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VERBATIM REPORT

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SPEAKER: THE HONOURABLE JAMES M. RUSSELL



The House met at 3:00 P.M.

Mr. Speaker in the Chair.

HON. DR. A. T. ROWE (Minister of Health): Mr. Speaker, I wish to make a statement regarding an article which appeared in the "Evening Telegram" 24 February, headed, "Hospital Fiasco Under Scrutiny." The article seems to me to give the impression that this hospital was to proceed without any heed to costs and regardless of cost and suggests to me that the Department of Health and the minister were irresponsible in this regard. This I refute and there are several points I wish to make in this regard.

Firstly, I would like to say that as far as the Department of Health is concerned and as far as I am personally concerned, there has been no underhandedness with regard to any aspect of any construction of the hospital. I am quite willing for the department and myself to undergo scrutiny from any direction regarding the activities of the department as they relate to any aspect of this project.

To fully review the situation, I would now mention the fact that it was in 1966 this particular hospital was promised, an election promise. In the intervening years, 1966-1971, in spite of proddings at the government by the board and by myself, at that time as a practicing physician, and by others, in regard to the importance of the hospital, no specific action was taken.

The election of 1966 gave assurance that the hospital would be built. We were given to understand that construction would start in 1967. In January, 1972, when I entered the Department of Health, was minister and required the plans for the hospital, I was told that there were no specific plans. I was told that there were no specific plans except for the design of the hospital. A review of the activities

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Mr. Rowe.

from 1966 to 1972 confirms that in the budget, examination of the estimates shows that for the years 1969-1970, 1970-1971 no money was provided for. If work had commenced on the hospital in 1967

instead of 1972, several millions of dollars would have been saved in view of the fact construction costs have been escalating at a rate of fifteen per cent per year.

As it was only preliminary planned, it was also only preliminary budgeted, for a total of approximately \$7 million. You could take the figure \$7 million, escalate by fifteen per cent, you can readily appreciate and understand increased costs.

I was somewhat amazed by the statements from officials of the department when enquiring as to the status of the plans, to find that in January the only heading of the hospital was Conception Bay Hospital and I understand that the change in the name had been made because of the fact that there was some question of a hospital being built in Bay Roberts at that time and in order not to confuse the issues and the two matters being incompatible, it was decided to call the hospital the Conception Bay Hospital.

But, as I say, in January 1972 and because no plans have been finalized, I was advised that the quickest method of commencement was by a construction management. The advantage of construction management included the facts that because the project had been started before final plans and specification were completed, the project was considered a suitable one for construction management in order to keep construction under way while plans and specifications were being completed.

Construction management techniques by breaking the work down into smaller packages could provide the completed structure at an earlier date and at the lowest cost possible, rather than if one had waited until all plans were completed. Thirdly the preparation of a realistic budget and control of cost to complete the project within this predetermined budget were possible, and for supervision and co-ordination of all field construction to ensure building completion in accordance with plans will be achieved, and a proposal

from representatives of Scrivener's was accepted and a fee agreed upon of \$490,000. The project was then passed officially into the hands of the Department of Health and arrangements made to finalize plans for construction, materials, plumbing, mechanical, heating, etc. and the whole point of construction management was that these tenders could be called in phases, not waiting for all plans to be drawn.

This was the manner in which construction management was to attain efficiency and cut down both cost and time. A considerable number of meetings with representatives of Scrivener's and the Department of Health took place regarding the project and by early summer it became apparent that we were in the position to start calling tenders. It was at this time that the question of reassessment of cost and fees began to be of concern to the department and myself, and here for these reasons I strongly refute the statement in the article, that turning the hospital over to the Department of Health was a colossal blunder. This was an opinion only. Why Health became involved was because nothing worthwhile had been accomplished and we were anxious to get started.

I can say in no uncertain terms that the project was not hurried without serious consideration being given to cost. Instead the advice given to me at the outset was that construction management would cut costs. In the next few months, from April on, the planning went forward and there was evidence by early summer we could proceed. However, instead of minor adjustments as indicated, in actual fact the proposed fees of Scrivener's, when they became project managers rather than construction managers, were shown to be considerably increased. The total rose from \$7.5 million to \$9.5 million made up as follows:  
Actual construction costs - \$6,700,000, plus further cost including contingency progressive designs, design fees, management

construction, hospital equipment and furnishings, bringing it to a total of \$9,490,000. Now because of the disagreement between Scriveners and the government over the question of fees, it was decided that the Department of Public Works would assume responsibility for negotiating this dispute and the project would therefore be returned to the Department of Public Works. There was no suggestion of questioning the efficiency of the officials of the Department of Health, but removal back to the Department of Public Works following government becoming aware, through us that Scriveners had asked for substantial increases. In all fairness, I do not think that any increase fee has yet been ratified with Scriveners.

Another point I would like to make is that during the summer of last year, when I became very concerned about the escalating costs and made this known to the government and recommended immediate action, again at this time the project went back to the Department of Public Works.

During the time the project was under the supervision of the Department of Health, only one public tender was awarded, in June, when public tenders were called for the boiler house structures. The Babb Construction Company was awarded the contract, at \$144,800, which was the lowest of four bids.

Other tenders on this phase of the work was Seaboard Construction, at \$237,000; Parsons Engineering, at \$222,000; Newfoundland Engineering Company, \$189,000. After awarding this tender the project was again returned to the Department of Public Works and subsequent tendering of follow-up was handled by that department.

Because of discussions with Scriveners and other cost reasons, a stop order was placed on the hospital in July, just when tenders were appearing in the press and consequently,

due to this and other delays, all the good summer construction weather was lost and an actual start was not made until late fall but great progress has been made since then.

I can only repeat that as far as the department is concerned and as far as I am concerned, there was no endeavour to rush the building without regard to costs. To summarize, I myself was satisfied that the best way of getting the project off the ground was by construction management. I can only reiterate that I was informed that this would not increase cost, indeed it will actually lower costs and that was the basis on which the decision was made to utilize construction management.

I reiterate again the fact that during the summer of last year, when these costs were escalating, all these facts were brought to the attention of my colleagues. I say that at the appropriate time I shall be quite happy to answer any questions regarding any aspect of the operation. I am really surprised that the reporter, although interviewing the Premier and the honourable Minister of Finance and other officials, did not out of perhaps common courtesy interview me either as Minister of Health or M.H.A. for Carbonear, when I could have been given the opportunity of correcting some of the misconceptions which have resulted from the article.

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

MR. ROBERTS: Thank you, Mr. Speaker.

Mr. Speaker, I hope the minister has either a copy I could have or copies for the honourable members of the House. I do not propose to make any detailed comment on this matter now. It will be the subject either of a private members' resolution or of some detailed comment during the minister's estimates and during the estimates of the department of his colleague, the Minister of



Public Works. In due course they will be brought into the House and we shall go into it at length.

I will not deal at all with what the minister said with reference to the period before he became minister. We will go into that at any length that is needed, except to say that the reason it was Conception Bay Hospitals in the estimates was that at that time the plan was to have two hospitals, indeed I believe the foundation was actually started for the hospital at Bay Roberts. That hospital was subsequently stopped by the present administration when they assumed office and that is where that matter stands. Carbonear Hospital has of course gone on since then.

The only thing I will say, Mr. Speaker, is that the minister's statement raises infinitely more questions than it answers. It does not answer the questions which arise out of the "Evening Telegram" article and more importantly it does not answer the questions which either are on the Order Paper in my name or which are going on the Order Paper. I have no doubt we will get some answers in due course.

The whole question of the Carbonear Hospital obviously requires great examination. Nobody has accused the minister of anything. He seemed to be implying in his statement that there were such accusations. I am not aware of any. I read the "Evening Telegram" article and I was not aware of any accusations against any minister or any group of ministers or any government for that matter.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: Mr. Speaker, being an over-zealous politician, if that is a crime, I hope they will have to build rather large jails. I hope - this House has forty-two.

DR. ROWE: Inaudible.

MR. ROBERTS: It hurts the minister, of course it hurts the minister. It may even hurt him politically but that is a long way from imputations about his personal probity, his personal honesty and they say his conduct as minister is obviously open to debate and is going to be debated at some length and the truth will emerge.

The point I am making in reply to the statement, Mr. Chairman, is that I do not know where the minister got these imputations of dishonesty. I did not read any into the article. I read into the article what amounted to accusations of appalling mismanagement by the minister. Now that is a long way from personal dishonesty or from corruption or from anything along those lines. As I say, I do not intend to comment on it now, it is a long, lengthy statement which I shall want to read and to analyse. We will either bring in a private members' resolution, Sir, asking for an appropriate investigation, or we will request the matter on estimates to see what the government's response is then.

In the meantime, all I can say is that the minister is making a great deal out of it. It confirms my suspicion, there is a great deal more yet to be made out of it and we will be doing our part.

PRESENTING PETITIONS:

MR. MOORES: Mr. Speaker, before the presenting of petitions, I would like if possible at this time, Sir, to

move that this hon. House record our deepest sympathy at the sad loss to Newfoundland of Lady Dorothy Outerbridge and to extent to her devoted husband, Sir Leonard Outerbridge, and her daughter, Mrs. Winter, our deepest sympathy. Lady Outerbridge was so well known in Newfoundland for her devoted work to charity and socially motivated activities that very little needs to be said in expressing sorrow on her passing.

Lady Outerbridge was a distinguished citizen and together with her husband she served the province well in Government House from 1949, the very beginning of Newfoundland's joining the Confederation of Canada, to 1957 and during that period endeared herself as an individual to all Newfoundlanders. She was not born in Newfoundland but through her great public service and her work with youth and service organizations she became one of us as I am sure everyone will agree. Lady Outerbridge will perhaps be best remember for her work with NONIA, the I.O.D.E. and the Grenfell Association.

I know all members of this House of Assembly join with me in offering respect and tribute to this great lady and I move that this House convey its condolences and its sincere sympathy to the family of Lady Outerbridge.

MR. E.M. ROBERTS (LEADER OF THE OPPOSITION): Mr. Speaker, this is the third time within a period of ten days or a fortnight that the House has been asked to support a resolution of tribute to a distinguished Newfoundlander. I find it much harder to speak on this occasion than on any of the others because Lady Outerbridge was more than a leading citizen to me, Sir. My parents and I lived next door to the Outerbridges for ten years, on Pringle Place here in St. John's, and came to know Lady Outerbridge and Sir Leonard extremely well.

I endorse what the Premier has said about Lady Outerbridge. She

graced the Government House as the first lady of our province from just after Confederation when Sir Leonard was appointed Governor. Sir Albert Walsh was the first Lieutenant Governor of Newfoundland and Sir Leonard succeeded him in 1949 as Lieutenant Governor of the province and as His Majesty's personal representative and later personal representative of the Queen.

Sir Leonard's term of office, Mr. Speaker, set the standard by which all subsequent governors of this province will be measured. We have been honoured over the years by the men who have served us as governor all the way from the gentleman who presently holds the place to his immediate predecessor the Hon. Mr. O'Dea and before him the Hon. Mr. MacPherson and then before that Sir Leonard. Sir Leonard's terms of office, Sir, was marked for many things and among the greatest of them was Lady Outerbridge's contribution. She was a charming lady, a perfect hostess, the soul of kindness and decency and gentility, everything that can be admired and treasured in a lady.

As I said, I came to know her well in the years after the Outerbridges left Government House and lived next door to my parents. We often visited their home and they often visited my parents home. Her work in the Grenfell Association, with NONIA, and she was the lifeblood of NONIA, the spark that kept it going for years, and with such organizations as the I.O.D.E., these will be remembered. Her work in the Anglican Church, her work in the various societies and groups and bodies, all of these, Sir, will be remembered and treasured but what will be remembered most about Lady Outerbridge is her kindness and her graciousness - well, the word "Lady" in the best sense of the word.

I am sure that every member of the House will support this, Sir, and I do hope it is of some consolation to her daughter, Mrs. Dick Winter, Mrs. Nancy Winter, and to her three grandchildren, two

young girls and a young boy and the other members of the family.

I might also suggest, Sir, it is a little unusual but the funeral service for Lady Outerbridge is to be held tomorrow afternoon at three o'clock, I believe, in the Cathedral, I am sure many members will want to attend and it might be possible, Your Honour, for the House to sit late tomorrow afternoon so that we could attend. I am going to attend the funeral anyway and I suspect many members will, but if that is in order let us do it.

In any event, let me second the motion and with very heartfelt sorrow I do so.

MR. MOORES: If I may, Mr. Speaker, I would take the recommendation suggested by the Leader of the Opposition that this afternoon upon adjournment the House Leader of the government side will propose that we will meet again at four o'clock on tomorrow for this particular reason. I thank him for his suggestion.

PETITIONS:

MR. W.N. ROWE: Mr. Speaker, I beg leave to present a petition which I have received from the Community of Westport. Now before I proceed with it, Mr. Speaker, I should note that the petition is out of order in this House because it is a request for finances and help from the federal government really because it is a matter which comes under the jurisdiction of the federal government and I know previously in this House that it has been ruled out of order. I am sure that with the equanimity with which both sides deal with these matters of late that nobody in this House will deny the people of Westport a public hearing in this particular forum on this matter.

What they asked for, Mr. Speaker, is assistance by me and by the Government of Newfoundland and Labrador to help the Community of Westport to get a new wharf in that community which would be of benefit to the fishermen and others who prosecute the fishery and ploy other trades in that community. The wharf there is in an atrocious condition

and the M.P. for the district, Mr. Romkey, has viewed it and is concerned about it as well. I am sure that he will be trying to do something about it.

I would suggest, Sir, without going any further with this, that the petition be received by this hon. House and tabled and at some later date the clerk might return it to me so that I can forward it on to the Federal Department of Public Works. I am in full support of the prayer of the petition, Mr. Speaker, and I certainly hope that the federal government sees it possible in the months to come to find the money to do that job.

MR. G.M. WILSON: Mr. Speaker, I beg leave to present a petition on behalf of seventy-eight residents of the Mill Road, Georgetown, to have their road upgraded. Mr. Speaker, I have travelled over this road pretty often, I travelled over it this morning about half past eight and I find the school buses bogged down in this road this last couple of weeks. I also found in the last rainstorm a distance of 860 feet with eighteen inches of water where no car could get to and from the houses on the other side of the marsh. These people have been living under these conditions for a long, long while and apparently there has been nothing done about it.

I am sorry to have to say, Mr. Speaker, in this honourable House that I had to come to be elected in this House of Assembly to find out the holes in my district that were never known or heard tell of by the former administration. Therefore, Mr. Speaker, I have great pleasure in supporting this petition to see if I can get something done for the Community of Georgetown and I hope that the people will bear with it in Georgetown a little longer until the time of the year comes when we can arrive to do something about this road. Thank you.

MR. NEARY: Mr. Speaker, I would like to support the petition presented by the member for Port de Grave, who is a bus driver, on behalf of seventy-eight residents of Mill Road in the Georgetown Area. I do not

suppose, Mr. Speaker, that there is any other man in that district who knows more about potholes than the hon. member because I am sure that it costs him a fair amount of money for springs for his school buses. I hope, Sir, that if this road is upgraded and paved, as it should be because it is a reasonable request, that no more children will be left standing on the side of the road getting splashed with water from potholes or on a cold frigid winter day children left on the side of the road, I hope this will never happen again. Sir, and when hon. member is driving down in his bus over that new piece of road when it is paved by the Minister of Highways that all the children will be able to get aboard and be taken to school.

NOTICE OF MOTION:

HON. J. ROUSSEAU (MINISTER OF REHABILITATION AND RECREATION): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following resolution: WHEREAS it is proposed by the Government of Canada to install microwave service to Western Labrador and in particular to the Labrador City, Wabush and Churchill Falls Areas in order to extend to this area the French and English language networks of the Canadian Broadcasting Corporation, and WHEREAS the French language portion of the network will emanate from the Province of Quebec

WHEREAS it is planned that the English portion of the network will emanate from the Province of New Brunswick, and

WHEREAS by reason of these decisions Newfoundlanders will be deprived of live regional programming emanating from their province, and

WHEREAS this honourable House of Assembly views with extreme alarm the effect of such a decision upon the social and economic well-being of our people,

THEREFORE BE IT RESOLVED that this honourable House of Assembly take the position that the English Language portion of the network should be fed from the province of Newfoundland in order to meet the social, cultural and economic requirements of our people, and

BE IT FURTHER RESOLVED that the desires and requirements of the people of Newfoundland as expressed to this honourable House be communicated directly to the Government of Canada and the appropriate official thereof, and

THEREFORE BE IT FURTHER RESOLVED that the wishes of this honourable House of Assembly be conveyed to the Minister of Transport and other officials of the Government of Canada as shall be deemed necessary.

MR. SPEAKER: I shall accept the resolution under advisement and make the ruling on it later on today.

#### ANSWERS TO QUESTIONS

HON. T. A. HICKMAN (Minister of Justice): Mr. Speaker, the answer to Question No. 50 asked by the hon. member for White Bay South, on the Order Paper of Monday, February 26, the answer to question (a) is: "\$8,272.44." The answer to (b): "\$1,722.32." The answer to (c): "there were no other expenses included. " I will lay on the table of the House the names of the various periodicals in which these advertisements were carried. I hasten to add, Mr. Speaker, that the end is not in sight.



HON. G. OTTENHEIMER (Minister of Education): Mr. Speaker, I wish to table the answer to Question No. 59, appearing on the Order Paper of February 27, asked by the hon. member for St. Barbe South.

MR. SPEAKER: Before we go on with Orders of the Day, I beg to inform the members of this honourable House of the select committee to investigate the denturist situation in the province. This committee will consist of the following members; the hon. member for St. John's South, the hon. member for Carbonear, the hon. Minister of Health, the hon. member for Bonavista South, the hon. member for Bonavista North and the hon. member for Twillingate.

ORDERS OF THE DAY

MR. NEARY: Mr. Speaker, I would like to direct a question to the hon. Minister of Public Works. Would the honourable minister inform the House if a statement made today on radio is correct, that a Japanese firm is going to take over or establish a fish plant on the south coast?

HON. H. R. V. EARLE (Minister of Public Works and Services): Mr. Speaker, I have not heard the announcement but if the word fish plant were used it is a complete misconception. I think possibly what has been referred to is some project which has been worked on continuously for the past several months by my colleague the hon. Minister of Fisheries and myself, in connection with a fish service depot to the fishermen in the area from Pool's Cove to Wreck Cove, encompassing eight settlements in that area. This under no stretch of the imagination can be called a fish plant. We are hopeful of being able to provide a fish servicing depot for the fishermen in that area and the minister and myself have been working very actively on it during this past several months. With reference to the Japanese gentlemen the fact is that a Japanese firm has shown interest in using part of that depot, when and if it is established, for the partial processing of certain types of fish products.

MR. NEARY: Mr. Speaker, in the absence of the hon. Minister of Municipal Affairs and Housing who is not in his seat this afternoon, would the hon. Premier

Mr. Neary-

inform the House if any representation has been received from the people in the Baird Subdivision, who were affected by the last wind and rain storm we had, for assistance to help out in the emergency?

MR. MOORES: I take notice of the question, Mr. Speaker.

MR. NEARY: Thank you, Mr. Speaker. I would like to direct a question now to the hon. Minister of Manpower and Industrial Relations. Due to the fact that the honourable minister has announced publicly that he is going to release the Hattenhauer Royal Commission Report on Safety and Health Hazards at the ERCO Phosphorous Plant, would the minister indicate whether he is going to do this House the courtesy of tabling the report for members of the House before he makes it public?

HON. W. G. DAWE (Minister of Manpower and Industrial Relations): The report will be tabled before it is made public.

MR. F. ROWE: Mr. Speaker, I would like to address a question to the hon. Minister of Highways. Last night on CBC television news the honourable minister said that paving on the Great Northern Peninsula Highway was a top priority of this administration. Would the minister tell this honourable House what formal proposals the administration have made to the federal government for the paving of the Great Northern Peninsula Highway and at what date?

HON. DR. T. C. FARELL (Minister of Highways): All roads are priorities of this government. We will let the honourable member know exactly when our negotiations are finalized.

MR. ROBERTS: A supplementary question, if the minister is finished.

MR. FARRELL: Yes, sir.

MR. ROBERTS: Have the government made any requests to Ottawa for aid or assistance to paving the Northern Peninsula Road, if so when and what?

MR. FARRELL: The full context of that, Sir, will be revealed in due time.

MR. ROBERTS: Mr. Speaker, I take it that there have been no representations at all. A further question - does the hon. Premier wish to answer the question? Go ahead if you have something to say.

MR. MOORES: Before the hon. Leader of the Opposition asked his other question - he said, "no representations have been made to Ottawa." Mr. Speaker, that is an incorrect statement.

MR. ROBERTS: I thank the hon. the Premier. I wonder if the Premier could tell us what representations have been made, please?

MR. MOORES: Mr. Speaker, it would be a very lengthy list because we have made representations to Ottawa of where we need assistance in so many areas of our society where the federal and provincial governments will be co-operating. I am sure even the hon. Leader of the Opposition will see a great deal of progress in our province in the next three years because of joint planning and joint efforts.

MR. ROBERTS: The Leader of the Opposition very much hopes to see some progress which is more than he has seen in the past year, Mr. Speaker. I asked about highways. My remarks about representations referred to highways, specifically the highway from Deer Lake, north to St. Anthony.

MR. MOORES: The highway, Mr. Speaker, north from Deer Lake to St. Anthony will have a great deal more paving on it after this administration than after twenty-three years of the last.

MR. ROBERTS: I should certainly hope so, Mr. Speaker, after all it was the Liberals who built it, let the Tories pave it. John Crosbie promised to pave it. Now a question for the Minister of Health. Could the minister tell us please what the prospects are of having a doctor stationed at Belleoram - English Harbour, English Harbour West, on the western side of Fortune Bay?

DR. ROWE: : Mr. Speaker, I am sure the hon. Leader of the Opposition is as aware as I am of the difficulty in having doctors enter into rural

practices these days. I can only say that we have had since October, to which you are referring, eight or ten come out, another ten being processed. A doctor who is coming this week is now going to fill the gap, hopefully, at Hampden which was caused recently by the death of Dr. Misik. I can tell the honourable gentleman that I am doing my very best. A doctor went down to look at the practice recently and decided he did not wish to establish himself in this sort of area. I can only tell the honourable gentleman that I am trying. It is very hard trying to get a doctor who will settle in the area. I have had letters from the individuals there. I have had representations from the members. I am very aware of the situation. I can only ask a doctor to go. I cannot compel a doctor to stay there. I am doing my utmost and I hope that within the next months we will have someone relatively permanently settled there.

MR. ROBERTS: Mr. Speaker, I thank the minister. I am aware to an extent of some of the difficulties of this type of problem. In view of the fact, as I understand it, there is no doctor in Hermitage at present, there are two doctors stationed at Harbour Breton (I understand one of them is at present away, presumably on official leave of one sort or another) and there are none in Belleoram, so we have only two doctors covering an area which at least four should cover, could he indicate what steps he has been taking to try to alleviate this? I understand that the matter is becoming more urgent day by day.

HON. DR. A.T. ROWE (MINISTER OF HEALTH): Mr. Speaker, I have tried to answer the question, I am not quite sure if this was a supplementary question but I can only say that I had a doctor go down recently and he came back and said that he did not want to stay so now I have to find somebody else who will go down. If they go down and look at it, that is about as far as I can go. I will ask a doctor to go down, come into the area and he requests to come back, "I want to practice somewhere else." I can only say that I am doing my best and when a doctor will stay there I will be very happy to give him the post.

MR. ROBERTS: A further supplementary, Mr. Speaker. Can the minister indicate when the residence-cum-clinic that was promised by his colleague the gentleman from Fortune Bay will be built? I understand that one of the problems is that there is no adequate place for a doctor to live.

DR. ROWE: This is Mose Ambrose-Belleoram. Tenders were called last year and because of the escalated figure of the cost that was produced we decided not to build. Tenders are in the process of being recalled and I think my last information was that they will be recalled within the next couple of weeks. The present residence can be used, but it is hoped that if they call the tenders now then this new residence will be provided before the end of the season.

MR. ROBERTS: A final supplementary on this, Mr. Speaker. Are we to assume and I am not assuming this, but I phrase it this way for the question, are we to assume that a doctor can be stationed there before the new residence and clinic is completed, or must we wait until it is completed?

DR. ROWE: A doctor can be stationed as soon as I find a doctor who will go there. He can stay there now, but it will be much improved as far as his quarters are concerned when the new house is built.

MR. F.B. ROWE: Mr. Speaker, a question to the honourable Minister of Highways and this relates to the work going on on the Great Northern

Peninsula between Deer Lake and the Gros Morne National Park and in the Area of Hawke's Bay and Port Saunders and Port aux Choix. Can the minister inform the House as to whether or not the agreement has been worked out between the Federal Government and the Government of Newfoundland for this work? Was an agreement worked out between the previous administration and the federal government or the present administration and the federal government?

HON. DR. T.G. FARRELL (MINISTER OF TRANSPORTATION AND COMMUNICATIONS):

Mr. Speaker, I have already stated that negotiations are ongoing on all these matters at the present time.

MR. ROWE (F.B.): The minister did not answer the question, Mr. Speaker.

What I am asking, is the work that is presently being done on the Great Northern Peninsula Highway, is this a result of an agreement that was signed between the previous administration or the present administration?

DR. FARRELL: The previous administration.

SOME HON. MEMBERS: Hear! Hear!

DR. FARRELL: I say hear! hear! too.

MR. NEARY: There is one truthful man across the House.

MR. F.B. ROWE: Probably a word of explanation, Mr. Speaker.

SOME HON. MEMBERS: (Inaudible)

MR. SPEAKER: Order please! The honourable member should get on with the question, no words of explanation, otherwise he should place his question on the Order Paper.

MR. M. MARTIN: Mr. Speaker, I have a question I would like to direct to the Minister of Highways. Does the honourable minister have any plans at this time for the upgrading and reconstruction of the ferry terminal at St. Barbe and the construction of a terminal on the Labrador Side of the water, on the other side of the Straits?

DR. FARRELL: I am sorry, Mr. Speaker, could I have the question repeated I could not hear it.

MR. MARTIN: Yes, I will repeat it.

DR. FARRELL: I am a little deaf at times.

MR. M. MARTIN: Are there any plans this year, Sir, for the upgrading and reconstruction of the ferry terminal facilities at St. Barbe and are there any plans for the construction of terminal - ferry terminal facilities in this province on the other side of the Straits? At the present time, as you may be aware, the ferry terminal facilities are in Quebec.

DR. FARRELL: Mr. Speaker, I would like to inform the honourable member for Labrador South that these facts will be divulged in the budget.

MR. WOODWARD: Mr. Speaker, I would like to direct a question to the honourable the Premier. During his recent visit to Quebec and his talks with Premier Bourassa, I would like to ask if they discussed the Trans-Labrador Highway, if there are any negotiations or joint negotiations between the two provinces concerning that particular highway and if we can look forward to having some agreement with the federal people come this year on that particular programme?

MR. MOORES: The answer to the question or the three questions, Mr. Speaker, are yes, yes, and hope so.

ORDERS OF THE DAY:

MR. SPEAKER: This being private members' day, we should move on to continue with motion (4).

SOME HON. MEMBERS: (Inaudible).

MR. SPEAKER: Order please! We should continue with motion (4) and I would like to inform the honourable member for Bell Island that he has five minutes left in which to finish up.

MR. NEARY: Mr. Speaker, it is rather unfortunate that I only have five minutes left. I could go on again the whole afternoon and probably take up private members' day next week on this matter of Mr. McLean and his dealings with the government.

Sir, I pretty well covered the situation last week, but there are a few other points that I want to raise before I take my seat. This time I am quoting from the "Newfoundland Herald" of December 27. I would

like to draw this to the honourable member's attention. "On Monday, December 18, a group of variously sodden journalists and politicians were gathered together at Confederation Building to view the world premier of two films by McLeans Public Relations for the Provincial Government, one a travelogue entitled rather awkwardly 'Come Paint And Photograph Us.' Good Heavens! do you want to be the object of tourist curiosity, pointed fingers and clicking cameras?"

This set the taxpayer back some fifty thousand dollars so the "Newfoundland Herald" says. Sir, in case the honourable members on the other side do not believe everything they read in the "Newfoundland Herald" how about the "Western Star?" Listen to this, Sir, "McLean did public relations work for the P.C's in the last two provincial campaigns in Newfoundland and since the election has received several government contracts, including one to make a fifty thousand dollar colour promotion film on the Newfoundland fisheries.

It is controversial to those who believe it resembles closely, a situation that existed between the former - coincidental - between the former Liberal Government and the Toronto Firm of Martin Goldfarb Associates. Goldfarb in April of 1971 when the Liberals were in power conducted a survey into the province's tourist industry while at the same time conducting an opinion poll for the Liberal Party. At that time Finance Minister John C. Crosbie, then chief of the Liberal Reform Group in the legislature brought in a motion calling for a public enquiry into the incident. The motion by Mr. Crosbie, seconded then by the Leader of the Opposition A.J. Murphy said the situation with Goldfarb was at least a very serious impropriety."

MR. MURPHY: Absolutely.

MR. NEARY: I have only five minutes, Mr. Speaker, that is a minute gone there in heckling from the honourable minister.

MR. SPEAKER: Order please!

MR. NEARY: "Mr. Crosbie as well as other conservatives then in opposition said that it was obviously improper for the same firm to be doing these



two jobs at the same time and said it was a definite conflict of interest. Then Mr. Crosbie came into the House here, Sir, and amended the Throne Speech and here is what he said, 'that an enquiry be instituted into the operations of Martin Goldfarb of Toronto with respect to work underway for the Government of Newfoundland by his firm and reported political opinion polls underway in the province by Martin Goldfarb for the Liberal Party of Newfoundland and any possible conflict of interest or impropriety thereby resulting.'"

What does Mr. Crosbie say about that, Sir, on the 30th. of September 1972? Here is what he says when not the opposition, when the newspapers raise this McLean scandal, here is what Mr. Crosbie said the Minister of Finance when Mr. McLean was the subject of debate in the Provincial Legislature the past summer and that is back in May, Sir, May past. This is 1973 now, we are talking about 1972. "This past summer Finance Minister John Crosbie dismissed the opposition comments as a lot of cuff-huddle about nothing." About nothing, Mr. Speaker? Look at the list, look at the list of things that McLean is involved in with this government. If the honourable Premier wants me to send it over to him before he gets up and gives his rebuttal, I will be glad to do it.

Now, Sir, I just want to summarize the situation again. Before I do I want to say, Mr. Speaker, that last week I made a mistake and the mistake I made, Sir, was and this was a mistake that was made in passing me the name of the gentleman that came up to the Premier's floor prior to the Throne Speech being read in this House and prepared the statement that the Premier read on opening day in this House and probably the one that he is going to read this afternoon, the gentleman's name was not Ed Coady, Sir, it was Ed Swain. I hope to have that corrected for the sake of the record.

Now, Sir, here are the facts. Number (1), Mr. McLean is the public relations man for the Tory Party in Newfoundland, two provincial

elections one federal election. Mr. McLean, Sir, is also the public relations firm representing Burns, Denton (What is the other name?)

MR. W.N. ROWE: Burns Brothers & Denton.

MR. NEARY: Burns Brothers & Denton the government's fiscal agents. I can tell you what the honourable Premier said about that.

MR. MOORES: Are you reading from Hansard or -

MR. NEARY: No, I am reading from a paper. The Premier says; he went to school with Messrs Burns, Denton or whoever they are, he went to school with them but he was only ten, they were sixteen but he was only ten.

MR. EVANS: Where did you go to school?

MR. NEARY: Now, Mr. Speaker, also Mr. McLean represents

and Shaheen Natural Resources in the international world. How can you separate the three international and national and provincial? He has represented the Linerboard Mill. He has done work for ERCO and, Sir, he is doing work in this province that is not in the public interest, work that is inferior. We have already proven that. The Minister of Education, former Minister of Education, told us about that. He is charging inflated prices. He has received work with no public tenders being called, Sir, oral contracts, no written contracts. These are facts, Mr. Speaker.

The Public Relations Firm and NACOM which I understand is North American Communications, not Nutbeam and Company, have no credibility at all in the province, Sir. A firm with no credibility have their hooks into these departments including Tourism, Fisheries -

MR. SPEAKER: I do not like to interrupt the honourable minister but his five minutes is up and he has spoken the limit.

MR. ROBERTS: I beg leave, if the member could be allowed a minute or two to draw his remarks to a close. That is a common courtesy that has been extended many times. It does require leave, if it is to be granted.

HON. FRANK MOORFS: (PREMIER): Mr. Speaker, we only oppose it for one reason that the honourable member does have the opportunity to speak twice on this bill which nobody else does, in cluing up the debate on the bill, and I am sure that in his verbosity he can take his hour and a half then rather than take it on an extended leave now.

MR. NEARY: He gave us one minute to wind up and I wind up my case.

MR. SPEAKER: Does the honourable member from Bell Island have leave?

HON. FRANK MOORES: (PREMIER): Yes.

MR. NEARY: Well, Mr. Speaker, I started to say that the firm has no credibility in the province. They have their hooks into a number of departments including Tourism, Fisheries, Highways, Education, Social Services, Health, Mines and Resources. The facts speak for themselves, Mr. Speaker, and it is also interesting to note here the turnover of

staff with this firm.

Newfoundlanders have a strong stomach, Sir, but when they have seen the inside of this company they have had to leave. Their honesty forces them to quit. I therefore feel, Mr. Speaker, that it is necessary to propose this resolution which will I hope clear up matters.

If the McLean Organization is the object of unfair suspicion, it would be cleared, Sir. If on the other hand it is in truth fleecing our Public Treasury and our private enterprise, this fact will be brought out in all its sordid ugliness, Sir, and this economic cancer removed with surgical precision immediately the truth is known.

Mr. Speaker, I am placing this resolution before the House of Assembly and I am asking for its support, on both sides of the House by honourable members.

HON. FRANK MOORES: (PREMIER): Mr. Speaker, we have heard last Wednesday and again today something in excess of a ninety minute accusation based on innuendo, based on no facts. Rather than introduce the resolution and wait until the government presented the facts - and they will all be presented - before making comment, the honourable member from Bell Island saw fit to do a great many things which I will talk about first before referring to Mr. McLean and his companies and before all the ministers who have involvement with Mr. McLean and his companies speak as well.

Mr. Speaker, unlike the previous administration which I am sure the honourable member does not realize, this government will relay the facts to the House and not go on rumor and impression created by the mind of one individual. Mr. Speaker, I have never heard such partisan nonsense in my life as I have heard today through innuendo and directly. We have heard the member from Bell Island last week and today attack not just Mr. McLean in fact but attack the reputation of the government and because of his petty minded, parochial attitude, attack this province itself. He would not sit down and wait for the facts to be presented,

he had to make his political points.

Mr. Speaker, the assassination of personalities seems to be a way of life that has been created by certain politicians in this province. Personalities are the issues, not the issues themselves. Mr. Speaker, people like this are more to be pitied in the future of our province than blamed. We have heard during this speech, and I will refer to some of the points the member for Bell Island brought up, the word carpetbaggers, Mr. McLean is a carpetbagger. Funny thing that Mr. McLean came here and I will have a few quotes in that regard in a minute. We will qualify the work he has done and when we are through the people of this province will know that we have had work performed for money paid which is a great deal different than were some of the Public Relations Firms we have had in the past.

McLean is a Canadian company but the honourable member for Bell Island says that he is a carpetbagger because he moves from one province to another. Would the honourable member from Bell Island say IOC were carpetbagging because they were in Newfoundland, Shaheen Natural Resources, Wabush Mines and all these people, carpetbagging? The honourable member from White Bay South says yes. Is that correct? You say they are carpetbaggers? You would, Sir.

Having said that, Mr. Speaker, they are carpetbaggers and in the terms that his honourable colleague described them, they were not complimentary. I am glad the honourable member from White Bay South does not think we should do away with all the companies that are located in Newfoundland who happen to have head offices outside of the province.

This particular carpetbagger is located, Mr. Speaker, if you care to call him that, which he is not, is located in St. John's employing all people who live in this province, all that work with them. I will be going through the detail of that a little later.

During the reference to the honourable member's speech, the

detail on the booklet will be dealt with by the Minister of Tourism, on what happened on that particular occasion.

The member asked during his remarks, "Did Mr. McLean write a letter asking for work with the government?" The answer is. Mr. Speaker, I do not recall but he did get a lot of work from the government. I will show you and this honourable House that he did a good job after getting that work. Mr. McLean's reputation and the reputation of his companies were impugned by the member for Bell Island by remarks, Mr. Speaker, that he would not make outside this House but will only make in it. If any member or anyone has an accusation and is too gutless to repeat it when the man who is being discussed is involved, then he should not make the remark in or outside this House. He waves a piece of paper that our information from Toronto says a. b and c. Does he say who this information came from? No. Probably GoldFarb?

The fiscal agents, Mr. Speaker, Burns Brothers & Denton, I will have much pleasure in dealing with later in reference to a past public relations firm employed by this province and whom they represented, as well as how long Mr. McLean's association has been with that company as opposed to being appointed after a new government have been elected.

Talking about patronage, I will deal entirely with it in a few moments, Sir. Promotional tour I will deal with in a few moments as well.

He brought up the matter of Mr. McLean, in the lobby of this building, as responsible for the draw for hunting and fishing licenses, that he was the one that set up this whole bit. Mr. Speaker, that statement is untrue. It will be commented on later by the Minister of Industrial Development. Mr. Speaker, he will speak again I am sure but not now. Mr. Speaker, neither did he pump out the propaganda nor set up the draw because if a hunting licence had been set up there would have been one other animal added and it was not. I am sure Mr. McLean would have arranged that.

Mr. Speaker, the cost of the film for tourism will be dealt with later during my remarks. There is one thing that I would like to say that during the honourable member's remarks

he made a distinction to the fact that the script had not been prepared nor the oration properly done. He did not know it was paid for by McLean. The one thing that he did not recognize, Mr. Speaker, the one thing that should be recognized is that in that imputation he took another Newfoundlander by the name of Chris Pratt who is one of our most distinguished Newfoundlanders on ability in his field and through his condemnation, condemned a man who Newfoundland is proud of and certainly not by the honourable member's remarks, ashamed of.

Mr. Speaker, this sort of innuendo is a disgrace. He talks about kick backs to, by innuendo again, to possibly members of this House and I would say, Mr. Speaker, that if any kick backs had ever come to members of this House he would be in a position to judge much better than we on this side who are newly here.

Mr. Speaker, I do not think anyone in this honourable House, if we are ever going to get the stigma out of politics which we must do, I do not think anyone on this side of the House or on the other side of the House are anything but honourable men. How important is that that we are honourable men? Because, the day that any of us become dishonest is the day that we have let down our whole system and what we represent. Or for anyone, even by innuendo, Mr. Speaker, to suggest it is wrong.

We have the honourable member from Bell Island becoming puzzled as he said during his remarks. He said: "The ministers are allowed to make decisions." I will quote in a moment. I can understand why that was puzzling to the member, Mr. Speaker, because I am sure when he was minister under the previous Premier he was not allowed to make any.

The man - I am sorry, Mr. Speaker, the honourable gentleman goes through this in great detail. The fact that the departments should be allowed to act upon their own and I will quote from Hansard of last week, quote; the honourable member from Bell Island, Mr. Neary, as it is quoted in Hansard; 'I think' (and that Mr. Speaker, is



debatable) he said; " that the government as such is not doing business with McLean it is only departments. It is only the departments that are doing business with, individual departments, individual ministers not the government."

"Mr. Speaker, I know the honourable Premier does not know very much about government." (But if I could diverse for a moment, Mr. Speaker, I think we know something about forming one which the honourable member did not. "But, Sir,(as I carry on) "how can you separate the two? Are they all separate corporations going their own way? I say, they are not. Sir, the Premier is responsible for every action of one of these ministers or one of these departments," and here again, Mr. Speaker, I would like to diverse my comments by saying yes, that is absolutely correct, because I have competent ministers in charge of their departments so I have every confidence in them. Then he goes on to say that he -"he brushes it off by saying; 'No, no. no they are not doing business with the government as such, they are doing business with individual government departments and ministers.' Sir, and I have spent days and days trying to figure that one out I know I have puzzled and I have been puzzled." (Mr. Speaker, this is fairly obvious) " since I came into politics in Newfoundland twelve or fifteen years ago. There are things that I am not able to understand, Sir, but I am not the smartest."

Sir, I mean, these are fairly obvious statements that have been made by the honourable member for Bell Island, but they are also statements which take some clarification, because some people may not be sure if he is talking about the issue or if he had a personal axe to grind at that particular time.

Mr. Speaker, regarding the resolution itself, and this is really what I want to get to, certainly the remarks of the honourable member for Bell Island really do not deserve I do not think, any realistic or serious commentary. In the resolution I understand it to say that the present administration claimed that they would award contracts for

the expenditure of public funds only after public tenders have been called and that contracts involved the expenditure of substantial sums etcetera, without public tenders being called.

I suggest to the honourable member from Bell Island that he is saying that the work that Mr. McLean has done in this province should be subjected to public tender. Is that correct?

AN HON. MEMBER: An agreement to that a year ago.

MR. MOORES: Right. I would like, Mr. Speaker, as the honourable member for Bell Island has acknowledged that this work should go to public tender to quote his leader to him if he has not been quoted to by his leader before. Mr. Roberts, on page 3677 of Hansard last year; " I find it interesting that no bids were called nor have any bids been called. I do not find it unusual. I suggest that it has been done all over Canada and will go on. It goes on in Ottawa. When the Progressive Conservative Party formed the administration of the Government of Canada it happened, when the Liberal came back into the administration at Ottawa it happened again, it happens all the time. I would not be the least surprised if Ronalds-Reynolds lost the contract next year. It does not surprise me nor does it surprise the honourable gentleman from St. John's East, I would submit. It is quite normal. It is quite in hand. I do not find it curious and it comes from an administration that has made such a fetish of no conflict of interest." I will carry on just a little further, Mr. Speaker, regarding the quotes by the Leader of the Opposition which obviously one of his colleagues was not paying attention to at the time.

All I want to establish I think (he thinks too) it has been well established in this debate this evening, as if the present administration, if there is guilt, if there is wrong, if there is bad, if they are as guilty, if they are as wrong, they are as bad as anyone else, they are just the same as the rest of us, that is all. That is all I am saying, that is all.

Then, Mr. Speaker, on page 3687, one unqualified no other statement surrounds it at all, one direct quote from the Leader of the

Opposition; " I agree completely that you cannot call bids for films or advertising agencies." Mr. Speaker, I am sure the honourable Leader of the Opposition read this resolution before it came in. I am sure that he is competent of answering it. I will be very interested to find out what his answer is.

I am sure that he has the ability to change his mind as has anybody else, but I am also sure that in this sort of position that this is very difficult to do.

AN HON. MEMBER: The honourable Premier said (remainder inaudible).

MR. MOORES: The honourable Premier said that they would call tenders on projects that were basically - I have to quote here as well which I will be going through a little later by the way.

Mr. Speaker, I think the reference that is made here is, "that any project that comes up in any department that has McLean's services applied to, he is eligible to bid on it as others will be." I think that is the quote. Mr. Speaker, I am talking about special projects and not public relations. There is a very definitive difference as the Leader of the Opposition pointed out so ably last year. That is why, Mr. Speaker, it is impossible to call a bid on a firm unless you take the creativity and the imagination and the ability of the firm to do it and that is why in all governments such bids are placed in the hands of reputable public relations firms.

I will during the discourse this afternoon of talking about Mr. McLean and his companies, talk also about why we think they have done a good job, not just in comparison with what has been done in the past, but also, why they have done a good job for this government to date for the Province of Newfoundland.

The minister who have been involved with Mr. McLean and his companies will be making statements on their own, bringing before this House all the detailed dollars and cents and work done by a public relations firm. I might say, Mr. Speaker, that that is the first time in twenty-three years that that has been done.

Mr. Speaker, it is important to realize that we have talked to a number of companies regarding the matters of general rates and so on. We have in fact, had a number of our people investigate the rates of various companies and have always found as I will show you, that the McLean rates are highly competitive and in the great majority of instances well below the rates of other competitive companies.

One of the major factors in any company providing public relations service to a government, or to a private industry, is its accessibility and its geographic closeness to the accounts it will serve. A large Canadian public relations company, the McLean group

was a firm which was willing to come to Newfoundland and set up business here employing Newfoundlanders. The McLean group that has come to Newfoundland to establish a local branch of their public relations firm and to establish a local branch of its film making company.

Contrary to what the honourable member may say, Mr. Speaker, this has not been written by Mr. McLean. This is our own information. However, McLean has some input into it for the simple reason that we wanted some background which he supplied.

It was first established in McLean Companies in Toronto six years ago as a proprietorship owned by George D. McLean and engaged in public relations activity. Prior to that time Mr. McLean had been a public relations director for the second largest advertising agency in Canada. Prior to that he was public relations for the third largest advertising agency in Canada. Before joining these two large agencies in a public relations capacity, he was head of the public relations department for two smaller agencies. Prior to that time he had a distinguished career in communications field where he was staff reporter, photographer or news director for "The Buffalo Courier Express," "The Toronto Daily Star," the Gannett Chain of newspapers, radio and television stations, radio CHBC in Niagara Falls. He was a news cameraman for WGRT in Buffalo and for CHCH television in Hamilton. He also acted as a special Canadian correspondent for the international news service and international news pictures where he won a number of awards for his news photography.

Today Mr. McLean's Company handles the public relations for a number of large Canadian companies and out of 200 or more public relations firms in Canada Mr. McLean's Company is in the top ten. I think it important that I also discuss a subsidiary company called NACOM Limited. It has been suggested that this company was established solely to handle production in Newfoundland. However this company, Mr. Speaker, which is a wholly owned

subsidiary of the McLean Organization was incorporated in Toronto on March 3, 1966. In fact it was incorporated before the Holdings Limited Company was incorporated which is apparent of both the public relations and film and slide production group. This company was incorporated on October 29, 1969 and before that it operated as a proprietorship.

We heard a great deal about this NACOM Company and their inability to produce good quality product, by the honourable member for Bell Island. NACOM Limited is not new to film making as it had a considerable record of film production prior to a branch being established here in our province. In fact three years ago this corporation was judged to be a recognized film producer in Canada, by the Government of Canada, the Liberal Government of Canada, the Department of National Revenue, Customs and Excise Branch, when they were granted the right to use a special section of the Customs Act which allows film producers and film producers only to import film making equipment at a reduced rate of duty. I might say that I am advised that before permission is granted by the federal government to use this category, an extensive investigation is conducted by the customs department and the request goes before a board who will rule on whether or not the company is actually in film production and has a sufficient record of film productions to justify this special customs category. I stress that this was granted to NAMCO Limited three years ago, Mr. Speaker, I am sure while the member for Bell Island may think that this company does inferior work, I am delighted that its federal counterparts in Ottawa and the Department of Customs do not feel the same way.

I think another important factor which should be brought out is the fact that the combined staff of NACOM Limited and the McLean group within the province number seven full-time local residents and that much of the production work is done within the province, bringing in for the first time this type of industry into Newfoundland. This may seem like a very small business but it should be realized that within the Province of

Newfoundland this year this company now has a payroll of \$69,600 per year or an average of \$10,000 per employee.

In addition to this payroll this company would have spent within the last calendar year \$104,000 in the province. This means a total input into the Newfoundland economy of \$173,000 a year, which under the previous government was spent entirely, Mr. Speaker, outside of the province. As an example, this company hires to a great extent local announcers from the local radio stations to announce their commercials. Some of them are recorded by announcers on the mainland but the majority of them by local people. And other local people are involved in the processing of film and the sales to them of film and equipment of all kinds, leasehold improvement, office equipment etc.

McLean therefore is an experienced organization with considerable expertise in the area. They are operating locally and have located locally and are keeping a great deal of the money they receive within the province. Specific government departments require specific help with programmes in the area of public relations so that they can explain what services etc. are available to the general public and so they can help to educate the public as to how best to use these services.

Mr, Speaker, if there were any one area where the previous government had been at fault, for that matter the Government of Canada, irrespective of which party happened to form that government, it was the inability of governments to pass on programmes to the people of the province. Programmes could be drawn up, programmes that were worthwhile to the people but these programmes were never, the information regarding how people could take advantage of these programmes were not really very well done by government. Through the use of this organization through the projection for the various departments I will try and explain as I go through where this is now being done.

The McLean Group and NACOM Limited are providing a service for the government and therefore providing a service for the people. They are being paid by the people of this province. There is no mistake about that, Mr. Speaker, whenever anyone is paid through a government source they are paid by the people. It is imperative therefore that if they are to carry out this service then they must do it at competitive prices and at prices that guarantee the people of the province the best value for dollars spent. To this end the government have carefully investigated all of their prices and are fully satisfied that their prices are not just competitive but are more highly competitive than prices charged by other organization throughout Canada for the same services provided. I have comparative figures here. In fact their charges are in almost every case considerably below what is considered the normal charge for such service.

Mr. Speaker, I would like to give you some examples of the prices compared to other prices available. When they were required to produce one large fisheries film and two instructional fisheries films, the Minister of Fisheries had a member of government very knowledgeable in the film production field investigate cost of production of a number of Canadian film producers. Unknown to McLean, these jobs were costed independently - an average minimum for the three films was prepared and submitted to the Minister of Fisheries. The average minimum charge, Mr. Speaker, not all the charges, but the minimums that were received were \$94,000, McLean's quote, independently of any of the others, was \$92,000, plus copies of the same film. For the production of the main tourist film which has come in for much criticism by the honourable member for Bell Island, McLean's quote was \$36,000. A similar tourist film produced by the Province of Ontario ran \$56,000 and a similar tourist film produced by the Government of Alberta ran \$48,000. A similar tourist film produced by the Government of British Columbia ran \$52,000. A similar film produced for one of the tourist areas in Ontario ran for \$40,000. A similar film produced for the Province of Quebec ran \$51,000.



All of these prices are for the initial production of the film and in no way do they include the cost of the prints which are so necessary.

Now, Mr. Speaker, in this regard, I will be going through it again, here we have an accusation first of all that this film was too costly when in fact it was several thousand dollars less than any other province has paid for a tourist film of the same type. We also have had comments as to the title and the content of the film which I am sure will be dealt with by the Minister of Tourism when he speaks and which I will be referring to in a few moment. All these accusations were made, Mr. Speaker, before any of the facts were made available. The cost of the film was \$36,000, not some imaginary figure that the honourable member for Bell Island

just brought up.

For the production of three driver education films and companion one minute television educational commercials, NACOM Limited quoted a price of \$36,000 each. Two of these films dealt with specific weather conditions which are inherent to this province and require cameramen to stand by to avail of good weather conditions when nature decides what and when such conditions will occur.

Based on the production of the three similar films, depending on weather, for the federal government, cost comparing is very favourable. The federal government films were produced at a cost of \$61,000 each, Mr. Speaker.

Incidentally, on the highways films none of the safety organizations nor motorcar companies nor any other similar groups have attempted to cover weather, because of the cost factor. However, we have looked and are looking at these reasonable quotes from the McLean group and then we decided we would proceed in this area because weather is such an important factor to drivers in this province.

We came into a lot of criticism about reflectorized plates when the Safety Council of Canada, in fact, Mr. Speaker, says that an educational film on television is worth so much more in the safety context than this particular item that caused so much controversy at the time.

To deal for a moment with the question of tendering on films: It is important to realize that you are buying the expertise of producing the films, the mechanical know-how of taking the pictures, editing them, putting them together with sound, music etc. but more than anything else you are buying the creative ability of the film maker. At times straight forward films are put on tender but this is the exception to the rule.

Large corporations such as the International Nickel Company, Canada Packers - by the way to which Mr. McLean is the public relations firm - and I am sure the honourable member for Bell Island will want to attack Canada Packers as well. General Motors, Ford, Aluminum Company of Canada or Falconbridge discuss a film idea with a film maker were they feel

that it can serve the need of what they want to project. It is a joint creative effort where both the film maker and the customer must be compatible. It is not a situation which lends itself in any way to tendering unless you hire a film maker and then hire on top of it producers which you put on your staff or hire independently to direct the type of creativity you want. It is when the independent producers are employed or when there is a large staff of productive people within the government or a company that tendering may be practical. It naturally greatly increases the cost and this is why, to serve our purposes, an organization which best combines both services but also charges less is by far the best for our needs in this government.

Mr. Speaker, I would like to talk about the public relations area. The McLean group has been retained during this year to carry on public relations activity for two departments of government in particular. Later in the year they were employed to do a small job for a third department and details of these activities, as I said, will be made available through the ministers themselves.

First, however, let me say in the area of tourist promotion the companies efforts have been unequalled and have been a very important factor in the considerable growth shown in the tourist business in the province during the last year. I am sure it will be an even greater factor in another major increase in the tourist business during the coming year. For efforts in the tourist area the company had been paid \$7,000 per month, not as a fee but as a total budget. This has covered all of the activities that they have carried out, all of their expenses, when outlined by the Minister of Tourism later on, I am sure all members of the House will agree that we have gotten very great value indeed for the money spent. This organization has a great feel for the tourist business and I feel now that they have a great knowledge of our province. This organization has an unequalled mechanical knowledge of how to attain publicity, how to not just promote tourism through the press but how to reach through to our wholesalers, the officials of travel organizations, the various oil companies, how to work in co-operation with the

airlines, bus companies, companies operating cruises, ships and how to bring it all together for the greater benefit of the tourist industry of our province.

\$7,000 a month or \$84,000 for the year spent in this activity has brought to our province many hundreds of thousands of dollars in increased tourist business and I am sure over the next years will bring the province many millions of dollars in tourist revenue.

Mr. Speaker, just out of curiosity, if any members of the opposition would like some samples of the type of newspaper articles we are getting written, here we have newspaper articles from various papers all across Canada about fishing and hunting in this province, which were written by people who were brought in by the McLean group, at the McLean group's expense, under this particular budget, who went back, wrote the articles that were most favourable to our province, articles that would in fact have cost us a great deal of money if they had to be paid for in the way of advertising or what have you. That I will also be dealing with a little later.

Mr. Speaker, the name of 'tourism' is 'promotion' and this must be considered. We have a great province but we must sell it to those who do not know about it. We have a lot to offer the tourist but unless the message is carried to them the tourist will not come. In the history of Newfoundland, in the history of the tourist promotion in other provinces in Canada, no organization has been more successful than the McLean group. I am sure no organization has been able to show any greater increase in the tourist industry.

We investigated other public relations firms for this activity and we were advised by a number of people in the communications field, including large advertising agencies and large tourist operators as well as the officials in the tourist department of the federal government and a number of provincial governments, that we would receive the greatest dollar value from the McLean group because of their expertise in this

particular area. It is not known in this province but because of the McLean's group expertise, they have been hired, Mr. Speaker, by a great many people other than the Government of Newfoundland. We have heard the opposition say that this is a particular group that has been setup particularly to serve Newfoundland as a political pay off. Mr. Speaker, nothing could be further from the truth because when we are finished we will find that Mr. McLean and his companies deal with a great many more people than people who have interest in Newfoundland or who are in the Province of Newfoundland.

As an example: McLean's group experts were hired and have been and are by the Government of Israel for major promotion in the United States; by the Government of Taiwan for a major promotion throughout North America; by the Government of Hong Kong for the production of tourist material; by Holiday Inns International for a special promotional programme for all their Caribbean property; by several hotel chains for the promotion of their hotel services and are engaged now in an extensive survey regarding tourist promotion in Indonesia.

Mr. Speaker, Newfoundland are not the saviours for the McLean group. Contrary to any information my honourable friend may have had, the McLean group have shown their expertise internationally and with a great many major companies in Canada as I mentioned a few moments ago, Canada Packers being one.

For the Department of Fisheries, the public relations programme has been carried out this year. When it was found that because of the changes in the department the group could not be as extensive as first visualized, the McLean group immediately modified the programme to fit the immediate needs of the department. Although they had a contract they agreed voluntarily to reduce the fee proportionately. I might point out, Mr. Speaker, that when the contract was drawn up I was Minister of Fisheries and when it was reduced Mr. Cheeseman, the present Minister of Fisheries, as the honourable member for Hermitage,

was the Minister of Fisheries which probably puts me more on the hook than he is.

I would also like to discuss the industrial year book which is being produced. Industrial year book, Mr. Speaker, the McLean group is producing it at no cost to the government. This book when printed will be sent to industrial organizations in Canada, the United States and Europe as well as members of these financial communities and many other businessmen in the province. The book has been designed to assist in the promotion of industrial development within the province and to provide facts on the government assistance programme. They are available as well on the industries which are now located and operating within the province. It will also deal with industry which although not located in the province, service it. The cost breakdown of this book is as follows:

Expected advertising revenue, \$40,000.

Cost of printing with taxes, \$11,000.

Art work and lay out, \$2,000 .

Advertising sales, planning ads, ad. lay out etc., \$12,000.

Distribution, \$11,000.

Writing (the only direct charge by the McLean group by the way, Mr. Speaker), \$2,000 for a total of \$38,000.

This comes to a total cost of \$38,000 leaving \$2,000 as a reserve charge for miscellaneous charges or expenses. The book is important to the province. It is important to the industries which are located here and which are considering locating here. It is not a profit making venture by McLean, as the honourable member for Bell Island would have you believe. It is an undertaking which assists the province without being at any direct cost to the province. The printing is being done by a local provincial printer and the distribution will be done by local people

writing in the book itself. The costs therefore are easily checked and there can be no question in anyone's mind that this is a service of McLean's Public Relations as opposed to a giant money making scheme. Myself and the Minister of Economic Development wrote a letter asking advertisers to support this programme because it has been published through our support. The advertising was negotiated by a local firm having no connection with McLean's. This is one example of where this organization has tried to be of real service to the government at no cost other than sufficient to pay for the writing layout and supervision of the book. It is an important service and not a giant money making scheme as we have been led to believe.

The McLean group and George McLean in particular have been very strongly and very unfairly attacked. Here is a man and an organization who are providing a considerable service to this province. Mr. McLean did carry on public relations activities for the P.C. Party during the last election and, Mr. Speaker, I might say he did them very well. Frankly it demonstrated his ability and the ability of his organization. I see no logic in the suggestion that because he provided a service in this area he should be excluded from government business. We have a man who is recognized not just by some people in Newfoundland, not just by Canadians but internationally as an expert in the field of public relations and film production. We have an organization that is charging lower rates to the government than the rates of comparable companies. So what we have is unparalleled expertise coupled with the lowest possible cost and at the same time an organization willing to spend many of the dollars earned here within the province itself.

It is totally illogical to suggest that there is any mystery surrounding the activities of the organization or any question that the government is following the best course by employing the McLean group

as long as their rates remain competitive and their service is at the standard that it is at present. It has been suggested, as I mentioned earlier, that we have carpetbagging in the province.

Let us look at the investment in the province to date by the McLean group, Mr. Speaker. The McLean group has invested approximately \$65,000 in establishing facilities within the province. This does not include staff but only equipment for the development of film, production business etc. I asked Mr. McLean for these figures and they are incorporated here. Office equipment and supplies, all these things bought locally \$6,000; projectors and special office equipment \$6,500; filming and editing equipment \$3,000; cameras \$26,000 which were bought from outside but through a local agent; lights \$2,500; transportation \$8,500; dark room laboratory \$6,000; special leasehold improvement for office and laboratory \$7,000; slide projectors and sound equipment \$2,000; for a total of \$67,500.

In addition as a result of the business generated by the Newfoundland office, the Toronto branches had to acquire the services of two new film directors. As well thousands of dollars worth of additional equipment including splicers, timers and all these technical things were put in at a total cost of \$85,100.

Now, Mr. Speaker, here is a public relations firm that has of its own volition established here in Newfoundland, the first public relations firm ever that we have had in this province who has done that. They have come here and performed a job as will be detailed in this debate showing where dollars have been spent and value received. We have also heard the words, "conflict of interest," as well. I would now like to review just a few of those firms where there is supposed to be a conflict of interest and a few of the issues that have been raised by the opposition. In the first place there is no conflict of interest whatsoever in the type of activities Mr. McLean carries out.



for the government or his other clients; nor is there any conflict of interest between the fact that he is doing work for the P.C. Party and is also doing work for the government.

I am sure the hon. Leader of the Opposition would, Mr. Speaker, be the last person in this House to suggest that if the liberals again ever attained power in the province they would refuse to deal with anyone who had worked for them in their election campaign. It is ridiculous to even suggest that a person who has worked for a political party should in any way be excluded from doing business with government. Mr. Speaker, it is so ridiculous as to be untrue because in the two party system we have here, if the people were only allowed to work for the party they supported it would mean that virtually nearly fifty per cent of our people would have to wait four years before they could get a job again. It is so ridiculous as to be unbelievable even to make such an accusation.

We all realize that politics is part of our democratic system and that you cannot penalize people for taking part in the democratic process. They were penalized enough in the past in that regard, Mr. Speaker, and it is not our intention to do it in the future. Therefore obviously there can be no criticism of McLean doing business with the government just because he has also taken part in politics. The fact that Mr. McLean acts for accounts which have or might do business with the Newfoundland Government has been called by the opposition a conflict of interest and it has even been suggested that because Mr. McLean acts for the fiscal agent of the government, this constitutes a conflict of interest.

First let me point out, Mr. Speaker, that a conflict of interest in this case is ridiculous. If Mr. McLean or his firm acted for the P.C. Party and the Liberal Party or acted for General Motors or Ford or if he acted for Swift or Canada Packers which he does, does this mean to say

that that company cannot do business with the government through its institutions and so on? To even discuss it is totally and absolutely ridiculous.

The opposition are not clear in their terminology. What I say they may be suggesting is that because Mr. McLean acts for the government and private industry he might exercise undue influence on the government on behalf of his commercial accounts and if he did then this is in truth wrong for, Mr. Speaker, he has not. I know of and I have canvassed my ministers carefully and they know of no instance where he has acted on behalf of private industry in negotiations with this government. Furthermore it is very interesting to me to see the opposition who for many years employed MacLaren's Advertising Agency of Toronto to do their work, to complain about a conflict of interest or any other undue influence. In the national list of advertisers last year MacLaren's Advertising who did the previous government's business in this regard listed as some of their accounts the Government of Newfoundland and Labrador, Canadian Travel Bureau, the Department of Northern Affairs and Natural Resources in Ottawa, the Bank of Nova Scotia, the Bank of Canada and not to be outdone, La Banque Provincial du Canada. But, Mr. Speaker, they also list, amazing, most coincidental, A.E. Ames and Company the fiscal agents for the time for the Government of Newfoundland.

We have heard a lot of chaw on the other side regarding representing the fiscal agents of a province.

MR. ROWE (W.N.): Two wrongs make a right.

MR. MOORES: No but the difference is this, for the member for White Bay South the difference was this that Burns Brothers and Denton were employed by Mr. McLean six years before the P.C. Party were the Government of Newfoundland, A.E. Ames became the account of MacLaren's when the Liberal Party was elected in Newfoundland. There is a large difference,

Mr. Speaker. But also the list goes on to include the Brewers Association of Canada which negotiates directly with all provincial governments including Newfoundland re the sale of beer by the government and to come even closer to home, of course, it lists Molson's Brewery and Newfoundland Brewery among their accounts. This company also lists a liquor distillery selling liquor through the Government of Newfoundland's liquor outlets, Imperial Oil doing business in this province and, Mr. Speaker, it also lists as one of its accounts the Liberal Federation of Canada.

It was never suggested that they should resign their accounts or resign the government account because of conflict. No, Mr. Speaker, this was not done because they knew that such a demand would be unfair, unreasonable and unnecessary. For the member for White Bay South and his comments, what I am saying is that it is not wrong for these people to have represented these accounts. It is not at all wrong because they are genuine accounts and as long as they do not reflect or have influence as they operate within government itself, of course it is not a conflict of interest whether it be for MacLaren's or anybody else.

But, Mr. Speaker, let us look further. Let us look at the agency that succeeded MacLaren's as the agency for the Government of Newfoundland, Ronald Reynolds. Here is an agency that has listed among its accounts once again the Government of Newfoundland, the Federal Government, the Department of Trade and Commerce and we go on with a great many and list the many that do business in this province. Mr. Speaker, there was no cry of conflict of interest when they were appointed but here is another agency with a winery which controls, a

maritime winery doing business in the province with a traffic service involved with the government and a cement company selling to the government.

Mr. Speaker, let us look a little further, let us look at one of the agencies which they handle for the Department of Labour for the Federal Government and the largest account of the Government of Nova Scotia, the Department of Tourism, Goodis, Goldberg and Soran as well as these government accounts they handle the account for Hiram Walker a liquor company which does a great deal of business with the Province of Nova Scotia liquors control. The Mercantile Bank very closely involved in many financial deals concerning the provincial government. The Family Planning Federation which gets federal and provincial assistance. EPA which is greatly involved with the federal government Department of Transportation. Again, Mr. Speaker, no conflict of interest has been suggested nor shown because very simply if one has to pick a public relations firm or advertising agency or a film maker that did not number among their clients people who dealt with the federal or provincial governments you would have no advertising agency nor any public relations firm whatsoever.

It is only natural, Mr. Speaker, that anyone in that business is bound to have accounts doing business with other clients as long as they do not use one to take advantage of the other, in the case of governments there is not a conflict of interest. Mr. Speaker, the former Liberal Government took no action in this regard because they knew it was impossible. They took no action in this regard because they knew that they could not find a company to provide the service they required which did not also act for industries involved with the provincial government. The federal government knows the same thing as do the other provincial government of Canada. There is not one provincial government in Canada, Mr. Speaker, who does not have accounts located within their province and who also acts for the government the province.

Mr. Speaker, I would like to deal specifically with the activities of the McLean group of companies. They act for Bruns Brothers and Denton and have for the past five years, sorry I said six years earlier, five years handled this public relations from their Toronto office. Now, Mr. Speaker, this is very important because if you talk to McLarens they will tell you that different people are involved in the accounts and therefore different units make up the operation of their organization.

This is true of the McLean group who have over thirty employees. I would further suggest, Mr. Speaker, it is an advantage to the government to have a fiscal agent public relations firm knowledgeable the governments objective and problems. No two organizations have a more common interest and a more common set of objectives than the government and its fiscal agent. The McLean group does act again from its Toronto office for Shaheen Natural Resources but because this company is very closely involved with the Government of Newfoundland, to the construction of the various refineries at Come by Chance, Mr. McLean has on no occasion since he has been in this province tried to promote Mr. Shaheen. As for yesterday's announcement I am sure the honourable member for Bell Island will realize that was not necessary.

MR. NEARY: What about the trip to Cape Kennedy, who arranged that?

MR. MOORES: The trip to Cape Kennedy was arranged, it was a question from the other side, Mr. Speaker, by the honourable member. The trip to Cape Kennedy was arranged through an invitation from the United States Government. We accepted it. I assume Mr. Shaheen made the arrangement he was there and that was the beginning of the second oil refinery at Come by Chance. I am sure, Mr. Speaker, that our honourable friend for Bell Island who has a problem with speaking too much has gotten confused with achievement as opposed to patronage which I am sure he got as an honorary senator of Louisiana during his last trip to New Orleans.

Mr. Speaker, the McLean group (Rossie Barbour is one too, yes). also acts from its Toronto and Newfoundland offices for National Sea Products, Limited. Before accepting this account, Mr. McLean discussed

it with me. We both agreed that there was no conflict in anyway. Mr. McLean assured me that he nor any of his employees would in anyway be involved in any relationships with the government departments for this organization. This, Mr. Speaker, is exactly what has happened. I am informed that they carry on a public relations programme for National Sea Products, do press releases for them, assist them in the marketing of fish and fish products. But again they have never made any representation to any member of this government on their behalf or in fact to my knowledge and the knowledge of my cabinet colleagues have never discussed the company in anyway with any member of this government.

Mr. McLean was also public relations man for ERCO for many years way before this government came into office. Once again upon discussing with me I suggested to Mr. McLean a month or so ago that I thought his interest in ERCO as a public relations man would have a very direct conflict of interest in this province. With the problems that have arisen at ERCO there is no way, if he was doing his job properly that he could represent that company and represent the government at the same time because there would be a genuine conflict of interest. Mr. McLean has resigned as the public relations firm for ERCO and it was done for that reason.

Mr. Speaker, McLean's is carrying on a public relations programme in the same way as to add other advertising agencies, public relations companies and film makers of Canada. I might say from my own personal experience with Mr. McLean it is very careful to refrain from discussing with any government member, any of his private accounts, their activities or relations with this government. It is inconceivable that the accounts and actions of Mr. McLean could be questioned when for approximately twenty years the former Liberal Government dealt with the company which acted for the government, also acted for commercial accounts that had relations with the government. It is inconceivable that any conflict of interest should be suggested concerning McLean when he has been so careful not to

even discuss commercial business with those in my government.

AN HON. MEMBER: Inaudible.

MR. MOORES: No I am sure the opposition members, Mr. Speaker, from their remarks find it very unusual that to deal with people who could be honourable in a field where there could be a rake off involved. But I am sure also that with the change in government they were equally surprised.

AN HON. MEMBER: Inaudible.

MR. MOORES: Which one was which?

AN HON. MEMBER: The dragon was destroyed in March.

MR. MOORES: The dragon was destroyed in March. That is just about it.

I would like to make one other comparison, Mr. Speaker, last year the former Liberal Government authorized to be spent through these various public relation firms and I have the figures here. Ronalds Reynolds Marketing Consulting Service, \$35,885. T. E. McLoughlan Development Associates Limited, Industrial Promotion and Public Relations \$156,125, Gordon Goldfarb Consultants, a tourist study, \$82,000. Newfoundland Broadcasting Company spot announcements by Mr. John A. Nolan, \$18,000, Colonial Broadcasting System, \$1,134. Lee Wolfe production of tourist film \$50,000 and funds paid directly from the Economic Development Department, the Department of Mr. Smallwood's office, for promotional advertising \$60,000.

AN HON. MEMBER: Inaudible.

MR. MOORES: So he is, but he spent too much money when he was here. You see they are spending a great deal for a person who is broke when he is here too.

AN HON. MEMBER: Inaudible.

MR. MOORES: Mr. Speaker, that is a total of \$403,000 and for that amount the Government of Newfoundland received one, twenty-seven and a-half minute film, one report on tourism, and public relations assistance of one department and some Newfoundland advertising as well as some financial advertising. That was the total that was received for \$403,000. Mr.

McLean's bills will be very close to that and as a matter of fact they will be slightly more, I would guess, Mr. Speaker, they are not finalized as yet but most of it will be when the minister speaks in the vicinity of \$420,000. I would outline right now what will be received before that amount is reached.

AN HON. MEMBER: Inaudible.

MR. MOORES: That will be for the full fiscal year, as the last figures were for the full fiscal year.



We will receive for that amount which could, Mr. Speaker, but will not be any more than \$17,000 more than were paid to some of these people last year.

(a) one major tourist film which the departmental people say is a far superior quality to the one produced by Lee Wolfe the preceding year.

(b) a major twenty-seven and a half minute fisheries film.

(c) distribution and arrangements for the playing of the films at no cost to many millions of potential tourists in Canada and the United States and to the majority of the Canadian population on the fisheries film.

(d) for instruction of fisheries films of major importance in explaining new improvements in our fishing industry.

(e) three instructional highways films to be shown to young drivers, each of fifteen minutes in length and each geographically showing specific island driving conditions or provincial driving conditions  
I should say. I am sorry.

(f) fourteen slide presentations including the equipment to show them, dealing with the many of the government services of many departments available to the people of Newfoundland which will be shown throughout the province.

(g) a very extensive public relations promotional programme for the Department of Tourism and public relations assistants for the Department of Fisheries.

(h) a monthly bulletin for the people of Gros Morne Park area.

(i) photography service instilled to the Department of Tourism.

(j) public relations assistants to other departments if and when necessary.

I am sure, Mr. Speaker, that you will agree that there is no comparison between the work performed in one year as opposed to the other.

I would like to break away from these notes, Mr. Speaker, just

for one moment, which I had prepared, to pick up some casual ones that I researched since. That is an example in the tourist film alone which has received so much criticism. The tourist film which was thought by the opposition to be such a terrible document that the chairman or the president of the Industrial Tourist Association of Canada, which is the association which handles all the tour guides, all the tourist promotion for all the provinces, all the people who are involved in that sort of promotional business in Canada, writes and asks could we show this film because it is one of the best films he has ever seen? Would we enter it into the National Film Competition this year because he thinks it has award winning potential? That is the poor quality that the man across the way talks about. He must have been a Tory? I did not know. I did not ask him.

An example of the value for the tourist film, Mr. Speaker, is that 50,000,000 people will be seeing it this year in the United States and Canada on television. To buy one minute of television time on the number of stations that the tourist film will be shown cost approximately \$700,000 per minute. It is a twenty-seven and a half minute film that is being shown at no cost to the people of this province.

The fisheries film, the same thing and on and on you could go for services received like the articles that I mentioned that were shown in the newspapers I had here previously. We have had more value received for monies spent this year in public relations and tourism, Mr. Speaker, I will not say than in twenty-three years past but certainly many of them. It shows indisputably that the services provided by the McLean Organization to this government are, as I have said in the beginning, of unparalleled value.

Naturally, these services can be provided for this amount money because the McLean group has been able to concentrate their efforts, establish in the province, co-ordinate their programmes together and thereby afix savings. I suggest that this is far better than buying services from people all over Canada each taking money out of the province

instead of spending a large portion of it here.

Last year the film was made in Boston by Bostonians, the public relations being carried out by a firm with no personnel here, only personnel in Ottawa. The consulting was done by a Goldberg Organization which was also money taken out of this province. Again the McLean group has spent and is spending money here employing Newfoundlanders. We have on hand all the films and slide presentations, new bulletins etc. which have been produced to date. In that regard, Mr. Speaker, regarding that booklet which was of cheap value, which was not a good presentation, that was waved by the member from Bell Island, this will also be commented on by the Minister of Tourism.

If there is any question as to the quality of the films, slide presentations or other materials, we would be delighted to have the McLean's Organization show them at any time to any of the members of the opposition or people who are interested.

The two major films we have already shown. All of the members of the opposition were invited to attend and none saw fit to do so with the exception of the honourable member for Labrador South.

MR. ROBERTS: I do wish to discuss that because we would have gone if we had realized the films were to be shown. The invitation we were given was to - what we were told was a press cocktail reception so we did not go. We would be delighted to see the films. To make it a question, does the Premier realize that?

HON. FRANK MOORES: (PREMIER): I apologize to the Leader of the Opposition, Mr. Speaker. They did not realize the films were being shown?

MR. ROBERTS: No, we were not told that. I would love to see them. I would really like to see them. Before a select committee, preferably.

HON. FRANK MOORES: (PREMIER): Mr. Speaker, it has been suggested by the opposition in their, or at least in the wild, unfounded attack by the honourable member for Bell Island, that native Newfoundlanders have been resigning from the McLean group operations here at a rate of one a week because of business dealings of the company. Mr. Speaker,

eight employees over a year have resigned from the McLean group and this is the history of many new groups because people want to try something new, particularly in this field which they think is glamorous and then they find that it is not to their liking.

MR. NEARY: That is not the way I hear it.

HON. FRANK MOORES: (PREMIER): Mr. Speaker, the member for Bell Island says that is not the way he hears it. I think probably the member for Bell Island has more problems understanding and listening than actually hearing.

Mr. Speaker, I think one of the most important things to remember when considering the activities of the McLean group of companies is that they are fulfilling the need. We are spending the same amount of money or less than we have spent in the previous administration. By dealing with the McLean Company we are getting many added very necessary services. Probably one of the best examples is in the field of the Department of Fisheries. For a number of years the Department of Fisheries has been doing research in and field testing of new types of fishing gear, new methods of fishing, new ways of improving the profitability of this important industry for our fishermen. Information was being gathered together but it never got out. Some of the people in the department knew there was no method of getting this information on a mass basis to those directly involved in the industry. It is obviously so good for the department to know that the scottish ring net, for instance that at fishing can be very successful in Newfoundland or that cod traps can be more effective if they are modified unless the fishermen themselves know it. If the fishermen do not know it then the research and study is a waste of effort which benefits noone.

As I have said, Mr. Speaker, this type of investigation and study has gone on for some years but little attempt has been made on a mass basis to get this information to all of the fishermen in the province.

This year through the radio programme, through the instructional movies which have been and are being produced on cod traps, on basic processing, on ring netting, on trawler life etc, we have put the message in a form that can be easily distributed and is being easily distributed to fishermen in all parts of the province at this present time.

Now obviously the movies are not good unless you have the facts but the facts are of little or no worth unless you have the vehicle to tell the people about them. This instructional movies are not simply movies with the fancy announcer but rather are films of an instructional nature told in a way that the fishermen will know and understand. These are important programmes, programmes which my government feels must be continued if we are to be of maximum assistance to those people in the fishing industry.

When elected we said the involvement of people, the dialogue with the people and providing the people with information was one of the most important tasks of government. The choice of method to be used, whether it be movies, slides, printed matter etc. is a matter of judgement, an opinion. No one, Mr. Speaker, can quarrel with the basic objective itself of providing people with information that is valuable to them.

We choose the movie method and the slide presentation method because they offered easy profitability, the combination of both the audio and visual message and thirdly, probably the most important of all that of instructional movies that show the various processes.

Mr. Speaker, the fishery in Newfoundland is a very important part of our economy. I think everyone uses this, I think it becomes very much of a political issue on occasion because a lot of people say it and a lot of people do not mean it. If our fishery in this province is going to be projected, moved into the era where it really is going to have some benefit for those involved in it, then we as a province must get the message across to our fishermen in particular that there are new and better ways than possibly they know where certain things can be done.

I do not think anyone, particularly the fishermen, would say that they have all the answers to all their problems. I know a few years ago any diversification from cod fishing itself would not have been heard amongst the fishermen. Today these changes are taking place but they take new gear, new boats and new equipment which were not readily available nor readily indentifiable at that time. When something new comes up that is of value, Mr. Speaker, it is very important that the government or those in positions to pass on this new information do so in whatever and the most effective manner they feel is best.

This year the fisheries film will be seen on every English television station in Canada and it has been booked on every English television station in Canada to just show how important the fishery is to our particular province. The new tourist film has already been shown by C.B.C. here, C.B.C. in Toronto, C.F.C.F. Montreal, one of the T.V. stations in Calgary, W.G.R. in Buffalo, in New York and it is about to be shown on two of the major New York television stations as well as ones in Chicago.

The twenty-seven and a-half minute movie is being enthusiastically received and for the next two years will be shown on television stations throughout the Eastern United States and all of Canada. The cost of this film, as I mentioned before, was \$58,000 including one hundred prints. Incidentally, the prints cost approximately two hundred dollars each. The shooting of this film took a cameraman a

total of more than eighty days, editing took one hundred and twenty-one days by the film editors and it took several more days to mix the sound and make the inter-negatives where the prints were taken from.

I could go with a great deal more technical data here which I am sure the minister has to discuss in some detail and which I will skip for now.

Not only has the McLean group produced this film, but as a part of their budget the Tourist Department has (1) established a quarterly newsletter distributed to all those in the travel industry in Canada and the Eastern United States. Invited to the province and worked with them after they were here, prominent sports and outdoor writers to publicize such activities as tuna fishing, salmon and trout fishing etcetera, and these are just a small sample, if any one on the opposition would care to look at them for the type of publicity we got when these people went back. All of this was in the budget of McLean, his budget not ours.

Released feature stories to the news media throughout Canada and the Eastern United States about Newfoundland. Produced a series of local and international releases and feature stories of fishing and other events taking place in the tourist interest in Newfoundland. Instituted a programme of working closely with large tour operations in Canada and the Eastern United States to assist them in promoting special group travel to Newfoundland next year.

I would like to speak personally on one of these programmes, which was carried out last summer. To encourage the tuna fishing and other sports activities, the McLean group brought to Newfoundland, again out of their overall budget, prominent sports writers from the major newspapers of Canada, showing them the tuna fishing, salmon fishing etcetera we have in the province. All of these sports writers, upon their return to their respective newspapers, did an extensive series of stories praising this province as a "must" for sportsmen to visit. I

-stress this series of stories because it is exactly what these writers, Mr. Speaker, did. They did not go back and write a single story they wrote a series of stories, over several weeks.

They wrote story after story telling of the excitement, telling of the fun and relaxation to be experienced here and urging their readers to come and take part in it themselves. This type of publicity is difficult, Mr. Speaker, if not impossible to obtain unless the public relations people who are handling these people on their visitations are actually handled well and they feel comfortable when they are here.

Mr. Speaker, I have just returned from Toronto last week where I had the opportunity of viewing one of the multi-criticized aspects of our public relations effort in this government. I was there when the film was showing, that "Come Paint and Photograph us" which once again is the title that is not too popular with the member for Bell Island, I will be remarking on that in a moment. There were over one hundred people present, all putting package tours together for tourists to visit various parts of the world and Canada. They were all very excited and they were all very anxious to know more about Newfoundland. A great many of them are coming down and a great many of them want to get in touch with our tourist department to make sure that the proper arrangements can be made.

Mr. Speaker, the cost of that particular party, for the edification once again of the honourable member for Bell Island ("who paid for the booze? The gin-drinking government" and so on) that total cost was borne by the McLean group as part of their overall budget and the cost to the Government of this Province and the people of this province was the minister travelling from here to Toronto and back again.

Mr. Speaker, this is the type of activity which can be directly related to the long-term expansion and development of our tourist business. We cannot sit and wait for the tourists to



come. We in this province are competing with the other provinces in Canada and with many locations in the West Indies and Europe and for that matter throughout the world today. We have the scenery, we have the pollution-free air, (except on occasion in this chamber) we have the tranquility, we have the friendliness of our people but this is not enough, unless we actively sell these assets to the tourists, to the travel press, to those engaged in the tourist industry.

This is the meeting that was held in Toronto, as an example. There are others being held in New York...

AN HON. MEMBER: Boston and Philadelphia.

MR. MOORES: Boston and Philadelphia, where the Canadian Consul is sharing the cost with the Newfoundland Government because they think it is such a marvellous idea. But then again, I am sure the member for Bell Island is not beyond attacking Canadian Consuls amongst his other weird and many subjects which he gets tied up in every now and then.

MR. NEARY: How about coming to Bell Island and throwing a cocktail party for the boys over there?

MR. MOORES: The honourable member for Bell Island suggests that we go over and show the film on Bell Island and have a cocktail party for the boys over there. I am sure upon the occasion when the member for Bell Island returns to his district, that is entertainment enough for anybody, Mr. Speaker.

Mr. Speaker, as I said, the ministers of the various departments will be detailing exactly what money has been spent and what value received by the McLean organization. I have tried in a general way to point out some of the areas in which he has been involved and some of the attitudes of this government. I apologize for having to read some of it, because I did want to establish some of it actually on the record and make sure that I just did not go into a wild tirade because I think it is too important, Mr. Speaker, that the government itself at least show some responsibility in establishing the validity of the various people and the various programmes it has.

Mr. Speaker, as I said earlier, whenever someone attacks an individual in this House and we have had a lot of it, it seems to be almost a way of life in here, whenever somebody attacks an individual in this House it does nothing in effect but affect the credibility of this province. Whenever a person gets up and slanders or vilifies and makes statements that he will not make outside the House, whenever they try to do something by innuendo, this, Mr. Speaker, does nothing but discredit, I hope in the future the individual who thinks this is the way to play the game realizes this.

It is a little game, Mr. Speaker, that is basically a very sick little game, because we have a province to build and we have a province to build that takes public relations firms to do it. We must take the expertise that is available to us as a people and make sure it is to the greatest advantage of our province.

We talk about McLean in this resolution. There are departments here in this government that have returned his work - on one project I know of one department that returned the work three times because it was not satisfactory. The only reason, Mr. Speaker, that was not done under the previous government was because no work was needed to be done, so there was nothing to be turned down only the poll, the Goldfarb famous poll. That should have been turned down, Mr. Speaker, because it was not very accurate.

Mr. Speaker, this province where the opposition and ourselves have a tremendous responsibility

MR. MOORES: responsibility. This business of individuals and name calling, "patronage," great stuff this word patronage, making him the very first claim on the resolution itself.

"The present administration claimed they would award contracts for the expenditure of public money only after public tenders were called." On page 367 right after that quote last year which was taken out of context and put on this resolution, the Leader of the Opposition, "I agree completely that you cannot call bids for films or advertising agencies," and on and on it goes. This, Mr. Speaker, is just someone trying to misconstrue the facts. Someone who wants to make a political issue out of something that is basically so unimportant as to be unbelievable, to waste two days after today, probably next week a full day of this honourable House debating a quirk of an individual or group of individuals is absolutely disgraceful.

The people of this province deserve more than politicians who are in here trying to make issues out of nonissues, of people who talk about other personalities because they enjoy it, because it is a way of life. Mr. Speaker, it is the issues we want discussed in this House and the sooner we get back to the issues themselves, the better off the province and this House will be.

MR. F. ROWE: Mr. Speaker, I welcome the Premier's comments regarding the attack of individuals, personalty assassination, slandering individuals and this sort of a thing. It is about the only thing in the whole speech that he made this afternoon that I agree with.

I would like to point out, Sir, that he became a part of an organization, an administration, a party last year that spent two or three or four years in this honourable chamber,

Sir, doing nothing but attacking the personality of the then Premier, the personality of the various ministers of that administration and the personality of Mr. Shaheen himself. So I welcome his comments but for the life of me I cannot see what the honourable the Premier is doing.

MR. MOORES: Would the member permit a question?

MR. F. ROWE: Mr. Speaker, I believe I only have ninety minutes to speak and the Premier can leave his questions for later on.

MR. MOORES: I was just wondering, Mr. Speaker, if he is more interested in the past than the future, like his colleagues, that is all.

MR. F. ROWE: Mr. Speaker, this is the type of thing that we had to listen to in the honourable the Premier's speech for the first fifteen or twenty minutes. Nothing but a series of sarcastic remarks, clichés and jokes and wisecracks and the digging up of frivolous quotes from the previous administration that were absolutely meaningless when it comes to making debating points with respect to this particular proposal or resolution.

Interruption inaudible.

MR. F. ROWE: Sir, I think I should have the right to be heard in silence. My colleagues and I did the same thing over on this side of the House while we were listening to the Premier and I would expect the same sort of treatment. Thank you, Mr. Speaker.

Sir, I really cannot believe the nature of defense that was made by the honourable the Premier. It was unbelievably weak. It was pathetic. Sixty or seventy minutes listening to the Premier trying to defend the indefensible in this case. He referred to a few quotes made by the honourable Leader of the Opposition sometime last year, I believe, what he

neglected to refer to was the fact that the honourable the Premier in this honourable House said that no contracts would be given to Mr. McLean or any of his subsidiaries unless public tenders were called.

Sir, this was said in this honourable House by the honourable the Premier. You cannot call it a lie, Sir, you can certainly call it a terminological inexactitude and I have known people who have had to resign on this type.

MR. MOORES: Mr. Speaker, is the honourable gentleman suggesting that because of that quote, that I should resign?

MR. ROWE: You would be doing the country a service.

MR. SPEAKER: Is the honourable member speaking to the point, if not I will allow the honourable Leader of the Opposition to speak to the Point of Order.

MR. ROBERTS: I admit that that is no point of personal privilege. It may be a matter of public privilege, if the Premier were to resign but there is no personal privilege in it at all.

MR. SPEAKER: I inform the honourable members that the honourable member speaking does have the right to be heard in silence.

MR. F. ROWE: Thank you very much, Mr. Speaker.

Sir, the speech made by the honourable the Premier, really contained nothing but a list of testimonials to George McLean and in certain cases he simply made the point that two wrongs seem to make a right. Any criticism that he made of the former administration and his colleagues have made of the former administration in the past, he takes this as justification for doing exactly the same thing during the present time.

In supporting this resolution, I think there is a great need for it, I would like to commend the honourable member for Bell Island for bringing before this honourable House information

and facts the likes of which we have never heard before concerning the operations of an organization in this province, that of the McLean Organization. Sir, they appear to have placed themselves in a position of conflict of interest, the same kind of conflict of interest that was described by certain honourable members on the other side of the House for the past two or three years. I was not in the House when the member for Bell Island made his speech calling for a select committee of this House to investigate the peculiar relationships that exist between the present administration and the McLean Organization. However, Sir, I did read the verbatim report of Wednesday, February 21 and I was utterly flabbergasted at the revelations contained in the honourable member's speech.

It is abundantly clear, Sir, that the honourable member presented a well-prepared and well-researched exposé which must have consumed a great deal of his time. Sir, I think that the honourable member is to be commended and congratulated for his excellent presentation and for having the courage and intestinal fortitude to bring these facts before the people of Newfoundland and before the people of Labrador.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: The Burgeo burp. Sir, the honourable member for Bell Island is an obvious embarrassment and in fact a thorn in the side to the present administration. Now, Sir, we can see the reason why the administration is going a step further than having the honourable member investigated by the police as they do in some provinces when they try to do their best for their constituents, particularly in the case of the honourable member for Bell Island when he becomes a threat to the government and they subject him to all sorts of royal commissions.

Sir, there were a great number of charges made in the

House by the honourable member for Bell Island. Every single one of these charges had to be proven beyond any shadow of a doubt here in this honourable House. They had to be found to be absolutely without foundation and they had to be proven absolutely false or a select committee of this House has to be established in order to investigate fully the operations of the McLean operation.

Sir, if there is any doubt whatsoever on any of these charges, a select committee must be set up to satisfy the people of Newfoundland and Labrador because a great many questions have in effect been raised. In fact, Sir, if this administration is as pure and innocent as they suggest they are respecting these charges, they should in fact welcome the establishment of a select committee. Sir, then the truth will be brought out and if there is nothing to be feared, it is going to be all right for the government in this particular case.

If the present administration are not afraid of the truth, then they should welcome this proposal to have a select committee of the House of Assembly set up and they should welcome it with open arms. Sir, there are a tremendous number of examples of questionable activities relating to the various companies of George McLean. There are a fantastic number of examples and facts presented by the honourable member for Bell Island. Sir, I sincerely hope that the honourable members on the other side of the House do not adopt the strategy of trying to disprove or find a few weak inaccuracies in a few of these many charges that have been made by the honourable member for Bell Island in order to attempt to try to discredit his

whole presentation.

Sir, a few inaccuracies or a few exceptions should not and cannot possibly distract from the overall impact or seriousness of all the charges made in this honourable House by the member for Bell Island. Sir, every single charge, item by item, has to be proven to be completely false or the select committee must be set up in order to investigate the McLean organization. If there is any doubt, this administration is obligated and all honourable members in this House are obliged to support this particular resolution.

Sir, to be quite frank with you, I would be extremely surprised if every figure given by the honourable member for Bell Island, if every detail, point that he made was completely accurate.

MR. NEARY: The Premier did not deny it.

MR. ROWE, F.B. Sir, he did not have a very large field staff to say the least. He does not have a large organization behind him. The present administration the honourable ministers on the other side of the House do have departments behind them. They have a large number of civil servants working for them and it would not be a surprise to me at all if they might find a few inaccuracies in some of the speech of the honourable member for Bell Island.

MR. NEARY: No. None.

MR. ROWE, F.W. Probably not one. I have not heard a denial today, not one single one but it still would not surprise me, because he does not have this civil service behind him.

But, Sir, if this does happen, if the honourable ministers on the other side, if they are able to point out a few inaccuracies, which I doubt they will, if they do that, this should not be used as a strategy or a futile attempt or a counter attack on the part of the members on the other side of the House in order to distract from the overall seriousness of some of the charges that he has made.



Sir, as I understand it, we are debating the need for the establishment of a select committee of eight members to investigate into and report on the operations of the various companies of George McLean.

Sir, why are we really debating this resolution? Because, Sir, there have been a great number of examples given of contracts being awarded to Mr. McLean and his companies without public tenders having been called. Can you imagine, Sir, this administration committing such a sin? Over the years the Tory Party argued against such an act. Such an act, Sir, was practically listed in everyone of their platforms and manifestoes as a cardinal sin, cardinal sin number one.

Sir, how can honourable members on the other side of the House who argued so vociferously in days gone by against contracts being let without calling public tenders how can they sit there and be a party to the breaking of one of their own commandments that they have been setting up over the past ten or fifteen years?

Sir, make no wonder the honourable member for St. John's North could not stomach it any longer and now finds himself like some of the rest of us as just ordinary, humble M.H.A.'s in this honourable House. Sir, where are the lily-white honourable members on the other side of the House, the great defenders, I think particularly of the Minister of Justice who screamed loudly and clearly in days gone by against such activities?

Sir, I would assume that when their time comes that they will stand in their places and they will stand up and they will be counted as being in full support of this particular resolution. Otherwise, Sir, many of them can be accused and rightfully so of being elected last March under false pretences because this is the very type of thing that these same individuals campaigned against.

Sir, it was my understanding the last provincial election and certainly following the last provincial election that the Newfoundland people, the people of Newfoundland and Labrador, voted for a complete change in the alleged practices of the previous administration.

Sir, I do not know if the people of Newfoundland have really seen that complete change. I think they have seen a change for the worse. I think they really witness and see a change towards an intensification of the patronage system, the very thing that the honourable members on the other side of the House were campaigning against.

Sir, I also understand that we are debating this resolution because the present administration claimed, before and after the last election, that they would not indulge in any practices whereby the public interest of this province would conflict with the private interests of any other body in this particular province.

Sir, we have been told that the McLean's Empire extends into the world of industry and business in this province and other parts of Canada and indeed the whole world. Sir, we are told that he handles public relations for Shaheen Natural Resources. We are told that he works for the Electrical Reduction of Canada, but I believe the Premier mentioned this afternoon that this is no longer the case. So, Sir, it seems now that we have a situation whereby the honourable the Premier himself decides what is and what is not a conflict of interest in this particular case.

Sir, we understand that some of McLean's company takes care of public relations, public relations for National Sea Products Limited and also acts for the Labrador Linerboard Mill, and this is a crown corporation.

Sir, the McLean's Empire also extends into the world of government in this province. We have been given a great number of examples of

miserable and inferior and substandard work being done by McLean's for the various government departments. The honourable member for St. John's North has stated publicly that a \$400,000 contract was awarded to George McLean for work that could have been done for \$500.00. So in some cases we are having inflated prices for work being done and in other cases we see inferior work.

Sir, this is the very type of thing that honourable members on the other side of the House campaigned against during the two recent provincial elections here in Newfoundland.

Sir, we know also that the McLean's Empire extends into the government's fiscal agents. Sir, I think they do some public relations work for Burns Brothers and Denton. Sir, we also understand that the McLean's organization have been and continues to work with and without pay for the P.C. Party in Newfoundland and Labrador.

Sir, this constitutes an unbelievable conflict of interest if we were to believe the statements made by the honourable Minister of Finance in recent years and by the honourable Minister of Justice and some other of the honourable ministers on the other side over the past few years.

Here is a firm or firms owned by George McLean working for and with government and working for, with the government's fiscal agents, a firm working for and with companies with whom the present government are presently negotiating and battling out contractual agreements and a firm working for the Tory Party here in Newfoundland.

Sir, if the honourable Minister of Justice and the honourable Minister of Finance were in their seats at the present time I would ask them if this does not constitute a conflict of interest that they spent the last two or three years decrying to the people of Newfoundland. They campaigned vigorously against it, not only in the last two provincial elections but also, in the case of the honourable Minister of Finance,

he campaigned extremely vigorously against it in the 1969 Liberal Leadership Campaign.

Sir, we must remember that the present administration on the other side represent a loose conglomeration of anti-Smallwoodites, pro-Hickmanites, pro-Crosbieites and a few disillusioned Liberals and still fewer true-blue Tories in this province. Sir, every one of these packages, without exception, campaigned against what they called conflict of interest in the last several years. Sir, they were elected on that basis. Sir, they have no other choice than to stand up and support this very necessary resolution that has been put by the hon. member for Bell Island. Sir, I have no doubt that they will. If they do not, they will be capitulating completely on one of the very principles for which they stood and for which they fought and for that matter, for which they were elected back last March.

Sir, the more I think about it, the more I think that this resolution really represents a vote of confidence in the present administration. I think probably that a very good case can be made for it. However, Sir, I have the funny feeling that if this were interpreted as a vote of confidence, we would have very few people on the other side of the House standing up in support of this resolution since it could possibly mean the defeat of the government. I really feel quite strongly that if it were not considered as such, that we will see a fair number of honourable members on the other side getting up to support this particular resolution.

Sir, besides the obvious conflict of interest situation that has been so ably explained to us by the hon. member for Bell Island, we have been told that substantial sums of money have been paid to Mr. George McLean and/or his companies in advance of work performed. Sir, I did not hear an answer to that from the hon. the Premier this afternoon.

Surely, this is a most unusual procedure for which we certainly have not heard a satisfactory explanation here this afternoon. Was this money advanced to keep one of McLean's companies from going up the spout? We have to ask ourselves, you know, what kind of a stranglehold does Mr. George McLean have over the Premier or on the Premier, if he is able to extract such a deal? What kind of deal has been made between the two gentlemen? What is the explanation for such an unusual procedure? We, on this honourable side of the House, Sir, have not had a satisfactory explanation. The people of Newfoundland I am sure want to know what the answer is to this. Sir, this is the very reason we are calling for this select committee. If we get all the answers to all these questions in this honourable House, all the answers to all these questions, obviously the need for a select committee would not exist. We are not getting these answers in the major address delivered by the hon. the Premier this afternoon.

Sir, another reason that we are debating this resolution is that there is an obvious need to have a select committee investigate the shoddy and inferior work being produced for the Newfoundland Government. Sir, some of this is being and almost nearly got exhibited and displayed all over North America and possibly other parts of the world. Sir, we have, as the hon. the Premier suggested, a beautiful province. We have a beautiful way of life. Sir, we still have to move ahead in a lot of services and accommodations in order to attract visitors to our province and to attract businessmen to hold conventions here. The last thing that we need, Sir, is to have shoddy advertising

pouring out of this province. It could cast a poor reflection on the very nature of this province. Sir, there are some questions here and unless these questions are answered satisfactorily, a select committee is absolutely necessary.

Now, Sir, the hon. member for Bell Island in his speech delivered last Wednesday in this honourable House raised a great number of questions. The Premier chose to call them accusations, I can well understand why. There were a great number of questions raised by the honourable member. Sir, we did not get satisfactory answers to these questions here in this honourable House today. Sir, the question was raised as to whether NACOM was registered in this province. The question was raised, did the Minister of Finance give a letter to Mr. George McLean to wave under the noses of potential advertisers for advertising? Presumably, this was in the tourist publication. Sir, this was a serious charge and it was not answered by the hon. the Premier in this honourable House today. I might point out that in a press release given by the hon. the Premier, I believe last week, he stated publicly that he would take the honourable member's accusation item by item and disprove every one of them. Sir, I do not think the hon. the Premier today disproved any one of them, let alone all of them. Sir, there were two pictures, one of the Minister of Finance and one of the Minister of Public Works, invoiced for \$500. The question was asked, "is this true?" If you want to call it so, it was an accusation. That question was not answered in this honourable House today by the hon. the Premier. The question was asked whether or not the invoices were rejected by an official of the Department of Economic Development. That question, now correct me if I am wrong, I do not believe was answered in this House today.

Sir, a very serious charge was made with respect to 80,000 copies of the tourist publication. The charge was that they were taken out, under the cover of darkness of night, and were dumped in the city dump, in

Robin Hood Bay. Sir, this has not been denied by the hon. the Premier. The next logical question we should ask here is: What did this 80,000 copy dumping cost the Provincial Treasury? Who suffered the loss? Was it Mr. George McLean's Organization or was it, in fact, the Provincial Government?

Sir, another question that was asked was in fact the McLean Organization advanced \$116,056.97 in the period up to June 30 and for what reason? I repeat, this question was not answered by the hon. the Premier. How can the Premier explain when he said that two weeks prior to June 30, right in this honourable House, Sir, that no contracts will be given to McLean without the calling of public tenders. Sir, that statement was made here in this House by the hon. the Premier. The only defence the hon. the Premier had of that statement here in this honourable House today was that it referred to something that the hon. Leader of the Opposition said, I believe, last year sometime. He evaded the question completely. Sir, the hon. the Premier did not explain the subhead 1412-05-06, Public Information Service, \$43,000 and this was pointed out in the Auditor General's Report and there was supposed to be no McLean involvement in the Department of Fisheries at that time, just a simple

full explanation, Sir, of what this was all about would have satisfied honourable members on this side of the House. But again another example of an accusation or a serious question being raised that did not get an answer from the Honourable the Premier.

I cannot remember, Sir, what the honourable Premier said with respect to whether or not Mr. George McLean got a letter off to the honourable the Premier on January 29 asking for -

AN HON. MEMBER: Inaudible.

MR. ROWE, F.B. Oh, yes. He did not recall whether or not the honourable Premier got that letter. Sir, when a person does not recall -

MR. NEARY: He is hiding something.

MR. ROWE, F.B. He is hiding something. He is evading the question.

Sir, another serious charge was made by the honourable the member for Bell Island and that was the suggestion that the McLean Company was in peculiar financial trouble, that they did not have credit anywhere. Sir, this charge was made in this honourable House by my colleague. This did not elicit an answer from the honourable the Premier in the very address in which he was going to shoot down the honourable member for Bell Island point by point, item by item, charge by charge. That question was not answered.

Sir, another serious question that was raised was whether or not any company of McLean had been in any serious difficulty with the civil service of Newfoundland. The honourable member for Bell Island tells us that there are a number of witnesses who are prepared to come before a select committee of this House in order to explain exactly what that means. This was not denied or that charge at least was not denied by the honourable the Premier.

Sir, we heard another peculiar thing that happened down in the Department of Fisheries and that was the honourable minister himself had to kick out



I do not know whether it was George McLean himself or one of his collectors.

MR. NEARY: One of his flunkies.

MR. ROWE, F.B. One of his flunkies. This charge was not denied by the honourable the Premier. This is one item, another item presumably that the honourable the Premier was going to tear apart in his item by item analysis and destruction of all the points made by the honourable member for Bell Island.

Sir, we did not get an explanation whatsoever as to why the fiscal agents for this province, for Newfoundland and Labrador, were changed to Burns Brothers and Denton, exactly ten days after the Minister of Finance announced publicly in this province that there would be no need for the changing of the fiscal agents of this province since the present administration had so much faith in that organization.

Sir, the honourable member for St. John's North, the former Minister of Education said, I believe, that he was dumped. Well we certainly can say the question was raised that he was dumped from that high office for opposing political patronage. Yes, Sir, I believe he in fact stated this publicly on radio and television. This was not answered by the honourable the Premier. Presumably we will be hearing support from the honourable member for St. John's North for the establishment of this particular select committee.

Sir, another question that was raised was that \$116,000, was this repaid to the government and what if any interest was charged for that \$116,000 advance?

Sir, I never in my life, probably I have not been around in the tourist industry quite enough, but I never heard of an example where when you have the showing of tourist films, slide presentations

and this sort of a thing, this necessitates the honourable Minister of Tourism and various officials of his department to go running from Canadian and American city to city for the purpose of showing such film slide presentations and movie film showings. Surely this can be done by some tourist official who is trained to do that very thing.

MR. NEARY: Send it in the mail.

MR. F. ROWE: There may be a need for an individual to accompany such showings, answer questions, but the Minister of Tourism and a number of officials of his department, I understand a number in the McLeans Organization, for the life of me I cannot see the necessity for such a gang of people running around North America for the purpose of making such a showing.

Sir, did the honourable the Premier deny the fact that this film, "Come Paint and Photograph Us," was prepared without a script? This was a charge made by the honourable member for Bell Island, I do not think the honourable the Premier denied that charge.

Now I have had a little bit of experience in film making when I was teaching at the university and the preparation of video tapes and what have you, and one of the basic rules necessary for even a slide presentation let alone a movie presentation or a video tape presentation, is a firm but flexible script before the filming is actually done. The Premier, Sir, did not answer that question.

Sir, there was a very serious charge made in the honourable member's speech about Mr. McLean and if you read this description, I will not repeat all of it, Sir, you would have to term the gentleman Muscle McLean, where he went into one of the biggest corporations in this province and accused the people in that particular organization of being liberals simply because they would

not buy advertising to the McLean's Organization.

Sir, the simple question was asked about the cost. I think the honourable the Premier might have answered that question, the cost of the coloured ads. for the Department of Highways.

The point that I am trying to make here is twofold really. One; that the honourable the Premier stated publicly last week that he would be answering the charges made by the honourable the member for Bell Island and that he would take each one of the accusations, each one of the questions that were raised and disprove them or tear them apart or shoot them down one by one. Sir, in the questions that I just really repeated here this afternoon, I note to the boredom of honourable members on the other side of the House, all of these questions that I repeated here this afternoon, I think there was only one that was actually answered by the honourable the Premier and Sir, this points out the great need for the establishment of this select committee.

I might point out that if the government have nothing to hide if they have nothing to fear they should welcome this select committee with open arms. Sir, I am looking forward to hearing other honourable members on the other side of the House standing up and really standing on the principles for which they were elected because this is really the very type of thing that so many honourable members on the other side of the House campaigned against in the last two provincial elections.

To be quite frank with you, if they do not get up and support this particular resolution, they can be charged with being elected under false pretences. It is as simple as that, false pretences. Sir, I give this resolution my every support.

MR. SPEAKER: Before the honourable member speaks, earlier this afternoon the honourable Minister of Rehabilitation and Recreation gave notice of introduction of a resolution and I took it under advisement. We have since looked at the resolution, find it to be

Mr. Speaker

in order and it will be on the Order Paper tomorrow.

MR. MARSHALL: Mr. Speaker, we have heard it all now. A great scandal has come out. The powder puffs have shot their guns and lo and behold there are still people sitting over here on the government side of the House. Mr. Speaker, I have never heard in my life such ridiculous arguments without any foundation whatsoever as were put forth by the hon. member for Bell Island and reiterated by the hon. the member for St. Barbe North.

Mr. Speaker, we have been hearing, via the press, for which I have a large measure of respect, via the news media, the papers, the radio and television, that there were going to be great revelations that were going to come forth in this House that were going to crush this government and put us down in under. One of the things we have been talking about from time to time - there were little innuendos, little hints so ably put forth by the hon. member for Bell Island, as only the hon. the member for Bell Island can put forth such innuendos and hints to the effect that there was something a little bit less than above board with respect to the government's dealing with the McLean interests. One of the things indeed, one of the resolutions, one of the recitals in the resolution that the opposition has relied on is the fact that we have not called public tenders.

Now as the hon. the Premier has so ably indicated in his presentation, the McLean group has supplied many pictures in fisheries, films that is, not just snapshots but films, in fisheries, in tourism and in the Department of Highways that we wish to use for the purpose of resource development, particularly in the fisheries and tourist area of this province. In order to do this, we no more called for tenders, Mr. Speaker, in that area than paramount pictures or any other producer of films would call for tenders to put out a major presentation. The remarks made with respect to the statements of the hon. the Premier that he said he would call for tenders, are not quoted properly.

If the honourable members will refer to the, (I think, June 28 or June 29) edition of Hansard last year, they will see what the Premier said.

With respect to this business of calling tenders, I would suggest that the members on the other side of this House ask the small contractors around, the small construction companies, the people involved, for instance, in the excavating and grading business around, all of the small businessmen, as to how tenders were called when tenders began to be called in a fair and proper manner in Newfoundland and how they were done before. Who got them before? It was not just one, two or three of the favourite sons as before but tenders had been called in an open and complete manner. If the honourable members wish to debate tomorrow or the next day when it comes up, they will see in the bill, brought in by the hon. Minister for Public Works and Supply, specific provisions with respect to this to show our consistency of sincerity both outside of government and inside of government. A lot of balderdash!

Mr. McLean was selected by this government, as the Premier has indicated, after intensive investigation by the government of his qualifications and of the quality of his work.

MR. NEARY: He was sent down here by Jim McGrath, M. P.

MR. ROBERTS: Jim has great taste.

MR. MARSHALL: He takes second place to nobody with respect to his qualifications. The quality of the work, Mr. Speaker, speaks for itself. I am convinced as I am sure all honourable members on this side of the House are convinced that pound for pound the government of this province are getting well its worth from Mr. George McLean. Here is a man who has been employed by concerns such as foreign governments, over in the Far East (the honourable member will laugh at that, the hon. member for Bell Island will laugh at that.)

MR. NEARY: (Inaudible).

MR. MARSHALL: His reputation has spread beyond the confines of Canada. He has acted .

for the governments of Hong Kong, in Hong Kong, he has acted for the Japanese Government, he has acted for concerns over across in Asia and is presently acting for them. As I say the quality of his work speaks for itself.

With respect to conflict of interest, I have never and I think I have spoken before about conflict of interest in this honourable House, Mr. Speaker, but I do not think I have heard anything quite as ridiculous as the statements made by the honourable member for Bell Island, re-enforced by the honourable member for St. Barbe North, with respect to alleged conflict of interest positions because Mr. McLean also acts for Burns Brothers & Denton, the fiscal agents of the province. A conflict of interest position because he acts for Shaheen Natural Resources and acted for ERCO as the Premier -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: It is absolutely, well there is a great identity of interest, Mr. Speaker, between the fate of the Linerboard Mill in this province today and the people of Newfoundland.

In respect to this business of conflict of interest, how ridiculous it is as if this government are taking its direction from a public relations representative, as capable and competent as this PR person is, or for that matter from any pressure group. I think this government demonstrated ably yesterday, the honourable the Premier demonstrated ably yesterday, Mr. Speaker, that this government does not bow to pressure groups but takes its time and will develop this province in a very careful manner consistent with the interests of the people of Newfoundland. And as I say, does not bow to pressure neither does it take the direction necessarily or by any means from Mr. George McLean because he happens to be the public relations man involved with the production of films in certain departments of the government.

Now I could go on, Mr. Speaker, to compare the work that has gone on. I have seen some of it and other members on this side of the House

have seen it and it was available for the members of the Opposition as well. But the fact of the matter is, Mr. McLean's work is based purely and simply on the development of this province. When the previous administration were in power, and I look with some amusement at the statements made by the honourable member for St. Barbe North when he says that we were elected to make a change and he is decrying the fact that in his estimation we have not made the change, which makes me wonder, if he wanted a change so earnestly, why he ran for the people who were trying to perpetuate the status quo in the twenty-three years of the past.

But in any event, Mr. Speaker, you do not see and you will not see the funds of this province used during an election year for the purpose of members of the government coming on television as had been done in that \$403,000 in an election year for the purpose of ostensibly talking about the great benefits of Northern Bay Sands and the great benefits of Tickle Heart's Ease and the great benefits of this place and the other place. Certainly they have great benefits, but the money is not used, Mr. Speaker, it is used for the development of this province and it is not used and has not been used purely and simply for personal, political game, which is what had been done in the past.

HON. MEMBERS: Inaudible.

MR. SPEAKER: Order, please.

MR. MARSHALL: We do not need any Newfoundland dogs when the honourable the member for Bell Island is barking on the other side.

Now, Mr. Speaker, I have never as I say heard such complete amount of nonsense in my life. The honourable member for Bell Island got up and we were entertained last week and we really were entertained, Mr. Speaker, because it was quite humorous and it was quite funny. But then to hear the honourable member for St. Barbe North get up today and re-enforce



and just merely repeat the arguments that have been used by the honourable member for Bell Island, it is a very, very sad, sad day.

Mr. Speaker, with respect to all of the allegations, I do not call them allegations, they were not allegations. they were little innuendoes, the type of thing that the Opposition is getting on with that they are going to blow this government up etc. etc. etc. You know we were waiting with bated breath on the other side for a so-called allegations. All we got was complete and absolute foolish little statements that were made, like NACOM Limited is not registered. Now that is an utter and complete crime. NACOM Limited is not registered in this province therefore there is something wrong. Maybe the Mafia is behind it for all we know. Maybe there are people in connection with (what was that one who did the tourist films before?)

AN HON. MEMBER: Ronald Reynolds.

MR. MARSHALL: Ronald Reynolds, maybe even they are behind it for all we know. But to state in this House that McLean, to give us as one of the reasons that McLean is not a good public relations firm because it is not registered, Mr. Speaker, is complete and absolute nonsense as far as I am concerned. To indicate that the fiscal agents of this province were changed purely and simply because it was an identity of interest between the public relations person or somebody used for a specific purpose in this province and the employment of that person by the fiscal agent is absolute and complete nonsense too.

The fact of the Minister of Finance, if it was a fact, the fact that the Minister of Finance gave a letter, I mean, what has that to do with it?

AN HON. MEMBER: Inaudible.

MR. MARSHALL: What is the point of asking? We can stay here for a month of Sundays, Mr. Speaker, asking questions. But if the questions have no validity, and they have absolutely and completely no validity, it is certainly competent for them on the other side to point it out. I mean, how utterly and completely ridiculous.

Now, Mr. Speaker, to the great joy of the members of the opposition I would like to continue on Wednesday next when this matter comes up. It is near six o'clock. I would like to move the adjournment of the debate so that today I can move the adjournment of the House until four o'clock instead of three o'clock which is the normal practice if Your Honour leaves the Chair beforehand.

On motion the debate be adjourned, carried.

MR. MARSHALL: Mr. Speaker, I do move that the House at its rising do adjourn until tomorrow, Thursday, at 4:00 o'clock and that this House do now adjourn.

On motion the House at its rising adjourned until tomorrow, Thursday at 4:00 P.M.

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