Social Development has under his department. As evidenced at the recent Development Conference, there is no reason to believe that the Government would not carry out that work this year, there being plenty of money available for all kinds of purposes including this one.

In connection with the companies giving notice when they are going to cease operations in any particular area, the hon. Minister of Education has mentioned that some Provinces have Legislation . requiring this to be done. The question that must then be asked is, why not this Government? If it is a good suggestion, if it is something worth doing, and I think it is, that companies should be required to give notice when they are going to cease operations, perhaps at least a years notice so people can get ready for it, if other Provinces have similar Legislation there is no reason why this House cannot pass similar Legislation also. The matter lies in the hands of the Government, Mr. Speaker, there is no reason why we cannot pass that kind of Legislation at this session and, in view of the fact that the Minister supports it and the Premier has suggested it, we will expect that there will be Legislation along these lines introduced at this session of the House, and we certainly hope so.

HON. E.M. ROBERTS (MINISTER OF HEALTH): Mr. Speaker, in speaking in support of the petition which, of course, I do gladly, not only in the interest of my friend and colleague but also in support of the suggestion which the hon. member for St. John's West has just made. I am not supporting his suggestion, I am supporting his support of our thinking. We have not said anything about it publicly but, Mr. Speaker, in my own constituency, the

MR. ROBERTS:

community of Main Brook, which exists solely by virtue of the fact Bowaters had an operation there, solely because of that. There is no other reason why people ever lived in Main Brook. Main Brook is now under some sort of death sentence because Bowaters are trying to make up their mind whether they can operate or not this year, in that area. Now I do not want to criticize Bowaters unfairly, they are in business to make a profit they have no other reason for existence, but for some months now my colleagues and I have been looking at this. The Province of Ontario has Legislation, it is not yet in force but it has recently been brought in or it is before their Legislature, we have been looking at this. It is not a matter, as Your Honour will appreciate, that we could rush into quickly. When a company has economic reason for something, you know, in the long run it must do what is economic or the company will cease to exist.

However, the Government have for some time felt that we should no longer tolerate this business of companies arbitrarily, unilaterally, without notice, closing out. My hon. friend in White Bay South has had the problem, the hon. gentleman from St. Barbe South is quite familiar with it, the member for St. Barbe North, my colleague, my own area of White Bay North and, as I say, I am now living with it. I was talking to Mr. Ben Pride of Bowaters yesterday about this, Mr. Speaker, and I was in Main Brook a week ago and had a big public meeting of everybody in the community and we talked about it. It is a problem, Mr. Speaker. It is a problem that I think will have to be dealt with in Legislation. The day has come and gone when companies can just close down. If they must close they must close, Mr. Speaker, we must accept the reality but they must be required to give notice. I will say to Bowaters' credit and I do not think Mr. Pride would mind my saying it, he has made it quite clear to me that, if Bowaters do not operate this year in Main Brook, they will be quite happy to make their facilities and their woods limits available to any other company that wishes to go in to start an operation and so, of course, that is the line we are doing.

We are going into that Legislation, how far we will go I cannot

MR. ROBERTS:

say, as it is not something we can rush into. I cannot even say we will bring it in at this session of the House but, if not, Mr. Speaker, we will look forward to bringing it in at the next session.

I am very happy to support the petition.

MR. H. COLLINS: Mr. Speaker, knowing the area which the hon. Minister has introduced the petition from, I would certainly want to give it the support of our group. With regard to the question of the responsibilities of companies, in this case it looks like it is Bowaters, going into an area and widening the economic base and sometimes building up the hopes and the aspirations of the people, I believe the most important consideration is not an economic one altogether but we must also consider the social implications, because a great number of those people invest large sums of monies in homes and stores and what have you, they have become accustomed to a certain level of living, a certain standard of living and to have the economic base cut from under their feet certainly this imposes some very serious social problems. Now whether we can saddle the companies with that responsibility and have them to recognize this and do something about it is debatable, but certainly the Government of today has a definite responsibility in terms of trying to correct the social ills which are caused.

I would hope that the Legislation, which the Minister indicates might be coming before the House, will come in this session so that we will have a chance to have a look at it.

It gives me great pleasure to support the petition.

HON. W.R. CALLAHAN (MINISTER OF MINES, AGRICULTURE AND RESOURCES): Mr. Speaker, if I might have a word on this matter also, in support of the petition, primarily to make reference to the matter of the insecurity associated with woods operations, particularly in respect of export, as this is really what we are talking about. This is not a new problem, Mr. Speaker, and it is not a problem that is easily dealt with, but it is a problem that we hope may at least be mitigated and perhaps largely solved for the future, through the means of some things that are under discussion and negotiation leading,

MR. CALLAHAN:

I am confident, to the establishment of the Commercial Forest Corporation recommended by the Rosseau Royal Commission.

One of the possibilities, Mr. Speaker, and the concept is not new generally but it would be quite new in terms of woods operations and particularly export woods operations, is that the Commercial Forest Corporation could in fact become the sole agency for, not only as we intended, shall become, for the co-ordination and planning of Commercial Forest operations but perhaps also, Mr. Speaker, for the export of pulpwood for so long as we export pulpwood from this Province. As the difficulty with export pulpwood is not only with Bowaters, who are in fact required by law to export, and have been for decades, to export a minimum of 50,000 cords of wood a year, unless that requirement be waived in particular circumstances. But it not only is a problem with Bowaters, it is a larger problem, I suggest, with large numbers of small contractors and smaller operators other than the major paper companies, who, when the price of pulpwood on the world market becomes quite high, are very anxious to have operations and, when the price falls, are quite anxious to get out of operations.

So this is the kind of problem, a much broader problem than simply Bowaters in this case, Mr. Speaker. It is the problem of finding, so long as we are exporting and going to export pulpwood, the problem of finding long-term markets and the problem of economic price and economic operation and the problem of the co-ordination of the entire export operation so that there will be stability in it. As I have said, one possibility is that the Commercial Forest Corporation, almost in the same manner as the Canadian Salt Fish Corporation, could become the sole agents for not only the planning and the co-ordination and for overseeing operations but also for the export, for finding the markets and planning, so far as it is possible to plan, the long-term markets for the export of pulpwood from this Province. Again I add, advisedly, so long as we do, in fact, export pulpwood from this Province because the economic advantage is far, far greater to our economy if we can turn this export wood around and use it in our own manufacturing operations in the Province.

MR. CALLAHAN:

I want to assure the House, Mr. Speaker, that the point has not been lost sight of and indeed is very much on our minds and is very much within our thinking, as we move at this moment towards the establishment of the Commercial Forest Corporation, to be responsible in the future for all commercial forest operations, including the export of wood, in order to have some stability in that industry in respect of the particular problem that was raised here this morning.



MR. SPEAKER: On motion petition received.

HON. S. A. NEARY (Minister of Social Services and Rehabilitation): Mr. Speaker, I have the honour to present a petition on behalf of 457 brave and noble citizens of Trinity, Centreville, Wareham and Indian Bay, in that great district of Bonavista North.

The prayer of the petition is that they urgently request the Department of Welfare to give serious consideration to stationing a full-time welfare officer in this area. At present, people are receiving the services of a welfare officer from Wesleyville who spends from one to two days per week in the area. The prayer of the petition goes on, Mr. Speaker, to state that we are not finding fault with the work of the officer but we are convinced that it is beyond the ability of one man to give us the needed services in one to two days per week. I may point out, Mr. Speaker, for the information of hon. members on both sides of the House, that it has been recommended by the district supervisor for that area and his recommendation is presently under consideration, that the suboffice be transferred from Trinity to Centreville.

This town is more central to the area and would mean that clients would not have to travel as far as they do at present. Furthermore, Mr. Speaker, I may point out that the case load for that area has been reduced considerably. This has been estimated by the supervisor to be cut in half, because of the setting up, by my hon. colleague, the Minister of Health, <sup>of</sup> a clinic at Centreville. This means a reduction in the number of transportation orders, written for clients, to visit medical services. Heretofore, Mr. Speaker, these clients were requesting transportation to Gander. We will be keeping a very close watch on the situation and in the near future, when the House closes, Mr. Speaker, I hope to visit the area myself to see if the prayer of the petition is warranted. In the meantime, as I indicated, we will be keeping a close watch on it. I would like to place the petition on the table of the House and have it referred to the department to which it relates. And I note, Mr. Speaker, that the member for the district is not in the House. Perhaps, the leader of the reform group would like to support the petition.

MR. BARBOUR. Being a native son of Bonavista North and on many occasions visiting Centreville and Indian Bay, I may say that I know the people personally. In fact I know them by name, like they know me. I would certainly be very remiss in my duty, as a member for Bonavista Bay, because Bonavista South is in Bonavista Bay and I, being a native of Bonavista Bay, I would indeed be failing in my duty if I did not rise to support the prayer of the petition. I whole-heartedly support it.

MR. J. C. CROSBIE: Mr. Speaker, I warmly endorse the prayer of the petition and hope that the minister will not only consider the matters raised by the good people of Centreville, in that part of Bonavista North, not only consider it, but do something about it. It is very comforting and heartening to know that, when the House adjourns, the minister will take a trip to Bonavista North. Perhaps, he plans to move from the district of Bell Island to some other district. He will take a visit there. That does not reassure the House that there is going to be any action on this request. So, we trust that the petition, which the minister has presented, and by presenting it, he has endorsed it, will result in some action from the minister and not just his consideration.

MR. H. COLLINS: Mr. Speaker, in rising to support the petition, I think we might draw a parallel on what the hon. Minister of Community and Social Development was talking about just now in terms of his district. Indian Bay and that area, as you know, was a section of Bonavista Bay where Bowaters were very active in cutting wood for pulp and paper and also wood for export. That operation has closed down. I would suspect this is a contributing factor to the great number of welfare cases, which the Minister of Social Services and Rehabilitation was mentioning in that particular area. It is a crying shame, Mr. Speaker, when one visits that area of Bonavista Bay and talks with the Rodgers, the Captains Rodgers, the Captains Davis and the Cuttlers and others who were well-known Labrador fishing skippers, who possibly killed more fish than any other Newfoundland skippers around the coast. Those people were residents of the islands in Bonavista Bay; Fair Island,

Mr. Collins.

Flat Island, Gooseberry Island and so on and so forth. They moved to Centreville and Hare Bay and different places and now, of course, find that their means of finding a livelihood or obtaining a livelihood have disappeared. Certainly, this is another area for the Minister of Health to keep in mind, when he talks about legislation to try and copy with and alleviate the serious problems which those people face. It is a shame that we have so many welfare people, welfare recipients there that we have to improve the service for them. I think we should be thinking in terms of trying to remove the cause for this particular type of service.

Certainly, sir, it gives me pleasure, in the meantime, to support the prayer of the petition.

On motion petition received.

HON. F. W. ROWE (Minister of Education): Mr. Speaker, I beg leave to present a petition from the Town of Millertown in the district of Grand Falls. This petition asks for the establishment of a sewer system and of a sewer treatment plant, sewage treatment plant, in that community. I support this petition, not only because it is a valuable and important part of the district of Grand Falls, but I would support it in any case. Any person who has ever been to the Town of Millertown cannot fail to be impressed by the quality of the people there, to be filled with admiration over the way that community has conducted itself and the interest, as well, in the historic background of it. It is one of the two communities in Newfoundland named after the greatest logging entrepreneur in our history, Louis Miller, a Scotchman who came here in the year of 1899 and established the largest, still the largest - I mean no logging enterprise has ever been so large, no lumbering enterprise in our history as that established by Louis Miller. An enterprise, incidentally, which led to the building of two branch railways. I do not think that could be said of any other enterprise. The branch railway to Lewisporte was built in order to facilitate the operation of the Miller Enterprise and the branch railway to Millertown

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itself. Millertown was a town established by Miller, unlike Lewisporte, although Lewisporte is named after Miller, but it was not established by him.

He was thirty years old, when he came there. But Millertown owes its origin to Miller.

It is the nearest approach, Mr. Speaker, to being the exact geographical centre of Newfoundland, that any town can be. It is not in the exact centre, but it is only a few miles from the exact geographical centre of the Island of Newfoundland. It is on a road, incidentally, which serves the great Bay d'Espoir enterprise. It is also on the road which we hope will join up or expected to join up with the south coast at Burgeo. It is one of the few communities in Newfoundland which has, for all practical purposes, never had any able-bodied relief. The people there are loggers, logging contractors and, in recent years, more and more, they have become tourist entrepreneurs. Quite a number of our well-known tourist <sup>caterers</sup> guides and camp operators are domiciled in the Town of Millertown. Anyone who has been there must be impressed by the loveliness of the community itself. It is at the upper end of Red Indian Lake, almost at the exact mouth of the Exploit's River, not the mouth but the source of the Exploit's River. Its position is extremely important. It is what the old geographies would call a "nodal point." It is there at the end of the great lake, the great Red Indian Lake. It is at the beginning of the river. It is almost in the heart of Newfoundland. The people have always enjoyed relatively high standards. It has never had more than a two or three room school there, because of its size. It is not a big community. There are only 500 or 600 souls altogether. But it has had high educational standards, and the number of professional people who have come from Millertown, teachers, clergymen and professional people in Government service, engineers and the like, the number is amazing. It compares favourably with a number of small communities that have distinguished themselves in that regard; communities like Mortan's Harbour, Notre Dame Bay, and King's Cove in Bonavista Bay and so on.

So, I have very great pleasure, Mr. Speaker, in supporting this petition for an improvement in the - they do have a water system there. They

Mr. Rowe (F.W.):

have a paved road connectbn. The road through the town is paved. They have electricity. They have lovely homes there. They are a hard working and independent people. This request for assistance in providing a sewer system - many of them, of course, do have private sewer arrangements there now, but it is typical of the people of Millertown that they are not satisfied with that kind of a system. It is typical of them also that, in asking for a sewer system, a new sewer system, they are also asking for a sewerage treatment plant. That is indicative of their approach to life here in Newfoundland.

I have great pleasure in supporting this petition, signed by some 130 residents of this lovely town of Millertown.

MR. COLLINS: Mr. Speaker, I must agree with the hon. minister, when he says that Millertown has laid claim to a lot of the history of Newfoundland, particularly with regard to the logging industry. I do not know how many hon. members have visited Millertown, but I can assure them that it is one of the loveliest places in Newfoundland, situated on the north side of Red Indian Lake. There are some very fine people, mainly, people from the coast, people where I came from. Certainly, their request, Mr. Speaker is a just one.

MR. SPEAKER: Carried.

MR. COLLINS: Closure again this morning? When the minister says that the people are looking for a sewer system and they are also looking for a sewer treatment plant, certainly, a lot can be said for that; because those of us who have been listening, this last two or three years, to the many problems which are evident on the Red Indian Lake and the Exploit's River, for that matter, certainly must realize that the day has come, whenever we consider sewer disposal for a community, we must also consider sewer treatment. We all know that this is an expensive process but, nevertheless, Mr. Speaker, it is a process which we must consider when we think about dumping sewers into some of the better lakes and streams of the Province.

Certainly, sir, it gives me great pleasure to support the people

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of Millertown in their fight for something which, in my estimation, has been long overdue. I trust that this year, with all of the water and sewer systems which are to be dished out by the Minister of Municipal Affairs and Housing and the Minister of Community and Social Development, that certainly Millertown will receive their share of it.

MR. CROSBIE: Mr. Speaker, I would like to support the petition also.

The previous two speaks have elaborated on the beauties of the Millertown area and that is doubtless true. But I particularly want to support this petition because the problem of sewerage disposal, in many of the medium and smaller size communities, is a terrific one and one that requires a lot of money to overcome. We were pleased, last year, when the Minister of Municipal Affairs and Housing announced a vast water and sewerage programme. Some of that has not been started yet. But there are promises that there will be an elaborate water and sewerage programme this year. The minister's announcement last year reminded one of the old song that: "They Are Moving Father's Grave To Build A Sewer." They are moving it regardless of expense. But any expense in that direction, is money well spent. The minister mentioned that the people of Millertown wanted a sewerage treatment plant. That is very necessary throughout Newfoundland. It is necessary, not only in new installation such as at Millertown, but very, very necessary for cities such as the City of St. John's.

MR. CROSBIE: I believe the City hopes, under the DREE programme, that some money will be available for a sewerage treatment plant, so that raw sewerage will no longer be dumped into the harbour of the City of St. John's. This is very necessary, not only where it is being dumped in the sea water, but even more so, where the sewerage is dumped into rivers and lakes. And I hope that the minister, if he has any elaboration this year of his water and sewerage programme, will be able to come up with something that is going to ensure the sewerage treatment plant for all of these municipal systems, where raw sewerage is now being dumped into the lakes and rivers and the seas off Newfoundland.

We will not have to worry about oil pollution, Mr. Speaker, if this keeps up. There are many other forms of pollution, and this raw sewerage is one of the worst of them. I, therefore, support the prayer of the petition.

On Motion petition received.

MR. H. R. V. EARLE: Mr. Speaker, I beg leave to present a petition from the residents of Frenchman's Cove, in Fortune Bay. The prayer of this petition is that the airstrip at that place be upgraded, rebuilt and paved.

The residents directed a petition to me, knowing full well that airstrips and airports normally come under the Federal jurisdiction and are under the control of the Minister of Transport. But, on many occasions in the past, these self-same residents have appealed to the Minister of Transport, to have this facility improved and upgraded, without result. And, furthermore, Mr. Speaker, they have heard, through various press announcements and announcements at the Development Conference and on other occasions notably in election manifestoes, that airports and airstrips are going to be created and built in all sections of the country.

Now Frenchman's Cove is a natural for this type of an installation, as a matter of fact, the reason the present airstrip is there, is that there is a very lengthy level beach which only had to be bulldozed off and created, with very little expense, some years ago, a quite good

MP. EARLE: airstrip. Its main draw-back, that it does not have a crossed leg, so that planes can land in all winds and all weathers. But, many years ago the Government purchased or acquired land in that area, so that a crossed leg could be built, and there is a large section of land which would enable the airport to be equipped with this second runway.

The residents themselves having heard of the programme of further airstrips and so on, notably there is to be another one, so we are told, on the Burin Peninsula. They have no objection to other areas of the Peninsula getting the services of an airstrip, but they do feel, having in a sense three-quarters of properly constructed airstrip in that vicinity, that they are entitled to having this properly upgraded and finished before the Government goes to the expense of creating and building another airstrips, in virtually the same area.

They go on to say, in their letter accompanying this petition, that while the airstrip has been there for many years and it is used quite frequently, the only time that it is even graded or bulldozed or cared for in any way is when the Premier or some Government minister pays one of his infrequent visits to the area, and the thing is then reconditioned so that the plane can land. I was there in December, in that area at Garnish, school closing and the hon. the Premier came in, quite late at night, and landed on that airstrip, in the dark, and took off after dark by the means of car headlights. Now none of us would like to see, or personally I would not like to see the Premier take such terrific risks as he did that evening, in taking off from that particular airstrip. In fact, they had no lighting whatever, and could only use car headlamps and so on to enable him to get back and forth. It speaks for itself, that this airstrip lacks every possible facility that any normal airstrip should have.

In addition to that, of course, three or four or five years ago, when the Marystown Shipyards were opened, the official opening on that occasion, the Premier, probably influenced by the very praiseworthy introduction



MR. EARLE: and lengthy introduction which he had from the hon. the member for Placentia East, did go into raptures about the airstrip and did promise that it would be paved. Now that is three or four years ago, and the people hear since then that other airstrips are to be constructed and one in their immediate vicinity. So they are rightly indignant and very angry indeed, that this natural airstrip, which has been there for some years and has been used, is not going to be attended to or not going to be upgraded nor improved. So, I think, they have a very justifiable case indeed that their airstrip, which has served the public of that area for so long, should be brought up to standard. It is ideally located, it is halfway between towns such as Burin/Marystown, Grand Bank and Fortune, and it is easily accessible by road to all of the major settlements in that area.

Furthermore, we hear again at the Development Conference, that the road leading from the main Burin Highroad, through Frenchman's Cove, will be paved this year. So that passes immediately on the fringes of this airport. And the access to all the settlements will be further improved and much enhanced by the pavement of that particular road. So, this, in itself, would be another reason why that particular airport should be brought up to standard. It is easily accessible. It is easily used, and it is in a very convenient location. This can be borne out by the fact that airlines from Gander did put in a service during the past two years, and they operated for some months, but had to give it up because of the lack of facilities there. It is really the only means of transportation for the people of that great area, except for an occasional sea plane which drops down on Freshwater Pond and so on. In cases of dire emergency, where patients have to be airlifted to hospital and so on, this gives a very valuable service indeed.

Mr. Speaker, I have the greatest pleasure and, with all the pressure at my command, I recommend to the minister responsible that this particular petition be given immediate attention.

MR. SMALLWOOD: Mr. Speaker, the citizens of that part of the Province are on a good wicket. What they are asking is absolutely reasonable. And what they are asking is that something be done that has got to be done, and would be unforgivable, if it were not done. I have landed on that strip on a fair number of occasions, and I had been amazed by the thoughtfulness of nature in providing it and the unthoughtfulness of nature in providing it only in one way, and landing in a cross wind is not easy and it is not safe.

I think the runaway ought to be paved, and I think that another one ought to be built, if not exactly at right angles, certainly at a different angle from the one that is there now. The hon. gentleman, who just spoke, said that I had landed at that airstrip and taken off with no more lights than that provided by the headlights of cars. That is not exactly correct. They had a number of flares, flare pots laid along the edge of the runaway, and while they might have not given a great deal of light, they did, at any rate, give good guidance to the pilot, Captain Pearcey, who is very familiar with the airstrip, in any case.

I do not think that the hon. gentleman is right when he says that airstrips are a Federal function, if by that he means that it is federal exclusively. We have in Newfoundland, built, Newfoundland Government have built, a number of airstrips, we propose, in the present year, to build a number of others and in succeeding years to build still more. In the case of Deer Lake, we did subsequently get the Government of Canada to spend some money on the airstrips that we had put there. And, we hope, as we build airstrips, landing strips, in Newfoundland, from time to time, the Government of Canada maybe persuaded to add something to them, by way of paving or by way of landing lights, signal lights, and even by way of wireless or wireless telephone, as aids to navigation and convenience to the public.

I very heartedly support the desire of these citizens expressed in their petition now before the House, and I hope that the matter will get the attention that it so richly deserves.

MR. CROSBIE: Mr. Speaker, I would like to support the petition also. It is very comforting to know that the Government are going to build further airstrips in this Province, this year and in succeeding years, but here we have a case of an airstrip that is already there, where in the last four or five years at least, very little money has been spent, if any, by the Government, on it. It is just a sand beach there, a rough airstrip. The Premier has said; when he took off after dark they had to put out flare pots. There is no lighting and no other facilities down there. So little, if nothing have been spent on the airstrip at Frenchman's Cove for the past few years. Here is a case where we already have an airstrip that needs money to spend on it, and one would not think that a petition is necessary to have that done.

Now, in addition, to Frenchman's Cove, Mr. Speaker, there is an airstrip at St. Alban's or at the Head of Bay D'Espoir that, I think, was built originally by the Power Commission. Well here you have a similar problem, this is an airstrip that is already there, at the Head of Bay D'Espoir, but the last time I attempted to land there, and that was a year and a-half ago, we were unable to land because the airstrip itself had been used by people for racing motor cars, drag-racing or having some kind of a speed race on this airstrip which has been more or less abandoned. Now, Mr. Speaker, this is something that should be prevented also. At the Head of Bay D'Espoir we have been blessed with an airfield that would take DC-3's, aircraft of that size or smaller. Surely, it would only be wise for the Government to spend a few thousand dollars to maintain it, to employ someone as watchman at the airfield, to prevent the airfield from being spoiled by people just racing or carrying on or fooling around on the airstrip, and to keep it up and maintain its use. And, if there is going to be a policy of constructing airfields around the Province, which is certainly necessary, then to spend some money at Frenchman's Cove and Bay D'Espoir to put in lights, improve the service, have it graded regularly by the

MR. CROSBIE: Department of Highways, equipment in these areas, and keep them up so that these facilities will be available for public use.

I certainly support the prayer of the petition, as the Premier says, the construction of airfields is not exclusively Federal. Any municipality or any province can construct an airfield, if it wishes, as this Government did at Deer Lake and, I believe, at St. Anthony. The airstrip at St. Anthony, in fact, probably still is, was certainly constructed by the Provincial Government.

MR. ROBERTS: Inaudible.

MR. CROSBIE: Right. I do not know who maintains it now, probably it is still the Province.

MR. ROBERTS: Inaudible.

MR. CROSBIE: If Derrick Patey is gone with the Tories, it is not a sellout. That is just following rational good sense. The hon. the Minister is a bit disturbed by a large meeting that was held down in St. Anthony, a week or so ago.

MR. ROBERTS: Inaudible.

MR. SPEAKER: Order, please!

MR. CROSBIE: In the meantime, Mr. Speaker, I am trying to support this airfield at Frenchman's Cove and the petition. I hope the Government, instead of just making a promise to build airfields, will maintain and properly maintain the ones we have got.

MR. T.A. HICKMAN: Mr. Speaker, I rise to support this petition, and I should point out to hon. members, the runaway at Frenchman's Cove has been there much longer than four years. I suggest it is closer to fifteen years and, with each election there is a firm irrevocable commitment to pave the Frenchman's airport. It never comes to fruition, the minute the ballot boxes are sealed.

Mr. Speaker, the Burin Peninsula, generally, has probably suffered more than any other single area in this Province from lack of adequate

MR. HICKMAN: transportation facilities. They are not asking for roads or airports or any other transportation facilities that they are not entitled. They are simply asking for the means of transportation that any industrial area of 30,000 to 40,000 people, in 1970, feel that they are entitled to receive.

MR. HICKMAN:

This year will not see the completion of the rebuilding and paving of the Burin Peninsula highway. Indeed this year, as during the past nine months, people moving to and from the Peninsula, over that road, will have to undergo hardships and torture that they have not had to face since the road was built by the Commission of Government during the years 1947 to 1949. It is almost unbelievable the condition of that road right now. The contractors are not living up to their obligations, they are not maintaining the road in a passable condition and we had hope, we have hoped for years, that the commitments made with respect to the Frenchman's Cove airport would be met, that people could move during the 60's by air off that Peninsula, with some comfort, but this has not come to fruition. One or two airlines have attempted to establish at Frenchman's Cove, and they have found it impossible to operate a viable service. One reason has been the lack of paving of the present runway, number two, the construction of another runway at another angle and number three, there are no facilities at the airport itself.

When, I think it was EPA, tried to operate a service there, there was no way you could make reservations, there was no way that a person living in Grand Bank or Marystown or Burin or Fortune would know or could find out whether the plane was in. They spent hours sitting around there, not in a building but sitting in their cars or standing on the runway, waiting to see if a plane would turn up, which very often did not occur. Now, Mr. Speaker, there has been an indication that a second airport will be built or runway on the Burin Peninsula, that is fine, if they want to build two, three, four, five, by all means, but surely priority number one is the completion and paving of a runway in an airport that we now know can serve the people of the Peninsula and can serve it very, very adequately, but tragically has been neglected.

The hon. the senior member for Harbour Main, when he was chairman of the Transportation Commission, strongly urged, at that time, that the Frenchman's Cove airport be upgraded, and the standards improved, and paved without delay. That was in 1965. Mr. Speaker, today we find that airport and that runway is not as serviceable as it was in 1965.

MR. HICKMAN:

I have great pleasure in supporting the petition presented by the hon. the member for Fortune Bay and suggest to this House that it is one of the most reasonable petitions that has come before this Assembly for a long, long time.

On motion, petition received.

MR. CROSBIE: Mr. Speaker, I have a petition here, Your Honour, from the district of Ferryland, which is not represented in the House of Assembly by a member at the moment, although there should have been a by-election there months ago. The signers of the petition are residents of Northwest Trepassey, in the district of Ferryland, and I believe that the petition is signed by all those people who live in Northwest Trepassey. Mr. Speaker, the background is that the settlement of Trepassey is incorporated, was incorporated originally as a local improvement district, under the Local Government Act, and I believe it now has an elected council. The residence of Northwest Trepassey is separated and apart and quite a distance from, in fact, it is six miles from Central Trepassey. It is an area of Trepassey that is down, if I remember rightly, below the fish plant, the Fishery Products Plant, in Trepassey, if you go past that you are in Northwest Trepassey.

Now the whole area, Mr. Speaker, has been incorporated as a municipality, yet these people who live in Northwest Trepassey cannot receive, there are not any municipal services they can receive and their petition says: "We, the undersigned, being British subjects to the full age of 19 years and residents of Northwest Trepassey, hereby petition that the House of Assembly, under decree of the Lieutenant Governor-in-Council have Northwest Trepassey excluded from the boundaries of the town of Trepassey." Apparently Northwest was taken into the town of Trepassey, without any consideration being given to the services it could or would receive. Northwest, a two mile area having ten homes (you see, Mr. Speaker, this part of Trepassey covers an area of two miles and on it there are ten homes) and situated six miles from Central Trepassey, is not included in the towns proposed water and sewage system or any other proposed plans, either now or

MR. CROSBIE:

in the distant future. The prospect of building homes at Northwest is remote, as serviced lots are available only in the centralized area of the town of Trepassey, and are for sale by the Newfoundland and Labrador Housing Corporation. The petitioners, therefore, pray that the hon. House of Assembly may be pleased to accept our petition for presentation to the Lieutenant Governor-in-Council."

Now, Mr. Speaker, this seems to me to be a legitimate grievance. Certainly the town of Trepassey should be incorporated, I am glad that it is incorporated. It is quite a large town and it has the fish plant there in Trepassey, it needs water and sewage, The Newfoundland and Labrador Housing Corporation have a housing project in Trepassey. If Trepassey itself is to go ahead, as it should, in the coming years, it has to be incorporated and provide municipal services. But, Mr. Speaker, here is an area six miles from the centre of Trepassey, two miles long, with ten houses on it, obviously they can never be serviced with water and sewage from the main system in Trepassey. Obviously, the only municipal services they can possibly have might be garbage collection or it might be the installation of a street light or two, and they can get that themselves anyway just by chipping together or any citizen can have a street light put up outside his home.

So this is an area that cannot obtain municipal services from Trepassey but, by being included in Trepassey, is subject to all municipal taxes and regulations, despite the fact they cannot have the services. So this is a matter that should be referred to the Minister of Municipal Affairs. The Lieutenant Governor-in-Council can, under the Legislation, amend the description of the boundaries of Trepassey and exclude Northwest Trepassey, if the Government feels it is proper to do so.

I would, therefore, move that the petition be referred to the department to which it relates, which is the Department of Municipal Affairs and Housing, and that the Minister give it immediate and sympathetic consideration.

On motion, petition received.



REPORTS OF STANDING AND SELECT COMMITTEES:

MR. NEARY: Mr. Speaker, I would like to table the Weekly Day of Rest Regulations, 1971 and the Apprenticeship Consolidated Regulations, 1971.

MR. JONES: Mr. Speaker, I wish to table copies of special warrants that were issued since the closing of the last session of this House and additional copies will be available in the clerks office later on today. Also I wish to table copies of regulations made under the Insurance Premium Tax Act of 1968; regulations made under section 42 of the Social Security Assessments Act, 1963; regulations made under section 42 of the Gasoline Tax Act, 1962 and a proclamation made under the Alcoholic Liquors Act, 1970 known as the Alcoholic Liquors Amendment Act, 1970.

I wish to table as well a report under the Loan and Guarantee Act of payments made in part and full during the fiscal year 1970-71 and this also includes, as hon. members will see, payments that were made after the report that I made in February last year while the House was still in session, there is a summary on the back sheet. Under section 27 of the Revenue and Audit Act, I am required to report any revolving temporary loans that have been made during the past year in order to pay off other loans. I have to advise the House that no such loans were raised since the last sitting of the House of Assembly. Under section 45, too, of the Revenue and Audit Act, I am required to report if any expenditures have been made over the protest of the Deputy Minister and Controller. I have to confirm to this House that no payments were made and no protests were made, in other words no payments were made under protest.

MR. MURPHY: Mr. Speaker, if I may at this time. The Minister just tabled warrants and he also added that copies would be available in the clerks office. Now if I may at this time, Sir, there is quite a lot of consternation and dissatisfaction been aroused not only between members themselves but by the press, that when they go to look for these things they are not available. Would it not be possible, was it not just as easy to table copies with this as have the office in there being continually besieged? What time will these be available? Three o'clock this afternoon, four

MR. MURPHY:

o'clock? It is just a simple question.

MR. JONES: (Inaudible).

MR. MURPHY: Well, why not table them now instead of all this?

MR. CALLAHAN: Mr. Speaker, I have to table the annual report of the Newfoundland Farm Products Corporation, for the financial year ending 31st of March 1970, the Newfoundland Farm Product Corporation. There are copies available, Mr. Speaker, and in tabling the report may I draw briefly to the attention of the House that the total product sold, in behalf of farm producers, during that year, approximated \$1. million; 126 persons on the average were employed, on a month by month basis, by the corporation, with the number of farmers still in total 250. Attached to the report is the report of the Auditor General.

I also have for the House, Mr. Speaker, the report of the Farm Development Loan Board, for the year ended 31st March 1970, and in tabling that report I might briefly say that, during the period, from its inception in the summer of 1963, the Board made 601 loans out of its revolving fund of \$428,000., 601 loans totalling \$1,378,000. Approximately \$900,000. of that amount, getting up towards \$1. million, Mr. Speaker, for land development and the purchase of farm livestock. I think this has been a very valuable activity of the Division of Agriculture and Food. I table these reports with copies, Mr. Speaker.

NOTICE OF MOTION:

HON.L.R.CURTIS(Min. of Justice): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act Further To Amend The Judicature Act."

A Bill, "An Act To Amend The Coughlan College Incorporation Act, 1965."

A Bill, "An Act Further To Amend The Women's Patriotic Trust Fund Act, 1920."

A Bill, "An Act Further To Amend The Registration of Deeds Act."

A Bill, "An Act Further To Amend The Companies Act."

A Bill, "An Act Further To Amend The Newfoundland Industrial Development Corporation Act, 1966-67."

A Bill, "An Act To Amend The Constabulary (Pensions) Act, 1970."

A Bill, "An Act To Repeal The Judgment Debts (Instalments) Act, 1962."

HON.S .NEARY(Min. of Social Services & Rehab.): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following Bills.

A Bill, "An Act Further To Amend The Minimum Wage Act."

A Bill, "An Act Further To Amend The Apprenticeship Act, 1962."

A Bill, "An Act To Amend The Employment (Notice of Termination) Act, 1969."

A Bill, "An Act Further To Amend The Industrial Standards Act, 1963."

ANSWERS TO QUESTIONS:

HON. J.R.SMALLWOOD(Premier): Mr. Speaker, on today's Order Paper, Question 414,  
(1)(a) Yes. (b) No. (2) I do not wish to make any statement on this matter at this time.

Question No. 417: (1) No. (2) & (3) they do not arise. (4) (a) No.  
(b) this therefore does not arise.

MR.CROSBIE: Mr. Speaker, in connection with plans for the proposed Carbonear Hospital, is it not a fact that the architectural firm of Campbell Horwood & Guihan were retained to do these and to do plans for a regional hospital at Carbonear, and that a certain amount of work was done by them? There are certainly some plans for that hospital.

MR.SMALLWOOD: I am sorry, I took that to mean Bay Roberts. The plans have been drawn. They have been done but they are not absolutely completed.

MR. HICKMAN: Approved by Ottawa?

MR. CROSBIE: Mr. Speaker, in connection with the latter part of the question, -

MR. HICKMAN: How do you get the construction grants?

MR. ROBERTS: There are no construction grants.

MR. CROSBIE: Have plans for the proposed Carbonear hospital been drawn, the answer was 'yes'; Well now, the second part of that question, if so, are they suitable for the concept of a regional hospital? Will the Premier answer that part?

MR. SMALLWOOD: That is a question I cannot answer because I do not understand the question. If that question were more carefully, sharply defined I might be able to answer it.

HON. F. W. ROWE (Min. of Education): Mr. Speaker, I have the answers to Question 433, on the Order Paper of April 13, asked by the hon. member for Fortune Bay. Last year, that is during the calendar year 1970, Garnish qualified for a very small grant of a community's, \$300, whether they used that on their football field I do not know, it was for recreational purposes. In March of this present year, in the same financial year, Garnish qualified for a supplementary grant of \$500, so over the twelve months period they received \$800. That \$500 was for the express purpose of helping to reconstruct their football field there. (2) We have a capital grant programme, as we have announced, for the entire Province, and, of course, Garnish has the right, as a matter of fact there is, I am informed, by the director, there is an application in from the town of Garnish. At the present time it is under consideration among, I might say, a great many others.

Question No. 442: The answer is that of the four communities named the only one that we have received an application from is the town of Garnish. The Director informs me that applications have not come in from these other communities.

HON. E. DAWE (Min. of Mun. Aff. & Housing): Mr. Speaker, answer to Question No. 8. A preliminary survey has been authorized, and this work will commence as soon as weather conditions permit and we are of the opinion that work will begin this month or the first of next month to determine the cost of this water system.

MR. MURPHY: Mr. Speaker, just a supplement, do I understand that, did the Minister say that work will begin installing the system or just to find out what it would cost?

MR. DAWE: Just a survey, will begin to determine the cost.

Question No 226: The answer, Mr. Speaker, is that no determined formula has been arrived at, we try to use our best judgment in the amount of funds we have available and the population of each municipality and what each community probably would need, some, specific, need more than the others. We have been confronted this last two years with a more rapid growth in local Government than was anticipated. The average incorporations yearly was ten to twelve communities. But this last two years it has been just about doubled. If I cite for example, we have such a large area to set up now, within the next few weeks, or next week, the area of Conception Bay South, to look at a community of that size, we naturally would need a larger initial grant than a smaller community. We try to look at it the best way we can, based on the immediate need and the population, but there is no set formula that we actually use, but we try to make it as generous as possible and they arrange from two to five thousand dollars.

MR. MURPHY: Mr. Speaker, as the Minister states, there is no formula for providing these services - just, it is kind of a hit and miss thing - no established formula.

MR. DAWE: That is correct, Mr. Speaker, it is quite difficult to determine. How would you determine a formula, based on population, or we try to determine - this has been the policy of the Department for years and this is being guided by officials of the Department, who have had long experience in this. This is

the method we have adopted, but we have as I say no determined formula but we try to use our best judgment and I think in most cases the initial grant is as fairly distributed as possible.

ORDERS OF THE DAY:

MR. CROSBIE: Mr. Speaker, on Orders of the Day, I have a question for the Hon. the Premier. Is the Government's position reported accurately when the Minister of Justice stated that it is not certain whether legislation will be available this year, where Newfoundland inshore fishermen will be given collective bargaining rights, is that position correct, or does the Government take the position that this matter will be dealt with in this session of the House?

MR. SMALLWOOD: Mr. Speaker, I do not know that I am required or even permitted to comment on what some newspaper has said. The Government's policy will be made known in due course, if there is any change in what has been made known. The policy is to bring this legislation before this House this session. Now I do not know what might happen to prevent it, maybe something might.

MR. CROSBIE: Mr. Speaker, would the Minister of Justice inform the House whether a copy of a Bill was prepared to present to the House in connection with collective bargaining rights for fishermen, constituting a copy of the existing Labour Relations Act, with special application to fishermen. Does the Minister agree with Mr. Richard Cashin that this would be a pretty sloppy way to run a Government? Would the Minister -

MR. SPEAKER: This is not a proper form of question. The idea of a question, as it has been pointed out dozens of times, is to seek information not to give it or not to make speeches. A question that can be placed on the Order Paper is not in order at this particular time.

MR. CROSBIE: I have a question for the hon. the Minister of Justice, and that is this Mr. Speaker. Is the Government going to table, as required by

Section 12, of the Industrial Development Incentives Act, 1968, Agreement entered into under that Act, within fifteen days of the House of Assembly opening or at all. Under Section A to that Act, the Agreement in connection with incentives to consumers of power are to be tabled in fifteen days, is this to be done and would the Minister inform the House whether the Government will table any Agreements entered into in connection with the Javelin Project, since last year, in accordance with the Melville Pulp and Paper, Limited, Authorization of Agreement Act. There is a guarantee, the bank loan \$250,000 there has been nothing tabled in connection with that. Is the Minister going to see that the law is observed and these Agreements tabled?

MR.SPEAKER: That type of question is not in order, they are insinuations, they are speeches. It is not seeking, the question is simply not seeking information it is tending, in my opinion, to contain an implication of some kind. The question is not the type of question that should be asked on Orders of the Day.

MR.MURPHY: Mr. Speaker, how are we to ascertain if the law is going to be complied with or not? Is there any way we can do it in fifteen days? But on the other hand, that is another two weeks, the fifteen days are over now. If the Government is not living up to its responsibility, let it get out and let someone else do it.

MR.SPEAKER: The questions that can be placed on the Order Paper are not in order at this time. We have repeated that time and time again.

MR.CROSBIE: Mr. Speaker, can we ask <sup>does he</sup> the Minister, have available agreements, under either of those pieces of legislation, to table? The one on the Order Paper, the law is clear that by April 6, a week ago, on Tuesday April 6, there is supposed to be tabled.

MR.SPEAKER: Order please! let us not have a debate over the question or the answer to the question.

Adjourned debate on the Address in Reply.

April 13 1971. Tape 219 page 6.

MR. COLLINS: Mr. Speaker, evidently there is no one on the other side of the House interested in speaking on the Address in Reply, or talking about their districts, or what have you. First of all Mr. Speaker, let me congratulate the hon. members from St. John's North and Trinity South for moving and seconding the Address in Reply.



MR. COLLINS: It certainly came as no surprise to us on this side, or to the press, or to the people of Newfoundland, nor might I add to the Premier himself, that both of the hon. gentlemen vied with one another in their praise of the Premier and his Government.

Before I go further, Mr. Speaker, I would like to make reference to the opening paragraph of the Speech, which made reference to the sudden passing of one of our friends, in the person of the hon. William J. Keough, who was the Minister of Labour and the member for St. Georges. I would want to associate myself, Sir, with the remarks made by other hon. members of the House in paying tribute to Mr. Keough. I always found him a man whom I could deal with and found him generally interested in the affairs of his fellow Newfoundlanders. He certainly deserves great credit for his many years of dedicated service to this Province and its people. I would like to extend my personal sympathy to his bereaved wife and his family.

Sir, before I deal with the Speech from the Throne itself, and some areas of Provincial concern, I would want to bring to the attention of the House and the Government some of the needs and the concerns of the people of the district of Gander, and hopefully be able to detail areas where Government initiatives are necessary to provide a sound economic base and, of course, to provide for social stability.

Mr. Speaker, when one talks about a district in Newfoundland, and Gander is not too different from most of the districts. When one attempts to contemplate or define the problems which exist in a district, we are immediately drawn to three major services, water and sewer projects, housing and street improvements I suppose would be three of the major considerations, three of the major needs. Certainly, in Gander district, which I have the honour to represent, as in practically all of the other districts in the Province, these problems are probably paramount in importance.

There was a time, Sir, when people considered water and sewer as water running through a tap, and a toilet, whereby one could flush down the various wastes. There was a time when this was considered a luxury, in Newfoundland, and a privilege to be enjoyed by those who were rich or could

afford such luxuries. Certainly, Mr. Speaker, this is no longer the case. All Newfoundlanders today have come to expect those services to be provided, as they certainly have a right to. Newfoundlanders now are not prepared to settle for anything less than good water and sewer systems. Water which is clean and water which is adequate in quantity and a sewer system which is adequate to perform the function which it is supposed to perform.

Government supported programmes for the extension or the installation of water and sewer systems are required in all municipalities in my district. At Botwood, I understand plans have been submitted to the Minister of Municipal Affairs. At Botwood an extension and completion of the work is necessary, to provide the facilities for the whole town. A great part of the town is now serviced but there are still too many residents who are not in a position to take advantage of it. In other words, the service is not brought to their lots.

At Bishops Falls, the system must also be extended to areas of the town which are not yet serviced. The water system for this community, which has been a matter of public concern for the past two or three years, has finally gotten off the rails as it were. Tenders have been let, and, hopefully, the new water supply to correct the very unpleasant and very nasty and very unsatisfactory situation which was experienced by those people, hopefully this programme will be completed this year.

I would say, Sir, that the people of Bishops Falls should be commended for the patient manner in which they tolerated the very detestable condition of their domestic water, while they waited for this Government to act in an effort to remedy the situation. I do not want to dwell on that, it is in the past now, but, as I said, I would hope that the minister will see to it that work on the second and third phase of that particular project will be getting under way, and hopefully, by late summer or the fall, the new water supply will be provided.

Mr. Speaker, the decision to install that supply was in my opinion too long. As I said, the people did suffer for two years. In fact, the water was not fit to wash clothes in much less cook in or drink. I must again appeal to the minister to insure that that supply is ready just as soon as

possible.

A water and sewer system is also required at Northern Arm, and the existing supply at Peterview must be extended towards Wigwam Point to accommodate or to service another twenty-five or thirty families who are without water now. Very often we find that they have to depend on wells and ditches. From information, which I have received from the Department of Health Inspectors, there is a very good chance that there could very well be a real health hazard there in the summer months. Certainly I would want the minister to look into this and see what can be done in providing those people with water and sewer.

Actually Mr. Speaker, there is not too much work involved here, because the system extends throughout the length of Peterview, with the exception of twenty-five or thirty families who live on the far end. Certainly, there is a great need there.

Glenwood and Appleton must also be further serviced. In the case of Glenwood an extension to present facilities is needed. In Appleton, I discussed it yesterday with officials of the Department of Municipal Affairs, and in Appleton a water and sewer system is certainly required, because that town, a very beautiful little town on the southside of Gander River, is growing in leaps and bounds, especially in the last couple of years. While the building lots are of a pretty large size, the soil does not permit the successful use of septic tanks and wells. Certainly there is a need there for a water and sewer system.

Mr. Speaker, one of the basic rights of people, I suppose, is the right to a decent shelter, and certainly a man's dignity, I suppose, is related to the kind of shelter which he can provide for his family. We have heard a lot of Government plans during the past few years, subsidized housing and shell housing. We have it again this year, in the Speech from the Throne. But Sir, the time has come when the Government must stop toying around with this very serious problem and begin taking realistic action, based on the actual need, and certainly, Mr. Speaker, there is no doubt about the need.

Last year, for instance, thirty-two subsidized units were erected in the town of Gander. While there were prospects there of applicants, there were over a hundred applicants there for those units. With thirty-two provided, of course, this means that there were sixty-two people who were forced to go without housing. Many of those people are living in basement apartments and other types of substandard housing. I would hope that the minister would take this into account. While he has made some moves to improve the situation, I think there is another eighteen under construction now, there is certainly a great need for further units, both of the subsidized nature and of the shell type.

As I said, Sir, the applications that were received indicate that a number of people, not only in Gander, but I would say just about through all of my district, and I suspect many other districts in Newfoundland, the number of applications received is indicative of the number of people seeking improved housing. There are also many people in Gander and many people in other towns, I suppose, who are desirous of owning their own home. Without some special arrangements, certainly better arrangements than we have now, they might never reach that happy point in their lives. We all know the very high cost of land. I do not know what the minister has in mind for this, but certainly the costs of serviced lots in Newfoundland have sky-rocketed down through the years. I have always been amazed, Mr. Speaker, in the town where I live, where Central Mortgage and Housing are responsible for developing building lots, they moved in there, they paid nothing for the land, it was God's land. They developed it and are selling it, at a rate of \$5 thousand and \$6 thousand dollars.

I suppose the contractors are justified in charging those amounts for servicing land, but when we think of \$5 thousand and \$6 thousand for a plot, this certainly prohibits any of the people now seeking housing, it prohibits them from ever getting started, because they just do not have the finances to do this. I would hope that the minister is looking into the situation and that he can come up with some system of leasing land, which would make it possible for people to take up a ninety-nine year lease, and monies which they normally would, or which they would now have to put into land, they might be

able to put into basements and the house structure.

Similarly at Botwood the need for extra housing is fairly intense. The Town of Botwood was designated as a growth centre two or three years ago. There are people relocating there from the outlying areas because, of the better schools, churches and streets and other facilities which the municipality has to offer. Of course, this has resulted in inflating the need for housing and today it is one of the towns major requirements. Subsidized and shell housing I would suggest is what is needed there.

In Bishops Falls the minister well knows that there is a serious housing crisis. This year the municipality were successful in convincing the minister that this was so, and I believe it is twenty units which are under construction or are about to be constructed. Some of them are of the subsidized variety and some are of the shell type. Sir, this falls far short of the urgent demand and further action is necessary if we are to avert a very critical situation.

In Peterview the approach to solving the housing problem has to be a totally concerted effort in my opinion, to rectify the existing situation and to provide healthy conditions for the future growth. The Government Departments I am thinking about the Department of Health and the Department of Municipal Affairs and Housing, and the various agencies which those departments control. Those people are going to have to be more concerned and give fuller attention to the housing and the other social needs of this community if we are to avert a real tragedy. I have taken this matter up with some of the ministers involved, who are concerned, and hopefully something will be done to improve the lot of the people who live in this particular town.

The requirements at Glenwood and Appleton are centered primarily in the field of providing serviced building lots so the growth of those communities can be permitted to continue.

MR. COLLINS.

Last year, sir, many of the areas of Newfoundland, including the district of Gander, were designated for assistance under what is known as the DREE Programme. As a result of that decision, of that announcement, of that approach, Provincial expenditures were curtailed. I suppose there was an argument to be made for that in that, if funds could be made available from Ottawa, Provincial funds could be diverted to other areas outside the special DREE areas. At any rate, sir, Provincial expenditures were curtailed and the effect of this was transmitted right down, of course, to the municipal level, with a provision and repair of services which were reduced accordingly. While there is now a good possibility that funds will be available for water and sewer programmes, if we can believe what Mr. Marchand tells us and what our own Minister of Community and Social Development tell us, while it looks as if funds will be available, evidently these are priority items. Of course, it is thoroughly needed. But there would seem to be some doubt, on the part of the DREE people and possibly of the Provincial Department, that monies might not be available for the programme of upgrading and paving of streets in the municipalities.

Mr. Speaker, this is a most important service in many of the municipalities across Newfoundland, especially, some of the larger ones. Gander, Bishop's Falls are not different from others. We found that during the past two years, because the Government decided to drop its fifty/fifty cost-sharing street construction and upgrading and paving, a couple of years, very little work has been done on streets in municipalities. Then, of course, the town councils were led to believe that all their problems would be solved with the introduction of the DREE Programme. They have waited for that and they find now that there is very little hope of getting assistance from DREE for those purposes. Many of the municipalities, sir, are in a real quandry. Indeed, I understand that delegations will be coming to St. John's and meeting with the Minister of Municipal Affairs and Housing, and they have been impressing

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upon him the need for a new approach or certainly an approach to the very serious problem, on whether it is a fifty/fifty cost-sharing or whatever the arrangements might be. Certainly, the minister is going to have to introduce some measures to provide assistance for municipalities, such as Gander and others who now are faced with a great street upgrading programme. The tax base of the communities does not permit the community to do it own their own. I hope that the minister will come up, indeed he is going to have to come up, with something to assist those people in those towns, in these very important projects.

Sir, I have said before in this House and I have said it on numerous occasions outside that Gander, being an airport town, the economy is tied, not mainly, but certainly to a great extent, its economy is tied to air travel, and continued use of the airport facilities. Indeed, sir, I would say that the town possibly owes its existence to trans-Atlantic flight and to the airports. Because it is different from most areas, whereby we find that an airport follows the town, in this particular case, the town grew. It was started and grew as a result of the international airport. Both the Federal Government, the Federal Government mainly, but the Provincial Government to some extent, spent considerable amounts of money in the development of the airport and the town. Of course, business and individuals also invested vast amounts of money in terms of housing, churches and schools and business establishments. Because of this, we feel that the Government, both Federal and Provincial, have a very real responsibility in ensuring the economic growth of the town is continued. As I indicated, sir, the air travel is possibly - well it might not be at the core of the economy, certainly it is a very important cog and one cannot think, of course, today about Gander, without thinking of the great contribution which is being made to the town's economy by Eastern Provincial Airways. I believe that hon members,

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who have had the occasion to travel with this airline, will agree that E. P. A. are doing an excellent job. They are widely recognized and indeed, if things continue as they are now, the future certainly looks bright for them. Eastern Provincial Airways could possibly become one of the largest, if not the largest, regional carrier in Canada. Certainly, this give us all a lot of pride, in realising that this airline, which was once a bush line, has now marched into the jet field. And as I said, sir, it is doing a tremendous job and a real credit to Newfoundland.

But, Mr. Speaker, there would appear to be some forces at work, in another of the major national airlines using Gander Airport, that would, if it were successful, ultimately weaken the economic stability of the town. I am referring, of course, to the concerted effort to have Air Canada's Trans-Atlantic flights land at St. John's and not at Gander. Now, this sir, as in other matters, <sup>is</sup> the characteristic nature, I suppose, of people everywhere. St. John's might or might not be different. But the characteristic nature of people, we will say the characteristic nature of St. John's in this particular case, is to want everything in St. John's and let the rest of the Island furrage for themselves.

But, sir, we must not forget that three-quarters of the population of this Province live outside the Avalon Peninsula and certainly they have a right to services which are provided in Gander by Air Canada, through their Trans-Atlantic flights. We cannot see why people, from Corner Brook and Grand Falls and St. Anthony and Twillingate and Clarenville and other areas of Newfoundland, should be forced to come to St. John's, when the service already exists in Gander. Certainly, sir, the transferral of this business to St. John's would have an obvious and serious detrimental effect on Gander. The people, in that town and the people in other areas of Newfoundland, are not going to stand idly by and see this service go unchallenged. I know that the municipal authorities and other civic groups have already solicited and indeed have obtained the



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support of areas as far west as Stephenville and as far east as Clarenville, in their efforts to have the Air Canada flights maintained through Gander. It seems to me, sir, that a rescheduling, possibly, of feeder flights from St. John's to Gander so as to avoid lengthy delays and connections for Trans-Atlantic flights out of Gander, might be a more reasonable solution than transferring the whole service.

We have seen statistics which have been presented this past two or three months showing Torbay Airport as being more active than Gander airport. When I look at the statistics I get the impression that every crow that flies over the city dump and every gull that gazes over Robin Hood Bay must be counted as a statistic for landing purposes at Torbay airport. There is no doubt at all that the figures, when you look at the totals, show that Torbay is a busier airport than Gander. But in presenting those statistics, the people who do so, have the responsibility to explain them, because, as we all know, statistics can be misleading. In this case, they are very misleading and while we do admit that there are a great number of landings or touchdowns at Torbay, we have to think in terms of the number which might be of a flying club and other small aircrafts, etc., as opposed to the larger type aircraft.

Sir, I have some statistics in front of me here, which might prove what I am trying to say. In looking at the weights of aircrafts in the 4,000 pound and under, St. John's is way in front of Gander. In the 4,000 to 9,000 pound capacity, St. John's is normally ahead. But, Mr. Speaker, when we get up to the large aircraft, I will eliminate between 9,000 and 159,000 pounds. When we come to the 159,000 to 199,000 pound category, in December month and for January the figures are not available yet, in December month, Gander Airport had fifty-five and St. John's had none. That makes up for a lot of pros and a lot of piper cubs and a lot of cessna 180's. In the 199,000 to 314,000 pound class, Gander had eighty-four and St. John's had eight. In the really big ones, the 340,000 and over, Gander International Airport had seventy-four and St. John's had sixteen.

MR. CHALKER: With regard to landing of Air Canada, either at Gander or

Mr. Chalker:

at Torbay, whose final decision would it be? Would it be made on the number of passengers boarding at Gander or at St. John's? Would not the final decision be in the hands of those who operate Air Canada, not the Government or the Federal Government?

MR. COLLINS: Mr. Speaker that could or could not be right. But what I am trying to prove by those statistics, there has been a determined effort made for certain groups, based in St John's, sometimes with the full co-operation of the various media to try and create the impression across Newfoundland that Gander International Airport is dying and that Torbay is growing and that Torbay should be an international airport. We see nothing wrong..

MR. SMALLWOOD: If the hon. gentleman would yield for a moment. Let me assure him and through him, through the press the people of Gander, that we here on this side of the House will fight and fight hard, fight strenuously to prevent any down-grading of Gander Airport. Now, if Air Canada wants to use Torbay, are we going to say no? But let us - we are determined to resist any down-grading of Gander. Gander, is where Confederation in Newfoundland was born. That is where it was launched. We will stand by Gander. The hon. gentleman, I am sure, will do the same.

MR. COLLINS: Mr. Speaker, there is no doubt about that and I appreciate the Premier's remarks. It was not much of a question, but certainly it is something which is welcomed news to us. To get back to the Air Canada problem. I suppose that the ultimate decision would rest with Air Canada. By creating this false impression throughout Newfoundland...

MR. SMALLWOOD: I doubt that very much. I doubt very much that the Government of Canada would permit Air Canada to do a thing which was generally, in the public interest, inadvisable..

MR. COLLINS: Well I hope the Premier is right. I hope the Premier is right. But, Mr. Speaker, to come back to what I was saying. The impression is being created that Torbay Airport is growing and that eventually it will

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become an international airport. I cannot see for the life of me, when we can support two international airports in Newfoundland. We already have an international airport at Gander, with facilities which are second to none across Canada.

MR. SMALLWOOD: How often do you hear of a plane land in Gander, when she cannot land in St. John's?

MR. COLLINS: Well I have statistics...

MR. SMALLWOOD: Many times a year.

MR. COLLINS: I have statistics on that, Mr. Speaker, but that is always a pretty sensitive point with

MR. COLLINS: the people from St. John's and the hon. members from St. John's. I do not want to dwell on that too much, but what I would like them to hear is the proof that we do have the facilities that, if there should be the need of satisfaction among customers in St. John's, who are using Air Canada flights out of Gander, by virtue of being delayed needlessly, then I believe that the onus might be upon the regional carrier or upon Air Canada themselves to provide a better service between St. John's and Gander, so that the people will not be required to have long stopovers at the airport.

MR. ROBERTS: Inaudible.

MR. COLLINS: Well, we would like for people to come into Gander, and I notice that the parties in the Province are coming into Gander, towards the end of April or the first of May, for what is scheduled as a huge meeting, a tremendous meeting, we are certainly glad to have them around anytime at all, Mr. Speaker. I can think of no better place than to spend my lifetime, as far as that goes, I am sure that it is a great place for people to stop off and do a little fishing and do a little hunting and any of the side excursions which are generally beneficial to human beings. We are glad to have them around.

But, Sir, I wanted to mention those facts, to show that we do have the facility at the airport. A lot of these statistics which have been presented, while we cannot say that they are wrong, nobody has gone to the trouble to really explain them. And, as I have just said, there is no doubt in my mind at all, from the statistics which I gave you, that the larger aircrafts are using Gander and will continue to use Gander.

Mr. Speaker, I mentioned that the economy of the town is tied very closely to Trans-Atlantic flights and to Eastern Provincial Airway. As I said, on many occasions before, in this House; to ensure the steady development of the town, the whole area, then we need something more than simply the healthy Gander. Conditions must be provided, for example, so

MR. COLLINS: that Gander is accessible to people in Welseyville, Fogo Island and Twillingate and indeed some of the area around the circle. Specifically, I am talking about the urgent need for a network of roads.

The road is there now, in a great many cases, nothing is need to be done but paving. But, certainly there is a great need, Mr. Speaker, to put a road around the loop from Gambo back up through Carmanville and Gander Bay, back to Gander and then from Gander Bay down to the Curtis Causeway, to New World Island. There is a need for that road to be upgraded and upgraded quickly. Because, as we all know, the key to the development of any area today lies in the quality of the transportation facilities.

I suppose that the economic base that I refer to, if it is to be strengthened by industry, if it is to be strengthened by transportation, if it is to be strengthened by further development of airlines, then Government, at both levels, both Federal and Provincial, certainly have a major role to play. In terms of industrial development, Mr. Speaker, a healthy Gander means a healthy Bonavista Bay Peninsula, and of course, this works in reverse. It is to mutual benefit to have the road done and have a healthy Carmanville, a healthy Gander Bay and Wesleyville.

Certain it is also important that the Town of Gander, if they are to provide the services and so on for those people then, they also have, in my opinion, probably the responsibility to provide some jobs for the people living down around the coast. It is my opinion, Sir, that in Gander we have been more or less by-passed in terms of industrial development, ... I would hope that this Government will see to it that, from here on, Gander does get its share, gets its full recognition in terms of the needs for industrial development.

The central location of the Town, in such an important area contributes, I am sure, makes it the ideal location for expansion of educational and cultural and other welfare facilities. The town's growing importance, as an educational centre for the area, was clearly demonstrated, Mr. Speaker, last fall, when a great number of young people from the area had to be turned away from the Gander District Vocational

MR. COLLINS: School. That institution has a seating capacity of approximately 200 and last fall over 700, I believe, if my memory serves me correctly, 761 people, young men and women, made application to the school, which means that over 500 had to be turned away.

Perhaps, Mr. Speaker I better call it one o'clock!

MR. SPEAKER: Order, please! It now being one o'clock, I will leave the Chair until three o'clock.



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# **VERBATIM REPORT**

**TUESDAY, APRIL 13, 1971**

**SPEAKER: THE HONOURABLE GEORGE W. CLARKE**

The House resumed at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order!

HON. J.R. SMALLWOOD:(PREMIER): The hon. member for Gander has agreed that I shall have a moment, if the House is agreeable, to make a very brief statement of one or two sentences, but of some importance. The Treasury Board have just informed me formally that they and St. John's Firefighters Association, Local 1075, of the International Association of Firefighters, have come to complete agreement, and a copy of the agreement is in my hand, and it is to be put in formal shape in a matter of days.

I am sure the House will be happy to know of this agreement made between the Government on the one hand and the Firemen of St. John's on the other. I thank the hon. member for yielding for this purpose.

MR. SPEAKER: Without taking too much of the time of the hon. member for Gander, I would like to draw the attention of the House to the fact that we have in the galleries today about forty-five nursing students, together with instructors, from the various city hospitals, and I know you would like me to give them a very hearty welcome on your behalf.

MR. COLLINS: Mr. Speaker, when we left at one o'clock I was concluding my remarks relative to the importance of Gander, as the hub of the area of Central/Eastern Newfoundland. I was about to make some remarks with regard to the educational and cultural and social aspects of the town.

Certainly, Sir, the central location of Gander, is such an important area, must contribute to making it the ideal location for expansion of educational and cultural and welfare facilities. The town's growing importance as an educational centre for the area is clearly demonstrated, as I said, by the number of students who sought access to the Gander Vocational School last year, and were turned away because of lack of space.



MR. COLLINS: I would suggest that similar demands would be placed on a regional college, if such an establishment were placed in the Town of Gander. I have said on numerous occasions in the past, that already there is a nucleus for such a college in the - the fact that more than 200 people from the Town of Gander and from the surrounding area avail of evening classes through the extension services offered by Memorial University. I believe this can be enlarged upon and certainly as well, for the future, a regional college anywhere, Sir, in the Province, would I suspect have to depend to a consider degree on Memorial University for assistance from lecturers. When we think of the short distance by air, from St. John's to Gander, so short in fact that it makes it feasible for professors to leave St. John's in the late afternoon and do their work in Gander and come back by night. When, we think about this, certainly that should be a real important consideration in determining where junior colleges might be.

For the people in the area, there is already a cultural and recreational attraction to Gander. The development and encouragement of this can be seen when we find the interest displayed by people from outside in the stadium. Of course, this leaves me, Mr. Speaker, to make some comment about the much delayed Arts and Cultural Centre. In 1967 when the steel was brought to the site, Government action, we could say, was conspicuous by its absence for a long period of time, conspicuous only for a great period of time by the rusting steel itself. However, work is now progressing on the swimming pool section of the structure, and we are hopeful that other phases will be started and completed just as soon as it is physically possible.

While on the topic of recreations, Mr. Speaker, perhaps a review of the situation with regard to the stadium at Gander, might be worthwhile. I suspect there are similar cases across Newfoundland, but I happen to know of the one at Gander, whereby, some years ago, the Gander Hockey Association, with the support of this Government, raised approximately \$300,000 to build a stadium. When the stadium was completed, the municipality was requested

MR. COLLINS: to assume responsibility for the loan. The municipality did not like the idea at the time, but then, of course, when the proposition was put to them that they might have to do this in order to protect the credit rating of the town, they had very little choice but <sup>to</sup> resume responsibility for it. But we all know, subsequent to that the Government announced a vast recreational programme, none of which unfortunately came to pass. But, we are told again now, in an Election Year, that great things are going to happen. I want to make sure that the Government are aware of the commitment which the town has taken on is certainly paying more than they are required twenty-five percent of the cost, and when any recreational programme is announced, I hope that the Government will assume their portion of the loan, which is seventy-five percent. I do not know what this would work out to be, but roughly I would say about \$280,000. Certainly the Government have a responsibility to accept that responsibility to relieve the municipality of this noose around their neck, as it were.

Because Gander is the hopeful point for the area, and because it has a modern efficient regional hospital and other services which are required, it must be a natural location for senior citizen homes. A local committee is now working on this matter. I know they have had meetings and discussions with the Minister of Social Services and Rehabilitation. And we have the full support of the churches and municipal and other groups in the town, and we are hopeful that the minister and his officials will see to it that this project is brought to completion.

Mr. Speaker, next I would like to make reference to Bishop's Falls, a major factor in the economy. The life blood of Bishop's Falls over the years, as every hon. member knows, has been the railway, the Canadian National Railway. We recall too that the decision of Canadian National to remove its Trans Island train service, passenger rail service a couple of years ago had a significant detrimental effect on the economy of the town. We realize that we are living in times of uncertainty and times which requires changes to be made. But, I would suggest that the time has come for the

MR. COLLINS: Government of this Province to exert all its influence on Canadian National, to ensure that its depot is maintained at Bishop's Falls, if we are going to maintain one in Newfoundland. Because the very existence, the very reason Bishop's Falls is there is because of the Newfoundland Railway and the Canadian National Railways, who at Confederation assumed responsibility for train service in Newfoundland.

In connection with Bishop's Falls, I might also remind the Premier of his commitment to supply the establishment of a Central Newfoundland distribution centre, to be located near the Bay D'Espoir, Bishop's Falls road junction. The establishment of this centre, as the Premier agrees, was a good idea and he said he would back it a hundred percent. The establishment of this centre would certainly have a great economic impact on the town of Bishop's, in particular, and in a more general way on Botwood and other areas of Central Newfoundland.

AN HON. MEMBER: Inaudible.

MR. COLLINS: From here to Head of Bay D'Espoir is right.

Northern Arm, which is on the extremity of Gander District, is an area, in my opinion, having great potential in terms of saw milling and farming and agriculture, and to encourage this kind of development certainly Government incentives are needed. And the effect of such development would not only have a strengthening effect on the Northern Arms economy, but certainly on the economy of the various smaller places like Point au Bay and other small places nearby.

Before I leave this particular field, Mr. Speaker, I want to draw the attention of hon. members and the Government to the vital necessity of providing suitable firefighting equipment to all of the communities where we have municipal volunteer fire brigades. In my district all of the brigades are volunteers. Certainly, when we consider the problems which firemen encounter in fighting fires, it is all bad enough and serious enough to be exposed to the hazards of fire, certainly if they expect people to volunteer their services and go out doing this job, then we must be prepared to give them the best possible equipment.

MR. COLLINS: We have heard some announcements from the minister responsible that some assistance is to be provided to various towns, I know that the Town of Gander, as I have mentioned, earlier in this session, is in desperate need of a second pumper, Botwood, Peterview and Glenwood are in need of assistance with pumpers and trucks. I know the minister has received their applications, and I would trust that he will give their applications sympathetic consideration, and ways and means will be found to provide the people with the necessary tools to do a very effective job.

Now, Mr. Speaker, to get away from the district of Gander for a while, and come back to the Throne Speech, which we heard when this session opened: Those of us who heard it and read it since, must consider it a rather feeble attempt, a rather weak attempt, if you will, on the part of Government, the mad effort to gain the support of the electorate in an Election Year. Certainly, Sir, if there were to be a prize awarded for brevity, shortness, if there were to be a prize awarded for that, then this speech would be a winner. And for this Government to run out of words, I would suggest, Sir, it is the same as saying that, this Government have run out of its major asset, because we all know that, if words could have brought Newfoundlanders into the seventies, in North America, if words could have done it, it would have been successful. Such, of course, has not been the case.

Mr. Speaker, when we look at the speech we see reference made again to fisheries. Almost every Election Year we find that a great deal of attention is paid to the Newfoundland fishermen. We do know that Newfoundland fishermen represent a fairly large block of the voters of the Province. And, of course, the way this Government operates, we can always assume that they can be doing what they can to garner what support they can from any particular block of voters.

It is nothing new for us to hear of a new fisheries development programme. I have heard of five or six great development programmes in the fisheries, more especially on the eve of the election. And, of course, we always find

MR. COLLINS: that as soon as the election is over, the Premier and the Government seems to forget that the fishermen exist. But, I think, the Government and the Premier should be warned that they will not get away with this again, because the Newfoundland fishermen have been hooked-winked once too often, I would say, from here on in, they are going to demand their just dues from this Government, which they certainly have not been getting down through the years.

Mr. Speaker, certainly it has not take twenty-two years for this Government to realize the great need for fishing service stations, for larger fishing boats, for the need of unloading facilities and fishing holding units and for new bounties and grants for new boat construction and upgrading of existigg boats, boats that they are using now. I would say, Sir, that the fishermen of Newfoundland have been pleading and indeed praying for those services for years. But, it seems that their pleas have been falling on deaf ears and an unsympathetic Government.

The fishery in Newfoundland, and those who know anything about it, have been watching it, certainly must realize that it is a very troubled industry. And I suppose its difficulties lie off of the Province.

o Economic problems:

MR. COLLINS:

With few exceptions, Sir, the returns to Newfoundland fishermen, by Canadian income standards, are very, very low. The fishing techniques, by comparison with those of our competitors in the Northwest Atlantic, are often outmoded and productivity in the industry has gradually been declining, while the number of fishermen has been increasing. While this Government, Sir, has been pussyfooting and twiddling its thumbs, as it were, encouraging people to move away from the fishing villages and while our Federal Government has been acting as if they were in a strait jacket, indifferent and all too often gutless in their approach to the problem, while all of this has been going on, Europeans have literally robbed us of nearly every species of fish which is known to Newfoundlanders and which is found in our waters. I say "robbed" because the Federal Government have failed to protect our inshore waters and the Provincial Government has failed to provide the fishermen with the necessary incentives to enable them to take advantage of modern fishing techniques.

I would say that instead of our Minister of Fisheries visiting Norway and other Scandinavian countries, a short while ago, I would say that his time would have been more wisely spent in visiting Ottawa and bringing pressures to bear on that Government to immediately call an international conference of the sea, with the countries who are involved, in an effort to save our fisheries from complete destruction. To save the fisheries, Mr. Speaker, and make it an economically viable industry certainly is imperative to all of us. I would say that to do that there are certain steps which must be taken, I do not know what order they should go in, but I would say that certainly we must think in terms of the imposition and the enforcement of suitable limits around our coast, to preserve the fish stocks and also to protect fishermen's nets. I think that it is imperative also that we reach an agreement and set quotas in the deep seas outside those limits and also, Mr. Speaker, improved incentive programmes to fishermen to permit modernization of equipment, so necessary to improve production, and probably what is even more important, certainly just as important, to improve quality and, in co-operation then with private

MR. COLLINS:

enterprise, institute measures for further processing of fish products at home and in the process, of course, provide additional employment and increased earnings.

Mr. Speaker, Newfoundlanders, down through the years, have not been a revolutionary lot. They have certainly not been people who would take the bull by the horns or the shotgun by the stock, nor anything like this, and make their voices heard. They generally go about their daily lives quietly doing what they are required to do. But I would suggest, Sir, that possibly the time has come when the fishermen of this Province must be willing to, not necessarily rise up in arms but certainly make their voices heard and make this Government aware of the problems of the industry and their concerns. I would urge them to start now making the noises which evidently are necessary to get this Government to move. We can talk, Mr. Speaker, until we are blue in the face about fish prices and collective bargaining and other matters, important as they are, but we can talk, as I have said, until we are blue in the face and this is not much good if there is no fish to be caught, because the price does not matter then.

At present, I suppose we do, but I am of the opinion and most people are that at the present time Canada has a twelve mile limit. We have had so many limits announced and nothing done, it is difficult to say what we have, but legally, I suppose, we do have a twelve mile limit. Certainly it is inadequately patrolled and I am of the opinion that it is improperly researched, as to the damage being caused by over-fishing by foreign countries. yet this Government and the Government at Ottawa seems to be quite willing to sit idly by while the whole economic future of the Province is imperilled. I do not know if we really needed Federal researchers of the Department of Fisheries to say that the haddock resource is so severely depleted that it cannot be replenished by natural process. Red fish, we are told, appear to be in the same crisis situation and what we all regard as the lowly poor, old codfish, which we have always thought, all Newfoundland fishermen thought that it was in boundless supply, from information which we received, this species also could be nearing extinction.

MR. COLLINS:

The catch in quantity of our inshore fishermen of Newfoundland has dropped roughly by half over the last ten years, and certainly this is something for us to be concerned about. The average catch of the small inshore fisherman of Newfoundland is down also, about fifty per-cent of what it was in the 1950's and, Sir, at the same time that the annual average catch of Newfoundland inshore fishermen has been dropping, the same time the total catch in the Northwest Atlantic, by member nations of the international commission of the North Atlantic fishery, that has increased from 2. million tons in 1958 to 4. million tons in 1968. The cod catch of the member nations increased from 880,000 tons to 1,880,000 tons and on the other end, in the period from 1963 to 1969, Newfoundland's total catch dropped from 450 million pounds to 300 million pounds. The statistics, as I said, on haddock are frightening. In 1965 the total catch in the Northwest Atlantic was 249,000 tons, of which the Russians took 130,000, and in 1968 the total catch was down to 97,000 tons, although most of the countries, most of the nations involved, had quadrupled their efforts and the decline in red fish, as I said, is also down considerably.

We believe, Sir, that Canada, and we can talk about where the jurisdiction lies from here until doomsday whether it is the Government at Ottawa or the Government of Newfoundland, certainly if the problem exists in Newfoundland, then we have a responsibility to the people. We believe that Canada should immediately take the initiative in calling a conference, as I said before, not wait until two years time or three years time or four years time, whenever the next Law of the Sea Conference is called, but call it now so that we can discuss the problems facing us, with the nations concerned, and, if we cannot reach agreement with them, then I believe that Canada should take the unilateral action which is necessary to protect and conserve this vital resource on our door steps.

Mr. Speaker, it might be argued that Canada has no right to do that but Canada does have the right to take measures on the management of this living resource and article (6) of the articles adopted by the International Conference on the Law of the Sea in 1958 states that, "A coastal state has



MR. COLLINS:

a specific interest in the maintenance of the productivity of the living resources in any area of the high seas adjacent to its territorial sea" and article (7) goes on and says that, "Any coastal state may with a view to the maintenance of the productivity of the living resources of the sea, adopt unilateral measures of conservation appropriate to any stock of fish or other marine resource, in any area of the high seas adjacent to its territorial sea, provided that negotiations to that effect, with the other states concerned, have not led to an agreement within six months."

So certainly, Mr. Speaker, Canada does have the right, in fact has the legal right to call a conference, if agreement cannot be reached, then take the unilateral action which is necessary. We all know, Sir, that fish has been a dirty word in certain parts of Canada especially in Ottawa for a good many years and I am not yet convinced, Mr. Speaker, that fish is not even a dirty word in the Confederation Building. The only initiative, provincially or federally, to meet and cope with the problems of the Newfoundland fisheries and the Newfoundland fishermen, has not been directed to remove the problem but, Mr. Speaker, it seems that it has been directed in removing the fishermen, through a resettlement programme and through nonexisting jobs on the shore. The time has come for this Government to assume the role of champion and protector of the fishermen and show its concern by flexing some muscle where muscle is needed, and not just thinking about those people on the eve of an election and forgetting about them for the next four years.

I made mention, Sir, of the need for further processing of fish in Newfoundland, rather than exporting the raw material, as we have been doing to considerable extent in the past. When we consider that our herring stocks are being utilized, mainly for fish meal and oil, one can readily realize the tremendous loss to the economy. It seems to me, Sir, that caplin, which roll on our beach, roll on all the beaches around Newfoundland for a considerable period of time, are not utilized to any real economy purpose. A caplin possibly is a species that should be used for reduction purposes and the herring taken to further steps in processing

MR. COLLINS:

such as kippers and snacks and what have you. Any consideration, of course, of the fisheries in Newfoundland would be incomplete unless we dealt with the salmon fishery and until recent years, Mr. Speaker, Newfoundland streams and rivers and ponds and indeed the coastal waters were teeming with salmon.

Sir, some of the problems which are besetting this fishery, granted, might be beyond the control of the Newfoundland Government. In fact, some hon. members might say that this resource falls completely and directly and legally under the jurisdiction of the Government at Ottawa, of course, legally and constitutionally, I suppose, that is true, but that does not mean that the Newfoundland Government, the Provincial Government, does not have a moral responsibility to bring pressures to bear upon the Federal authorities to assume greater interest in conservation and control, nor does it mean, Sir, that this Government, in its mad desire, its mad rush, at times, to industrialize the Province at all costs, it does not mean that that Government should permit the willful destruction of this resource; and that has been the case in a great many areas.

At the outset I mentioned the problem plaguing the fishery in general and, as I say it, Sir, as I mentioned here last year and has been mentioned by people since, among the major problems affecting the salmon fishery is the extensive drift-netting done by the Danes on the Atlantic salmon feeding grounds, off the West Coast of Greenland. We have also, around the coast of Newfoundland, what I consider to be an uncontrolled and unorganized commercial salmon fishery, and certainly we have a great lack of enforcement of regulations on our rivers, for which the Federal Government is responsible. Certainly, and this is possibly one of the more important failures on the part of Government, certainly there has been a tremendous lack of co-ordination between highroads and industrial activity on and around our rivers.

With respect to the drift-netting by the Danes, we must impress upon Ottawa the need to bring about a mutually beneficial agreement, if that is possible. If that is not possible, then, Mr. Speaker, I think the time has come for us to adopt some unilateral measures. I do not know

MR. COLLINS:

what we could do but maybe tariff impositions on Danish goods, something has to be done to make the Danes realize that what they are doing now, in fact, Mr. Speaker, it has been said that what the Danes are doing off the coast of Greenland is equivalent to milking a cow which one does not own. The salmon which they are catching, off the West Coast of Greenland, are salmon which were found and reared in Newfoundland rivers, go to sea and the Danes catch them all up. Certainly we can reach some agreement with them, because it is to their benefit, as well as ours, to protect this resource. The commercial salmon fishery, as I said, must be better controlled. The industry as far as I can find out is mainly a field where moonlighters operate; it does not have any real economic benefit or commercial benefit to the fishermen. Whatever the economic benefit is, is derived from the tourist dollars, which come into the Province with regard to the sport of the fishing potential.

I would say, Sir, also that the Federal Government has a responsibility to practice what they preach. They seem to preach research, in fact the Federal Government is involved in British Columbia very extensively in research, in fact there are three Federal research stations in British Columbia, doing research on the Pacific Coast salmon and also providing new stock to hatcheries, for restocking their rivers and streams, in fact, some of the restocked fish was introduced in Newfoundland two or three years ago and, Mr. Speaker -

MR COLLINS:

it is beyond me why we should be introducing Pacific Coast salmon in Newfoundland when we should have research stations and hatcheries here, so that we can provide our own stock for re-stocking our rivers. Certainly an area of disgraceful neglect, as far as I am concerned, is the appalling lack of co-ordination between Government departments and industry in and around our rivers. I have seen instances, I have referred it to the Department of Highways. I think everyone I have referred to them, the condition has been corrected. I do not know how much damage was done before it was corrected. Too often we have seen, highroads, bridges and culverts and other obstructions and pollutants in our rivers, which have prevented the adult salmon from getting up to the spawning grounds. In my opinion, they might have escaped the drift-netting off the coast of Greenland. They might have escaped the many salmon nets on the coast of Newfoundland. They possibly escaped the hooks and jiggers and flies and other types of lures on the rivers and then, to find that our own Government department are putting a block across a river, which stops the fish from getting in to spawn, this, in my opinion, Sir, is nothing short of criminal and something which must be looked into immediately.

To illustrate, Mr. Speaker, it is necessary, what I am trying to say; we might have a look at the beautiful Exploits River, one of the larger rivers in Newfoundland, certainly one of the most beautiful and certainly one of the major rivers in terms of salmon resource is concerned. On that river, as hon. members know, we have a mining development at Buchans, which is a very necessary development, provided a lot of jobs for Newfoundlanders. Nothing but praise is due them, but still the effluent from that mine, going into the Red Indian Lake, did create some serious problems from water contamination point of view, something which should not have been permitted. I understand that measures have now been taken to correct it.

I do not know how far it has gone. We hope to get further information on it, before this session closes, but certainly it is something that has to be looked into very carefully and no stone left unturned to have this very unsatisfactory condition eliminated.

Down stream, we have a pulp and paper mill at Grand Falls, which the Hon. Minister of Education and member for the district will agree with me, when I say that it has made a tremendous contribution to the economic status of the Province. But certainly they have been permitted, down through the years, also to dump pulp waste and tree bark into the river, which again has been a major contributing factor to the contamination of the water and also damaging to the salmon resource, and Of course still further sources of contamination are untreated sewer disposals from municipalities along the river.

Then, to add insult to injury, Mr. Speaker, as if all this was not enough, the hydro-electric development at Bay D'Espoir has further complicated the problem and certainly added enormously to the degree of contamination, by virtue of the fact that twenty-five per cent of the water, which normally flows through the Exploits River, have now been diverted back south to Bay D'Espoir. The combination of course of this with the other problems has had a very detrimental effect on the quality and the quantity of the water of the Exploits.

Now, Sir, hon. members should not interpret what I am saying to mean that I am opposed to industrial development, because nothing could be further from the truth. What I am saying is that Government and industry do not have a right to pollute our waters, and ways and means must be found whereby we can have sane and sensible industrial development and at the same time maintain our clean water and our fish and wildlife and what have you. I think it has taken too long for the Government to accept this principle and, as I said, while an effort has now been made by

the Federal and Provincial and Municipal bodies to restore the Exploits, the cost, I am sure, is going to be staggering and some of the ecological damage which has been done up there might very well Sir, be beyond repair.

I suggest that there are many, many stories similar to the Exploits, which we could tell about other rivers and lakes and streams in the Province. But because we still have time, Mr. Speaker, at least in some areas of the Province, I think we should take the lead now in resources management and take the lead over North America, over the United States and Canada, who today Sir, are involved in such a major struggle, at enormous cost to the taxpayers, to regain their resources. I think we should take the lead, learn from their mistakes and get on with the job of protecting what we have. For a good many years the rivers and ponds of Newfoundland were looked upon as being almost untouched and certainly clean, but certainly we cannot say that any more. We have witnessed what can only be described as indiscriminate development of our water resources. There has been misuse and abuse without proper appreciation of the real cost to the Province, certainly without any thought being given to future generations. Since the water resources are substantial and certainly are of great importance to our future prosperity, then management, and I repeat, management is necessary while the demand, relatively speaking, is low and while conservation measures are still possible.

The management programme, if we are going to have one, Mr. Speaker, must be founded on the following precints: We do have a Water Resources and Pollution Control Act and I believe that it is necessary that there must be developed from that a comprehensive plan insuring that our water resource is developed in a rational and economical manner. Certainly we need hydro-power, there is no question about that at all in the world, but I would suggest, Sir, that there are other considerations, and there is not much point in us ending up with a lot of hydro-power and no salmon and

no trout and no moose and no caribou and possibly no water to drink. The Water Resources and Pollution Control Act, or the Board which follows from that, must insure that there is maximum co-ordination between Governments, Federal and Provincial, and Municipal and industry and other users whoever they might be. Unless we have maximum co-ordination, we have everyone going off in their own direction and nothing but chaos can develop. Water resource management programme, if it is to be effective, of course, must take into account the quality as well as the quantity, as I said before. In considering the water, with all demands, we must of course give attention to the domestic and the industrial needs and always bearing in mind the fisheries need and the wildlife need and the recreational need, Mr. Speaker, which in the end could be possibly more important than the others. If we are to insure maximum benefits to present and future generations, then it is essential that now <sup>at</sup> the start, a sensible approach to the development of our water, always bearing in mind, of course, the social as well as the economic objectives, and planning for long-term development as opposed to short-term ad hoc development, must be emphasized.

Sir, the Speech also indicated a plan of development for the establishment of a new forest corporation that would have control over all the logging operations in the Province. The corporation, according to the Speech, is to be made up of Government and industry and its purpose is to establish greater efficiency and economy in the logging operations of the Province. How many times have we heard similar announcements in the Speech From the Throne before, and in other areas. We had the Kennedy Royal Commission Report in 1959. Major Kennedy and Mr. Roland Goodyear, from Gander, did as every person I have heard, who commented on the report, did outstanding work in gathering information and preparing to report and submit it to Government. They identified the problems and recommended government action, but nothing was done. We have had numerous reports since, such as, the report on the

Economic Prospects for Newfoundland the the Atlantic Development Board Report which was commissioned a couple or three years ago and now a report known as the Rousseau Report, Royal Commission Report on Forestry. What in the name of commonsense Mr. Speaker, is the sense of having all those reports if the Government is going to wait for a crisis to develop in our forest industry before they decide to act. It is too quick yet for us to, too soon for us to judge what benefits might accrue from the new programme which has been announced, and from the forest inventory and land capabilities project which I understand will soon be completed. Certainly, Sir, until information of that type is available policy making decisions by this Government or any other Government for that matter is very difficult and it is impossible to arrive at annual gross figures. Of course, without annual gross estimates and other information, which will be made available by this inventory, until we have that then nobody really knows where we are going. Because we have so many factors Sir, which affect our forests, possibly the most important ones are the losses brought about by disease and insects and fire and flooding, Some success I think has been achieved in trying to control the looper. We have not had the success with the woolly aphid. I do not know what success we have with fire. I do know some of the problems with flooding and again I go back to the Bay D'Espoir power project which project caused a flooding of some thirty-two thousand acres of productive forest land.

The flooding of 230 thousand cords of merchantable timber, and I understand that an additional 100,000 cords will become practically inaccessible as a result of the flooding and the area has been rendered, we all know - not unproductive forever. As I said the hydro-development was necessary but certainly ways and means could have been found to salvage this resource and not lose it, as was the case.



Certainly Sir, a sound research programme is necessary if we are going to insure a sustained yield and I would suspect that changes in the present agreement with the two pulp and paper companies or agreements whereby the Government assumes greater control<sup>is</sup>, not only justifiable but is essential to the further growth of Newfoundland's forest industry. The changes that I have said on previous occasions need not affect paper companies adversely because, by assuming control over our forests, then the Government would be able to initiate a sound forest management programme, something which we do not have at this present time.

I mention research Mr. Speaker, because much research is necessary in reforestation and afforestation and tree improvement, fertilizing and thinning, experiments, soils research, research on insects, forests economic research, forest products research; and possibly forest products research, Mr. Speaker, is an area which have been overlooked too long. It should be noted here that a regrettable feature of industrial development in Newfoundland, Newfoundland forestry, is its single-commodity mindedness. That is pulp and paper, all over Newfoundland, useful -

MR. SMALLWOOD: Would the hon. gentleman be willing for us to take ~~his~~ speech - we could take it then and put it in Hansard.

MR. COLLINS: No, Mr. Speaker, if the Premier does not like this, we have taken a lot of this stuff over here and said nothing about it.

MR. SMALLWOOD: Read it. Read it.

MR. HICKEY: I am surprised you know. I had the courtesy that to direct the Premier to make a statement a little while ago.

MR. SMALLWOOD: Yes, but I made it and sat down.

MR. NICKEY: Well, I am making one now and you sit down.

MR. SMALLWOOD: But not sitting down.

MR. HICKEY: That is all very well, Mr. Speaker, the Premier does not like anyone else in this House talk. Now he has the Minister of Health -

The Minister of Health want to make a statement?

MR. SMALLWOOD: The wit is almost unbearable.

MR COLLINS: Mr. Speaker, I was saying that we have been doing nothing but developing pulp and paper, our industry has been designed to the manufacture of pulp and paper, and in my opinion certainly we should be thinking about the development of our birch stands, certainly the Premier with all his brainy ideas and industrial development must be able to come up with some means whereby birch can be manufactured and more people employed and obtain greater benefits from the forest of the Province.

Mr. Speaker, we also might mention in the speech of Agriculture. Certainly we have heard about this for years and years a great need for development in Agriculture. It has been said -

MR. COLLINS: That we have a great potential. If we do, we certainly are not doing much about it. I have a report here someplace which the Provincial Government commissioned the Federal Government to do, back in 1965. I would suggest that conditions back in '65 were not too different from what they are today. We find that at that particular time 112 million pounds of potatoes and other vegetables were consumed in Newfoundland, 65 million pounds of meat and nearly 9 million dozen eggs. I would suggest Sir, that possibly in the production of eggs is the only area whereby we have made any improvements in terms of producing enough to meet our needs.

With regard to potatoes, the report shows that the annual consumption is 78 million pounds and we import seventy-five percent of that. The total consumption of carrots is 3.5 million pounds and we import over 3 million pounds of those. The total consumption of turnips is 15 million pounds, 12 million being produced locally. By a programme which I saw on television last night, the farmers are growing those and the farmers cannot sell them. Certainly Sir, there is a need for greater coordination, greater cooperation between Government and industry, if we are going to improve the position with regard to agriculture.

Mr. Speaker, that is about the extent of the few things I wanted to talk about today. There will be opportunities, I expect, in the budget debate and other debates which will follow this one, whereby we can get some more points of view across, as well as a few other items which I have that I will leave until that time.

MR. A.C. WORNELL: Mr. Speaker, I do not intend to have too much to say on the Throne Speech. I am always one to take up a challenge, and the hon. gentleman that just sat down threw out one when he started his speech, by saying that no member on the opposite side seemed inclined to speak on the needs of his district. At least, I assure him that I have used every opportunity that I have had in this House, since I have had the honour of representing Hermitage District, to bring the needs of that district to the attention of the Government. How successful I have been I leave to my constituents to judge. I am certainly making no great claims. I shall try to do the best I can, while I am the representative.

Mr. Speaker, one would have to be possessed of glass eyes,

sawdust brains, or indeed, senile not to see something good in this Throne Speech.

MR. SMALLWOOD (J.R.): Or he could just be a tory.

MR. WORNELL: Well, he could be of that ilk.

MR. SMALLWOOD: Sawdust brains, glass eyes or be a tory.

MR. WORNELL: Mr. Speaker, I think the hon. gentleman who just sat down made reference to the fact that this Government has run out of words. I do not think any member on this side of the House can be accused of becoming dumb. I would say that a lot of good ideas have been brought forth. I am sure that the conference which was called last month was evidence, not only of the verbosity of the members of this Government, but also of the thoughtfulness, ideas, conceptions etc.

The Throne Speech has been typified as being a rehash of the 1966 manifesto, a rehash perhaps of the ideas brought forth in the economic conference. I say, so what? If ideas are good, are they any worse by being reiterated or repeated? I say Mr. Speaker, that a good idea is always a good idea, and I shall not use the cliché, "a thing of beauty is a joy forever," but, a good idea will someday bring forth fruit. I see a lot of good ideas, Sir, brought forth in the economic conference.

One of the first things mentioned in the Throne Speech; aids to inshore fishing. Now Sir, the hon. gentleman who just sat down decried the fact that this Government has done nothing for the inshore fishermen, has done very little or nothing about the fishing industry or for the fishing industry. Well, I know many things that this Government has done, I also know that despite the fact that good ideas perhaps were brought forth and that this Government utilized the best brains, supposedly the best brains, in the fishing industry, we are still facing insurmountable problems. I am afraid Sir, that these problems will be with us for some time to come because, in the case of the inshore fishing, you are not going to get the young men to go to university and then go back in the fishing boat among the blood, guts and gurry of the fishing trade.

I am glad to say, Sir, that in my district I can cite a community of Francois which has kept the inshore fishing alive and thriving. It is a

self-sufficient community. It is a community, Sir, which to my mind should be given all the encouragement that this Government or any Government could give it. The men who go down to the sea in ships have been praised from time immemorial, but Sir, I was never more congratulatory of these small boat fishermen than I was three weeks ago when I made a trip as far as Francois on one of the C.N.R. boats, the "Springdale" to be exact.

We stuck a forty or fifty mile gale of wind, and I was told that one small long liner was almost swamped coming in from the Penguin Islands that day. She brought in 2,000 pounds of fresh fish, and these two men made \$100. I said that they were not well paid for what they went through because these men, Sir, deserve medals, they deserve monuments. That has been the story, and the history of small boat fishermen down through the ages, not only in this country, Newfoundland is not the only country which can lay claim to heroic fishermen. All that Newfoundland may do is say that her sons have maintained the tradition of the Vikings of the past. I say, Sir, that this Government, if it has not done anything for the fishermen, then it should hang its head in shame, because the fishermen, to my mind, are the best that Newfoundland could breed.

Reference has been made, I think by Sir Winston Churchill, to the "best small boat men in the world." I am sure Sir, that that appellation or that title was not ill bestowed. I think it was well deserved.

Now Sir, as to the inshore fishing, this Government proposes to establish a number of service stations for the larger fishing boats. A number of launchways and slipways for fishing boats, a number of unloading facilities to be installed on public wharves, for the greater convenience of fishermen bringing fish to land. This Government also proposes, Sir, to bring in new bounties on boats, engines and fishing gear. There are to be grants for fishing vessel conversion to other types of fishing. That is not something new. Mr. Speaker, that is something that this Government has been thinking of ever since I can remember. I am sure, Sir, that if we had billions to spend on services to the inshore fishermen, there would still be young people who would elect not to go in the fishing boats, and this Government nor any other

Government can change a young person's mind, or can give him a different inclination as to what allocation he chooses.

There are many things that could be done for the small boat fishermen of my district, One of the things that I am hoping will be done this year, is a wharf and community stage at Francois. I have made strong representation to the Fisheries Authority and to the Federal Fisheries Authorities to have something done this year, if at all possible. As I said before, Sir, no one nor no community is more deserving of encouragement than the community of Francois. What I say of Francois, Sir, can be taken for any other fishing community. The men who go down to the sea in ships, as I said before, are worthy of all the praise that we as Newfoundlanders can give them. Let us also give them more encouragement.

The next thing in the Throne Speech, Sir, I notice, is forest management. It might interest the House to learn that last year in Bay D'Espoir, Nucore employed 241 men in logging operations. There was paid out in total expenditures, \$360 thousand. The direct payroll itself amounted to \$206 thousand. Now, Sir, forest management; much has been said and heard about the sawmill industry. Anyone who has read the Rousseau report which was recently tabled here, will see that there are 1,000 sawmills in Newfoundland. Some of them are only producing five and ten thousand board feet, just for private use. Others are probably just cutting pailings for fences or something like that. Sir, I maintain, (and I have said this to other people who have been criticizing the Government for not encouraging more small sawmills) I maintain that, if sawmilling was the bonanza that some people think it is, we would not be hearing criticism of the Government. What

they would be hearing . . . would be criticism of the Bowrings, the Ayres, the Lundrigans and someone else for making their profits of saw milling. Oh, the Crosbies, pardon me. I forgot the Crosbies.

It is not so easy, Mr. Speaker, to have these small industries cropping up all over the place. It gives them a lot of argumentive material, for the Opposition, but for the conference table, it presents a lot of difficulty. So, the Rosseau Report will be an eye-opener for anyone who thinks he knows it all about saw milling and forest products. I was talking to a gentleman, whose name I will not reveal but he knows a lot about the pulp industry in Newfoundland. He agrees with me that it was almost impossible to make a viable saw milling industry, unless it was connected or very close to the pulp and paper industry. That is the reason that you find Bowaters interested in the Hawkes Bay operations. They have to utilize the tree tops. They have to utilize the bark and the chips.

Sir, the next thing that I see listed in the Throne Speech is: Area Industrial Development. That is something which was given wide coverage at the Economic Conference. I think it was Mr. Nolan who expounded on this particular phase of Economic Development. He told the audience then that the Government were hoping to provide \$10,000 a year to each of the active associations.

MR. ROBERTS: Minister of Community and Social Development.

MR. WORNELL: That is right for social development, industrial and social development. Now, Sir, what better idea can you have than that? If that is not democracy in action, (we will forget that big word, participatory) sir, what is? That is as near as you can get to the old Greek idea, the Greek's state idea, where everybody comes up with the ideas and the whole country benefits from the ideas. I, Sir, think that it is time that these area development associations, throughout this country, get their heads together

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and make use of that \$10,000 that the Government will provide, providing of course, that it is passed in this Legislature, and come up with some bright ideas, some reasonable ideas that will, perhaps, provide viable industries, profitable industries in the various areas.

But, Sir, I will say this, that I do not think that there is any short-cut or any easy road to viable industries. It takes a lot of thought and it takes a lot of money, in some cases, a lot of capital and a lot of headaches.

Now, Sir, I will leave the educational part to the hon. Minister of Education, because I am sure that he will tell the House what this Government plans for his department this year. But I will say this, Sir, that I came across a little booklet the other day. This little booklet is entitled, "What Has Gone Wrong With Education." This is what appears to be a series of editorials taken from the "Winnipeg Free Press." Sir, I commend that little booklet to every member of this House. If you want to see what is wrong with education, I think you will find it in that little booklet. Again, I am not going to steal any of the thunder of the hon. Minister of Education. I could speak for an hour on that little booklet alone, Mr. Speaker and the problems that not only this country but the whole world has to face in education.

Mention was made of health facilities: I am interested in that, Sir, because I think that would be money well spent, especially, this part here about ambulance services and new clinics. Incidentally, this is very, very current with me, because the Department of Health is presently considering the erection or the providing of a clinic for St. Alban's, in Bay d'Espoir. The sooner that will be provided the happier I will be.

MR. ROBERTS: Mr. Speaker, in a form of a question. Is the hon. gentleman aware that the Government have decided to provide clinic facilities there? The only question now is the detailed decision of whether we should finish the building there or whether we should put that to other uses and build a new clinic. But is he aware now that we have two doctors there and that



Mr. Roberts.

we are intending to provide adequate facilities in the area?

MR. WORNELL: Mr. Speaker, I thank the hon. Minister of Health for that information. I am well aware, Sir. I am well aware of it but I am sure that he has told the House, perhaps, in better language than I could. But anyway this is one thing, Sir, that I think the whole Island, the whole Province will appreciate and that is the fact that we will be providing ambulance services, new hospitals where necessary and new clinics where necessary.

Now another thing, Sir, I notice is the plan includes the building of a number of landing strips for aircraft. Now this was mentioned this morning, because a petition was presented to this House regarding the landing strip at Frenchman's Cove. Reference was made then to the landing strip or the air strip at St. Alban's. I wish to say, Sir, that I agree with the remarks of the hon. member for St. John's West, when he said that the Government should take a responsible attitude toward that landing field up there and see that it is kept in repair and properly looked after.

Now the creation of a number of new parks, the rehabilitation of a number of beaches - this is certainly needed, Sir, in various parts of this Province and I am happy to note that one of the new Provincial Parks is scheduled for the Bay d'Espoir area, on the Bay d'Espoir highway. I assure the Government, Sir, that that will be well appreciated. Perhaps it is a bit overdue. With regard to public beaches, no one is more aware than I am, Sir, of the need for good, clean, public beaches for swimming. It is something apart from the beautification end of it. It is something that everybody should look forward to, because today, you cannot take children on a beach for fear of getting them cut up with broken bottles, tin cans and other things which can hurt a young person.

I will not mention anything about the fishery, Sir, because I feel

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that the hon. Minister of Fisheries will be giving you a run down of what the Government intend to do with regard to this new salt fish, new fish union. With regard to pollution, Sir, last year, I remember speaking about this and, in the course of my remarks, I mentioned the fact that Lord Byron, in his famous poem on the sea said, "Man marks the earth with ruin but his control stopped with the shore." That, sir, is not the case any longer. Man is ruining not only the earth, but the sea and the air. Pollution is seen everywhere. Those of you who read the account by Thor Hyerdahl, and in his voyage from Egypt to the West Indies, will remember that there was hardly a square acre of water that was not polluted. So, it was water, water everywhere but not a drop unpolluted. There was: Oil spillage from tankers, detergents, garbage and sewage, which all take a tragic toll of sea birds, fish and plankton. I remember last year, sir, speaking about this, that I thought it was time that the engineers designed some sort of a tanker that would have containerized units so that if these tankers ran around, by some mechanical means the containerized units could be set free and they would float away of their own buoyancy.

Now, sir, I feel that that is a must. That is a priority, an imperative, if you want to put it that way in the engineering field. I am sure that the engineering genius will come up with some idea to overcome the spillage of oil from oil tankers. Because, sir, whatever we may think of the oil drilling rigs which are going out on the Grand Banks, I have it from a good authority that that is not the greatest source of oil spillage. The greatest source of oil spillage is the tanker, the 200,000 ton tanker. Apparently these oil wells, they can spill some. but spillage can be controlled. As far as pollution is concerned, Sir, I feel that we should have something done about the pollution of our waterways. I am thinking now of these big construction companies that as soon as they set up camps, they seem to set up a camp near a lake or a river and in probably six months that lake and the surrounding area is polluted. So, I believe, Sir, that this Government should make it mandatory

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that a nonpollution clause should be written in their contract. There should be penalties provided in the case of pollution. If we do not do that, Sir, we will find that we will be faced with an insurmountable problem of cleaning up the pollution in our environment: Pollution on the beaches, suburbs, the road sides, etc. I feel that we should employ students in the summer time to help clean up the beaches, the lakes and roadways. I believe that these are Provincial and Federal responsibilities. We must have the curative as well as the preventive measures taken. We must put a dollar sign on cleanliness.

I feel that good citizens should be rewarded and polluters should be penalized. We should probably put a bounty on beer cans and empty beer bottles. We should have a clean-up week and probably keep it up every spring, summer and fall. And have slogans like "Turn your trash into cash." We should probably have incinerators on highways, collection stations.

I do not wish to deal too long, Sir, with the pollution picture. But it does sometime in the overall present a very bleak future. We seem to be overdeveloping, overreaping, overharvesting, overfishing, overbuilding overproducing cars, hogging our highways. I do not know where the end or when the end is going to be. We certainly have to try to keep the thing under control. Probably one of the greatest problems mankind faces is pollution control.

Now, sir, a good piece of news in the Throne Speech was the fact that Brinco, if the Government of Canada permit, will construct or hopes to construct in Canada a great industrial facility.

MR. WORNELL: of an nature not presently to be found anywhere in Canada.

Now I would say, Sir, that, that is a marvelous prospect, and it is certainly ideally suited for the Lower Churchill.

AN HON. MEMBER: Inaudible.

MR. WORNELL: Well, as far as that is concerned we had, I think, the seconder of the motion to draft an address in reply give about five reasons why the Lower Churchill would be ideally suited and situated. So, I do not think that I am going to enumerate them here.

It suffices to say that, of course, the water power is there and the potential electric power is there.

Now, Sir, there are a lot of good realistic suggestions in this Throne Speech, and, as I said before, it is not my intention to dwell too long on any of them. It suffices to say that the sooner some of these suggestions are put into practice, the better it will be for some of our districts.

Now, Sir, some of the things that I advocate, expect to be done in my district in the coming year are: first, water and sewerage installations at Milltown and St. Alban's. This will not be completed this year, we are expecting a start to be made and that, God willing, it should be completed next year.

We have road contracts left on the Harbour Breton Road to Bay D'Espoir, on the Hermitage to the Harbour Breton Road. And we are expecting to have fourteen miles of paving done on the Bay D'Espoir Road. We are expecting to have a water extension service provided from Hutching's Pond to Connaigre Pond at Harbour Breton. We are hoping again to have a Provincial Park started and built somewhere on the Bay D'Espoir Highway.

We are hoping also, Sir, for a forestry programme to be started somewhere on the Bay D'Espoir Road. And I may say I have great hopes for the development of the inundated waters of Bay D'Espoir of the hydro-power waters in Bay D'Espoir. And apropos of that, Sir, I have in my possession a letter from a Mr. Wallace Roberts. Mr. Wallace Roberts was born in Hermitage and he is presently in Ottawa. He and his wife are both studying for their doctor's degree. And with the Speaker's permission I would like

MR. WORNELL: to excerpt a couple of paragraphs from a letter I had from him recently. He said, "several months ago, we decided to make an intensive endeavour to document a proposal of the ways and means of utilizing the natural resources at Bay D'Espoir, Harbour Breton and Hermitage region of Newfoundland.

The proposal evolves around the development of a massive trout and salmon hatchery and environment controls, rearing facilities. These facilities would, if a plan were put into practice, utilize the run-off waters below the hydro-plant at Bay D'Espoir."

And then he goes on, "the full proposal discusses such matters of concern as site selection, hatching, rearing, processing facilities, water analysis, heat and power requirements, transportation, fish diet preparation, etc. etc. etc."

And he says, "with our combined skills, and with the Provincial approval of the proposed plan, I believe that I will be able to negotiate successfully with Federal agencies in obtaining the necessary financial support for a feasibility study and the project itself."

Now, Sir, this would give you some idea of what can be done, or what maybe envisaged to be done in the Bay D'Espoir region. And, I hope, Sir, that Mr. Roberts will see his dream come true. I have passed his correspondence over to the Department of Economic Development and I understand that action has already been taken, as far as the correspondence is concerned. I am not saying now that any action will be taken in the employment of Mr. Roberts ideas, but, it just goes to show, Mr. Speaker, that people are thinking, that we are using our brains to try and come up with some viable industry, some suitable scheme that will bring new life and hope to the more depressed areas in this country.

Mr. Speaker, I can only say, Sir, that it is my contention that, regardless of the money spent, I feel that Newfoundland must have development, must have industry. And it is the question of whether you go for industries or whether you go for unemployment and welfare. For myself, Sir, I feel that we should strike out for new industries and more employment.

Thank you.

MR. SPEAKER: (NOEL): Shall the Motion carry?

MR. J. CROSBIE: Mr. Speaker, I have great sympathy with the member who just sat down, the hon. the member for Hermitage, since he represents the district in which very little has been done with the economic development of that district since 1966, or I suppose even before or since. It is certainly one of the great failures of this Government's development policy that nothing yet has been developed in the Bay D'Espoir area from which the power originates that goes to ERCO and other consumers in this Province, so he has had a difficult job to do in representing that district. I can only hope that in the future we will have a Government that will put first priority on the development of the Bay D'Espoir area, so that the people down there will gain some long term benefit from the resources of that area, from the power developed down there.

Mr. Speaker, I am glad that the hon. gentleman opposite spoke, as things are operated in this House today, we do not know on this side whether anyone is going to speak on the other side, there is no consultation about these matters. And, until the hon. member had spoken, no one has spoken in this debate from the other side of the House. I was going to remark that, instead of the silent seven that there used to be in Ottawa, they are now the twenty-nine mummies on the Government side of the House. But, I have to change that to twenty-eight mummies, because the hon. member from Hermitage has spoken in this debate. So there are twenty-eight mummies and we will be waiting to see how many more mummies there are on the other side. No mummies, in the sense of moneys but mummies in the sense of speaking in this debate.

AN HON. MEMBER: Inaudible.

MR. CROSBIE: In fact the theme song of the Government would seem to be in this debate that they are without a song, "Without a song, the day would never end." Perhaps the Government hopes that without any singing in their part, their days in power will never end. But, I do not think that is going to be the case. We are anxious to hear from them over here in this debate, Mr. Speaker.

MR. CROSBIE: Mr. Speaker, a gentleman in St. John's. I think, his name is Miller, has been raising the question of some legislation being passed by this House for the protection of tenants vis-a-vis landlords. As any of the lower members of this House will know, today, apart from the Rent Control Board Act which was passed during the wartime years and which is now really inadequate, there is no legislation passed by this House dealing with the question of the relationships between landlords and tenants, which means that by and large tenants are at the mercy of landlords particularly when you have a situation as we do today, where the demand far outweighs the supply, where the demand for apartments and houses for rent, as well as for sale, certainly for rent, exceeds the supplies. And, I believe, that Mr. Miller, I believe I have his name correct, has an excellent point there and I hope that his campaign will reach the ears of this Government and that this Government will remember a promise that the Government itself made in the Speech from the Throne last year.

In the Speech from the Throne last year, the 1970 Speech from the Throne, Mr. Speaker, on the second last page thereof; The Lieutenant-Governor said, this is the 1970 Speech, not the one just made this year, "my Government are giving consideration to the matter of effecting changes in the machinery, regulation and control of house rents in this Province, with a view to making procedures more effective in behalf of tenants."

That was stated by the Government, Mr. Speaker, on February 18th. 1970. A year and almost two months have passed since the Government stated that the Government was giving consideration to this matter of effecting changes in the machinery, for regulation and control of house rents to make procedures more effect on behalf of tenants. Yet, there has been no legislation introduced in this House by the Government, either last session or at this session, to carry out that promise. Surely, the Government must have considered the position before that went into the Speech from the Throne last February. Surely, the Government should now have legislation ready to introduce in this House that will more fairly regulate the question of rents and other questions that arise between landlords and tenants, such as

MR. CROSBIE: the period of notice that is required before someone can be ejected from the house. Such as the standard of repair that rented property must be kept up by a landlord and the rest of it.

There is legislation, Mr. Speaker, in other provinces, the Province for Ontario for one, that does help a tenant in his relationship with landlords. And, I, for one will certainly support any legislation to that effect, brought before the House that introduces some safeguards in the law on behalf of the tenants of Newfoundland.

It is useless for it to be introduced as a private member's Bill Mr. Speaker, because Private Members Days are only Wednesday afternoons each week. And we have already seen that the first private members day of this session, the Government deliberately occupied three hours answering questions that should have had been answered all during the week, so that we could not debate the motions that were on the Order Paper by private members.

So, I call upon the Government now, Mr. Speaker, to bring in legislation, based on the Ontario Legislation or that of other provinces, to help ameliorate the lot of tenants in this Province in their relationship with landlords, not only in connection with rent, but in relation to good repair, what period of notice is necessary before a lease can be terminated and all of those other questions which are so essential to the ordinary person today who has to rent a house or an apartment. Let us have the promise made by the Government last year, a year and two months ago, carried out.

Now, Mr. Speaker, I am glad that the hon. gentleman opposite spoke, because I am just going to come to him in a moment. There is also a question, Mr. Speaker, that needs to be touched on now, the fishery question. The Minister of Justice was quoted in the press last Saturday as saying, that he doubts, but we will try, the Government will try for, the legislation will be available this year with which to give Newfoundland inshore fishermen collective bargaining rights. Why does the hon. Minister of Justice doubt that, Mr. Speaker?



MR. CROSBIE: Surely, and when the Premier was questioned about it, earlier today in this House, the answer he gave was very indefinite. He said, the Government plans to introduce such legislation, but matters might arise possibly that would prevent it. Surely, Mr. Speaker, this House should not adjourn this year without having legislation passed giving the fishermen of Newfoundland collective bargaining rights and devising a new system for representatives of the fishermen, the merchants and others to set prices for fish this season.

MR. CROSBIE: If this legislation cannot be ready say, by the middle of May or the end of May, whenever the House is ready to adjourn, is there any reason why the House cannot be called back in June or July or August to enact such legislation? There is no reason why that cannot be done Mr. Speaker. In fact, last year the House went from February I think till late in June, and <sup>w<sup>2</sup></sup> were called back again in July for ten or twelve days to deal with the oil refinery at Come by Chance.

Mr. Speaker, I say that the fisheries of this Province are more important to this Province by far than the oil refinery at Come by Chance, and that there is no reason whatsoever why the Government cannot say absolutely and unalterably that legislation will be passed at this the fifth session of the House of Assembly this year - before any election, and before this House dissolves for an election. It is inexplicable to me why the Premier would not give that definite and firm assurance. If it is not ready by May when we are ready to adjourn, the middle of May or whenever it is, that the House will be called back as soon as the legislation is ready. I notice that Mr. Cashin stated that one of the principles of a new union, that if the Government double-crosses the fishermen, the Government will pay for it. Mr. Cashin claimed; "that the statement by Mr. Curtis was a complete contradiction to a promise made earlier by Premier Smallwood, whom Mr. Cashin said, "promised a group of fishermen only last week that bargaining rights for them would be available this year."

This is strong language that Mr. Cashin uses Mr. Speaker, he must be sure of his ground. Mr. Cashin says that the Government did have a draft Act ready for the House, which copied the existing labour relations Act, with special application to fishermen, but that was not satisfactory. Mr. Cashin said, "We just could not live with that kind of an approach, for it was a pretty sloppy way to run a Government," I do not know if it was accidental or deliberate. This is what Mr. Cashin is quoted as saying about the Bill which the Government did have ready to introduce in this House.

Mr. Speaker, all I am going to say on this subject is, that there is a Select Committee that has been appointed to bring back recommendations to

this House, all I am going to say, is that the Government should stick to its solemn promise to the representatives of the fishermen, that legislation will come before this House this year. There is no excuse to say - I notice that the Leader of the House (Minister of Justice) said several days ago, I heard him myself on the radio saying it, that there was not very much business of any urgency or great importance to come before this session of the House. What does the Minister of Justice think, that this legislation to do with the fishery is not important, that there is no urgency for it?

This is an unconscious assertion of the fact Mr. Speaker, that the Government does not really consider that to be of very much importance. I would ask the Premier to make a definite statement, that if by the time this House is ready to adjourn in April or May or early June, if the fisheries legislation is not before the House then, we will be called back to deal with it as soon as it is ready. The fishermen of Newfoundland expect that, and the Opposition will certainly agree to it.

One other point before I come to the Minister of Welfare Mr. Speaker.

AN HON. MEMBER: (Inaudible)

MR. CROSBIE: Pardon?

AN HON. MEMBER: (Inaudible)

MR. CROSBIE: The Minister for Social Services who needs to be rehabilitated. right. Special warrants under the Revenue and Audit Act are supposed to be filed in this House, tabled in this House within fifteen days after the commencement of the session. The session commenced March 22nd., fifteen days from March 22nd. is April 6th. a week ago today, yet, despite the fact that the Premier was requested by the Leader of the Opposition to table the special warrants on April 2nd., he refused to do it, told the Minister of Finance not to do it, to do it when the House reassembled today April 13th. In other words, the law is of no importance to the hon. the Premier who heads a Government of the Province, which passes laws which all the citizens of the Province are supposed to observe. If they do not observe them they are going to be penalized. They will be fined or imprisoned and the rest of it.

How can a Government expect obedience and respect for law, if it will not observe the laws itself, when it does not serve its purpose? The special warrants were finally filed today. We can easily see why the Government did not want to table them. The special warrants amounted to \$42,732,000. This is money that the Government spent last year not authorized by the House, in excess of the estimates passed by the House.

MR. SMALLWOOD (J.R.): No. (remainder inaudible)

MR. CROSBIE: Well, we will not argue that technical point. It is \$42 million of money spent that was not in the estimates passed by this House last year, not authorized by this House to be spent.

Mr. Speaker, when the debates were on last year on the Budget Speech, time after time we pointed out how the estimates were going to be — that were being presented to the House were going to be inaccurate. Here is a tremendous example of it. Last year in the Department of Public Works the Government asked us to vote one hundred dollars for expo buildings. One hundred dollars, that was brought up in Committee of Supply. We asked how could the Government only ask for one hundred dollars to complete the building at Grand Falls, the building at Gander, the building at Grand Bank. The answer given by the Premier was, the contractor, Lundrigan's are building the buildings and they are going to bill the Government when the buildings are all finished. So, the Government does not need any money this year, will not need any money during the year that ended March 31st, to pay for expo buildings. Therefore, the Government only asked the House for one hundred dollars. Now, when we look at the special warrants tabled today, two amounts for expo buildings. \$1,711,418.00 in one special warrant, and in the second special warrant \$271,000.00, making a total of \$1,982,418.00 that the Government spent on expo buildings during the financial year that just ended, not the one hundred dollars that the Government asked this House to vote last April.

We were told no, the Government will not have to spend any money on expo buildings, they will pay the bill at the end. One hundred dollars, why was that done Mr. Speaker? For one reason only, so that when the budget was presented last year it would not look as though there was going to be as 1001

great a deficit as the Government knew there was going to be, that is all. Misleading the House, one hundred dollars, and it is \$1,982,000. that was spent by the Government, that is \$1,982,328.00 more than the one hundred dollars we voted. No wonder the Government did not want to table the special warrants without any explanation. When the Government jammed through Interim Supply here about two weeks ago, the special warrants were not tabled so we could not have that information when that debate was going on.

Those expo building Mr. Speaker, have so far voted by this House not last year but the year before, there was about \$2.5 million. Now there is another \$2 million that turns up in Supplementary Supply. That is \$4.5 million so far on the expo buildings that were going to cost not a cent over \$750,000. How much more those expo buildings will cost before they are completed God only knows.

There is a mysterious amount of \$1,822,000. in Supplementary Supply for the Royal Trust Co. Royal Trust Supplementary agreement, something to do with highways. What ever that is it would be interesting to have it explained by the Minister of Health. \$35,000. for Royal Commissions. We had a debate on Royal Commissions last session. We pointed out the vote for Royal Commissions was inadequate. There is \$35,000. \$27 million special warrants October 15th. 1970, Department of Economic Development to be paid to Provincial Buildings Corporation Ltd., the Crown Corporation at Come by Chance. \$27 million that is \$27 million of the \$30 million the Government is supposed to contribute to that project. What is the explanation for that?

We all remember that furious little ceremony last, I think it was last October, when the Minister of Health passed over a cheque for \$5 million to the Premier and pretended that the \$5 million interim financing was all paid off, and the people of Newfoundland did not have to worry about it any more.

MR. ROBERTS: And it was paid off.

MR. CROSBIE: Just a shallow by-play. That money is still owed. That money is still outstanding, it is now long-term instead of being interim finance.

In my remarks later Mr. Speaker, I will point out that that \$5 million interim financing has been spent at Come by Chance and the Government has no way

og getting it back until the whole refinery project is paid - is paid off. The refinery is going to cost \$160 million where it should have cost \$155 because of that \$5 million that was advanced in 1968. To pretend that the Government got the \$5 million back at that signing ceremony last fall is just that, pretense. Pretense, that is just playing cheques. Taking a cheque from one account and putting it into another, that is all it was. The Premier and the Minister of Health parading the cheque around to pretend that the \$5 million was back. It is not back and it may never come back Mr. Speaker, but I will come to that later in more detail.

Now the Department of Welfare, no, not welfare, we cannot call it that. The Department of Social Services and Rehabilitation. There is an amazing situation in that department that certainly requires some explanation Mr. Speaker. In answer to questions tabled in the House, (no the Minister can wait, he will not have to wait long) the minister was asked question no. (13) about how many escapes there had been from the Boys' Home and Training School at Pleasantville, the Boys' Home and Training School at Whitbourne, and the Girls' Home and Training School during the last five years. The answer tabled Mr. Speaker was absolutely flabbergasting. There had been 485 departures, or escapes, or whatever you want to call it from those facilities in the last five years. What the minister has to answer for is this. For example, the Boys' Home and Training School at Pleasantville has twenty-three runaways in '67-'68 and twenty-three returns, forty-four in 1968-69, thirty in 1969-70, but the minister becomes minister and in 1970-71, eighty-three boys left Pleasantville home, only eighty-one returned to date. That the figures doubled the minister might explain why this happened.

The same is true at Whitbourne. At Whitbourne, in 1966-67 there were five truants, five returns, '67-'68, seven truants, seven returns, '68-'69. In anticipation of the minister coming or perhaps he was there, thirty-three truants thirty-three returns, '69-'70 fifty-three truants fifty-three returns, 1970-71 eighty-four of whom only eighty-three have been returned.

The Girls' Home and Training School at St. John's here, 1966-67 five ran away five returned, the next year nine ran away and nine returned, '68-'69

ten ran away and ten returned, 1969 - 1970, nobody ran away and nobody returned, 1970 - 71, ninety-nine escapes from the girls' home and ninety-nine returned.

Now Mr. Speaker, if that does not indicate something seriously wrong with the Boys' Home and Training School, and the Girls' Home and Training School in this Province, then I am completely mystified.

AN HON. MEMBER: Can the hon. member say why kids all across Canada and the United States.....

MR. CROSBIE: I am giving the figures for five years in this Province, and this year 1970 - 71 are completely shocking, and the minister is giving no explanation for it.

MR. NEARY: Did the hon. member hear of.....

MR. CROSBIE: Mr. Speaker, the hon. minister can speak when he has his chance.

In answer to question fifteen it turns out - the figures are given for how many are in each of these boys' homes and girls' homes during the year, various months during the year. In December of 1970 there were thirty-eight boys at the boys' home at Pleasantville, thirty-three at Whitbourne and eleven girls in December at the girls' home. So, in December of 1970 there was a total of eighty-two inmates, and that was just about the average during the year.

At the same time, the three institutions had eighty-nine staff. So the staff outnumbered the inmates or equalled the inmates. Eighty-nine staff, eighty-two inmates. Why then Mr. Speaker, are there all these escapes? There is something fundamentally wrong here. There is something wrong in those three homes.

MR. NEARY: Why do so many run away from private homes today?

MR. EARLE: Because the hon. member and the former ministers did nothing?

MR. CROSBIE: There was another question asked, about an incident at Whitbourne in December in the Boys' Home, question (14), when boys were hospitalized for four to twelve hours as a result of drinking quantities of toilet preparations. If there is one staff for every one inmate what is going on at these institutions that they can have drinking parties and drink toilet preparations and so on.

there is certainly some public explanation called for there.

MR. NEARY: Why do we have so much taking of drugs and booze drinking going on in North America today?

MR. CROSBIE: Then there was a question asked, it is not for the hon. member to explain, it is for the minister who is responsible for the department, and who is responsible for those homes to explain.

AN HON. MEMBER: (Inaudible)

MR. CROSBIE: Listen to the utterances of somebody who has been in power too long. Now Mr. Speaker, the explanation is called for from the minister. He is responsible for those institutions. There was another question asked which



MR. CROSBIE:

was whether the Minister would table a report. The Minister said that there was an inquiry conducted by assistant Deputy Minister, Mr. E. Roberts, into the fire at the Girls' Home and Training School November 1970. We do not know who else conducted the inquiry or who took part in it. The Minister said he could not table that report because there might be names of juveniles in the report.

MR. NEARY: No, I did not. No, I did not.

MR. CROSBIE: That is what the Minister said.

MR. NEARY: The hon. Minister did not say that.

MR. CROSBIE: Now, Mr. Speaker, that is not an adequate reason. If there are any names in the report of juveniles, mentioned in the report, the names can be simply blanked out when the report is presented here. Surely it is a matter of public interest to have a report tabled on the circumstances surrounding the fire at that Girls' Home and Training School, and to try to excuse not tabling it by saying that the names of juveniles might be in the report is so much applesauce.

MR. NEARY: Yes, right.

MR. CROSBIE: It carries no weight at all, Mr. Speaker.

MR. NEARY: Right.

MR. CROSBIE: The Minister might give us a more convincing reason why that report is not being tabled. In answer to another question it was reported that the Social Assistance Appeal Board has had three meetings to date, only three. That was the board that was authorized by this House last year to hear appeals in connection with social assistance. It had only three meetings, they have heard and decided just three appeals. Now that to me, Mr. Speaker, indicates that that board cannot be functioning properly.

MR. NEARY: (Inaudible).

MR. CROSBIE: It indicates that the board is not functioning properly, that sufficient provision is not being made to advise welfare recipients of the fact that they have an appeal to an independent appeal board. As the Canadian Civil Liberties Association says, Mr. Speaker, and that is a very valuable association, as they say in their bulletin, their latest bulletin

MR. CROSBIE:

August 1970, I think, "There is no reason why the innocent indigent on welfare should enjoy fewer rights than a suspected bank robber at large," said the hon. J. Peter McKay in addressing a meeting when he led a delegation to the Ontario Minister of Social and Family Services. "There is no reason why the innocent indigent on welfare should enjoy fewer rights than a suspected bank robber at large."

One of the recommendations made by the Civil Liberties Association is that welfare applicants and recipients should have the right to a hearing with council, before any adverse decision is made against them. Another recommendation is that the Board of Review should be made truly independent, the members should be chosen from outside the ranks of present and former welfare officers, it should engage independent council, it should publish all judgements with names deleted. Now is this being done in connection with the Social Assistance Appeal Board or will it be done? Are all applicants given the right to independent council? If not, they should be.

MR. NEARY: The setting up of the board, the Independent Appeal Board predates that document.

MR. CROSBIE: The setting up of the board does but the point is that the board is not going to be properly affective unless welfare recipients know that they can go to that board, that they can have independent council payed for by the department, that the decisions will be published and that they have these rights. They certainly do not know it now or, if they know it, they still persist in contacting members of the House.

MR. NEARY: They are waiting for the cocktail set, the millionaires here in St. John's will let them know.

MR. CROSBIE: It is the Minister's job to let them know. If it is a cocktail set or millionaires in St. John's, it is not their business to let them know. It is the Minister who is supposed to be looking after this situation, it is the Minister's job so the Minister should start explaining to the House how he is doing his job and why the escapes at these homes have increased tenfold since he became Minister and why he will not table reports

MR. CROSBIE:

in the House dealing with matters of public interest?

MR. NEARY: (Inaudible).

MR. SPEAKER: Order please! Could we have a little more debate and a little less conversation across the floor?

MR. CROSBIE: The Minister might also explain, Mr. Speaker, on another point. He might explain why the Government purchased the Halfway House at Carbonear last year and it was certainly done by December of 1970, why the Government purchased that and spent \$930,000. on buying the hotel at Carbonear, the Halfway House, why the Government did that when they had no plans at all for what they were going to do with it? The Minister in answer to a question just several days ago, in answering a question, said that they had appointed, the Minister of Health had appointed a committee to consider what would be done with this premises and what use it could be put to. He said it was going to be used for senior citizens but just how had not been decided. Now why would a Government spend \$930,000. in buying a hotel, and there was no urgency to buy it; \$930,000. when it did not know what use it could be put to? The Minister says that the Minister has appointed a committee which will report in July or August, about a year after it has been purchased, as to how they are going to put it to use. What a way to run a department that is.

The other question in that connection is this, that the Government, Mr. Speaker, had guaranteed a mortgage for the Halfway House Limited of \$350,000. issue of bonds, there was a default on those bonds the Government had to pay over \$100,000. (in an answer given here) the Government had to pay up on the guarantee. There was a mortgage on the property and once the Government paid on the guarantee it could take over the rights of the mortgage and take over the premises for \$350,000. or for whatever it had to pay under the mortgage. There was a second mortgage on the furniture and so on, perhaps the Government would have to buy that out too to make sure that the place was furnished. The second mortgage, I think, was \$140,000., that is \$490,000. Why pay \$930,000. for something that you can have for \$490,000.? That is the question. The Government already had the rights

MR. CROSBIE:

under these mortgages why did they not exercise them? So perhaps the Minister will fill us in on that and the Minister- (I cannot devote too much time to the Minister) but there is another question here.

The Minister got up the other day and made a statement about how the Government were increasing the rates for short-term social assistance. The rates that the Government increased a week or ten days ago, Mr. Speaker, were the very rates that the Government in 1969 decreased.

MR. NEARY: Was the hon. member a member then?

MR. CROSBIE: No, the hon. member was not a member then but even if he was the point would be just a valid. The rates were decreased in 1969 for short-term assistance and the Government now has increased them. Well, we are glad to see the increase, they should never have been decreased but would it have anything to do, I wonder, Mr. Speaker, would it have anything to do with the fact that there is an election coming this year?

MR. NEARY: No, nothing.

MR. CROSBIE: Here are the maximum rates for short-term assistance. In 1966 - \$20.00; (this is monthly) 1967 - \$30.00; (this is food for an adult, two additional adults and each child) 1968 - \$35.00; one year later cut back to \$25.00 a month; 1970 it is still \$25.00 a month and the Minister announced a week or so ago that they are now going to be increased again. 1969 and 1970 those rates were decreased by the Government from what they had been, decreased nearly one-third from what they had been the year before and now they are going up again.

MR. NEARY: Was it cut back when the hon. member was there?

MR. CROSBIE: It was cut back while the hon. Minister was a member of the Government not while this hon. gentleman was.

MR. NEARY: (Inaudible).

MR. SPEAKER: Order please!

MR. CROSBIE: So when the hon. Minister made his announcement in the House two weeks ago he should have at least the decency, Mr. Speaker, to inform the public that they were putting these rates back to what they had been in 1968 not to pretend that the hon. gentleman was now giving a great

MR. CROSBIE:

increase to the recipients of short-term assistance.

MR. NEARY: But there was more than that involved in the statement.

MR. CROSBIE: They are going up again this year because an election is on this year. They went down two years ago, the Minister says because of tight money or the Premier would say and we all know how tight that money was, I will come to that a little later.

MR. NEARY: (Inaudible).

MR. CROSBIE: There is one other point on welfare before I leave that, or social assistance.

MR. NEARY: (Inaudible).

MR. CROSBIE: Mr. Speaker, can I make my speech without this constant interruption.

MR. SPEAKER: Order please! I have to ask that the hon. gentleman be allow to speak without interruption. This constant bantering across the floor is rather disturbing.

MR. CROSBIE: One other point on social assistance. There is something wrong in this Workman's Compensation business and social assistance. I had a letter from a man in Bay d'Espoir several days ago. He injured his back, Mr. Speaker, October 1970, suffered a back injury while at his employment and in January he got a letter from the Workman's Compensation Board allowing his claim, telling him that the amount of his claim was \$721.88 but sending him a cheque for \$76.88. \$76.88 was all that man got. \$645.00 was taken out of his cheque and sent to the Department of Social Assistance and Rehabilitation. Now this man had a wife and eleven children, Mr. Speaker, he got injured in October, the Workman's Compensation did not allow his claim until January, that is three months, and he had to have something to live on for those three months so he got an amount for three months of \$645.00 from the Department of Social Services and Rehabilitation to keep himself, his wife and eleven children. When the Workman's Compensation Board did recognize his claim they repaid that \$645.00 to the Department of Social Services and Rehabilitation without contacting him at all, and sent him \$76.88.

MR. CROSBIE:

Now there is something wrong here, Mr. Speaker. How can a man with a wife and eleven children, if he is on social assistance only, end up in a three month period with \$645.00 and how is a man with eleven children and a wife only entitled to receive \$721.00 for three months from the Workman's Compensation Board? Surely, Mr. Speaker, the Department of Welfare should not be there to grab every cent that some poor injured workman is going to get from the Workman's Compensation Board, just because he has had to receive social assistance while he was waiting for his claim to be processed. This is wrong, there is something very, very much wrong there, that a man should only receive \$645.00 over three months and then, when he gets \$721.00 for the same three months from the Workman's Compensation Board, have it all deducted and paid back to the Government, so that he ends up with a cheque for \$76.88, that is wrong.

The Minister of Social Services and Rehabilitation is now also acting Minister of Labour and surely we have the right to ask that Minister to investigate this situation and see what is happening. This is not the first case I have come across, a man with eleven children getting that measly amount from the Department of Welfare, and the whole amount deducted out of his cheque when finally his Workman's Compensation claim is recognized. It is barbaric, it is atrocious. The regulations cannot permit that or, if they permit it, then they should be changed. The Minister is not here so perhaps he is not hearing me but I will let him know again privately, to have that case looked into.

Now, Mr. Speaker, that is all the time I have for that hon. gentleman's department. We know what answers we will get from him. He will not be talking as much when he has his own chance to speak on this Address in Reply. I would like to say a few words on the BRINCO Uranium Plant proposed, perhaps for Labrador. There is something fundamentally amiss, Mr. Speaker, on this situation. First the people of this Province should be very clear that the fact that the BRINCO Uranium Enrichment Plant is mentioned in the Speech from the Throne does not mean that it is guaranteed for this Province and no impression should be given that way.

MR. CROSBIE:

In Friday March 19th the Globe & Mail report on business, the real situation is explained, "Sites in four Provinces are being considered by nuclear authorities as potential locations for a \$950. million uranium enrichment plant." Sites in four Provinces not just in Newfoundland and Labrador. The plant is going to require 2 million kilowatts of electric power, a sizable amount of power. Mr. Mulholland, the President of BRINCO, said, (he was quoted in the article) "We have considered in our studies several sites in Canada for such a facility but are not prepared to form a conclusion as to a particular location at this time nor is it likely that we shall do so for some time yet. The four possible sites are the Northern sections of British Columbia, Manitoba, Quebec and Labrador." these are the four possible sites, BRINCO has not decided where. It could be any of those four sites.

MR. SMALLWOOD: They have decided.

MR. CROSBIE: Well, they certainly had not on March 19th, 1971. Now, Mr. Speaker, it is not at all clear that the Canadian Government is going to go along with permitting it here, in any event, but further in the article it discusses the enrichment of uranium, various plants that are in the world, and the article states: "Existing plants are capable of expanding capacity to 26,000 S.W.U., which probably would meet world requirements to 1981. That is about the time a Canadian plant would be coming into operation but it would have to be established, well before hand, what other commercial plants, if any, are being planned."

about when that plant would come into operation, if it goes ahead. So it is not just around the corner for any Province. Now, what does our own government say about it, about this plant and where it should be located? The Government says in the Speech from the Throne that the Government would not be enchanted to see that plant built elsewhere but in Labrador. When that question was brought up, in my remarks on opening day, the best the Premier could do, when he replied, was say that the Lieutenant Governor cannot use strong language when he reads the Speech From the Throne, and this is the reason why it had to be worded that way.

But the Premier did not just go on to say what he should say, what the Government should say, that if Brinco wants to build a uranium ore enrichment plant, and if Brinco wants to use power, hydro-electric power developed in Newfoundland and Labrador, for that plant, then Brinco can only have that power if it builds that plant here in Newfoundland and Labrador.

MR. SMALLWOOD: Is that said publicly?

MR. CROSBIE: Yes.

MR. SMALLWOOD: Oh it should, and it is no good unless it is.

MR. CROSBIE: Well the Premier is implying, I presume, that it has been said privately. But I see no reason why it should not be said publicly.

MR. SMALLWOOD: The hon. gentleman may see no reason, but if he were wiser and knew more about it he might see the reason.

MR. CROSBIE: I can see no reason why -

MR. SMALLWOOD: Of course not.

MR. CROSBIE: Mr. Speaker, we have had to agree to power from the Upper Churchill being exported from this Province because, to finance the Upper Churchill development, you had to have people who agreed to buy that power with a triple 'A' credit rating, so they could borrow the money to develop the Upper Churchill. So we have had to allow that power to be exported



out to be used in other provinces, to create jobs in industry in other provinces, or even outside Canada. But on the Lower Churchill we have another four million horsepower of undeveloped power. It is going to be cheaper to develop ~~than~~ the Upper Churchill because the Upper Churchill is now there. As far as I am concerned it should be the policy of the Government that not one horsepower more of hydro-electric power will be exported from this Province. That, that four million and any other power we can develop on Labrador or in the island is going to be used in Newfoundland or Labrador and nowhere else. Even supposing we have to wait, a few years, to get it used here, that is still better for us than to export the power outside of this Province for industry and jobs outside of the Province.

I can see no reason why it will damage anyone for the Government to say publicly that that power ~~on~~ the Lower Churchill is to be used in Newfoundland and Labrador only. No reason. The Premier says today, in reply to a question, that any export of power from this Province has to be agreed to by the Government and that they have to consent to it. Whatever Government is in power it should be its firm policy. Mr. Speaker, in my view that it will allow no more power to be exported from this Province, to give jobs to people in Quebec or Ontario or somewhere else in Canada or down in the United States. If it takes us two or three or four or ten years to find people who will use that power here let us wait, search frantically in the meantime, but let us not ever agree just to sell that power just to get a few dollars, in horsepower royalties and tax, back in the public treasury

MR. SMALLWOOD: We will not have to wait.

MR. CROSBIE: Well, I hope that we will not, but I would like to see the Government take a firm stand on it publicly, and to give no one the impression that it might be different, that perhaps power could go from Newfoundland for

a plant outside of Newfoundland.

In connection with Labrador while discussing that proposed uranium plant, it is time, Mr. Speaker, that this House had some figures. There is a question on the Order Paper as to how many men are employed at Churchill Falls now, and of those men how many were residents of Newfoundland when the project started and how many have come there from outside of Newfoundland. We have had no figures on that from the Government now for almost a year. Why not? The Government is supposed to get, weekly, I believe it is weekly, from their own people at Churchill Falls and from the company, the number working, the total number working, all the various categories are working in, how many of them are Newfoundlanders, residents in this Province when they went to work there? How many are outside of the Province?

Now, I get contacted by men who work in Labrador day after day, complaining that there are more non-residents, non-Newfoundlanders working up there than ever before. The Government should table in the House, Mr. Speaker, the figure for, that they have for every month at least, last year, showing us what proportion of Newfoundlanders are working at Churchill Falls and have been during the past year. Is this suggestion that men who work there, may continually, that there is a very, very high proportion of people working in Churchill Falls doing jobs that Newfoundlanders could do? Is that suggestion correct or not? There is no reason why the Government cannot table those figures in the House but they have not done them yet, unless the figures look bad, unless the proportion of non-Newfoundlanders working there is too high. So, we should be told what the proportion is.

Mr. Speaker, while on power, I note from the Auditor General's report for the year ending March 31, 1970, that the Government and that is the people of Newfoundland had to pay to ERCO, the Electric Reduction Company of Canada, or on their behalf to the Power Commission in the year ending

March 31, 1970, \$3,145,490, Power subsidy. In other words it cost the taxpayers of this Province, in the year that ended March 31, 1970, \$3,145,490 to subsidize the hydro-electric power delivered to Brinco or delivered to ERCO by the Power Commission.

Now, if there are 400 men working there. Mr. Speaker, that means that the subsidy alone, if 400 Newfoundlanders are working at Long Harbour, that company, the electric subsidy alone is \$7800 a year per man, and that is just to forget all the other cost and expenses that the Government were involved in, in connection with ERCO, and the guarantee of \$15 million for the bonds and the rest of it.

Now legislation provides that these agreements should be tabled. There is the Industrial Development Incentive Act passed by this House in 1968, Act No. 12, 1968, Industrial Development Incentives Act, 1968. Under Section 8 where the Government enters into an agreement with the Power Commission and an industry to pay to the Power Commission a subsidy on the power that they are delivering to the industry, the agreements are to be tabled within fifteen days of the commencement of the opening of the House. There is no such agreement, tabled last year, there has been no such agreement tabled this year. Perhaps there are no agreements under that Act. But, surely, there must be agreements, there must an agreement with ERCO, under that Act, and that Agreement should be tabled in this House. It should have been tabled last year. It should now be tabled this year. In that connection there is the Melville legislation Mr. Speaker. Melville Pulp and Paper, Limited. Act. That Act requires that any deed, trust, indenture guarantee contract undertaking or any other agreement of every nature whatsoever entered into, executed pursuant to that Act is to be laid before the House of Assembly within fifteen days after the commencement of the next ensuing session. We have not had any documents tabled this year in connection with the Melville project. But, we know, that the Government has guaranteed

a bank loan of \$2,5 million for Javelin Paper Corporation since last year. We know because of this prospectus filed in New York that the whole project is increased in cost \$15.7 million and yet there is not a document tabled in the House. Will the Government say to the House that there are no further, that since the documents that were tabled last March that there be no further agreements or guarantees with the Javelin Companies in connection with that project? If the Government cannot say that, then the Government is breaking the law of the Province by failing to put on the Table of this House those Agreements.

I was contacted the other day and asked about logging jobs up in Goose Bay and Happy Valley. According to the Premier, there would be thousand of loggers employed up in the Javelin operation, cutting wood up in Labrador. They were cutting wood last year for export. There is a question tabled asking how many people are now working up there as loggers and how many were working during the past year and how many will be working this year? Apparently this is difficult information to get. The man who contacted me said he was looking for a job, as a logger up there, and he could get no information on it, and could not find anybody that was hiring loggers to go up there. So, I told him to go down to the Javelin offices on Water Street and I presume he went there. I have not heard from him since. I do not know if he got a job or not. This is information that the House would like to have. Mr. Speaker, how many loggers working at the Melville Javelin Project in Happy Valley - Goose Bay last year, what was the total and what month was the largest number, how many are they expecting to employ this year? That information should be publicized and made known. Certainly not publicized now.

Mr. Speaker, there is so much to discuss, in a general speech like this, but I should mention this point before leaving Labrador. Mr. Speaker, there

is something wrong at the Churchill Falls project in connection with the treatment of our workmen. Here is a letter dated March 23, from a man in Summerford, Notre Dame Bay, who was down there working. He was operating a forty-five ton crane, for the Churchill Falls joint venturers, machine did not have any brakes, this is his story of course. In any event he had been working up there for a long time. One day he was working, he stopped and he blocked the back wheel, it was the only way to leave the machine, since the brakes were not working. He blocked the wheels and got out of the machine for a couple of minutes and the machine rolled ahead of him about ten feet, did not do any damage to anybody or anything he said, "so they fired me." The man was fired. "This man that fired me, told me to get out of Churchill I was not any good. That man cursed me up and down. His name is so-and-so." Then he implies that he was dismissed to give a non-New-foundlander a job. He asked me to look into it for him, to get his job back. He has a big family, five children to put to school, three at high school, and he has to work. He spent almost three years in Churchill Falls. He says he is telling the truth.

Now, I have written him back Mr. Speaker, "what can I do for him?" I have written him back and asked him, did he report this to the Union and what did the Union do about it? This is a matter that should be looked after by the Union who, by legislation passed in this House, got a collective agreement with the Churchill Falls people to cover the whole project for the four or five year period. Here is a man writing a member of the House telling him that he has been unjustly dismissed. What is wrong with the Unions up there? This is their job, to process a complaint like this and to go to arbitration under the collective agreement. If they will not do it, the Government should have someone down there to do it.

MR. SMALLWOOD: We have a man there, stationed, living, all the time, thoroughly experienced man.

MR.CROSBIE: There may be a man there Mr. Speaker, but why do not these men go to them. There is something wrong.

MR.SMALLWOOD: Why do they not go to the union delegates?

MR.CROSBIE: Exactly. They have told me they have gone to the union delegates and he has told them they do not have any case and they do not pursue the matter. When a union has a collective agreement and cannot lose its representation over a period of four or five years it has a tendency to slack off, and not to process grievances like this, not to bother, because it takes time and effort. Now, there is something wrong at Churchill Falls. There are too many, this was just one instance of somebody writing and telling you, But this is not one instance. In the last six months I am sure I have had twenty-five or thirty letters like this Mr. Speaker.

When this House passed legislation and authorized that setup at Churchill Falls I said that the Government needed to have an ombudsman down there to look after the interests of these men we -

MR.SMALLWOOD: We have -

MR.CROSBIE: The Government has not. These are the union as well as the employer who is

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to protect the men from the union. If the union is not acting vigorously to protect their interests, they..

MR. SMALLWOOD: They have a man there.

MR. CROSBIE: They cannot ...

MR. SMALLWOOD: Conway is it.

MR. CROSBIE: There are not enough men there.

MR. SMALLWOOD: Tom Conway is there. One of the most experienced Newfoundlanders in that field.

MR. CROSBIE: There is something wrong, because Mr. Conway maybe there but he does not appear to be in touch with these men or they are not in touch with him for some reason. There should be a Government representative there.

MR. SMALLWOOD: He represents the Government.

MR. CROSBIE: There should be more than one, who will act for the ombudsman, for these men.

MR. SMALLWOOD: He does that.

MR. CROSBIE: They cannot vote the union out.

MR. SMALLWOOD: Any Newfoundlander can go to Tom Conway, state his case and Conway, who is the visible embodiment of the Government, who has all the authority of the Government, who can phone the minister, phone me any hour of the day, and they know that in there. He is there to handle it.

MR. CROSBIE: It is not being done. I can only report, Mr. Speaker, what I find as a member and I am sure that there are lots of other members, that our representative there, either they have tried and found him wanting or they will not try him because they think he is associated with the management too closely. There is something fundamentally wrong there.

MR. SMALLWOOD: The Government put his own house there for him, so he would not be beholden to the company.

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It is still not working. If it is not working, if there are a lot of dissatisfied Newfoundlanders, if there are a lot of men being fired, whether justly or unjustly, who say they cannot get action from the union, cannot get action from anyone, then surely it is time that the Government took a more active step.

MR. SMALLWOOD: If there are 6,000, 7,000, 8,000 men on a great construction job in the heart of Labrador, there is no human way to prevent 30, 40 or 50 bad cases a year - no way.

MR. CROSBIE: Mr. Speaker, there may be thirty, forty or fifty bad cases, that is very true. But there may be, out of sixty cases, one who has been improperly dismissed, who can get the union to do nothing and no action from the Government representative. If there is one out of sixty, then we should have somebody down there who will see that that one out of sixty gets his rights. Here is a Newfoundlander, who has nine children and who has worked down there three years; who has been dismissed because his machine rolled forward ten feet, and that did not do any damage to anybody or anything. He was fired. If this is fact, then the man has been unjustly dealt with. But what can I do as an ordinary member of the House? I have no power to go down and investigate at Churchill Falls nor could I afford to do it. I would not be allowed in either. But we should have some machinery..

MR. SMALLWOOD: Would not be allowed? That is not correct. Any member of this House, and there was a member who was barred. I fixed that very quickly indeed. Any member of this House who wants to go down there, and has any difficulty, let me know.

MR. CROSBIE: Right. Okay then supposing I can go down.

MR. SMALLWOOD: It will be remedied so fast..

MR. CROSBIE: I have no rights, Mr. Speaker, of looking into this - going to get the company version, going to get the witnesses..

MR. SMALLWOOD: But it is good stuff for a speech, is it not?



MR. CROSBIE: The Premier thinks it is good stuff for a speech. I think it is good stuff for justice, to be looked into it.

MR. SMALLWOOD: That is the truth.

MR. CROSBIE: I am not making this just as good stuff for a speech.

MR. SMALLWOOD: No.

MR. CROSBIE: I am making this because there is a Newfoundlander, and some are from Notre Dame Bay, who are desperate and who wrote. I wrote them back and asked them, if they went to the union and the rest of it. They have not written back yet. It is not just stuff for a speech. The House of Assembly is where we are supposed to bring things like this up.

MR. SMALLWOOD: The House of Assembly sent a delegation from both sides of the House down there.

MR. CROSBIE: And it could send another one. Not just a delegation. There should be a commission of enquiry go down.

MR. SMALLWOOD: There have been half a dozen enquiries made - half a dozen, not one.

MR. CROSBIE: Mr. Speaker, this happens to be my speech. When the Premier speaks he has unlimited time, I do not. I would like to continue to make it. So, I will leave that subject, but there is something wrong at Churchill Falls. I asked the Government to do something more than it is doing now. If there is one misjustice down there and a hundred cases are rectified, it is not being rectified now. There is so much to discuss, MR. Speaker, that it almost boggles you as to where to start next. I think I will speak for a minute on the oil refinery at Come-by-Chance.

There were certain documents tabled, Mr. Speaker, before the House adjourned, on the Come-by-Chance Project. They are about one foot thick. One copy was tabled and then each of them. So last week I had a look at them or a look through them. It turns out that what was said in this House about that Come-by-Chance Project last year is 100 per cent correct. The Government have denied it. It is not a \$155 million oil refinery, Mr. Speaker. That is not true. That is false. That is incorrect. There is not a thread of

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truth in it. It is not \$155 million. It is a minimum. It is \$160 million. Why? Why, because the Government in 1968 advanced \$5 million to Mr. Shaheen or his companies and that \$5 million was spent at Come-by-Chance or around the world or whatever reason it was spent for. We cannot get that \$5 million back until after the first mortgage is paid off, of \$130 million and then they will start to pay off our \$30 million which includes that \$5 million. No, it is not paid back.

Now the construction contract is the one that proves, beyond a doubt, a construction entered into between Provincial Building Company, Limited and Procon Great Britain, Limited, dated August 30th., 1970. The contract price is \$155 million Canadian. That is the price for Procon to build the refinery. They have to get \$155 million for what they do. Under that contract and the financing agreements, there is going to be paid altogether (they arrange the financing altogether) \$130 million. They have arranged in three loans, under the first financial agreement, the first EURO dollar agreement and the second EURO dollar agreement, they have arranged for money that will pay them \$130 million. So that leaves a balance of \$25 million that the Government of Newfoundland have to find to pay them; that they have not arranged for themselves. There is \$155 million to build what they build there. They have arranged English financing for \$130 million, therefore, all the Government have to advance is \$25 million to see the plant completed. But, the Government are not just raising \$25 million in advance - \$25 million. As we all know, Mr. Speaker, it is raising \$30 million and advancing \$30 million. Why \$30 million? Because \$5 million interim financing, advanced by the Government in 1968, has been spent by Shaheen, in connection with the project, we hope, and the

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Government have advanced an extra \$5 million to change that from interim financing, bank financing, to long-term financing. So that \$5 million is not paid back. The whole thing is costing us \$5 million more, because the Government advanced the \$5 million in 1968, which was not paid back..

MR. EARLE: Would the hon. member permit a question? In the documents which were tabled and which the hon. member has examined, was there an auditor's report on how that \$5 million advance was spent?

MR. CROSBIE: No, in the documents tabled, there is no report from any auditor, as was supposed to be done of an audit of the \$5 million. There was an audit to be done in New York of how Mr. Shaheen had spent the \$5 million. The Government have never tabled the results of that audit in the House. The \$5 million is gone and the Government will not get it back, unless the whole project is successful. They will then only get it back after the first mortgage is paid off. So, what should have been \$155 million, under this latest project, and cost the Government a direct loan of \$25 million, cost the Government \$30 million, because of the \$5 million interim financing which the Premier and the Minister of Health pretended, in October 1970, was repaid. It is not repaid. It will not be repaid until at least ten years, when the first mortgage is paid back. So, the refinery is \$160 million. It is costing the people of this Province \$160 million, because that \$5 million was spent. Now it may cost a lot more than that, Mr. Speaker. The Newfoundland Government, under these contracts, the Provincial Building Company, Limited, takes risk after risk. There may be a lot further cost. For example, under the construction contract, the price does not include any Canadian, Federal, Provincial or municipal taxes or any Canadian duties on goods or services imported into Canada. If there are any such, these are to be paid by Provincial Refining Company, Limited (that is the Government, Crown corporation) from its own resources, page seventeen of the agreement. Now since most of the machinery

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and equipment and the rest of it is coming from England, out of the \$155 million, \$110 has to be spent over in England, what are the custom duties going to be? What are the Federal sales taxes going to be, if there are any? Because that is for our account, it is not covered under the \$155 million. If there are any such, we have to cough that up, the Government of Newfoundland. We should have some information on that.

On page twenty of the same construction agreement, Mr. Speaker, states that if there are any currency fluctuations during the next couple of years while this is being built, (say the currency of the U. K. or the U. S. or Canada) if their currency fluctuates causing any greater expense, then the Newfoundland Government, through these Crown corporations have to meet that expense.

MR. ROBERTS: Right, but any lesser expense, we get the benefit.

MR. CROSBIE: Exactly. Any lesser you get the benefit, but any greater expense is a risk taken by the Newfoundland Government. On page twenty-eight the Government have additional responsibilities with respect to the wharf and so on. On page thirty-two, this is a peculiar clause. Procon's liability for damages under the agreement is limited to an amount of \$500,000 U.S. Why is that? Another interesting point - the Ralph M. Parson Company who provided plans for the refinery, plans and specifications, the payment for those had to be made by Provincial Building Company Limited, out of its resources, not out of this \$155 million. So, Mr. Speaker, I do not have time to go into more detail on this matter now. It certainly should be debated in this House, explained in the House. So, the Government stand to have to advance considerably more money than \$30 million for this oil refinery before it is

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all through. And the particularly important thing is the question of Canadian custom duties and sales taxes. Can the minister tell me if it has been confirmed that there are no such duties or sales taxes or if that issue is settled? Because it could amount, Mr. Speaker, to (with \$110 million worth of goods and services coming in from England) \$10 million or \$20 million easily. But not a word from the Government on that. That is about par for the course. We have no explanation.

MR. SMALLWOOD: It would be just as cheap to say this could cost the Government \$60 or \$80 million or while at it the same amount of breath would have made it a couple of hundred million.

MR. CROSBIE: This is a Government, Mr. Speaker, that will not give the public of this Province any facts or any information. Anyone interested has to go digging around to see what he can find, what actually the situation is. The agreements are tabled with no explanation. There has been no explanation of whether there is going to be any customs duties or Federal sales taxes on all that equipment coming in from England - no explanation of that at all. I will not answer the minister. It is to pitiful.

Mr. Speaker, before passing on to something else, the Minister of Finance today tabled a list of guaranteed loan payments since last year which the law says he must table within fifteen days of the House being open. He tabled two other documents from the Department of Finance. Now the letter from the Department of Finance to the minister outlining these guaranteed loan payments is dated March 22, 1971. The minister had that list to table in this House. He has had it since March 22, 1971. He had the letter here about revolving temporary loans since March 18. He had a letter about payments over protests, since March 25. All those documents are supposed to be tabled within fifteen days after the session of the House commences. They were not tabled until today. Today,

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twenty-nine days after the House opened. The minister cannot say he never had them. Here they are and the dates are on them. He has had them all since the House opened. Why did not the minister table them earlier? It is just another illustration of the contempt with which the law of Newfoundland is treated and the rights of the members of this House. The Government will table information, if it tables it at all, when it wants to, not any sooner. There is no reason why the minister could not have tabled that dated March 22. He has had it since March 22, the day the House opened or two or three days later. But he just would not do it. He just did not do it or he was told by the hon. the Premier not to do it.

I have so many things to discuss here, but I think, Mr. Speaker

MR. CROSBIE: I want to move on now, Mr. Speaker, start making a motion of no confidence in the Government. The Motion which I am going to commence to make now will read: "This House regrets the failure of the Government since 1966 to adequately maintain and improve the public services of the Province of Newfoundland. Despite the various increases in taxation within the Province of Newfoundland and despite the borrowing by the Government of monies and the guarantee of the borrowing of monies by the Government of Newfoundland at a rate during the five Financial Years from April 1, 1966, three times in excess of the borrowing of the Government for the seventeen years from April 1, 1949. And the failure of the Government during the same period to provide the public of Newfoundland with the facts concerning the economic financial position of the Province, as well as the failure of the Government to answer fully and completely questions tabled in this House by members hereof touching upon the public affairs of the Province. And, therefore, states it has no confidence in the Government."

Now, Mr. Speaker, I am making this Motion, because the Motion describes exactly what has happened in the last five years since 1961. The Government have severely increased taxation, Mr. Speaker, in this Province since 1966. The Government have not adequately maintained or improved the public services of this Province since 1966, on the contrary, in many respects it has reduced them. The Government have, during the last five years, Mr. Speaker, borrowed three times the amount of money that it borrowed from 1949 to 1966. It borrowed in the last five years some \$660 million, direct and indirectly. The Government have failed, during that whole period, Mr. Speaker, to inform the public or to give the facts concerning their financial position. They failed during the whole period to answer fully and completely questions tabled in the House, by members, touching upon the public affairs of this Province.

Now, first some figures, Mr. Speaker, the Provincial Debt in 1966 borrowed direct and indirect total \$333 million - \$233 million direct borrowing and \$100 million indirect. So after seventeen years in 1966

MR. CROSBIE: the Government owed directly \$233 million, indirectly \$100 million. Total \$333 million. The position, Mr. Speaker, today, five years later is this; we know from the Auditor General's Report, tabled for the year ending March 31st. 1970. A year ago, our debt, direct and indirect, total \$766,527, direct and indirect. And the Auditor General in his report breaks that down. So a year ago we had this figure confirmed by the Auditor General. Direct debenture debts, less sinking funds and other funds \$402 million, indirect debt guaranteed. I will give the round figures. Guaranteed \$283 million. Crown Corporations, less sinking funds \$64 million; others \$16 million. Total \$766,527. That was a year ago.

We know, Mr. Speaker, not from the Government because they will keep it a secret, if they can, but from the Government's prospectus, filed in New York, March 1971, where the Government had to comply with the securities and the exchange commission, the Law of the United States. We know from that, that the Government borrowed this year \$125 million direct; \$97.5 million on the bond market, the rest from the Canadian Pension Fund or from DREE. So it is borrowing this year, as an educated guess, \$125 million direct. It would be a little more or a little less.

We can estimate that the Government borrowed this year indirect guaranteed loans for the Power Commission, for other people and institutions, at least \$25 million. That is an estimate on the low side. We know that the Government are committed to guarantee for Canadian Javelin and not for the Javelin Paper Corporation, an additional \$55 million. So if we add \$55 million for Javelin, we are on the low side, because we know that recently the whole project has increased in cost and we know by looking at the prospectus page thirteen, the Government prospectus now says that the liability of the Province in connection with the Javelin project is approximately \$75.3 million. But we will give it the benefit of the doubt, we call that \$55 million. We know that the Government have to



MR. CROSBIE: lead the Come-by-Chance \$30 million. In fact, the supplementary supply shows the Government have advanced \$27 million to Come-by-Chance. So, if we take \$30 million for Come-by-Chance, not the \$160 million that we should take, because these are Crown Corporations that the Province have to stand behind, but if we take the \$766,527 the Auditor General reports a year ago, and adds \$125 million direct this year, an estimate of \$25 million indirect, \$55 million for Javelin, and just \$30 million for Come-by-Chance, which totals \$235 million, we have a Newfoundland Public Debt of \$1,1, 527, 000. Over the \$1 billion mark. That has been on the conservative side, the direct and indirect debt of this Province. Over \$1 billion. That means, Mr. Speaker, that from 1966 to date, during that five year period, the Government borrowed direct and indirect, \$668 million, in those five years of supposed tight money, the Government borrowed \$668 million.

Now from 1949 to 1966, in seventeen years, the Government borrows a total of \$333 million. That is an average of \$20 million a year. It takes the whole period and averages it, to give us \$20 million a year, the Government borrows during that period. But during the period, from 1966 to 1971, and in that five years the Government borrowed \$668 million direct and indirect. That averages, Mr. Speaker, \$133 million a year, \$133 million a year, direct and indirect during those five years. And, yet, the Government tries to excuse in everything that happened in the last five years, the cutback in services, the increase in taxes, the Government tries to excuse that, by saying it was tight money and we could not do anything, we were not able to borrow money, it was too tight to borrow. It was drunk money, not tight money. A \$133 million a year, direct and indirect. Now that is confirmed, Mr. Speaker, it is confirmed by this prospectus. Thank God the Government had a bond issue, where they had to give the truth. This prospectus, page twenty, the one the Government had to tell the truth in March 1971. It said, "the average annual increase in direct and guaranteed debt of the Province, and the net fund: debt

MR. CROSBIE: of Crown Corporations over the four years ended March 31, 1970, not including, this year was \$102 million." So it is stated in the prospectus, that in the four years up to last year, the average annual increase in direct and guarantee debt \$102 million, for the whole period \$133 million. For the seventeen years before that, the average is \$20 million a year. So here you have a Government that in the last five years has borrowed as never before in its existence did it borrow, an average of \$133 million a year. That increased taxes, as never before in its existence it increases taxes. The S.S.A. tax up two percent. The Gasoline tax up six cent a gallon and the rest of it.

Tax, increased taxes as never before, did it increase taxes! And at the same time it cut welfare allowances, at the same time put on a needs-test for students at memorial, for salaries and allowances, at the same time cutback on its vocational training allowance programme, or said it was. At the same time eliminated the water and sewerage subsidy instituted in 1966. Cutting back services, increasing taxes as never before, borrowing as never before and trying to convince the people of this Province this year, Mr. Speaker, that the money is going to gush forth and that they are going to receive every conceivable blessing that could be received.

Who are the Government trying to fool? The Government are trying to fool the people of Newfoundland. But, I do not think, the people of Newfoundland are going to be fooled, Mr. Speaker. Now just to give the picture in a little different way; look at the deficits the Government have had since April 1, 1966. The total deficit, now from April 1, 1966 to date, for five years, \$405 million. That is the deficits the Government have had in those five years, \$76 million 1966-67; \$102 million 67-68, that was when tight money was raging for the deficit of \$102 million; 68-69 \$63 million on Current Account, I am sorry Capital Account, \$3 million on Current Account, total \$66 million. A deficit on Current Account that year, and that year the Government changed the sinking fund payments and put them

MR. CROSBIE: If Capital Account, so it would not look so bad in Current Account. April 1, 1969-70 \$56 million, April 1, 1970 to a few days ago, according<sup>to</sup> the financial prospectus file in New York \$103 million, \$206,000 was our deficit for last year. The total deficit \$405 million.

This Government cannot operate, Mr. Speaker, today. It cannot operate without a deficit of at least \$100 million. A deficit means that the revenue you take in is that much short of the money you spend, \$103 million for the year just ended. Therefore, you have got to borrow that money, you have got to get it from somewhere, despite our high taxes, despite the cutbacks in the last few years, in certain respects, the Government, was still \$103 million short for the year that just ended. During that same period there were surpluses on Current Account in the four years totalling \$15,833,000, which will go against those deficits. All the rest have to be borrowed.

This is the picture that the Government which now tries to pretend to the people of Newfoundland that money is no object, that the tight money period is over, that every goody you can wish or desire is yours this year, because we are flush again, the tight money is over. That is the picture the Government are trying to put over. But there are the facts.

If the last five years were tight money, it is the most peculiar tight money I ever heard of. How do we stand on the bond markets of the world as a result of all this, Mr. Speaker? Nova Scotia has a recent bond issue, twenty year bonds, March 1, 1977, \$20 million. The cost yield was 7.35 percent. In other words, it is going to cost the Government of Nova Scotia 7.35 percent to borrow this \$20 million. Newfoundland has the issue of \$25 million, twenty-five year bonds, the cost is 8.90 percent, that is 1.55 percent more than Nova Scotia, it is costing us one and a-half percent more than it is costing Nova Scotia to borrow money. Why, Mr. Speaker?

Steinburg's the grocery chains had a bond issue recently \$15 million, twenty year bonds, the yield cost was 8.50 percent, eight and a-half percent. Steinburg's the grocery chain can borrow twenty year money at a

MR. CROSBIE: lower rate than the Province of Newfoundland can.

Quebec borrowed recently \$80 million, twenty-three year bonds, costing them 8.15 percent. Quebec borrow that in excess of one-half percent more cheaply than we do. And Alberta had issued recently \$25 million, twenty year bonds, 6.85 percent. Alberta borrowing two percent below Newfoundland. I am advised by people that should know that the theoretically difference between Government of Canada borrowing and the Province of Newfoundland should be 1.38 percent. Canada's 6.05 percent, 1995 bonds, yield at 6.75 percent. Therefore, Newfoundland should be approximately 8.03 percent. The difference between 8.90 percent and 8.03 percent is due to the investor's outlook on our writ.

MR. CROSBIE: In other words, the impression is getting around that it is more risky to lend to Newfoundland. What other impression could get around?

Nova Scotia, Mr. Speaker, Nova Scotia in 1966 have a total direct and indirect of \$382 million, that did not compare too badly with ours which was \$333 million. Today Nova Scotia has a debt, direct and indirect, of about \$700 million, and that includes the heavy water plant, \$109 million for the heavy water plant, that tremendous, crushing experience. Including that \$109 million their debt is \$700 million. The hon. gentleman should not mention the heavy water plant, there are so many other things to be mentioned in Newfoundland. \$700 million it is today, as compared with Newfoundland's \$1 billion. Nova Scotia has a population of 767,000 people, 700,000 more to us.

Then when you look at ability to repay, we have a debt in excess of \$300 million more than Nova Scotia. But just look at our ability to repay compared to Nova Scotia. Personal disposable income per capita in Canada as of January 1, 1970 a year ago, For Canada as a whole \$2400, that is the personal disposal income per capita for everyone in Canada \$2400. Nova Scotia at the same date \$2,000. Newfoundland at the same date, January 1st, 1971, \$1400, far behind Nova Scotia.

That means our ability to repay, Mr. Speaker, is that much less. The average person in Newfoundland, at January 1st, 1970, had \$1400 personal disposable income. In Nova Scotia \$2000. Canada as a whole \$2400. So our ability to repay is much less than people who live in those other provinces. And the debt that this Government have put on their shoulders is much heavier.

Another disappointing statistic, Mr. Speaker, is that when you compare the personal disposable income per capita figures from January 1, 1965 to January 1, 1970, compare those five years, that the increase per Canada as a whole is forty-four percent. The increase for Nova Scotia during those five years is forty-two percent. For the increase in personal disposal income, in Newfoundland was twenty-nine percent. In other-

MR. CROSBIE: words Canada as a whole was progressing forty-four percent. Nova Scotia keeping up with us is forty-two percent. Newfoundland, despite all the fine talk you hear from the Government of Newfoundland, the great things that are being done and the rest of it, how much the people have benefited and all the rest of the stuff you hear year after year, had only improved twenty-nine percent as compared to January 1, 1965.

So this means, Mr. Speaker, despite the tremendous borrowing we have done in the last five years, we have been out performed by Nova Scotia terrifically, in the result they have an increase in their personal disposal income of forty-two percent over the five years. Newfoundland twenty-nine percent, despite the fact we borrowed far more than they did. We borrowed some \$660 million. Far out shone by Nova Scotia, they have a far greater ability to repay than we do and our debt, direct and indirect, is far larger than theirs.

And, yet, we are told that this Government was stymied over the last few years, stymied, stopped from progressing, stopped from spending, by tight money. There is not a jot nor trickle of truth in it. They were not stymied at all, the Government borrowed more than ever before in its history. So that now it is borrowed each year, a figure greater than the whole national debt of Newfoundland of 1948-49.

What faces us in the next two years, Mr. Speaker? The Government in the next two years have got to borrow a minimum of \$97 million to repay money it has borrowed in the last few years. This year and next year, it has to borrow between \$97 million and \$100 million to repay money it has borrowed in the last four or five years, for which there is no sinking fund. So that the Government of Newfoundland have to go to the financial markets of the world in the next two years, not just to borrow, I would say this year, election year \$200 million. Not just to borrow the year after, \$100 million just to keep her going, keep her afloat. But to borrow all that plus another \$100 million to repay old bond issues for which there were no sinking fund. That is what the Government or whatever

MR. CROSBIE: Government that is in power will have to do in the next two years.

As the person who did some of these figures for me said, add this to our deficit of 1971 and 1972 that must also be financed, and the figures threaten your sanity. He is one hundred percent right. These figures threaten your sanity. \$100 million the Government must repay the next two years borrowed to repay, they cannot pay from any other source, and roll it over and also finance at least, I would say, another \$200 million to \$300 million that they have to borrow, number one for this Election Year to make the people believe that they have got unlimited money, so they will borrow this year like never before. And next year they will only have to borrow, what they have to do, to cripple along on which will be \$100 million. That is \$300 million plus this other \$100 million, \$400 million, if this Government stays in power will have to borrow for the next two years.

Mr. Speaker, it is six o'clock.

MR. SPEAKER: I do now call it six o'clock and I do leave the chair until eight o'clock.



**PROVINCE OF NEWFOUNDLAND AND LABRADOR**

**HOUSE OF ASSEMBLY**

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**VERBATIM REPORT**

**TUESDAY, APRIL 13, 1971**

**SPEAKER: THE HONOURABLE GEORGE W. CLARKE**



The House resumed at 8 p.m.

MR. CALLAHAN: Mr. Speaker, I would like to have leave to table the first Report of the Clean, Air, Water and Soil Authority.

MR. SPEAKER: Has the hon. minister leave to table the report? Agreed.

MR. CALLAHAN: Thank you, Mr. Speaker. The Report of the Clean, Air, Water and Soil Authority for the year just ended; The Auditor General's Report and Financial Statements of the Co-operative Development Loan Board and the return of licences, leases and grants issued under the Crown Lands Act for the year ended March, 1970.

MR. SPEAKER: Adjourned debate.

MR. CROSBIE: Mr. Speaker, in connection with the motion I am making of non-confidence, I move, seconded by the hon. member for Fortune, that the following words be added to the Address in Reply: "This House regrets the failure of the Government since 1966 to adequately maintain and improve the public services of the Province of Newfoundland despite severe increases in taxation, within the Province of Newfoundland, and despite the borrowing by the Government of monies and the guarantee of the borrowing of monies by the Government of Newfoundland at a rate, during the five financial years from April 1, 1966, three times in excess of the borrowing of the Government for the seventeen years from April 1, 1949; and the failure of the Government during the same period to provide the public of Newfoundland with the facts concerning the economic and financial position of our Province, as well as the failure of the Government to answer fully and completely questions tabled in this House by members hereof, touching upon the public affairs of the Province and, therefore, states that it has no confidence in the Government."

Mr. Speaker, just to recapitulate briefly on the position that I was enumerating before we adjourned, as I calculated, and I think it is irrefutable. The Government have borrowed up to 1966, \$333 million, direct and indirect. By a year ago, as found by the Auditor General, that amount had

Mr. Crosbie.

advanced to \$766 million. Into that is added our borrowing this year. direct of \$125 million, of indirect, including the Power Commission \$25 million, and \$55 million for Canadian Javelin and just \$30 million for Come-by-Chance, we have borrowed over \$ 1 billion, direct and indirect. That is our debt at this moment. As I pointed out, Mr. Speaker, during the period from 1949 to 1966, our borrowing was at the rate of an average of \$20 million per year. From 1966 to date, we are borrowing at the rate of \$133 million a year. This is borne out by the fact that the Government's financial prospectus filed in New York several weeks ago or a month ago, itself states that the Government, during the four years up to March 31, 1970, has been borrowing direct around \$103 million a year.

I pointed out, Mr. Speaker, that whereas in Nova Scotia their total and indirect debt was \$382 million in 1966. As of March 31, 1970, they were only up to about \$700 million. I pointed out that our ability to repay this tremendous burden of debt is low in comparison with that of Nova Scotia; that at January 1, 1970, personal disposal income per capita in Newfoundland was \$1,400 only, as compared to \$2,000 in Nova Scotia, as compared to \$2,400 for the whole Dominion of Canada; that in the period from January 1, 1965 to January 1, 1970, the average disposal income per capita in Newfoundland had only increased twenty-nine per cent, whereas, it had increased forty-two per cent in Nova Scotia and forty-four per cent for Canada as a whole. So, despite this tremendous borrowing by our Government, we are not improving our position as rapidly as they are in Nova Scotia or in the rest of Canada; that Nova Scotia is out-performing us despite the fact that their total debt is far behind ours. I pointed out, Mr. Speaker, that the result of all this tremendous borrowing in the last five years is that Newfoundland bonds today are selling at a cost of 8.90 per cent. Whereas, Nova Scotia bonds are selling at a rate of 7.35 per cent. That is just over 1.5 per cent less. It is costing Nova Scotia 1.5 per cent less to borrow money than it is for Newfoundland.

I pointed out that Stienburgs Realty Limited, the supermarket chain has just borrowed \$15 million on twenty year bonds at a cost of 8.5 per cent.

Mr. Crosbie.

So that even a grocery chain is now able to borrow in the financial markets of Canada or the world at a cheaper rate than we are. I pointed out, Mr. Speaker, that in the next two years, the Government must borrow \$100 million just to repay previous borrowing for which they have no sinking funds. I pointed out that while the Government are borrowing this \$100 million in the next two years, the Government will also have to borrow at least \$100 million a year just to stand still, because the Government now have a deficit every year of \$100 million just to stand still. The likelihood is that the Government will have to borrow this year some \$200 million, because it is election year. The Government are going to pretend that it has all kinds of money, in which to spend in this Province this year. Therefore, it is likely that, if this Government stay in power, it will have to borrow in the next two years some \$300 to \$400 millions, including \$100 million to pay back this debt that I mentioned a bit earlier.

I pointed out, Mr. Speaker, that during the last five years, the so-called period of tight money, when the Government reduced services and increased taxes; that during this period of so-called tight money, the Government borrowed, directly and indirectly, in excess of \$600 million and at an average rate of \$133 million per year. This is the position to which this Government have now brought us. This is the reason for the non-confidence motion.

Now, Mr. Speaker, to recapitulate briefly on another part of this non-confidence motion, a quick look at Speeches from the Throne for the last five years. In the Speech from the Throne in 1966, November 30, 1966, that speech noted on page four the following: (The speech said. It was discussing Memorial University) "All full-time students now have their tuition fees paid for them and fifth and fourth year students at the University are now receiving salaries or allowances of \$50 or \$100 a month, depending upon whether they are domiciled in St. John's or other parts of the Province.

Mr. Crosbie.

Newfoundland enjoys the proud position of being the only part of the western hemisphere whose University students enjoy the blessing of free tuition, and all of whom will shortly be receiving monthly salaries or allowances. Third year students will in the next academic year be brought under the salary or allowances planned and at that point only second and first year students will remain outside the plan." This was stated, Mr. Speaker, November, 1966. All of those students will shortly be receiving monthly salaries or allowances. Now it is well-known, Mr. Speaker, that this is one service of the Newfoundland Government that was not expanded in the past five years. Since November 30, 1966, the payment of salaries and tuition to students at Memorial University has not advanced, has not gone forward, rather it has gone back. There was a needs' test imposed, as I will come to, in the Budget Speech a year or two after the statement was made. So that instead of all students having their tuition paid, only those who passed the needs' test have their tuition paid. Instead of all students receiving salaries or allowances, only those in third, fourth and fifth years who pass a needs' test have them paid. So, as the non-confidence says, the public services have not been maintained and improved, at least, certainly not in every avenue and this is one service that has not been, despite what the Speech from the Throne said in 1966.

The same Speech from the Throne, Mr. Speaker, also announced another great step forward, which quickly became two steps backward, and that was on page six: "The Government announced that measures would be adopted to wipe out tuition/<sup>fees</sup> in all of the schools of the Province. To wipe out all tuition fees in all our schools will be a costly step to take. But my ministers have decided to take this course in the coming financial year. To meet the cost of this reform by adding one additional percentage point to the Social Security Assessment. This will have the effect of removing

Mr. Crosbie.

the present concentrated burden of school fees from the shoulders of the parents of children at school and placing it more equitably upon the shoulders of the whole population. A bit further down, you will be asked to amend the legislation which authorizes certain communities to impose and collect school taxes. That was what was announced in November 30, 1966.

The S. S. A. tax, Mr. Speaker, went up one per cent. It was five per cent then. It became six per cent that year. Were tuition fees wiped out in the schools of the Province? Were school taxes wiped out in the schools of the Province? Not on your life, they were not, Mr. Speaker, because the Government found later, in the Budget Speech of that year, that tuition fees had to remain, school taxes had to remain so that school boards and the churches could raise revenue to meet their percentage of the capital cost of schools. So, in that respect the services of this Province have not improved in the last five years. In that respect the taxes imposed by the Government have increased in the last five years. Five years later, the position, Mr. Speaker, is still the same. Tuition fees in the schools of this Province are not wiped out. School taxes in the schools of this Province are not wiped out. The school fees and school taxes are just as high today as they were in 1966, before that Speech from the Throne was made. It is just that now the schools are restricted. The churches are restricted to collecting them to pay capital costs, their percentage of the capital cost. We have a weak attempt, in the conference of January, to try to intimate ~~that~~ the Government plan to take over all the capital costs of schools in this Province. That later turned out to be a statement by the Government that it would investigate. It would investigate that possibility. A later admission by the Government that it would take two years to investigate. That is where the Government went in the last five years on tuition fees and school taxes.

They have not been wiped out. They are still there. They will not be wiped out this year. They will not be wiped out next year. I doubt

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if they will ever be wiped out, as long as this Government keep in power .

The same Speech from the Throne, Mr. Speaker, of 1966, of November 30, 1966, page eleven made another wrong statement. At Marystown it is stated that there were going to be ten newly built stern trawlers for Atlantic Sugar Refineries. Five would be built or nearing completion in the shipyards of the Province of Quebec. Then the speech went on to say that construction of the other five is to be done in the new shipyard at Marystown. That is five trawlers for Atlantic Fish Processors, Limited. Were five trawlers constructed in Marystown for Atlantic Fish Processors Limited? Not on your life, Mr. Speaker. They were not. Two were constructed and two only. I believe it is correct that only two trawlers had been built at Marystown from 1966 to date. The Speech from the Throne here said that construction of the other five is to be done in the new shipyard at Marystown. Five years have gone by, there are still three missing; that have not been done.

The same Speech from the Throne, Mr. Speaker, announced that the Royal Commission on Tax Structure in St. John's are about to begin their public hearing, November, 1966. We still have not got the report of that Royal Commission on Tax Structure in St. John's. It is about time it began its public report. In that Speech from the Throne, in 1966, page fifteen, the Government announced, the Lieutenant Governor announced that "my Government have decided to proceed, without delay, with the building of that section of the great Labrador highway, which extends from Goose Airport to Churchill Falls, a distance of nearly 200 miles. Tenders will be called in the coming winter" and so on. In the meantime, "my ministers, in an effort to prevent the loss of over half of 1967 in the building of that road, have arranged for at least two ship loads of road building material, machinery and equipment to be landed at Goose Airport during this present month, before the close of navigation in Lake Melville."

MR. CROSBIE.

The machinery will thus be on hand and available to contractors who wish to purchase it, November, 1966. This is now, Mr. Speaker, April of 1971. Is the great Labrador Highway from Goose to Churchill of 200 miles built? No, Mr. Speaker, it is not built. It is not built. Has any work been done on it in the last two years? No, Mr. Speaker, no work has been done on that highway. in the last two or three years. Some \$6 million was spent on constructing a tole road in connection with that highway. That was spent, I think,

MR. CROSDIE: In 1967 and '68, not a cent in '69, not a cent in '70, and not a cent to date in '71. Is that an improvement of the public services of Newfoundland Mr. Speaker? No Mr. Speaker, it is not. Six million odd dollars has been spent, probably wasted on part construction of a tote road from Goose airport to Churchill Falls, and four and a half years have now passed since then.

That was the Speech from the Throne in 1966. What about the Budget Speech for that year. That Budget Speech was delivered by the hon. Minister of Education, he is the Minister of Education now, he was the Minister of Finance then. It was a relatively modest Budget Speech, Mr. Speaker, as Budget Speeches go in this Government, a mere thirty-four pages. It gives us little information about our finances as does the rest of them, however. The Budget Speech of 1967 was thirty-four pages. The Budget Speech of the next year delivered by the member for St. Mary's, was sixty-two pages. The Budget Speech delivered the year after that, in 1969 was one hundred and twenty-one pages. The Budget Speeches get longer as the Government has more to conceal. The Budget Speech given in 1970, I do not think was one hundred and twenty-one pages, but it made up for it by having several pictures, of the Premier, Cabinet Ministers and so on that we discussed in the House before, in it.

March 1967, the Minister of Education gave his Budget Speech. What did that announce? It announced, Mr. Speaker, that there was going to be free tuition, on page nine, in all elementary and high schools. It was going to be a great milestone in the history of Newfoundland education. Then it went on to make clear distinctions between school fees for current purposes, and school fees for capital purposes and discussed the great problems of the churches and school construction. It mentioned the problems of meeting the cost of school construction. Then of course it had a tremendous answer about these problems of financing the school construction. It said on page (12) that the answer of course, must be found by the churches and school boards themselves. That was a neat one. The answer had to be found by the churches and school boards themselves.



Then the Speech went on to say that all school fees and taxes could not be eliminated because of this construction problem. On the one hand in that Speech we were given free tuition, and no taxes, on the other hand this had to be changed and there had to be school fees and taxes had to be continued. On page (18) of that Budget Speech, there was introduced a pension scheme for the civil service. Unfortunately Mr. Speaker, the Government, in its usual haphazard approach to these matters, refused to have the pension scheme for civil servants funded. In other words, it refused to put the civil servants in a fund which would be matched by the Government, in a fund that could not be touched except for pension purposes. No, the Government decided not to do that, it thought it would be better to take the civil servants contributions and put them in the general revenue, so that the Government could spend them. They did not accept the recommendation of the Royal Commission on pensions, that there should be a fund.

Here are trust monies, six percent of the wages paid to the civil servants of Newfoundland, which they contribute towards pensions. Does the six percent go in a trust fund so that it can only be used for pensions? No, it goes slap bang into the general revenue so the Government can spend it on what they please. That was a great advance in that Budget Speech.

On page (23), the minister got down to brass tacks and he increased the gasoline tax.

MR. COLLINS: Any interesting story on those contributions?

MR. CROSBIE: I am not sure, I do not think so. On page (23), the minister said that the minister said that the Government was going to increase the gasoline tax by one cent a gallon starting on April 1st., and to increase the tax on the taxable income of companies and corporations by one percentage point, namely from ten percent to eleven percent. That was two tax increases in the first Budget Speech since 1966. One cent on gasoline, one percent on the corporation tax. That was relatively mild Mr. Speaker, as to what has happened after and since then.

In 1968, (February 21st.) was the next Speech from the Throne that we have had in the past five years.

AN HON. MEMBER: These were the great years when the member was minister.

MR. CROSBIE: February 21, 1968, page (2) Mr. Speaker, we had the announcement a turnkey contract entailing more than \$60 million has been signed with Lytton Enterprises, Incorporated, covering the design and construction of the third mill to be built at Come by Chance for Newfoundland Pulp and Chemical Co. Ltd. This plant, properly known as the third mill, will have an output of 600 tons of newsprint paper each day. Two newsprint machines, each with a daily capacity of 300 tons, produced at the rate of 3,000 feet a minute have been ordered from the Beloit Corporation of the United States under contract with Lytton, the design engineering construction will be done by Rust Engineering Co. of Pittsburgh, Pennsylvania and so on.

More than twenty newspaper publishers have joined with Shaheen to provide a dependable market. The mill's financial success is well assured. The pulp and paper mill, being erected at Come by Chance, is one of the three large industries being established there, to form the newest industrial complex in our Province, the others being a large oil refinery and an anhydrous ammonia plant, having a capacity of 1,000 tons each day. What has happened with respect to this statement of fact, purported statement of fact? What happened with the turnkey contract with Lytton, for \$60 million? That is gone with the wind. That was supposed to be February 1968. Lytton is very slow in carrying out construction of the third mill under that turnkey contract, Mr. Speaker. They certainly have not got that third mill up yet.

Beloit is very slow in manufacturing the two newsprint machines. They are not down at Come by Chance yet. Where is the anhydrous ammonia plant that was going to be under way that year? That is cancelled, we were told that last year by Mr. Shaheen and his group. The anhydrous ammonia is gone. Where is the oil refinery? Construction will be starting in the next few weeks. This is the kind of alleged statement of fact that this Government makes to the public of Newfoundland Mr. Speaker, year after year, expecting them to swallow it. What is the latest now? The latest now, is that we are going to be awash and afloat with oil and gas here in Newfoundland, in 1971. If we do not watch out we will have a gusher right up behind us at any moment. That is the latest 1013

There is a different kind of gusher going here now, one that is not going to blow wild.

That is what the Government wants us to believe now Mr. Speaker, but when we look at the Speech of February 1968, and hear an announcement made that a trunky contract has been signed, not will be signed, not might be signed, but has been signed, the Speech from the Throne, the Lieutenant Governor repeating the words that the Government puts in his mouth, and apparently not one word, not one iota of the truth in it.

AN HON. MEMBER: What year was that?

MR. CROSBIE: February 22, 1968.

AN HON. MEMBER: Was the hon. member a minister then?

MR. CROSBIE: The hon. member was a minister then. He certainly was, but the hon. gentleman did not do the Speech from the Throne. I think the hon. gentleman opposite knows who does those, and it certainly is not the hon. gentleman opposite. It is another hon. gentleman opposite.

AN HON. MEMBER: The hon. gentleman went along with it.

MR. CROSBIE: He sure did, he went along with it too long, but in May of 1968 he secured his freedom and he has never been a happier man since.

AN HON. MEMBER: (Inaudible)

MR. CROSBIE: Oh my, the hon. gentleman is a comedian. Mr. Speaker, the hon. gentleman opposite has me all upset. I was booted out, well I will tell you one thing, my neck is not so sore by being stepped on that I have to wear a high collar.

Now Mr. Speaker, there was not too much in this Speech from the Throne except for that statement about Lytton Industry, but the forests were going to be reorganized on page (5). The Rousseau Commission had made an interim report and the Government had decided that the Government would reacquire for the Crown all the forest growing up on the island of Newfoundland for cash payments. That is what the Government was going to do in 1968 because of that interim report. Three years later, the final report is tabled. The Government is no longer going to buy the forests of Newfoundland back, it is going to set up a forest corporation and do something entirely different.

On page (7) of that same Speech, I would just like to remind the House that the Government has become aware of a thoroughly practical mechanical device, not costing too great a sum, that can be installed in an area where, for geographical or topographical reasons reception is very poor or nonexistent, and will bring the quality of reception up to that found anywhere in the Province. That is T.V. reception. The Government was going to get this device and spread it throughout Newfoundland so that we would all get excellent T.V. reception. I do not know what happened to the device. Perhaps after the televising of Mr. Shaheen's group last year the Government decided it did not want T.V. reception improved throughout the Province. That may be the reason why nothing happened. That is a public service that according to this speech was going to be instituted but we never saw it.

The same year we had a Budget Speech, on the 29th. of March 1968, delivered by the hon. member for St. Mary's. That Budget Speech, now we are starting to get into tight money Mr. Speaker. It was getting so tight then that the pips were starting to squeek, they were starting to get into tight money. In that Budget Speech, March 29th. 1968, we had a tremendous announcement on page (1). One page (1) of that Budget Speech there are a number of announcements. 1968 was going to see the commencement of the plant to produce magnesia from salt water, the Sea Mining Corporation Plant, near Stephenville. That has been inactive for the last year or so, defaulted on its loan of \$2,800,000. The Government has had to pay over three of four hundred thousand dollars in connection with the default, and Lundrigan's are currently looking for somebody to operate it.

We were going to see the commencement of the construction of the linerboard industry at Stephenville, that did not start in '68. We were going to see the construction of one or two other important new industries at that same place, but they did not materialize. We were going to see the launching of a very large construction programme at Come by Chance involving the building of what? Of the Province's third pulp and paper mill as well as an oil refinery and a new anhydrous ammonia plant. These are truly sledge-hammer blows that have been struck at Newfoundland's old enemy, the enemy of unemployment and

low standards of living. These are truly sledge-hammer blows of bunkum. Anhydrous ammonia did not start, the third mill is still not underway there, the one or two other important industries at Stephenville have not started, the sea magnesia plant has not operated for the last year. What bunkum, truly sledge-hammer blows. Truly powder puff blows, truly puff, puffery, talk. That was page (1), the speech opened up well.

Page (9) in this illuminating Budget Speech, the minister said that a striking example of the rise in prosperity of our people is seen in the fact that last year they bought 57 million bottles of beer and paid \$20 million for it. That was a startling conclusion. A striking example of rising prosperity, they bought 57 million bottles of beer. What was that leading up to Mr. Speaker? That was leading up to a tax increase. Persuade people that because 500 thousand Newfoundlanders bought 57 million bottles of beer, they could well stand a jab in the pocket by an increase in taxes. That was the purpose of that?

AN HON. MEMBER: What year was that?

MR. CROSBIE: That was the 29th. of March, 1968.

AN HON. MEMBER: Was the hon. member still in then?

MR. CROSBIE: I was in the Government so that is why I know it was leading up to a tax increase.

AN HON. MEMBER: (Inaudible)

MR. CROSBIE: Now, the hon. minister opposite does not write that Budget Speech. We know who writes the Budget Speech. It is another hon. gentleman opposite whose name shall be untold. Now, on page (26), ah, page (26), an amazing conclusion! The people gave to the Newfoundland Government \$91 million, and the Government gave to the Newfoundland people \$140 million. The people of Newfoundland put \$91 million into the pockets of the Newfoundland Government and the Newfoundland Government, in return, put \$140 million back into the pockets of the Newfoundland people. The Government of Newfoundland, therefore, cost the Newfoundland people, in the year just ending, precisely nothing. That was the remarkable conclusion of that remarkable financial Document, that Budget Speech.

I am not making this up. Mr. Speaker, I am reading the actual words.

The Government of Newfoundland, therefore cost the Newfoundland people in the year

just ending precisely nothing." What malarkey! The Government that had just put up the gasoline tax the year before, the Government that was imposing the income tax, the corporation tax, the six percent S.S.A. tax, the gasoline tax, this tax and the other tax, the brass tacks, announcing that it was costing the Newfoundland people nothing.

AN HON. MEMBER: Is that really in the Budget Speech?

MR. CROSBIE: That is in the document, page (26), March 29, 1968.

MR. MARSHALL: I think we ought to investigate further the.....

MR. CROSBIE: "Indeed, the Newfoundland Government in the year just ending, in terms of hard cash, left the Newfoundland people nearly fifty million dollars better off in pocket than they were the year before."

That was startling enough, Mr. Speaker, that was amazing. It is

MR. CROSBIE:

interesting to know this Government is costing us nothing. It has cost us \$1. billion in debt so far, plus all the money they have spent. Page fifty, what was all this leading up to this talk of 57 million bottles of beer and this talk that the Government took 90 million and gave back 140, it was costing us nothing. We were all overjoyed the Government was not costing us anything. What was it leading up to? Page fifty, "We will abolish the subsidy on water and sewer bills and save \$350,000." It cost somebody \$350,000. The people that were getting the water and sewer subsidy just lost it. (2) "We propose a needs test on fee tuition and salaries at the University." Was it costing anybody at the University anything? Yes, it was costing every student who could not pass the needs test, out went his free tuition, out went his salaries. That is what the Government did there. "A special committee is going to consider each individual case." I believe those students affected at Memorial University did not accept the Government's proposition that they were costing us nothing. It was costing them their tuition and salaries. (3) "We will reduce the size of the subsidy in rural electrification but the detail of this has not yet been worked out." It cost those who lost their subsidy in rural electrification something, either that or there was something wrong with them when they got that bill and they had to pay more. (4) "We will propose a one percentage point increase in the corporation income tax, which will bring in about \$700,000. each year." I think it cost those corporations something and the people they sold their goods to and got the money back from, it cost them \$700,000. (5) "We propose to increase the social security assessment by one percentage point." Now it had been raised the year before, went from five to six and now, in 1968, it went from six to seven. But this was the good old Government that was costing us nothing, that was taking \$90. million and giving back \$140. million. It did not cost the people of Newfoundland a cent. Well, what was it doing that miraculous Government? It was lashing up the taxes and cutting the services.

One percentage point up to seven per-cent, what else? Here came

MR. CROSBIE:

the chocolate bit, the final bitter blow, "We propose as well to lower to eight cents, the exemption from the tax." In other words every item now bought in excess of eight cents you have to pay the tax on. (6), page fifty-one, "We intend to raise the price of liquor sold by the Liquor Control Board by ten per-cent and the price of beer by one cent a bottle." Those who like a bottle of beer or a drink certainly did not realize that this Government was costing them nothing. Here is the liquor gone up ten per-cent and beer a cent a bottle, something is wrong. I guess we just have to be Ministers of Finance to understand this. (7) Four years ago the House imposed a tax on cigarettes and tobacco. "We propose to double the rate of tax on tobacco products. This would bring us an additional \$2.2 million next year." The smokers of Newfoundland knew something was up. It was going to cost them \$2.2 million more to smoke, yet the Minister said the Government was costing them nothing.

Page fifty-two, the Fire Insurance Premium Tax was abolished or changed so it became a tax on all insurance premiums. Boy, that was a great advance, that was a real save, abolish it on fire insurance and put it on all insurance premiums. Finally came a dramatic one that almost, it is almost too much to stand, to bear. "We had decided to propose a tax policy that has been in our minds for some considerable time, yak! yak! yak! yak! and then it goes on about motor vehicles, the Government of Canada and so on and so forth, and roads. Page fifty-four, now the Minister does not come right out and say, "I am going to increase your tax." He gets on with all this yak! yak! yak! and then after three pages he says, "This new increase of five cents on the gasoline tax would bring us a total of \$4. million a year." Five cents a gallon. The S.S.A. Tax went up a cent, the gasoline tax went up five cents a gallon, certain services were cut, other taxes went up - all of this from a government costing us nothing.

Then the speech goes on, this will interest the hon. the Minister of Social Services who needs so badly to be rehabilitated. Page fifty-four, "Mr. Speaker, there has been increasing uneasiness among our people about the rising costs of public welfare." What was that leading up to?



MR. CROSBIE:

Page fifty-five, we have decided, Mr. Speaker, to reduce the scale of welfare payments to all persons on able-bodied relief."

MR. NEARY: What year was that?

MR. CROSBIE: It was 1968.

MR. NEARY: The hon. member was a Minister.

MR. CROSBIE: That is correct, exactly. I am just giving the recital of facts, just giving the facts. This is the allowance that the Minister of Social Services and Rehabilitation got up in this House two weeks ago and announced they were going to be increased again. He forgot to mention how they had been decreased in 1968 and 1969. So was the Government not costing these people on short-term relief anything? I think it was costing them something, they had their payments reduced, their allowances. Then it went on to say that there were going to be a whole lot more welfare officers taken on and when all of those measures were put together a \$20. million deficit that confronted the Government was balanced and a small surplus earned.

However, all this was still not costing the people anything because when you subtracted \$90. million from \$140., they were only taking \$90. and they got back \$140. when you added on this \$20. million the Government was only taking \$110. and we were all getting back \$140. still. So it did not cost us anything, it did not cost us anything.

MR. NEARY: This was all arranged before the meeting.

MR. CROSBIE: This was all in the Budget Speech of that year. If the hon. Minister had a brain I would engage in debate with him. I spoke earlier today, you know, and I asked some questions and so on, and I am just hoping the Minister will reply instead of just sitting in his seat, flapping his mouth when someone else is talking, that he will answer some of the problems that are occurring in his department that he is not answering now.

MR. NEARY: The hon. member will get the answers, if he can sit in that hot seat over there when I am finished with him.

MR. CROSBIE: Boy, oh boy! I am going to resign, Mr. Speaker. I am terrified. I am terrified by that hon. gentleman, he is going to scorch me. Oh boy, I

MR. CROSBIE:

better get out, send the Speaker a letter tomorrow. Will the Minister promise not to say anything about me if I just get out quietly?

Now let us get back to serious business. Let us try to ignore the jester, the Government's jester. Yes, here it is on page sixty-one. The Minister of Finance ended up happy, he was happy, happy, happy. How happy was he? "The Government will still be paying to the people \$27.5 million more than the people will be paying to the Government." So it did not matter a row of beans, the people were still better off. They did not think so. In June 1968 they elected six Federal conservative members, out of seven, so obviously the people did not think they were better off. Now this was all tight money during this period, Mr. Speaker. So as the non-confidence motion says, "Here are taxes going up, here are services being reduced, here is the debt galloping," The debt of Newfoundland has galloping consumption, in the last five years from \$333. million to \$1. billion, and all the time tight money. It is the loosest tight money that has ever occurred in the history of the world. In other Provinces they would call it dysentery money, not tight money loose money. That was 1968.

Then we had the Speech from the Throne, February 24th, 1969, I think it measures up to previous years. "Those were the days, my boy! bump, de! dump! de dump!" Here it is over here, February 24th, 1969. Oh this is going to interest the Minister of Mines, Agriculture and Resources.

AN HON. MEMBER: He is down on the ground.

MR. CROSBIE: Is he gone? Too bad. Here is the Speech from the Throne, Mr. Speaker, February 24th, 1969, page three. "A development of possibly great importance is taking place in our Province. I refer to the discovery of a large deposit of salt in the Western part of the island and the discovery of a deposit of silica on the same coast. Both salt and silica are very important raw materials used in the production of certain industrial chemicals." Are those industrial chemicals now being produced in this Province? Not on your life they are not. The salt is still out somewhere on the West Coast, we know that. The hon. the Premier might use some of it to put on the tails of some of the birds he has in the Cabinet.

MR. CROSBIE:

The salt is still there. We do not know where the silica is, but it is supposed to be in the Bonne Bay area, but the Bonne Bay Park is going ahead despite the silica.

The oil refinery at Come By Chance is going to use another raw material as will also the Anhydrous Ammonia Plant to be established in the same place; well that is gone now. The blending of the products that maybe made from salt, from silica, from ammonia and from petroleum could lead, in Newfoundland, as it has done in so many other parts of the world, to the establishing of an industry for the production of important petrochemicals and other chemical products and so on and so forth. None of it is being done, just the usual blather in the Speech from the Throne. But there is a new note creeps into the Speech from the Throne, Mr. Speaker, page five. "It is a fact, it is a fact" the Government says, that there has been altogether too much spending of money. That is quite an admission by this Government. "The amount of spending that has gone on for more than a dozen years in this continent is extraordinary in the extreme and it has now become abundantly clear that the level of spending has gone far beyond the strength and ability of the economy to sustain it." It sure has, it sure has. That was in February 1969, that was during the tight money phase, that was when the Government was admitting there was such a thing as tight money. Not election year, 1971, but brutal facts year, 1969. The Government was admitting that and the Government was awaiting reports of Royal Commissions, I will skip them.

On page 7 the Speech says, "At Long Harbour the new phosphorus plant should be in full production," that was a jim-dandy when she got in full production, that was when we had the pollution in Placentia Bay, "while at Come By Chance construction on the newsprint paper mill should proceed with full force and construction of the great oil refinery, which it is intend shall be the largest of its kind in Canada, will proceed at all possible speed." Now we are told, we were told in 1967 that Litton's got a turnkey contract, construction is going ahead in 1967 and now we are told in the gracious speech two years later that construction on the

MR. CROSBIE:

newsprint paper mill should proceed with full force. Well I would say, if those two paper machines turned up that was certainly true. If Beloit delivered those two machines that we were told were underway in 1967, it should proceed in full force.

The only full force that happened in that third mill at Come By Chance is the full force with which the Government gave Mr. Shaheen, \$2.5 million that we have not recovered yet. \$2.5 million was advanced by this Government to Mr. Shaheen and there is a partly used building at Come By Chance to show for part of it. That is all we have seen on that third mill and Mr. Shaheen has had the concession now for ten or eleven years and had it all extended again last year. That is the third mill again. There is only one thing about this years Speech from the Throne we can be thankful for, it did not mention the third mill and, since it did not mention the third mill, it may be possible, Mr. Speaker, that it will get under way this year. It certainly did not get under way in any of these other years.

Well that was the Speech from the Throne, February 24th, 1969, not exactly a striking document, except for salt and silica and the third mill at Come By Chance. So let us have a look at the Budget Speech for 1969. April 16th, 1969, she was a jim dandy, 121 pages this document, and there is not a word told us about our finances until you get to page 96. All the other 96 pages leading up to it, all general palaver designed to take everybodies mind away from the unpalatable financial facts that the Government did not want to let out, that was the Budget Speech of 1969. Page 37 of that document, the Government wrote off the Continental Shelf. "The shelf contains 226,000 square miles and although it does not belong to this Province in a legal or constitutional sense." Why would the Government admit that? Why was the Government saying that we had no legal or constitutional claim to the Continental Shelf and the oil and minerals that lie underneath it? They have changed their tune since. We are being given to believe by the Government now that it is not AMICO who is out there drilling oil wells, it is the Government who is out there drilling them under the name of AMICO.

MR. CROSBIE:

Two years ago the Government was going to write off our legal or constitutional claims. Mr. Speaker, if oil is discovered off our coast, oil and gas, it will certainly be in conditions far different from Louisiana. It will be on the Grand Banks of Newfoundland, out in mid-Atlantic. It will be a different kind of fishery. It will be years if it is discovered before it can be properly utilized, I think the president of AMICO say seven years. If it is found this year it will be a few years before the full effects are felt here and unless this Province establishes a legal and constitutional right to those resources, so that we can get the oil royalties and taxes rather than the Government of Canada, it is not

MR. CROSBIE: going to be all that much help to us, and that is an issue that still has very much to be decided by the legal authorities of Canada. That is a matter that can only be decided, if the Governments cannot agree, by the Supreme Court of Canada. And, I hope that our case, we have got special people retained and Mr. Cyril Greene, who was the Deputy Minister of Justice, is suppose to be working especially on that now. I would like to hear all about that, in due course, when we get to the Justice Department estimates. I hope they are preparing a strong case for us.

I know that the Premier accepted a settlement offered by Prime Minister Trudeau, a year or two ago, but no more has been heard about that since, so that must be off.

Page forty-three in that Budget Speech, Mr. Chairman, the Government made one of the most factitious one of the most ridiculous, one of the most purile, one of the simplest, one of the most simplicity, one of the most nauseating statements that any Government of modern times has ever made. This is what the Government said, and their actions have amply proven it time and time again. "We have very little patience in this Government, with those whose minds are preoccupied with considerations of priorities and spending. It never seems to occur to some people that Newfoundland's problem is not at all a problem of spending money or deciding what to spend the money on or even deciding what to spend the largest sum on and so on. The real problem in Newfoundland is to find the dollars that are to be spent."

That was an illustration of this Government's philosophy. It does not want to consider priorities and spending. It wants to pretend that it has unlimited resources, so that it can spend on everything under the sun. It does not have to make decisions like you or I do, in our daily lives, or like other governments have to make. It illustrates that in the great disarmament conference of January 1971. That was a conference held to disarm the public ready for the election. A great disarmament conference in the Arts and Culture Centre. The Government fair wanted to pretend that the Government is sitting on such a pot of money that everything anyone in this Province wants they will get. The Government does not have to consider

MR. CROSBIE: priorities in spending, everyone is going to get everything; that in the face of the Government's record of the last five years of increasing taxes and reducing services.

I make a firm prophesy now, Mr. Speaker, I prophesy that in the Budget Speech, to be brought down this year, taxes will not be raised. I make that clearly, frankly, I do not even admit any possibility of contradiction. The Government will not raise taxes this year. I predict this; the Government will not reduce services this year. This is an Election Year. I predict further, if this Government is returned to office that in 1972 taxes will increase, and services will decrease. And in 1973, they will increase again and services will decrease again, and in 1974 it will be even worse. But in this year, an election year, no, taxes will not increase, services will not decrease. In fact, the Government hopes that everyone will forget what happened in 1967 and 1968 and 1969.

The Government have little patience with those who want to discuss priorities and spending. Page 83 of this epic, we are told this, this is a classic. A classic and brazen affrontery to say the very the Budget must be balanced. That was the statement on page 83.

Well that was enough to make one think, but wait until we get to page 91. "We have decided that at all, <sup>and</sup> any cost, we will balance the budget. We will keep Newfoundland's name good in the financial markets of the world. We will maintain Newfoundland's credit. We will prove to all concerned that Newfoundland has the courage and the skill to balance its budget." Those are brave words. Those were brave words. The Government are going to balance the budget. Everybody thought that a miracle had occurred. The first time since 1949 we are going to have a balanced budget. That was the Speech of 1969.

Well, let us see if the Government did balance the budget. Let us just have a look and see. Yes, here are the figures they are verified to be true by the Deputy Minister of Finance, or in the prospectus file in New York. That is why I believe them. What happened - 1969 the year that we were going to do it, we had decided at any and all cost, we will balance

MR. CROSBIE: the budget. We will keep our name good. We will maintain our credit. We will prove our courage and skill; results? 1969 deficit on current account, \$300,102,000. That is on current account. Deficit on capital account is \$63,343,000. Total deficit for the year \$66,445,000. Where did all that bravery and courage and skill go, that was going to balance the budget? We have decided all in any cost, we will balance the budget. A \$66 million deficit. What is the result since 1966? I read them out here earlier this evening. We know the results for this year, or the year that has just ended, \$103 million. Where are the results? Let us see how brave and skillful and bold and courageous the Government were in having a balanced budget for the five years of this non-confidence motion deals with. Where are those. Oh, yes, here they are.

The Government were bold, skillful and resourceful in 1966-67, the deficit was \$76 million. 1967-68 the Government fought with stamina of skill, courage, ability, and everything else. What was the deficit? A \$102 million. 1968-69 \$66 million. 1969-70 \$56 million. April 1, 1970-71 going by this financial prospectus \$103 million. The Government fought so boldly, so skillfully with such courage during the passed five years since it was elected in 1966 to balance the budget, to keep our name good in the financial markets of the world, to maintain our credit, that it had a total deficit of \$405 million. And from that we should deduct current account surplus of four years to \$15,833,000, leaving net deficits of \$389 million. What did it borrow direct and indirect during those bold, skillful, brave, courageous, fighting years to balance the budget - a big \$100 million in excess of \$660 million. Boy! I would hate to see that Government fighting without courage and without skill to balance the budget. It would really have some deficits then. That was page 91 of that Budget Speech.

What else happened in that Budget Speech? Page 94 referred to the current account deficit. The possible deficit was \$600,670. But it did decline, apparently. Page 95 we were told about little accounting change, simple little old accounting change. What was it? For the twenty years up to 1969, payments by the Government in the sinking funds to meet



MR. CROSBIE: indebtedness of the Province in the long term bond issues, those payments were made under current account. We paid our interest. We paid sinking fund payments all on current account.

But, if we continue to do that we would show a terrific current account deficit in 1969 and in succeeding years. So what did the Government do? It is simple, it moved payments to sinking funds from current account up to capital account. So the Government could still say, it was not borrowing anything on current account on the money that we need just to keep our operation going. So with that accounting change, \$7.4 million was moved from current up to capital. If that had not happened, the current account deficit that year would have been \$11 million odd, and we would be having current account deficit every year since, if that change had not been made. That was just a little accounting change.

Page 104 what did the Government do? The Government announced that it was reducing the amounts that it was going to pay School Boards - page 104. 'The amounts to be paid to School Boards is now to equal only the revenue received by that tax increase of one percentage point.' This is a natural reduction of twenty percent in the amount that will be paid to schools. Now whether this is all done or not, I am not sure. But, in 1969, how did the public services of Newfoundland - how did they fair with respect to the school boards and schools of this Province, they had a reduction of twenty percent in the amount paid them for their operating grant. That was a reduction in services. Despite the fact that taxes were going up, services were going down. Twenty percent reduction on what was paid to school boards.

'The Department of Education are also required to implement tighter conditions for granting allowances to students in vocational schools. And a ceiling is now placed on the number of students permitted to enroll in the Technical College or the District Vocational Schools. The University can have only about half of the increase in enrollment that they were expecting. And the University is required to institute a general austerity programme. That is how the services were increasing. Taxes were increasing, services

MR. CROSBIE: were decreasing. But, of course, the Government with all its talk and foofaraw is pretending that it is the reverse.

Speaking of the University, the rise in its yearly cost to the Government has been phenomenal. And it goes on to discuss that. In last year's budget a needs test was instituted for free tuition and salaries to students and so on.

Then the Government announced, page 105, two hospitals are to be closed, those are Botwood and Markland. The saving will be \$300 a year. The people of Markland and the people of Botwood better remember that, in 1969, which was not an Election Year, the Government stated in the Budget Speech that the two hospitals were to be closed. They had better remember that, if this Government is re-elected to continue its wasteful, spendthrift extravagant ways, that they are in grave danger of having their hospitals closed, in 1972, or 1973 or 1974 Markland, Botwood and some others.

But that was reversed in 1969, because of an outcry that occurred. The next reduction in service, the saving of about \$600,000 is to be achieved in the Department of Welfare, how? By reducing the rates presently paid to needy sick persons, temporarily incapacitated and to persons whose applications for long term assistance are pending. For the past year these persons have been paid the long term assistance rate. In future, they will be paid at the regular short term assistance rates.

Now the people of this Province, who have to receive assistance from the Government, welfare assistance, should remember, Mr. Speaker, that, in 1968 their benefits were cut, those on short term relief. That in 1969 their benefits were cut, the saving of \$600,000, reducing the rates presently paid to needy sick persons. That they were cut in those years. They should not be fooled by the Government announcing this year that it is putting the rates back to what they were before those cuts.

AN HON. MEMBER: Inaudible.

MR. CROSBIE: Because, Mr. Speaker, this is likely to happen again. A

MR. CROSBIE: Government that cannot get through borrowing or taxing, sufficient money to carry on the operations of the Government have to cut, and they will be in danger in 1972, the welfare recipients. They will be in danger in 1973, if this Government is returned. And they will be in danger in 1974 of having that assistance rates paid to them cut again. It happened once, it happened before and it can happen again, and will happen, in my view.

Page 106, Mr. Speaker, rates charged for diesel electric light have been increased, and the Government will not this year be paying so much of the monthly electric light bills of families as they have been doing. In this case the Government will be paying about half of the cost of these monthly bills. That was another reduction. Those were reduction in services 1969, repeating what happened in 1968, what had started to happen in 1967, as a result of the 1966 Election, and the wild spending that had gone on to win the Election in 1966.

What happened to tax rates?

AN HON. MEMBER: Inaudible.

MR. CROSBIE: Listen to his pitiful. It is piteous to hear the minister.

Page 106 - The corporation income tax will be increased by one percentage point dating from January 1, past. That was one tax that went up there. Corporation income tax. \$865,000 additional revenue. That was an increase. A business tax will be collected from every company. The fee for an annual return went up from \$5.00 to \$100.00 per year the budget speech says, that was so ridiculous, that was so crazy that the Government had to change that, so it went from \$5.00 to \$25.00 a year. That is the annual return fee. The Government said; "there will be no change in the rate of the S.S.A. assessment which will remain at seven percent." Everybody breaths a sigh of relieve. Of course, we have forgotten now that it had been explained to us a year earlier, how we were only paying in ninety and the Government were giving us back one hundred and forty, and the Government was not costing us anything at all. People were forgetting that.

MR. CROSBIE: But it went on, however, the existing tax will be extended to include the following services; laundry and drycleaning, hotel and motel room rentals, motor vehicle repairs and maintenance, appliance and household furniture repairs, long distance telephone calls. The extension of this tax will give us \$1,402,000 of additional revenue, and will become effective May 1,1969.

Now, Mr. Speaker, you might think that this catalogue of tax increases and reduction in services is already a pretty steep one, a pretty savage one for the people of this Province to take. You might think that these tax increases and reduction in services, increases in borrowing, show a pretty bad situation that there could not be anything worse, there could not be anything more, but wait.

Finally, we proposed an increase in the rate of the Province's Personal Income Taxes, by five percentage points. This change will become effective in July next. That is July of 1969. This increase will bring us just under \$2 million additional money. So even the personal income tax went up, Mr. Speaker, in the past five years.

The speech goes on to show this increase in the income tax is a mere, nothing, piffling. This tax increase was. Anyway the result of all this was going to be to give us a small surplus of \$500,000. It did not give us any surplus. As I pointed out, Mr. Speaker, it gave us a deposit on current account of over \$3 million. A deposit and a capital account of over \$63 million. That is the budget speech of 1969.

MR. NEARY: That was before or after -

MR. CROSBIE: That was after the hon. gentleman rose to<sup>a</sup> position of great responsibility and power in the Province. It was after the hon. gentleman did that. Page 115, that budget speech said; "On its financial side, therefore, the present Budget must be regarded as one of austerity, deliberately adopted as the only means open to us to balance our Budget; and by means of a balanced Budget to put our Province in the strongest possible position to face and overcome the challenges of the coming years." What a pile of absolute bunkum, to pretend this was going to mean a balanced Budget, and put the Province in great shape for the coming years, \$66 million deposit -

MR. NEARY: What side of the House -

MR. CROSBIE: The Government's view is quite simply stated, it is that there must be an unparalleled economic expansion, yes, but when? When? There is going to be the pretense of one this year, but just the pretense, just the pretense of one. There will be a lot of construction this year, because there will be a lot of borrowing done, there will be a lot of construction work. All temporary jobs. People may all be employed by the end of August. at construction work, all temporary jobs. But what are they going to work at in 1972-73-74. When we are tying up our credit, Mr. Speaker, this same period \$160 million of our credit tied up in Come by Chance for an oil refinery that is going to give at most 300 jobs. What a way to go about an unparalleled economic expansion of the Province?

MR. NEARY: (inaudible).

MR.CROSBIE: Now, I could address myself to the Budget Speech delivered by the Hon. the Premier last year, Mr. Speaker; but one hesitates to do that unless it is a popular request for it. That is the Budget Speech in pictures, that we have examined. That has been examined in this House before. You do not need 'Life Magazine.' This picture Budget Speech has more pictures than 'Life Magazine,' including this one here. That is the Hon. the Premier the year he retires from office.

MR.NEARY: (inaudible)

MR.CROSBIE: Could be, could be, it is up to the electorate, if they decide they do not want you any longer, out you go. Well, this Budget Speech last year was of course a masterpiece of the art of hiding what the financial position of the Province is. Lots of figures all showing nothing. All kinds of impressive figures, and talk about the financial, power policy and the rest of it. The Government ended up with a surplus. Here is the Budget Speech last year. Fourth line, "the surplus for the year was exactly \$1,996,000." What does our prospectus say, down in New York? This is the year now ending March 31, 1970, deposit \$56 million. Somebody has to be wrong. Either the person who wrote that Budget Speech and said we had a surplus for the year is wrong, or this is wrong here. Now what this means is that the Government had a surplus on Current Account for the year, that is what it means. Current Account -

MR.NEARY: (inaudible)

MR.CROSBIE: Who could get mad at the Hon. Minister of Social Services? You know, I do not think there is any chance of rehabilitating the hon. gentleman. No chance of doing that. You know it is like going out in your garden in the summertime, and there is a little bee buzzing around the flowers that is the hon. gentleman there buzzing away, buzzing away - where is he going to alight next, why does not somebody give him some pollen to get him impregnated or something or other - to keep him quiet. The Master's Voice.

Remember the old RCA victrola, how you used to crank it, well there does not have to be a crank in the hon. gentleman, just a little inkling, out comes His Master's Voice, - - - I do not doubt that there is some written hints here what they interject every now and then. But anyway, I was looking at the Speech for last year, signing the Come by Chance agreements, all very grim looking, this is before the \$5 million got handed over. There was a great chuckle when the Government pretended that they had backed the \$5 million interim financing. We remember looking at it on TV. last October. The Minister of Health, mincing forward, passing the cheque for \$5 million over to the Hon. the Premier, the Hon. the Premier taking the cheque and waving it before the camera. Here is the \$5 million that silly Crosbie and Wells were worried about. Here is our \$5 million, nobody needs to worry. Why did those silly boys resign? Here is our cheque back, Every bit of it a darn fabrication, \$5 million still down, spent by Mr. Shaheen and the Government now having to borrow \$30 million instead of \$25 million, that we will not be repaid until that oil refinery pays off the first mortgage. in ten years time.

Instead of costing us \$155 million as I explained this afternoon, it is costing \$160, five million dollars, that Wells and I were against advancing in 1968, advanced by the Government, the Government cannot get it back until that whole project is paid for, spent by Mr. Shaheen. There was supposed to be an audit done on it, auditors were supposed to go to New York and report back to the Government and what Mr. Shaheen spent the \$5 million on. That has never been done as far as we know, never tabled in the House. The two comedians, Abbott and Costello, pretending last October before the TV cameras, that \$5 million, that silly old Crosbie and Wells resigned about was paid back. A tissue of fabrication. Not paid back, kiting cheques from one fund to another. Paying back a temporary bank loan or putting it out now in the ten of fifteen year money. Not paid back at all. Yes, the

Government thinks it easy to fool the people of this Province, well, we will see how easy it is to fool them, that \$5 million. I will tell you this, Mr. Speaker, I was never gladder than when I resigned from the Government. never regretted it one second since. Never regretted it one second since because at that time we were all under misapprehension, that there could be a change in the Government and the policies in Newfoundland, in the Liberal Party of which I was a member. But the hon. gentleman's leader, the hon. gentleman's dictator and mentor threw all that away and he is still there and there can be no change in the Government or the policies of this Province today without another party elected to form a Government. That is the whole explanation right there.

SOME HON.MEMBER: A Tory Government?

MR.CROSBIE: Yes, a Tory Government; Liberal Reform Government; NDP Government; a Social Credit Government; anything but the present Government. Any Government that will go in and take over this Province - I will wait now and let - when the chaps are finished - are you all finished?

MR.NEARY: I think that water is spiked.

MR.CROSBIE: The water is not spiked. The choice of the people in Newfoundland is very clear today, it is reelect the Government that has brought us to the state we are in today or put into power another party. That is all, that is the choice is open to them. They will make their decision later this year. Now, this is a budget speech of 1970. It has been said before the electors may or may not do it, all we can do is wait and see. I will make a statement right now Mr. Speaker, that I do not know who is going to win the next election. But, but, I suspect that it is going to be a party other than the one that now sits opposite us. I would much sooner any day be a Tory than be a member of the present Government.

MR.SMALLWOOD: No doubt,

MR.CROSBIE: No doubt in the world, and I think that all the most sensible



people will take the same approach. The hon. gentleman will find out when the election comes. We have had twenty-two years now it is time for a change. That is for sure.

Now, Mr. Speaker, to get back. Occasionally Mr. Speaker, you get diverted from the debate due to heckling from the other side, from the junior members of the Cabinet, excite their elders and they all start heckling. You expect better of them, but, there you are -

Now is there anything else in this Budget Speech that could be quoted. A quick look through shows that last year's budget speech is not worth quoting, except this, page 26. The Government was only going to borrow \$56 million, it was going to borrow \$29.5 million by the sale of debentures on the financial market. That is what was stated on page 26. Right up above that sound statement is a picture of the residents of Nain, Labrador to support the statement and one down here is the fish plant at Fortune. What actually happened according to the Government's financial prospectus filed in New York, \$97.5 million borrowed on the bond market, not \$29.5 million, \$97.5 million. Borrowed altogether, \$125 million, not \$56 million. That was an active forecast that one last year. Other than that, there is nothing else in it, except it is - very nice pictures. I am going to keep that with my old copies of 'Life Magazine'.

So, that Mr. Speaker, is a brief review of what the Government has done in the past five years in the way of increasing taxes and in the way of reducing services and in the way of increasing its borrowing. I have also touched briefly on how the Government fails to provide the public of Newfoundland with the facts concerning the economic and financial position of this Province. These budget speeches are supposed to be documents of the Government which explained to the public what the financial and economic position of the Government and the Province is. Instead of that we find in our Budget Speeches something exactly opposite. Their whole purpose is to

obscure from the public what the financial position of the Government is. Their whole purpose is to pretend in a nauseating way as was done in 1967, is to pretend that the people of Newfoundland, that this Government is costing the people of Newfoundland not a cent, to try to put that over and then to increase taxes. The Budget Speech of 1969, 125 pages, and not more than ten of them concerned with finance; and then not setting out the financial position of the Government, and everyone of those speeches the same. Pure fiction! Fiction! Not a financial document that any reasonable intelligent person who wants to see what the financial position of the Government is, can look at and find out that position from.

Now in giving the debt figures earlier in my remarks, Mr. Chairman, I only included \$30 million in Come by Chance, \$30 million that the Government is actually lending. I did not include the other \$130 million that our Crown Corporations, owned by the Government, is borrowing. I only included \$30 million in that one billion dollars - one million dollars - I could have included the other \$130 million, because Mr. Speaker, it is quite clear that although Provincial Building Company is not the Government, and although Provincial Refining Company is not the Government, they are Crown Corporations owned by the Government, and as their credit goes so goes the credit of the Government. If they go bankrupt, if they go insolvent, our Government will have to see that their creditors are paid or our Government will not itself be able to borrow any money in the future. They are emanations, they are creatures of the Government of Newfoundland, which cannot let them go under. Now, we know that the Government is not legally responsible for their debts, unless it guarantees them, not legally. but practically, in the practical sense, yes. The Government would never admit that. I mentioned this before and it is worth mentioning again, in this prospectus of March 1971, page 16, here is what the Government and the agents of the Government say about that. "The Province has no legal

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responsibility with respect to the obligations of the corporations which will build and own and operate the refinery other than is specifically set forth above. Nevertheless, such

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Corporations are principally owned by the Province. It is possible to conceive of circumstances under which the Province might deem it desirable, voluntarily to provide financial support for such corporations."

Now why is that put in, Mr. Speaker? It is put in because, when you go to sell bonds to the public down in the States, you have to tell the investors what the facts are, what the financial position of the borrower is. And these syndicates, down there, insist on certain facts going in. They have warned the people who are buying the bonds that while a Province has no legal responsibilities with respect to Provincial Building and Provincial Refining and the \$130 million they are borrowing, that these corporations are principally owned by the Province. They can conceive of circumstances where the Province might deem it desirable voluntarily to provide financial support for those corporations. Certainly, they can. Anybody with any sense can. Anyone knows that if that operation at Come-by-Chance founders or has had luck or needs more money that the Government of Newfoundland must stand behind the Crown corporations. So that \$130 million should be added to our indirect debt. I have not added, but it could be added. If you were being practical about it, it should be added. Not only that but we have a construction contract, as I pointed out this afternoon. The Government have given us no information yet on it. Where the Government of Newfoundland, its Crown corporation is responsible, if any money needs to be found for customs duties, import duties, Federal sales tax on all the equipment coming into that refinery. That is what the agreement says. Now Procon would not have that in the contract, if there were not a chance of customs duties and sales tax being imposed on that machinery. Under their contract, Mr. Speaker, the contract is for \$155 million. That is to erect the refinery. Our other \$5 million interim financing - that is gone. That is not included in this \$155 million. This is an extra \$5 million which makes it \$160 million.

Under this contract of \$155 million, of that amount, \$110 million - no Canadian, I will keep it all in Canadian dollars. It is \$155 million Canadian.

Mr. Crosbie,

Under the contract, \$118,220,000 must be spent for U. K. goods and services, United Kingdom - \$118,220,000 of the \$155 million must be spent in the United Kingdom on United Kingdom goods and on United Kingdom services. So, practically, \$120 is going to be spent in the U. K. That leaves what? It leaves \$25 million to be spent on this side of the Atlantic. That is all to be spent in Newfoundland or elsewhere in North America. It is \$120 million out of the \$155 million has got to be spent in the United Kingdom. That means that it is \$118 million worth of United Kingdom and United Kingdom services that has to be imported from the United Kingdom into Canada, into Newfoundland, for that plant.

There is a clause in the contract between Procon and our Crown corporation which states on page seventeen: (I do not have all the documents here. They are about that high. They are inside in the clerk's office.) "The contract price does not include any Canadian, Federal, Provincial and municipal taxes or any Canadian duties on goods and services imported into Canada. If there are any such, these are to be paid by Provincial Refining Company from its own resources." Now until the Government can tell this House and tell the people of Newfoundland that we have been assured by the Government of Canada that there is not one cent customs duties on the equipment going to Come-by-Chance. There is not one cent Federal sales tax. It is all tax exempt, until the Government tell us that, it is quite possible that this Government, the people of Newfoundland are going to have to find another \$10 million or \$20 million for the oil refinery at Come-by-Chance to pay customs duties and sales taxes.

Now, if that is not the case, I invite the hon. the Premier to interrupt me and say that is not the case. Not one cent has to be paid on customs duties. Not one cent has to be paid on Federal sales tax. I invite the hon. the Premier to say that, to assure the House that Provincial Refining does not have to pay one cent for customs duties on all that equipment, not one cent for sales tax, Federal, on all that equipment.

MR. HICKMAN: You know that has to be paid.

MR. CROSBIE : Silence is an answer. Silence indicates, Mr. Speaker, that we

Mr. Crosbie.

Now it cannot be denied. The contract is in the clerk's office. On page seventeen of that contract it is stated that the contract price of Procon, \$155 million does not include any Canadian, Federal, Provincial or municipal taxes or Canadian duties on goods or services imported into Canada. If there are any such, these are to be paid by Provincial Refining.

Now, Mr. Speaker, the Premier has not denied that there are customs duties and sales taxes. How much? Surely, the people of this Province and the members of this House should not be left in the dark about something like that, with \$160 of our credit tied up. A possibility that the Province, the Crown Corporation of the Province may have to find \$10, \$15, 20 million customs duties and sales taxes, not a word from the Government. Not a word in denial. Is it \$1, \$5, \$10 million, any amount? It is only money of the public of Newfoundland. It is only money of the people of Newfoundland who may have to find the extra \$5 million, \$10 million or \$20 million or whatever it is, if it is anything.

When that contract is looked at, I mentioned this afternoon again, all the risks in connection with currency fluctuation are undertaken by the Government. If there is any currency fluctuation - in other words if the pound or the U. S. dollar changes in relation to the Canadian dollar during this period, it is not Procon who accepts that burden or that loss, (there could be a gain also) it is the Government of Newfoundland. It is Provincial Refining.

Under paragraph three (that clause is on page twenty of the agreement) there is a sterling financial agreement filed, Mr. Speaker, which looks after part of the money that the financing Procon has arranged. Under paragraph three of the sterling financial agreement dated October 16, 1970, entered into between Kleinwort-Benson Limited, Provincial Building and Provincial Refining, under paragraph three, the Government of Newfoundland are to make \$30 million Canadian available and to provide any additional money needed or to provide money to make up any short fall there

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might be to complete the construction. So the Government are not restricted just to \$30 million. In the sterling financial agreement it agrees with Kleinwort-Benson and all his financiers that it will see that there is made available any short-fall or any additional monies needed to complete construction. It is an open-ended guarantee. It is not just \$30 million. As I have already pointed out, there are risks of import duties, sales taxes, currency fluctuation.

On page six of that same agreement, it is stated that the Power Commission of Newfoundland and Labrador is to purchase 5,000 barrels per day of residual fuel oil from the operating company. This is something else again, Mr. Speaker. This is another little extra. The Power Commission, the Government, apparently promised Mr. Shaheen hydro-electric power at two and a-half mils per kilowatt hour or that they would subsidize the power he got. Imagine! Imagine, with all the concessions that we are giving Mr. Shaheen that he also got two and a-half mil power out of us, power that is costing the Power Commission seven to eight mils to produce and deliver. To get that agreement changed, what happens? Provincial Refining - there is a letter dated August 29, 1970, tabled, which is addressed to the Government of Newfoundland by Provincial Refining. Provincial Refining waives its right to obtain power at two and a-half mils per kilowatt hour from the Power Commission or its right to have the Government of Newfoundland pay to Provincial Refining a difference between power at two and a-half mils and the cost of power to Provincial Refining. They give up that concession. In return the Government agree that the Power Commission will buy fuel oil up to 5,500 barrels a day from Provincial Refining at prices to be agreed. There is a formula given in the agreement. A two and a-half mil power promise and to get out of that obligation, the Government have to force the Power Commission to buy up the 5,500 barrels of oil a day from Provincial Refining. What a deal! What a deal! What a deal! Has there ever

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in history been a deal where any private promoter has got such terms and conditions. If the whole thing is successful, the whole operation will become his. This deal, there is only one way it should have ever gone ahead with these conditions, we should have been, at least, fifty per cent owners.

So, these are some questions, Mr. Speaker, when we are looking at the last five years; that the obligations the Government have the people of Newfoundland into. This is one of the aspects that has to be looked at. We do not know. We have no idea what this oil refinery at Come-by-Chance is actually going to cost us. I tell you this. I am sure of this, that it is not \$30 million. It is not \$30 million. It is going to be a lot more than \$30 million. Now that \$30 million is already \$5 million more than it should have been, because of the interim financing. But it is not going to be \$30 million. It is going to be \$30 million plus. It is going to be \$30 million plus \$10 million or \$15 million or \$20 million. We will not know until this refinery is finished. But there is one thing that the Government should know by now and that is that the Government should know whether or not there are going to be Canadian customs duties and Canadian sales tax on the \$110 million worth of stuff that is going to go to Come-by-Chance from the United Kingdom. The Government should be able to tell us that immediately.

There are first mortgages and second mortgages. Our second mortgage, Mr. Speaker: We have a second mortgage, Mr. Speaker, for \$30 million. Kleinwort-Benson have a first mortgage for \$130 million. That first mortgage and the \$130 million have to be paid off by 1972, before a cent of our money, our \$30 million can be paid off. It is a ten year period. It will be around 1981 or 1982. In any event, Mr. Speaker, that \$130 million has to be paid off before ours starts, to be paid off. We will not know first,



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whether it is going to be \$30 million or a lot more than \$30 million, until construction is over. Then we will not know whether we are going to get our money back or not until at least ten years have passed.

Now these questions have all been asked before, Mr. Speaker. The points that I raised tonight have been raised in this House before, and they have been raised. We have not gotten answers. They will be raised - I am raising them here tonight, but I know full-well that we will not get answers. We will have no answers from the Government on this. We will be treated with contempt. We will have no answers on this. We will not hear from the Government about these customs duties, We will not hear from the Premier. We will hear a lot from the Premier about the oil and gas on the Grand Banks, and about Louisiana and what was seen in Louisiana. A lot of nonsense like that. We hear ten to fifteen minutes trash every morning on VOXM on "Conversations with the Premier." I would like to hear the Premier on "Conversations with the Premier" tomorrow explain and answer these questions about the Come-by-Chance Oil Refinery. I would like for him to tell the Trans-Island network whether or not we are going to have to spend a cent on customs duties and sales taxes. I would like for him to answer some of those points and give us some information on it tomorrow. The Premier will not do it in the House. So he will do it on the radio. It is not heard in Corner Brook. But apart from Corner Brook it is Trans-Island. I know you are whistling in the wind, Mr. Speaker, to raise these questions, but they are questions that should be raised. They are questions that should not need to be raised, because the Government should voluntarily explain them. But I will not do it.

MR. CROSBIE: I just want to mention, while on this non-confidence motion, briefly, Mr. Speaker, the Javelin Linerboard Project. That this is a project that this House was told, and this House was assured was going to involve the Government in a \$58 million guarantee. Then last year it transpired, last year when we forced the Government to observe the law and table the documents, which they refused to do, they were suppose to do it in fifteen days, did not do it. When they finally tabled those documents, what did we discover? The gurantee was not \$58 million, as has been in the original legislation. The guarantee has gone up to a net of \$66 million. Now it was actually more than that, it was \$70 some odd million, but when some of the short term was paid of by the long term it came down to \$66 million. So that was a guarantee of \$66 million, According to the documents filed last year.

The Government, in addition to guaranteeing \$58 million in the agreement, gave an open-ended guarantee that it would find any money additional that was needed to complete that project. So what has happened since last year? Since a year ago? The cost of the Linerboard Mill, originally estimated to be \$75.3 million, has gone up according to the latest estimates, not the latest possible figure. This is still estimates, according to the latest estimates the total cost has increased \$15.7 million to \$91 million.

Now we are told by the hon. the Premier, we are told that this is due to inflation. Imagine, inflation really strikes that project, last year. The cost went from \$75 million to \$91 million. What kind of simpletons are we suppose to be to accept a statement that, this increase in cost was due to inflation? Here is what the increase is according to the Government's Financial prospectus; this is how it is broken down: There is an increase of \$3.6 million in the cost of construction, and the furnishing of equipment. Now that is not tremendously large, \$3.6 million. We had thought it was a turnkey contract, but apparently not. So, \$3.6 million cost of construction and equipment. \$3.7 million for interest

MR. CROSBIE: and banking fees during construction.

Now interest rates, here is where the inflation argument gets knocked on the head. Interest rates, Mr. Speaker, in the last year have been coming down, not going up. In the last twelve months they have been coming down. Yet, there has been an increase of \$3.7 million for interest and banking fees during construction. Then there has been an increase of \$4.3 million for additional and alternate facilities not originally contemplated - whatever that is? An increase in certain miscellaneous and contingent items of \$1.6 million, and \$2.5 million for the construction of primary facilities to reduce the pollution caused by affluent from the Lineboard Mill.

When the project was originally accepted by the Government of Newfoundland, Mr. Speaker, one gathers from that, that there was going to be nothing done about the pollution caused by affluent from the Linerboard Mill. Well because of the recent public interest in pollution of the last year or two, the Government are starting to get pollution conscious. So now they have got to spend \$2.5 million out there to construct on primary facilities and to reduce pollution caused by affluent. That is where the \$15.7 million comes, not inflation, nothing to do with inflation. In fact the decrease in interest rates should have meant money saved, not money increased for interest and banking fees.

Answering a question tabled in this House, the hon. the Premier said that the Government had Dick Engineering of Toronto acting for the Government in connection with the Javelin Project. They had Jacob's Engineering of California acting for the Government on Come-by-Chance. These were the independent feasibility experts that came before the House last year, now retained by the Government, acting on their behalf. They have Mr. H. G. Dustan of the Department of Fisheries, and they have Peat, Marwick, Mitchell and Co. acting for the Government in connection with these two gigantic enterprises, one \$160 million at

MR. CROSBIE: Come-by-Chance; and one of \$91 million at Stephenville.

Now, Mr. Speaker, obviously, this is not enough, full-time civil servants like Mr. Dustan, and a firm like Peat Marwick, checking occasionally for the Government is not sufficient. That is not sufficient protection for this Province in connection with our tremendous interest in those two fish projects. Did Dick Engineering recommend to the Government that they should accept this increase in cost of \$15.7 million? Is there likely to be another increase in cost by this time next year of another \$15 million to \$20 million? Where is it going to end? Is inflation going to rage unchecked in the Javelin Project? Will it rage unchecked in the Come-by-Chance Project?

The financial prospectus of the Government now tells us, page 13, that the aggregate liability of the Province under the force of guarantees other than the guarantee of completion... Assuming that the construction and equipment contracts were completed at the estimated prices referred to above, would be approximately \$75.3 million. So according to this, if everything goes well now, if everything goes as it is suppose to go, our liability is now \$75.3 million, this Province. What started out as \$58 million is now up to \$75.3 million.

Mr. Speaker there is no quorum. There is no quorum, Mr. Speaker.  
Thank you, Mr. Speaker.

I do not blame all the Government members for going out, you know. It must be hard to sit here and listen to what you are doing to the country. It must be terribly, terribly hard. It is too bad the Government will not take upon itself the responsibility of answering some of these questions. From \$58 million to \$75 million.

AN HON. MEMBER: Inaudible.

MR. CROSBIE: He will vote for a change, do not worry about that.

MR. SPEAKER: Order, please!

MR. CROSBIE: Mr. Speaker, the hon. the Premier mentioned that some gentleman on this side of the House is outside of the House. Gentlemen on this side of

MR. CROSBIE: the House have to do their research and so on while other members are here talking. The House is meeting morning, afternoon and night, Mr. Speaker, in the brutal dictatorial way this House is run, the House meets morning, afternoon and night, so that any research hon. members do on this side, has to be done either while someone else is talking or from eleven o'clock in the evening to eight o'clock in the morning, or on Wednesday. That is the way this supposed people's House of Assembly is run, the dictatorial way that this House is run, Mr. Speaker.

MR. SMALLWOOD: I will tell the hon. gentleman -

MR. CROSBIE: We do not apologize. The Tories do not apologize.

MR. SMALLWOOD: The Tories are just as fed up as we are.

MR. CROSBIE: Mr. Speaker, -

MR. SMALLWOOD: End up by being thoroughly fed up.

MR. CROSBIE: Now, if the Premier is finished his childishness, I will carry on. Whatever I am saying or whether the hon. gentlemen opposite want to listen or not, this is not childishness, this is the serious business of the Province, that the Government should be explaining to the people of the Province. The people of the Province do not care if the Premier calls somebody a Tory or a this or a that. What do they care? What they care is what is happening to the Province and what the results are. There is no magic in the name Liberal. They will be judged by their performance.

MR. SMALLWOOD: They will find out.

MR. CROSBIE: I will run against the Premier in St. John's West, if he wants to come there.

MR. ROBERTS: There is a challenge. There is a challenge.

MR. CROSBIE: I will challenge the Premier now.

MR. SMALLWOOD: It will not take my weight to do it.

MR. CROSBIE: Your weight. It would be like a feather in a hurricane.

MR. SMALLWOOD: Yea!

MR. CROSBIE: I will challenge the Premier to come to St. John's West.

MR. SMALLWOOD: Some hurricane! Some -

MR. CROSBIE: Or some other district.

MR. SPEAKER: I would suggest to all hon. members, if they would confine their remarks to the amendment before the Chair.

MR. CROSBIE: That is all right, Mr. Speaker, I know the Premier will not dare come near St. John's West. He would not go on T.V. with me. He will not appear on C.B.C., T.V.

MR. SMALLWOOD: I draw the line.

MR. CROSBIE: He wailed and whined to C.B.C.

MR. SMALLWOOD: I draw the line again -

MR. CROSBIE: But the Leader of the Opposition and myself, will be two people,

MR. SMALLWOOD: Renegades and traitors.

MR. CROSBIE: The hon. the Premier would only be one.

MR. SMALLWOOD: Renegades and traitors.

MR. CROSBIE: ..... would be two to one.

MR. SMALLWOOD: I do not associate...

MR. CROSBIE: So C.B.C. says; bring somebody along with you. The hon. the Premier would not bring somebody along with him. They said; send a Cabinet Minister, he would not send a Cabinet Minister, he would not send two Cabinet Ministers. He would not send the whole Cabinet.

MR. SMALLWOOD: I do not associate with renegades and traitors.

MR. CROSBIE: The hon. the Premier is afraid to be on a T.V. show with me.

MR. SMALLWOOD: Yea, I am afraid to -

MR. CROSBIE: He is afraid to come to St. John's West - his old district-against me.

MR. SPEAKER: Order, please! I have already stated that this is not relevant to the amendment before the House. Will the hon. member please continue and let us have it without interruption.

MR. CROSBIE: Mr. Speaker, thank you, very much!

Now to get back to the \$75 million. I know that the hon. the Premier is

MR. CROSBIE: to divert us. What he wants reported tomorrow is that the hon. Premier said, "Tory, Tory," and somebody else said, "Bully, Bully," so that the people of the Province will forget the serious issues that are being raised here tonight. He is not going to get my goat. He send out the Minister of Welfare to do it, and he is gone with his tail between his legs. He has disappeared.

Seventy-five million dollars - inflation has gone wild at Stephenville. Bank interest and charges up \$3.6 million, where everywhere else in the Western World interest rates went down in the last twelve months. When the Government itself said, "how wonderful tight money is ended," The Government says, for one purpose, but when the Government have to explain how that plant over at Stephenville is costing us, why it is costing us another \$16 million, there was a whining reason given. Inflation. Well, did you ever hear the like of it? Who is going to believe it? No one. And how much more is it going to escalate? What did Dick Engineering say about that? What good has Dick Engineering done for us? Have they advised us to accept that \$15.7 million? Where is the report of Peat, Marwick and Michell and Co. or the reports that they have made to the Government on this project? Not tabled in this House. That is all I will say on Javelin, Mr. Speaker, because there is a motion anyway down for Private Member's Day, someday, on it. There is a bank loan of \$250 million guaranteed since last year, the Province has no security except a note of Canadian Javelin, Limited. That is the only security. What was that \$250 million for? Why has not the guarantee agreement filed in the House, as is required by the laws of Newfoundland to be filed in the House? Where is that, the fifteen days have expired?

Javelin Paper has announced plans to construct a pulp mill in Stephenville and the estimated cost is \$72 million, without any financial assistance from the Province. When is that going to start? I will make a forecast here now, Mr. Speaker, that if any pulp mill is commenced in Stephenville, it will have financial assistance from the Province.

MR. CROSBIE: This Javelin Mill, the first one at Stephenville, is getting so much Government assistance, perhaps, this second one will not need any.

In this Election Year, 1971, the latest miracle men to arrive on the scene, we have had them arriving year after year, the Romanians. This year it is Romania is going to save the Province of Newfoundland, save this Government. The Romanians are going to save us, one time it was the Latvians, today it is the Romanians. The hon. the Premier and the Minister of Economic Development have been to Romania.

I remember when the hon. William J. Browne was in the Diefenbaker Government, the Diefenbaker Government agreed to sell wheat to Red China, and how often did we hear the hon. Mr. Browne called a "red" and taunted about that, about being allied with Communist China, the Canadian Government selling wheat to them and so on. And here is the same person that abused and howled at the former, the hon. W. J. Browne, when he was in the Diefenbaker Government, because they sold wheat to Red China. Now the same Government, the same Government would sooner be red than dead. That Government would sooner have the red, than to be defeated at the polls. So who do we see over in Red Romania this year? How delighted and happy to be there, when the hon. the Premier, flanked by the hon. the Minister of Economic Development, and I do not know who else was there. Over in Romania, hoping the Romanians will buy iron ore from Labrador. Hoping that they will bring oil or buy oil from Come-by-Chance. Hoping that they will buy pulp or some, or other for the Third Mill. Will Red Romania come to the assistance and help of the former Red Premier? That is the question. The former Red Premier. The little red rooster.

MR. SMALLWOOD: Is that not funny?

MR. CROSBIE: Is that not funny? It is very funny. Very, very funny.

AN. HON. MEMBER: Inaudible.

MR. CROSBIE: No, I am glad the hon. gentleman is interjecting. We are glad to see the hon. Minister of Mushrooms back.

MR. NEARY: Inaudible.



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MR. CROSBIE: I hope the press will report this very important item tomorrow, that the hon. the Minister of Social Services and Rehabilitations said, "mutton chops," for about the fifty-fifth time.

MR. CROSBIE:

on a matter that appeared in "Time" since the House started. Now where am I at at the moment?

MR. NEARY: Lost again.

MR. CROSBIE: Point out the failure of the Government and so on and give information, it is no good in pointing that out. So I think I have said all I will say.

MR. NEARY: Let us get back .....

MR. CROSBIE: I thought hon. gentlemen would be disappointed. They thought I was going to sit down, not a chance. I have hours left in me yet. I have a note here, "Situation on Royal Commission," this should be a dilly.

MR. NEARY: The member for Burin there is waiting to get up.

MR. CROSBIE: This should be a dandy, a jim-dandy. Where is that note? "Oh where, oh where is my little note gone." Here it is, Royal Commissions. Now while we are examining this non-confidence motion, Mr. Speaker, I would like to look at the Royal Commission aspect of this whole thing. Since 1965 here is the list of Royal Commissions we have had. We have had the Royal Commission by Lord Brain on health, that is Brain on health. Brain on health was delivered in January of 1966 long before Carbonear became a twinkle in Your Honour's eye, the Carbonear hospital I mean.

Then we have the Royal Commission on education and youth headed by Dr. Warren. A good report. The Government adopted some of it, we have to give them fairly good marks on that. Then we had a Royal Commission on civil service and teachers' pensions. This is all now in the last five years, I am restricting myself to the last five years which I hope will be the last five years for this Government. We had the Royal Commission on pensions. The Government ignored the central point of its report which was that the Civil Service and teachers contributions to their pensions should be put into a fund, a trust fund and used only to pay pensions. The Government ignored that because of its fiscal irresponsibility because it wanted to have their \$2. or \$3. million for contributions a year to use today, despite the fact that in five or ten years time it will be costing us a lot more than we are taking in. The Government wanted to have the

MR. CROSBIE:

immediate advantage, it did not accept their recommendation that this be contributory. So that : three: Brain on Health, Warren on Education, Dyer, Deputy Minister of Labour, on Pensions.

Then we had, I think it was, the Howie Meeker commission on youth and sport. Not much was heard about the Meeker commission on youth and sport until this session of the House.

AN HON. MEMBER: No, the Gander by-election.

MR. CROSBIE: No, Gander by-election they were appointed, had not reported. At Gander the great recreation policy was announced. It did not work so we voted \$1.00 a year in 1967, \$1.00 a year in 1968, \$1.00 a year in 1969, \$1.00 for the year in 1970 for that recreation policy, but low and behold, in 1971, election year, the Minister of Education and Youth has already announced spending an amount in the millions of dollars for this recreation programme, it is wonderful what the election can do. Number (4) was Howie Meeker's commission on youth and sport, that is getting resurrected, it is a good thing around Easter time. Then we had a commission on the Workmen's Compensation. I forget who it was headed by, I think it was Mr. Justice Winter, the late Mr. Justice Winter. Then we had (there is just so many of them) we had the Adams Royal Commission, no we had the Royal Commission on minimum wages, that is number (6). I do not have these all in order now. Royal Commission on minimum wages headed by Mr. Justice Higgins. Their report was not too good, the Government did not agree with it. They said there was something wrong with it. They had a few insults slammed at them in the House one day by the hon. the Premier, that was Mr. Justice Higgins, Peter Gardner and I forget the third gentleman's name. That report was not too good. It was not ninety per-cent trash but it was about fifty-fifty per-cent trash, that was minimum wages. I do not know if that commission had the temerity to recommend equal pay for men and women or the same minimum wages for them. Anyone remember? Anyway it was not accepted.

Then there was the Adams Royal Commission on food and drug prices. We hardly heard a squeak about that Royal Commission on food and drug prices. The only thing we have heard about inflation in this House since the Adams

MR. CROSBIE:

Commission was appointed is the inflation in the costs of the Javelin mill at Stephenville and the Government is not concerned about that inflation because it is only \$16. million. So we have the Adams Commission on food and drug prices. There was a question tabled last year asking what it cost, not answered. There was a question tabled again this year asking what it cost, not answered.

Then we had the Royal Commission on transportation, headed by the hon. senior member for Harbour Main, Mr. Lewis, and that was in 1966 they reported. We had the Royal Commission on power. I think the Mr. Rowe of Corner Brook was chairman and they reported in 1966. Their report did not get anywhere and the Lewis report on transportation got nowhere. We had Mr. Kemp, Mr. Kemp was taken on by the Government, two years ago, highly qualified as an expert in transportation and two years later the man completely frustrated left the Province, unheard and unsung by the Government. That was transportation and power.

Then we had the Phelan Commission on the city of St. John's Act, which reported last year. We had the Royal Commission on St. Lawrence radiation hazards at St. Lawrence. The Government is advancing very slowly on that problem in St. Lawrence, callous disregard of the recommendations of the Royal Commission. We do not know what that cost yet. We have the Cohen Commission on labour problems that was formerly headed by Mr. Justice Rand now headed by Professor Cohen. That has been operating now some three years and has not reported yet. It is having a labour problem getting its report done. They should put a "P.S." on their report about the labour problems they had to do their report.

Then we had the Gushue Family Law Study. Last year, a year ago, the total cost of that had gone to \$76,000. and we do not know what the final cost is. Then we have a history of the labour movement which up to last year had cost \$11,900. Then we have the Frazer Commission on taxation in the city of St. John's. That had cost \$23,000. up to last year and what the costs are now we do not know. Inflation has run away with that commission, Mr. Speaker. There used to be a story about a long

MR. CROSBIE:

lost city up in the Himalayas somewhere, this is the long long commission appointed in 1965. We had the Royal Commission on forestry. The report was tabled two weeks ago. Up to last year that cost \$55,000. We had the Forestall Report which we had never seen, we have not been privileged to see. Forestall was engaged to study our wood situation in relation to the third mill to recommend whether we had sufficient wood on the island to supply the third mill without bringing wood from Labrador and what it would cost. That has never been tabled in the House. Up to last year that cost \$20,000.

We had Bonnie Watkins and Company, the famous Bonnie Watkins. Everybody remembers Bonnie Watkins. They were brought in to do a report on the Pushie Report on economic prospects. The Royal Commission on economic prospects which was headed by Mr. Gordon Pushie cost \$328,000. but their report was ninety per-cent trash. Why? Because they made a report, did not pull any punches, pointed out how poorly the Government was doing in economic development, how we were going at it the wrong way, the disastrous course we run. We have exceeded their estimates now. Our indebtedness now far exceeds their wildest estimates of three years ago, but Bonnie Watkins were brought in to do a job on the Pushie Report. Bonnie Watkins were friends of Mr. Shaheen. They cost \$14,056.86 and .86¢ was about the value of their report, 86¢. What a feeble attempt to counteract the affect of the Pushie Report and another anomaly, Mr. Speaker, a real anomaly, one of the authors of the Royal Commission on economic prospects, the Pushie Report, is Mr. John Grubb, formerly of Ayre and Sons Limited of St. John's. At the Development Conference in January, what should be known as the disarmament conference, disarm us all for the election that is coming up, it was announced that Mr. John Grubb is going to be the chairman of the board of the new Economic Development Corporation.

Now two or three years ago Mr. John Grubb was one of the authors of a report that was ninety per-cent trash or the abuse must be ninety per-cent trash, that was the Premier's statement. Now this year Mr. Grubb is rehabilitated. He is now an eminent Newfoundland businessman, enterprising,

MR. CROSBIE:

devoted and all other good adjectives you can think of, and he is going to be chairman of this Economic Development Corporation. Now either it was not ninety per-cent trash in 1967 and the Premier was wrong then or the Premier is wrong now in having a ninety per-cent trasher to head up this Economic Development Corporation. He cannot have it both ways.

There was the Kostaszek Commission on housing, \$104,841.26. That is what was paid for the Kostaszek Commission and it was quite a good report, a lot of suggestions about what to do with building costs and so on,

MR. NEARY: Legal fees.

MR. CROSBIE: Legal fees which have been reduced down since, the hon. gentleman does not realize that.

MR. NEARY: (Inaudible).

MR. CROSBIE: Well, I can assure him of this, that as soon as the seven or eight or ten lawyers on the other side of the House agree to cut their fees even further, we will match them on this side.

MR. NEARY: Will the hon. gentleman set the example and announce right now on the floor of this House that he is going to reduce legal fees on all real estate transactions.

MR. CROSBIE: I will reduce legal fees on all real estate transactions, how is that?

MR. NEARY: (Inaudible). Let us hear it now.

MR. CROSBIE: Now the Kostaszek Commission on houses. Not even the masses could do anything with the hon. asses opposite. The Kostaszek Commission on housing, \$104,000. What has the Government done about that report? Not a thing, not implemented, it is \$104,000. out the window. It has given the hon. Minister of Social Services and Rehabilitation a great chance every now and then to pipe up and say, "What about legal fees and all that kind of thing?" He never addresses that remark to the hon. member for St. John's North, he never addresses it to the hon. the Speaker, he never addresses it to the hon. the senior member for Harbour Main, he never addresses it to the hon. the junior member for Harbour Main, he never addresses it to the hon. the Minister of Community and Social Development, he never addresses

MR. CROSBIE:

it to the hon. the Minister of Health, all lawyers, he never addresses it to the hon. the Minister of Justice, seven lawyers.

MR. NEARY: (Inaudible).

MR. CROSBIE: Seven lawyers on the other side of the House.

MR. NEARY: (Inaudible).

MR. CROSBIE: It is all in the Government's hand.

MR. NEARY: (Inaudible).

MR. CROSBIE: That is for sure, that is for sure. So there is the Kostaszek Commission on housing. Then there is the Price Waterhouse and Company Report in connection with the Newfoundland and Labrador Liquor Commission, \$71,875. that the Newfoundland Liquor Commission paid improperly for that report as pointed out in the report of the Auditor General for this year, Price Waterhouse, \$71,000. Now how many reports is that? Twenty-one reports since the beginning of 1966. There is one report I have not mentioned, Mr. Speaker, which we do not have yet, the Adams Report on the situation at Bay Roberts. Mr. Adams was appointed as a Royal Commissioner to investigate into the serious situation in connection with the accounting records of the town of Bay Roberts last fall, October or November. That report apparently has not been received yet, six months later.

So the poem that I have composed reads as follows: "Oh where, oh where is the Adams Report, oh where, oh where can it be? With his hair so light and his eyes so blue, are there irregularities too. The accounts were scrambled and quite a mess but the Government keeps everything close to its vest. The situation is bad in Port de Grave, unless the report can the Minister save. Where, oh where is the Adams Report, oh where, oh where can it be, de da, de da -

MR. NEARY: 'She saw his whiskers she said no dice, the weddings off she cooked the rice.'

MR. CROSBIE: You can only have one wife at a time.

MR. SMALLWOOD: The hon. gentleman attempts McCarthyism -

MR. CROSBIE: So there is one report -

MR. SMALLWOOD: Is attempting McCarthyism -

MR. CROSBIE: There is one report we do not have. Listen to the pretended outrage, the hon. pretended outrage.

MR. SMALLWOOD: McCarthy's .....

MR. CROSBIE: Where, oh where is the Adams Report, oh where, oh where can it be? We do not have that report but we have twenty-one reports without it, Mr. Speaker. The Government has had twenty-one reports that have cost well in excess of \$1.25 million since 1966. Now what are the results of them? In nearly every case, in nearly every case not followed by the Government at all. Royal Commission on economic prospects ninety per-cent trash; Kostaszek Commission on housing, nothing implemented as far as we know; Bonnie Watkins and Company, they have gone bounding away with their tail between their legs, that was one hundred per-cent trash and no more was heard of it; the Forestall Report on the third mill has never seen the light of day, that is buried in the Premier's library out in Russwood; the Royal Commission on forestry has finally appeared before us. It was tabled this session and we will see what happens to it. The Frazer Commission on taxation, it is lost somewhere. It has not arrived yet. It is a very difficult commission. History of the labour movement, to date we have not heard of it, since last year.

The Gushue Family Law Study is finished and we have seen very little of



MR. CROSBIE: The results of that. Labour problems still going on. St. Lawrence radiation received, in vital respects ignored, not carried out. The Phelan Commission of St. John's had part of it carried out. The Lewis Royal Commission on Transportation, nothing happened to that, that got buried. The Royal Commission on Power 1966, that got buried. That was only an election dodge. The Royal Commission on Food and Drug Prices, the same fate. Same purpose, same fate. Appointed when the election was on, people were concerned about the cost of living. There has been nothing done there. The Consumers Affairs Branch started in the Department of Provincial Affairs, but very little done with it. The Royal Commission on Minimum Wages, basic recommendations ignored. Lord Brain's report on Health, some of it implemented, some of it lamented. Warren report on Education and Youth, some of that implemented. The Royal Commission on Pensions, the basic and central part of it, the protection of the civil servants' and teachers' contributions ignored. Youth and sport, pretty well ignored. Workemens' Compensation, some of that I think was implemented.

Most of those commission were just appointed as codology when an election was approaching to give facade. It cost over a million and a quarter dollars, and what has been done with it? It is a sad story.

Part of this Resolution, Mr. Speaker, deploras the failure of the Government of Newfoundland to give the people the facts concerning the economic and financial position of the Province. This is the kind of thing I mean. Here is the 'Daily News' August 5, 1970. "Premier Smallwood announced Tuesday the the Province's fifth mill for processing forest products will be built at Stephenville at a cost of \$72 million and so on." August 1970, 8,000 loggers, the Premier goes on to say that about 8,000 loggers will be needed to harvest 1,200,000 cords of wood annually in the Lake Melville area of Labrador, to supply the Stephenville operation. "He anticipates, that while about 2,000 are available from Labrador, the remainder will have to come form the island section of the Province or from mainland Canada." You would think from reading these kind of stories, and this is one year old, that 8,000 loggers were going

to be employed up in Labrador just about immediately, yet, you are contacted by men who say that they are loggers and they want work, but they cannot get on up there. This is the kind of pucker that we get day after day, week after week in this Province.

"Province deposits \$1 million in U.K. Bank, to keep Come by Chance costs from jumping." October 2, 1970, "Telegram." Here is the kind of false information you get. The Premier said there was no risk of losing the \$1 million deposit, since it was going ahead the money would become part of the \$30 million being guaranteed directly by the Provincial Government, as its share of the total cost of the \$155 million refinery. That is a false statement, it is not correct. The Premier, when he made the statement, knew that it was a \$160 million refinery, but pretends that it is \$155 million. Pretends that because he does not want the people of Newfoundland to know that the \$5 million interim financing that Mr. Wells and I warned about three years ago would not - is not paid back to the Province, and we will not get it back for years and years yet, if ever. That is an incorrect statement, the total cost is at least \$160 million.

\$5 million, and this is October 17, 1970, we had a picture of a scene in Confederation Building when the final documents were signed for the Come by Chance refinery. Here is the report, this is the hon. the Premier. "After the signing, Mr. Smallwood was presented with a cheque for \$5 million, from Newfoundland Refining Co. Ltd. in repayment for bridge financing advanced in 1968 by the Province." He got a cheque yes, but he never kept \$5 million because that \$5 million went right out the door again, back to where it came from, and it is still out. "Two ministers, Crosbie and Wells, quit the Cabinet protesting interim payment." "In accepting the cheque for the repayment of the bridge financing from Health Minister Roberts, the Premier referred to the criticism his Government came under for advancing it in the first place quotes, 'that is the money we were not going to get back,' he said, 'It was going to go down the drain.' There was a great sir, but here it is back." Now I have outlined the facts about this tonight, it is not back. It is not back, that is a false statement. Incorrect one hundred percent, it is not back. 100!

challenge the Premier to present any facts to this House to show that that \$5 million is back. He cannot do it, it is not back. It was just a cheque that passed through and went out again, and it is still out. It makes the refinery \$160 million not \$155 million. To try to pretend that that money had come back! "There was a great stir, but here it is back." This is the kind of false approach that this Government takes. They thought that was cute. Silly old Crosbie and Wells being worried about that \$5 million. Pretending that they had it back when they did not have it back at all.

"The Telegram" October 19, 1970. "Following the signing Friday, Mr. Smallwood was presented with a cheque for \$5 million from the Newfoundland Refining Company, which he said is repayment for the bridge or interim finance in advance, by the Province in 1968." "This is the money which we were not going to get back," said Mr. Smallwood. "This is the money that was supposed to be down the drain. It created a great risk. Some men did not agree and took drastic action to show that they did not agree. Here it is back and we are glad to have it!" A false statement. It is not back, it is not back. It is a subterfuge, a camouflage, a movie play, a playlet.

MR. SMALLWOOD (J.R.): Would the hon. gentleman be willing to be subjected to a medical examination? I think the young gentleman is gone off his head, off his rocker, off his rocker.

MR. CROSBIE: Mr. Speaker, last year the Premier made the same comments. As soon as anybody gets close to the mark in any serious discussion, we hear a childish interjection. Last year I told the Premier I would submit myself to a psychiatrist if he did, and I had no doubt who would be certified for the mental asylum after we were both examined, and it would not be me. But to come back to this, I am saying that this was a false statement, one hundred percent incorrect. The \$5 million is not back, the \$5 million that Crosbie and Wells resigned about is not back, it will not be back for at least ten years or longer. I challenge the Premier to present facts to this House to prove it differently. Not a word, because, he cannot prove it differently.

Yes, cheques passed hands, it is true cheques passed hands, but when the cameras were gone the cheques went around again and the Newfoundland

Government was still out \$5 million. So this Resolution decries the failure of the Government to provide the public of Newfoundland with the facts concerning the economic and financial position of the Province. That is obvious, how obvious that is.

There is the wharf at Come by Chance. When you talk about facts to this Government you might as well be talking about life on Mars. The Government does not understand facts, it will not give facts. It will give nothing but fiction and speculation and propaganda. The wharf at Come by Chance, do the people of Newfoundland have any clear idea of what is happening with that wharf at Come by Chance? No. Why? Because the Government of Newfoundland want to obscure it.

Here is an article from the "Globe and Mail" to Lyndon Watkins. Physical start would end doubts about Newfoundland oil refinery. It would end the doubts about it being physically on the ground, but it will not end the doubts about it. He says in his article "the Federal Government had reservations about the project. It eventually agreed in principle to construct a costly oil dock, for the refinery, on a pay-back basis, but Ottawa and the Province have failed to reach final agreement on details." That is the position.

The Federal Government has opposed that project, has not been keen on it. There were several small improvements made in the agreement last year, because of the position and stand we have taken for two or three years, and because the Minister of Transport in Ottawa, Mr. Jamieson, has grave reservations about the project. He forced improvements, he twisted the Premier's arm until he cried 'uncle,' and until the hon. the Premier twisted Mr. Shaheen's arm, and he made several small changes.

MR. SMALLWOOD: That is not true, It is not true.

MR. CROSBIE: That is very, very true. One hundred percent true.

MR. SMALLWOOD: It is not true. It is not true.

MR. CROSBIE: Now, the Federal Government had no faith, apparently, in the project. It is requiring the Newfoundland Government Crown Corporation, that is, "Provincial Building Co." and "Provincial Refining Co." it is requiring them to sign an agreement with the Government of Canada, that they will guarantee repayment

to the Government of Canada of the sixteen to twenty million dollars it is going to cost to put the wharf and the dock at Come by Chance.

The Provincial Crown Corporations are in effect the Government, so, they are requiring the Province to guarantee this money. The Government of Canada is taking no chances on the sixteen to twenty million dollars that it has been asked to spend on that wharf. It does not think, apparently, Mr. Speaker, that there will be sufficient user-charges paid over the fifteen or twenty or twenty-five year period to meet the costs. So, it is saying to the Provincial Crown Corporations, so it is saying to the Premier and his Government, "you must guarantee that we get our money back." That is what they are saying. The Premier does not want to admit that. He does not want the people of Newfoundland to know that. So, he confuses the issue. When the Premier is asked what is the position, does the Province have to guarantee the wharf? He uses the legal technical meaning of those words and says; "No the Province is not being asked to guarantee repayment of the wharf." Knowing full well that the Crown Corporations of the Province, and therefore, indirectly the Province, have been asked by the Federal Government to guarantee repayment for the wharf.

Now admission of fact: We have not been given in this House and we opened March 22nd. any facts on this Come by Chance operation at all. Not a fact on the wharf, what the real position on the wharf is. It is all left up in the air. Mr. Arthur Laing makes a statement at Ottawa, the Premier makes one down here, and he completely contradicts it, no explanation given to the House of the difference. We know Mr. Arthur Laing, of whom the Premier said two years ago, that the hon. Mr. Laing was a jackass, a stupid jackass. They are not used, up on the mainland, to having such words hurled at them just because they are in public life. You see, you have to be inured to that in Newfoundland. That is the kind of treatment you get whenever you disagree with the Premier. You are abused, names are used on you, you are a jackass, you are a this, that and the other thing, but Mr. Laing is not used to that, and that gentleman happens to be Minister of Public Works. I do not think it has enamoured Mr. Laing with respect to the Premier or any projects of the Premier's.

This House, this nonconfidence motion, decries the fact that the

Government will not give the public of Newfoundland the facts in these situations. There is not a doubt in the world that the Government does not. This article goes on to say, 'four, two and twenty five thousand horsepower seagoing tugs are to be built at Hessle, a suburb of Hull, England for use at the port. These are being built now by Newfoundland Refining. They will be operated under ten year charter to Newfoundland Refining by Smith and the International Port Towage, Limited of London.

I mean this House gets no information. You have to read this stuff in the "Globe and Mail." Not a word given to our House by our Government on all of this. You have to get the "Globe and Mail" from Toronto. Now, what were we told a year ago or a year and a half ago about the tugs? The tugs were going to be built in Marystown, at the shipyard in Marystown. That is what the Premier trumpeted. What a wonderful asset this was going to be to the shipyard at Marystown. That these tugs would be constructed in Newfoundland. Shouted and trumpeted, it was wonderful, it made the deal that much better. Did we hear any announcement from the Premier when Mr. Shaheen decided to have four tugs built in England? Four, twenty-five thousand horsepower seagoing tugs built at Hellse, a suburb of Hull, England? Not a word. We were never told that. There was no announcement made by the Premier that these tugs were going to be built elsewhere now, and here is the reason; and we are satisfied we can do nothing about it and so on. Not a word, no, no, the facts are never announced by the Premier, just the speculation and the propaganda. Sometimes it comes true and sometimes it does not.

There is where the tugs are being built, Hessle a suburb of Hull, England, operated under a ten year charter to Newfoundland Refining by a firm in London, England.

Adverse wind conditions may make docking difficult at some periods of the year, but refinery officials have no concerns about the general approaches to Come by Chance. Refinery officials may have no concern about it but there are an awful lot of other people who think they know something about maritime navigation who are quite concerned about the navigational approach to Come by Chance and what will happen when 250 thousand ton tankers have to go up there. I hope

Mr. Crosbie.

that somebody is giving it a lot of thought so as to avoid the possibility of collisions and oil spills. I do not mind adjourning the debate now. I like the hockey games too. The hon. minister often reminds me of the public. Because of a slump in world prices - this is the "Globe and Mail," Mr. Speaker, April 1, 1971. There is no good asking the Government for information on this. Had to subscribe to the Toronto "Globe and Mail." Here is an article: "Newfoundland's long awaited refinery could become the focus of a new petro-chemical industry. Because of a slump in world prices, Mr. White says that plans to build an ammonia plant in conjunction with the refinery, have been abandoned but other chemical and petro-chemical possibilities are actively being considered." That is Mr. Homer White. "Mr. White says that the petro-chemical aspect of the plan is still very much alive, although some changes have taken place in its possible makeup." We hope it is alive, because the Premier himself has admitted that the only reason why we should be taking all these risks with that oil refinery is that it may become the centre of a huge petro-chemical complex. So, we hope that that is very much alive. We certainly hope so. "They are still being actively considered anyway," Mr. White says.

The idea is to model Come-by-Chance on the petro-chemical complex built in Puerto Rico. Investment there has exceeded \$1 billion. Mr. White thinks that in the foreseeable future, Newfoundland might expect to attract half this amount, including the cost of the refinery, which is \$160 million. So that is not very much. In the foreseeable future; Now the foreseeable future, Mr. Speaker - I can foresee five years, ten years, fifteen years, twenty years. In the foreseeable future, we may get half the investment of Puerto Rico, that would be \$500 million, but that includes the cost of the refinery, if it is \$160 million, it does not sound all that wonderful, the prospects, for the petro-chemical industry. The Shaheen shopping list has been all over Europe, Canada and the United States, Britain, Europe. They

Mr. Crosbie

feel that the relatively limited scale of the Canadian market, ( this is in connection with petro-chemicals ) that existence of tariffs elsewhere have prevented a more rapid development of Canada's petro-chemical industry. Canada does not have a great petro-chemical industry, because of those reasons. A limited scale of the Canadian market, tariffs elsewhere. Perhaps, we will get one here in Newfoundland. The Shaheen planners feel that these difficulties could be overcome. They hope it could be overcome. They have admitted, in the article, that the employment opportunities offered by the refinery are expected to be limited to only about 400 jobs - 400. Five times as many jobs might be provided, however, if the refinery evolves along the Puerto Rican lines. That is only 2,000. It is better than 400. But it is still only 2,000, against all the cost that we are going to be involved in.

So, if you want to - no, we are not interested in the press club. We hope that they will not entirely ignore our remarks over here. They are hard-working gentleman. We sympathize with them; the job that they have to do, in this House. Now these are some of the ways, Mr. Speaker, the facts are obscured by the Government, not just as a matter of chance, as a matter of deliberate choice. That is the reason for part of the non-confidence motion, which has just been made.

Another thing that arises, Mr. Speaker, in connection with information. Questions are tabled in the House, and you cannot get proper answers. There just "ain't" no justice. For example: Here is an example of the kind of false information you get or misleading information that you get in reply to answers to questions, if I can find it. Questions 102, 105, 129 and 168, asked this year, all deal with the Newfoundland Industrial Development Corporation. That is the Government's arm for making loans to industries setting up in the Province. Now, the minister is not here, so I would ask the Minister of Social Service and Rehabilitation to copy down these remarks so that he can check them out.



Mr. Crosbie.

Now last year a similar question was asked - look up question 102 of this year. The Question is: "To whom has Newfoundland Industrial Development Corporation made loans since 31 December, 1968?" Now, I believe, that the answer given was Atlantic Sugar, Mooring Cove Building, National Sea Products, Provincial Building, Steers, Limited and there may be one or two more that I did not get. Then Question no. 105 was asked: "List all loans made by the Newfoundland Industrial Development Corporation outstanding as at 31 December, 1970. Give in each instance: (1) Date loan made. (2) Amount of loan and so on." It was listed: Atlantic Sugar, Marystown Shipyard, Mooring Cove Building Company, National Sea Products, Limited; Newfoundland Pulp and Chemical, Steers, Sea Mining, Paragon Hotel. Then there was another question asked, Question no. 129: "List all loans made by Newfoundland Industrial Development Corporation in which there are arrears of interest or capital repayment, indicating in each instance and under these headings the amount of arrears and also the steps taken to collect." It was listed: Paragon Hotel, Sea Mining Corporation, Limited, \$485,000. There is Question no. 168: "In connection with Newfoundland Industrial Development Corporation, to what persons or corporations has Newfoundland Industrial Development Corporation advanced monies by way of loan or otherwise since March 1, 1970; what was the amount of any such advance or loan in the case of each person and so on?" Answer: Marystown Shipyard, \$10,000; National Sea Products Limited, \$1,700,000. Then the question was asked: "In connection with any advances of money or loans by Newfoundland Industrial Development Corporation to any person or corporation, is any such firm or corporation in default and so on, if so what are the names." Answer given: Sea Mining Corporation.

Now in Question 222 of 1970, a similar question was asked. At that time there were loans outstanding to Atlantic Sugar Refineries Company, Limited, \$2,631,000; that is the company which is the parent company of the fish plant at Marystown. Fish Buildings, Limited, \$3 million;

Mr Crosbie.

that is the company that owns, I believe, the fish plant on the Southside, Ross Steers. Hotel Buildings, Limited, \$6,450,000, that is a Crown corporation that owns Holiday Inn Hotels. Marystown Shipyard Construction, Limited, \$5,060,000. Mooring Cove Building Company, Limited, \$1,847,000; Newfoundland Pulp and Chemical Company, Limited, \$2.5 million. That, Mr. Speaker, is the loan that the Government have made to Mr. Shaheen's company, made several years ago. The \$2.5 million to carry on work at Come-by-Chance that has not proceeded since.

The Government were asked what security it had. In that answer the Government said; "mortgage to be executed." The Government did not even have a mortgage executed in connection with that loan. Interest eight per cent. Then there is Newfoundland Steel Company, Limited, \$3,250,000. There is Paragon Hotel, Limited, \$143,000. Provincial Building Company, Limited; that is the company that is to own the refinery at Come-by-Chance, \$4,167,000. Sea Mining Corporation, \$2,800,000. Steers, Limited, \$750,000. That was the list given a year ago. Yet, when the same question is asked this year, there are several loans that are given on this list here such as: Newfoundland Pulp and Chemical, do not appear on the list. When the question was asked last year, about where there had been defaults; there has been default by Paragon Hotel, Limited. There has been a default by Sea Mining. The same question asked, Question no 168 this year - the answer given is Sea Mining Company only. So, incorrect information is being given in reply to these questions. The answer to Question no. 168, part (2) is not Sea Mining Corporation, Limited, only. It was Sea Mining Corporation, Limited and Paragon Hotel, Limited. When an earlier question or questions were asked, by the hon. member for St. John's East, several of those companies listed last year were not included; Newfoundland Pulp and Chemical \$2.5 million. So even when answers are given to questions, Mr. Speaker, for some reason, (they are not in all cases) we are not even given the proper answers. We are not even given answers that coincide with the answer that was given last year or in the same session of the House.

Mr. Crosbie.

That is why this non-confidence motion mentions the failure of the Government to answer fully and completely questions tabled in this House, by members hereof, touching upon the public affairs of the Province. The Government do not do that. We will just have a quick look, Mr. Speaker, at some other answers given by the Government. Here is how they answer questions. This is just a little sampling from last year. Question no. 249, for the hon. member for St. John's West to the Premier. "To ask the hon. the Premier to lay upon the table of the House the following information. On what date did the Government sell and transfer to Canadian Javelin, Limited, the shares owned by the Government to NALCO and what was the consideration paid by Canadian Javelin, Limited, to the Government, in connection with the said sale?" Now we all know, Mr. Speaker, that years ago, I do not remember how long, the Government's corporation, NALCO, they sold control of it to Canadian Javelin, and we know that Javelin agreed to pay a certain price for the shares and that Javelin transferred certain Jubilee shares to the Government for its interest in NALCO. What answer did I get to that question, Mr. Speaker? Answer: (Here is the answer. Do not hold your breath waiting for that information. Here is the answer) Information not available in the Department of Finance. Information not available in the Department of Finance. Here is a question, addressed to the Premier, and we all know that this took place; that the Government sold shares in NALCO to Canadian Javelin and got back money or shares from Canadian Javelin. Here is a question which asked; what date did this occur? What was the consideration paid? Information not available in the Department of Finance.

MR. SMALLWOOD: I never gave that answer.

MR. CROSBIE: Well somebody gave it to the Premier.

MR. SMALLWOOD: Well I did not.

MR. CROSBIE: Somebody gave it to the Premier to table.

It was tabled here last year.

MR. SMALLWOOD: Evidentially, it went to the Minister of Finance.

MR. SMALLWOOD: His answer - I have not got it. Ask the minister who has it.

MR. CROSBIE: Well, Mr. Speaker, I will just point out that this was tabled here. The question was asked to the hon. the Premier and this is the answer which we got.

MR. SMALLWOOD: A stupid question always gets an answer ...

MR. CROSBIE: Oh, a very stupid question. Extremely stupid. Yes, very stupid.

MR. SMALLWOOD: Stupid.

MR. CROSBIE: Part (2) of the question: If any part of the consideration for the sale or control of NALCO to Javelin was shares in Jubilee Iron or any other corporation, what was the market value of those shares..?

MR. SMALLWOOD: Jubilee what? Jubilee Iron?

MR. CROSBIE: What was the market value of those shares at the time of completion of the said sale by the Government to Canadian Javelin and what is the market value of the said shares held by the Government as of March 31., 1970? Answer: Information not available in the Department of Finance. That is a brilliant answer. That is the kind of answer - the Government marks that down as a question, asked in the House, answered. That is not a question answered. One-third to one-quarter of the questions answered in the House are answered in the same irresponsible and trashy manner. They are not answered at all, Mr. Speaker. Here is another one here. Question; asked the hon. the Premier, Question no. 286 of last year. The Premier was asked: What is the amount of the investment of the Government or any agency of the Government in Kosh Shoes, Limited? The answer, none. Then he was asked: What are the amounts of any loans made by the Government or any agency of the Government to Kosh Shoes, Limited; has there been a default, etc? Answer: "The Government have made direct loans at an interest rate of five per cent for ten years, \$750,000, and then certain issues guaranteed. Total issues under guarantee, \$1,348,000. Total allowance outstanding, \$2,098,000." That is in connection with Kosh Shoes. No principal payments have been made to date on any of the loans of Kosh Shoes, Limited. The company has defaulted on \$1,414,000, representing those loans, issued for a period of ten years, beginning 1955 through to

Mr. Crosbie.

1958. "As of March 31, 1970, have the Government or any agency of the Government guaranteed repayment of any loans to Kosh Shoes?" Answer, "none." That is fine. That is okay. Question: As of March 31, 1970, "how many employees did Kosh Shoes, Limited have employed in their operations in Newfoundland and what was the amount of their payroll for that month?" Answer: "Information not available in the Department of Finance." Who cares if the information is not available in the Department of Finance? The question was not asked them. If we have a Government that is making loans to companies, to encourage employment to Newfoundland, surely, that Government's Department of Economic Development must keep track of the situation. It should be able to find out easily how many employees the firm has at any given month. What their payroll was in any given month. We have heard the figures given out enough times to cost-benefit studies. But instead of an answer (the Premier was Minister of Economic Development at that time) giving how many employees Kosh Shoes had in March, 1970 and their payroll for the month, this silly answer: "Information not available in the Department of Finance." Whoever thought it was? Who asked the Department of Finance? And ask the hon. the Premier,

that is the Hon. the Premier who is in charge of Economic Development. This part of the Question; "during the calendar year 1969, what was the total payroll at Koch Shoes - information not available in the Department of Finance. But, surely our Department of Economic Development has all this kind of information at its fingertips. Here we are behind Koch Shoes to the amount \$2,098,000 and when someone asks the question about how many employees they have, what is their payroll, they are told the information is not available, and the Government chalks that up as another answer to a question.

As I mentioned before, and I just mention briefly again, Question No. 338, asking the Minister what money was spent in the last financial year to survey mineral resources of Bonne Bay Park, what were the results of the survey. In connection with the Special Warrant of \$60,000 what was the urgent necessity for the supplementary warrant, supplementary supply, Lieutenant Governor Warrant. Answer: Guess, guess! "Information not available in the Department of Finance." Here is a question, asked the Minister of Mines, Agriculture & Resources, who is in charge of the resources of the Province, who is in charge of Bonne Bay Park, who is in charge of mineral Resources, who is in charge of Surveys, who was asked a question; what amount of money was spent in that year to survey mineral resources in Bonne Bay Park? The answer is, the information is not available in the Department of Finance. Who cares, whether it is available there or not. The Minister of Mines, Agriculture & Resources must have the information or he should resign. When he is asked about the Special Warrant, what was the urgent necessity; he answered; "information not available in the Department of Finance." It is the Minister of Finance that must explain the finance, what the urgency is to get the money. That is how these questions are being answered in this House Mr. Speaker that is why

Part of this non-confidence is based on the failure of the Government, during this period, the five-year period, to provide the public of Newfoundland with facts not fantasy, concerning the economic and financial position of the Province, and their failure to answer fully and completely questions tabled in this House. Now, all questions are not answered like that, admittedly. Some are answered that we get good information, good answers but there is a large minority answered like that. No wonder the relationships in the House are exacerbated and all the rest of it, when this is the kind of treatment you get when you ask a question of the Government. How do you pronounce it? Exacerbated Or does the Hon. the Premier mean exasperate? Could it be that my exacerbation has caused the Premier exasperation? If I am in this House long enough the Hon. the Premier I should be able to pronounce all these words before we are through.

MR.SMALLWOOD: You should have learned them before coming in here.

MR.CROSBIE: It is going to be wonderful next year to see the Hon. the Premier up in the gallery looking down. I wonder will he spy strangers then?

MR.SMALLWOOD: That will be quite a sight.

MR.CROSBIE: I can see him up in the gallery saying, "I spy strangers down in my old seat in the House."

MR.SMALLWOOD: That will be quite a sight.

MR.CROSBIE: I spy strangers in the Premier's seat. I spy strangers.

MR.SMALLWOOD: If the hon. gentleman has to wait for that his whiskers will be longer and grayer than they are now.

MR.CROSBIE: The lone stranger - - - Now, Mr. Speaker -

MR.SMALLWOOD: Mr. Speaker, he is mental, definitely mental - he is mental he is -

MR.CROSBIE: Well, I am hoping I am in no danger, Mr. Speaker, Going to and from the House of Assembly, I understand I cannot be certified. I only have the worry when I get home. As I understand the parliamentary immunity, you

cannot be picked up going or coming. But if they get you when you get home, well look out. Now, Mr. Speaker, during these five years this tremendous borrowing that we have seen, this tremendous record of mismanagement, this tremendous record of trying to pull the wool over the public's eyes, this tremendous record of trying to obscure the facts, the true position. What has it been caused by? It has been caused by obsfucation. The Government's record is obsfucatory. It has been caused by the Government's philosophy or its approach to economic development, which believes that more suicidal you are and a greater the risk you take and the fewer safeguards you have, and the more money that you throw around, and the bigger bluff you pull and the most premature announcement you make the better it is for the Province, in developing the Province, That is what caused it. It is a different philosophy to resource development.

About a year ago I thought, Mr. Speaker, that there was some hope for the Hon. Minister of Health. It was a slim hope. It was a dim hope. It was not a bright hope, but, he seemed to be saying some sensible thing. Here is the Minister of Health, January 15, 1970, "Refusal to face realism, great danger in the seventies, Roberts says, Province has reached turning point." I thought that hon. gentleman has his head screwed right, he is going to put it to the Hon. the Premier, and get him straightened out on the right course. Mr. Roberts, at that period said that Newfoundland was not going to be another Ruhr Valley. We may as well accept the fact we were not going to be another Ruhr Valley here in Newfoundland. Now that contradicted the Premier completely, but I thought that democracy had struck home after the enervating experience of the leadership convention, the Premier is now allowing his ministers to speak their real thoughts on economic development. This is a wonderful thing, a wonderful, wonderful thing and now he will not bury me any longer, he finally will not even bury me. That is what I thought when



I saw this. Mr. Roberts stressed, the answer to jobs does not lie in massive industrialization or resource-based industries. Exactly contrary to what the Premier believes. 'The answer is not to pin our hopes on some miraculous intervention in the form of an industry. We might get one, but the cost might be so high as to leave us further back than when we started.' Now, who do the hon. member think is talking? Who has he heard say that for years? The hon. member who is speaking now, scoffed at, jeered at, laughed at, by the Hon. the Premier, who believes that anybody who wants to take a sensible rational approach is off their rocker. Now, spoken by Mr. Roberts not by me. 'The answer is not to pin our hopes on some miraculous intervention in the form of an industry. We might get one but the cost might be so high as to leave us further back than when we started.' Mr. Roberts said.

A Minister in the Cabinet of the Hon. the Premier, who believes exactly the opposite. That is what I have said time after time. That is what I have said in relation to the Come by Chance oil refinery. Mr. Roberts went on, "increasingly our money, our efforts, into the resource-based industry must be developed more highly. But this development is not the solution of the Province's economic development problems. Increasingly our effort and our money must go into that great middle area. It is hard to be specific, but it is easy to see in the advance, that modern economy is at the real payoff, The payoff in jobs comes in the soft industries and in the finish and in processing," he said. A hundred per cent correct. Excellent! Good sense! I agree with it, because I have been saying it for several years myself. On August 5, 1970, the hon. member for White Bay North, Minister of Health, said he wanted a new economic development department formed, dated August 5, 1970. He suggested that the Province should build a new kind of economic development department. Excellent! Excellent! Now I have said it, of course, but I do

not mind. I do not mind, Mr. Roberts probably thought it up himself. He saw the need when he got into the Cabinet, for this, that we needed a new economic development department, we did not have one. We did not have one. WE had a Minister running around with all kinds of projects in his top hat or in his side pocket or his back pocket-

AN HON. MEMBER: (inaudible)

MR. CROSBIE: We did not have a department of economic development we did not have researches, we did not have economists and all the rest of that foolishness. We have visions, visionary impulses, gambling, but, the Minister of Health wanted a new economic development department, to draw up a definite five or ten year plan for a development. Then he suggested the Government create a fund of \$5 million for the use, for equity purposes. In other word, if we help to establish an industry we would take part in the ownership, an equity position in it. That, I had said time after time, should have been done at Come by Chance. With us taking those risks, it is our money, we should be sharing the profit, the Government should. Mr. Roberts appears to agree..

MR. ROBERTS: Three to one for Boston.

MR. CROSBIE: Excellent, three to one for Boston. It is a hundred to one for Crosbie at the moment. Out of twenty-nine across the House, twenty-eight are mum, only one has spoken. Then continuing the saga of the Minister of Health, we saw some hope for him in 1970. I think he saw some hope that there might be a retirement in the picture later in 1970 or 1971, because he was taking a bold, decisive new stand, if they did not agree with Government policy. But then, when we got into 1971 what the Hon. Minister is saying, he has completely changed his tack. Here is February 22, 1971, page 3 of the 'Evening Telegram', a year and a month after the Minister said, refusal to fact realism is our great danger, and what is the Minister now saying, February 22, 1971? The Minister says the Provincial Government should

develop or perish approach to industrialization is more applicable in Newfoundland today than it ever was - simply reversal. Now what happened, it must have happened, Mr. Speaker, is that the Premier got the better of the Minister of Health. The Premier has the Minister beaten into shape, by February of 71. The Minister is not allowed to go around now saying what he thinks about the economic development department and about our approach to economic development. He is not allowed any longer to say that Newfoundland is not going to be a Ruhr Valley. He is not allowed to say that we might get one but the cost might be so high as to leave us further back than when we started. No, what has he to say now? "The develop or perish approach to industrialization is more applicable than ever." What tripe? He has to say that to remain in the Cabinet. Remain with the Government, remain under the Premier.

Mr. Roberts, in an address to the Mount Pearl Lions Club, said every problem in this Province boils down simply (now just listen to this and who do you think is speaking) simply to jobs, more jobs, the lack of jobs, better jobs, jobs of every kind. Certainly sounds like somebody I have heard speaking in this House - and it is not the Minister of Health-

MR. SMALLWOOD: Sounds just like me -

MR. CROSBIE: Jobs, jobs, jobs -

MR. SMALLWOOD: And am I wrong?

MR. CROSBIE: Work, work, work. The Minister is right in that but wrong in how he goes about it - the Premier. Then the Minister went on to give his new line on economic development, labelling much of the Opposition to the Government's economic policies as idle political chatter and fuzzy ideology. He said the critics have failed to come up with workable alternatives. What was he a year earlier? What was his criticism a year earlier? He is now saying that his criticism a year earlier is idle political chatter and fuzzy ideology and that he, the critic, had failed to come up with workable alternatives. Imagine, imagine, he is really being taught the facts of life. He wants to stay in the Government, so he has to tow the line.

MR. SMALLWOOD: He will not get his chance.

MR. CROSBIE: The Come-by-Chance Oil Refinery may represent a break through and so on and so forth.

February 17, 1971 the hon. the Minister of Health is still speaking, now he has not spoken since February 22nd. 1971, he and his executive assistant have been relatively quiet. An iron curtain has descended on the Minister's public generators -

MR SMALLWOOD: Try again. Try it.

MR CROSBIE: Obfuscation.

MR NEARY: The wrong word.

MR CROSBIE: What does the hon. minister say, February 17, 1971, about Newfoundland? "Roberts says government still remote from the people"

Twenty-two years this Government have been in power, and they are still remote from the people; says the hon. Minister of Health. "The problem", he said; "is that Newfoundlanders had the formal structure of a Democracy but without its essence..." How true that is. The minister is right back in the ball game. He has his finger on one of the problems. "We have the formal structure of a Democracy but without its essence," and it is going to be without its essence until the Government of Newfoundland is changed and we have a true political party system in Newfoundland again, not just one party and one person, completely dominated for twenty-two years, in every aspect of life in the Province. That is the formal structure of Democracy without its essence. Essence of democracy is change of Government, is competition, is a Government not being in power longer than two terms, is a must.

MR. SMALLWOOD: It has got the hon. member at the head of it.

MR. CROSBIE: It does not matter where the hon. member is, head of it, or who is at the head of it.

MR. SMALLWOOD: Any government.....

MR. CROSBIE: I am talking about the essence of democracy. The hon. the

MR. CROSBIE: Premier thinks that no government can be right, if it does not have the hon. the Premier at the head of it.

MR. SMALLWOOD: There is something in that.

MR. CROSBIE: Yes,

MR. SMALLWOOD: There is something in that.

MR. CROSBIE: The hon. Premier thinks there is something in that.

MR. SMALLWOOD: But there is good reason for it.

MR. CROSBIE: Oh, it is an excellent reason, continue ruining the Province, as you are now.

MR. SMALLWOOD: If everyone were like me, we would be some Province.

MR. CROSBIE: Now the hon. Minister of Health goes on; he goes on, "people should never allow authority to go unchallenged," the hon. minister told the group. "The Government must be always responsive to its creators, the people. And its role in activities must always be questioned and challenged." Well the is some advice from the hon. Minister of Health, who spoke his mind on economic development a year ago, and took the Premier's line a year later.

Then he went on to say, "for the first time in the history of Newfoundland voters, through associations, are to choose their own candidates for election, and not have them thrust on them as in the past." I wonder? I wonder? The Conserative Party have had nominating conventions for quite some time. The Liberal Party now, as a result of the Premier's subterfuge of 1969, has a Liberal Party consitution, that provides for nominating meeting. Then it provides that, any member of the Liberal Party is eligible to be a candidate for nomination at any meeting.

I wonder, if after that meeting of May 1, in Gander, whether that will still be the case? Or will all the rules be changed, improperly and invalidly, they can only be changed at an annual party meeting, with delegates elected from every district. That is the only way it can be changed properly. But, I wonder if, on May 1, 1971 some little rules will

MR. CROSBIE: be passed so that the hon. the Premier and the little group around him, and the Executive, junior member for Harbour Main, are going to have a veto over what card-carrying Liberals can offer themselves for nomination at these meetings.

AN HON. MEMBER: Inaudible.

MR. CROSBIE: It will be interesting to see. Oh, you can see me covered with bitterness here. Am I looking bitter? Bitterness is just pouring out of me in every pore.

will

I wonder if the hon. Minister of Health, be able to say that after this year? For the first time in the history of Newfoundland, voters through associations are to choose their own candidates for election, and not have it thrust on them, <sup>as</sup> in the past. What is going to happen in the District of Green Bay, where the hon. the sitting member for Green Bay says he is going to be the candidate for the Liberal Party there, and Mr. Corbin Clarke, the President of the Liberal District Association, says he is going to be the candidate? He is going out for the nomination. What is going to happen, if Mr. Corbin Clarke gets more votes at the nominating meeting than the present sitting member?

MR. NEARY: Does the hon. member want to have it over on Bell Island?

MR. CROSBIE: On Bell Island? On Bell Island, the hon. gentleman will get the nomination. And then he will not save his nominational fee. That is what will happen on Bell Island. Bell Island has had the form of structure of a democracy, well without its essence, for quite some time. So we will see the hon. whether the hon. minister's forecast comes true or not. Now that is the hon. Minister's of Health, we got his zeal opinion on Economic Development in 1970. We got his behind-the-back pressure put on us, opinion, you speak right or get out of the Cabinet. That is what we got in February 1971. Now we have a minister at Ottawa, Mr. Jamieson, who addressed the Memorial University Convocation, October 1970. What does the hon. minister think. the Federal Minister of the hon. the Premier's Party? One thing you can be sure of, Mr. Speaker, he does not think, eye-to-eye, he does not feel, heart-to-heart with the hon. the Premier about his

MR. CROSBIE: philosophy of development. October 19, 1970, the "Evening Telegram," "In the Federal Transport Minister's opinion, Newfoundland will never be an important secondary manufacturing centre, and its important as the air crossroads of the world has diminished. At the moment you have the capability to test these conclusions, if I am shown to be right, then we should hasten the demise of these sacred cows and put an end to the litter of failures already recorded in pursuit of such endeavours." One would think that this is the Leader of the Opposition speaking about the sacred cows and put an end to the litter of failures already reported in the pursuit of such endeavours. The Minister is talking about the Premier's economic development policy of the last twenty-two years. Well those sacred cows can never be put out to pasture, if the man who got these sacred cows in the pasture, who is breeding, them, is not put out to pasture too. Those sacred cows will be costing this Province untold millions for years to come yet, unless the Government that supports those sacred cows is put out to pasture. That is obvious.

Mr. Jamieson said, "those who hold resource concessions will exploit them in a way that is to their best advantage, but not necessarily to Newfoundland." How true! How often, we said that over here. Down a bit further one other criticism he had of the present Newfoundland Development Policy is: "Conventional wisdom that says that every industrialist who offers to provide employment should be welcome with open arms." He cautioned that, "sometimes it would be better, if he stayed away. Since the cost of providing services in return for jobs may well outweigh the promised benefit." That is what Mr. Jamieson said, that is what I have said for years. That is what the Conservative Opposition said for years. That is what the hon. the Minister of Health said in February 1970. That is what the hon. the Minister of Transport is saying in October 1970.

But everybody is wrong, except the hon. the Premier. Everyone is wrong. You know, we are all either madmen or we are too conservative or we are renegades - there is something definitely wrong with us all. But here is Mr. Jamieson confirming what is being said by the critics of the

MR. CROSBIE: Government on economic development over the years. 'We will never be an important secondary manufacturing centre. We should put an end to the litter of failures already recorded in the pursuit of such endeavours. We should check our resource concession that the people holding them are going to use them for their own advantage only.'

So in the Premier's party, he says he belongs to the Liberal Party, that the Federal Wing of the Party does not believe his policy. Of a massive policy of economic development, the litter of failures, and the sacred cows, His Minister of Health does not believe in them. There are doubts; that other ministers do not believe in it. On this side of the House, there are people who were with him at one time, but did not believe in it either, and had to leave because of that. But we are called everything, we are only out for our own personal ambitions this, that and the other. Nobody ever says, or gives you credit, where I will give the Premier credit for believing that he is doing the right thing, and being a patriot and the rest of it and so on. All that he will say, about my views, is that I have got a burning ambition, involving ambition, and out to grab power myself and so on. I went a very queer way about it; but that is what I was out for.

MR. SPEAKER: Order, Please! I now call it 11:00, this House stands adjourned until tomorrow, Wednesday, at 3:00 P.M.