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**VERBATIM REPORT**

**FRIDAY, MARCH 8, 1974**

**SPEAKER: THE HONOURABLE JAMES M. RUSSELL**

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order please!

It is a pleasure for me to welcome to the galleries today eight students from St. Bernard's School at St. Bernard's and St. Joseph's School at Terrenceville, with their teachers, Mr. Hynes and Mr. Madden. I would like to welcome as well seventy Grade V students from the Woodland Elementary School at Dildo, with their teachers, Mr. Reid, Mrs. Sheppard and Mr. Cranford. I would also like to welcome nine Grade IV students from Point of Bay Elementary School at Point of Bay, with their teacher, Mr. Dawe.

I trust that your visit to the galleries and to the House and to the city is most interesting and informative.

MR. R. SIMMONS: Mr. Speaker, on a point of personal privilege or a personal explanation perhaps. The "Evening Telegram" of Tuesday in reporting on my comments in the House on the previous day, Monday, quoted me as advocating that there would be a freeze of the existing teacher-pupil ratio in schools. Mr. Speaker, what I said on that occasion was not that but rather as Hansard points out on page 1837, that I advocated that government institute a freeze of the pupil-teacher allocations for high schools not for all schools.

MR. SPEAKER: I think the matter that the Hon. Member for Hermitage raised is perhaps out of order. I am not convinced that he raised it at the first possible opportunity. If I heard him correctly, it was the "Evening Telegram" of four or five days ago.

MR. SIMMONS: I wanted to see Hansard which I did after the beginning of yesterday's session so it was I feel my first opportunity to raise the point having confirmed what I did say.

MR. SPEAKER: I will take a further look at the whole matter and rule on it later.

PETITIONS:

MR. S. A. NEARY: Mr. Speaker, I rise to present a petition on behalf of the residents of the Community of Parkers Cove in the Electoral

District of Placentia West. The prayer of the petition, Mr. Speaker, is that the Department of Municipal Affairs approve a new water system for the Community of Parkers Cove in the Electoral District of Placentia West. The existing system, Mr. Speaker, is inadequate to provide the needs of the people and in the winter months over fifty per cent of the residents lose their water. If the prayer of this petition, Mr. Speaker, is not granted, the town council will be forced to resign in a body.

Now, Sir, we on this honourable side of the House support the petition. I may, Mr. Speaker, point out to the honourable House that in a letter accompanying the petition signed by the chairman of the community council, March 5, signed by (three days ago the letter was written) the Chairman of the Community Council in Parkers Cove indicating that the petition had been sent to the member for the District of Placentia West - Mr. Speaker, they have not heard a thing about it since.

HON. L. BARRY (Minister of Mines and Energy): It has been tabled in the House.

MR. NEARY: As a matter of fact he said: "I enclose a petition to be presented in the House. We gave one to Leo Barry on February 9 to present in the House and to date we have not heard a thing about it."

Sir, it gives me great pleasure to present this petition on behalf of the members on this honourable side of the House and Sir, I ask that it be laid on the table of the House and referred to whatever department to which it relates and in this case I think it is the Department of Municipal Affairs.

MR. BARRY: Mr. Speaker, I would support the petition if it were not redundant for me to do so in that several weeks ago, as the record of this honourable House will confirm, the same petition was presented by me. When I met with the council in Parkers Cove, I told them, as any council in Newfoundland knows today, that at the present time until the estimates of the Department of Municipal Affairs are brought before this honourable House, no commitments can be made for future

water and sewer services or anything else. As I pointed out, Mr. Speaker, when I presented the petition several weeks ago. I should mention, there is a need in Parkers Cove for additional water and sewer facilities.

There is a need because the facilities that were put in there originally were totally inadequate. We got money last year I think in excess of \$13,000 in their attempt to try and patch up the system that was there but the conclusion now is that the system that was put in by the previous Liberal Administration is so bad, so useless that we need a completely new system and Mr. Speaker, as I say, this petition presented by the honourable member has already received my support and I hope it will receive the support of the entire House.

NOTICE OF MOTIONS:

MR. SPEAKER: The honourable Minister of Justice.

HON. T. A. HICKMAN, MINISTER OF JUSTICE: Mr. Speaker, on behalf of the honourable Minister of Education I give notice that I will on tomorrow ask leave to introduce a bill, a Bill, "An Act Further To Amend The Schools Act." I also give notice that I will on tomorrow ask leave to introduce the following bills, a Bill, "An Act Further To Amend The District Courts Act," a Bill, "An Act To Amend The Interpretation Act," a Bill, "An Act Further To Amend The Judicature Act," a Bill, "An Act Respecting Fraudulent Conveyances."

MR. SPEAKER: The honourable Minister of Forestry and Agriculture.

HON. E. MAYNARD, MINISTER OF FORESTRY AND AGRICULTURE: Mr. Speaker, I give notice I will on tomorrow introduce a Bill, "An Act Respecting The Appointment And Powers Of The Newfoundland Geographical Names Board."

MR. SPEAKER: The honourable Minister of Health.

HON. DR. A. T. ROWE: Mr. Speaker, I give notice I will on tomorrow ask leave to introduce into this honourable House a Bill, "An Act To Amend The Communicable Diseases Act."

MR. SPEAKER: The honourable Minister of Provincial Affairs and Environment.

HON. GORDON DAWE, MINISTER OF PROVINCIAL AFFAIRS AND ENVIRONMENT:

Mr. Speaker, I give notice I will on tomorrow introduce a Bill, "An Act Further To Amend The Conditional Sales Act."

MR. SPEAKER: The honourable Minister of Mines and Energy.

HON. L. BARRY, MINISTER OF MINES AND ENERGY: Mr. Speaker, I give notice that on tomorrow I will ask leave to introduce a Bill, "An Act To Amend The Undeveloped Mineral Areas Act."

ORDERS OF THE DAY:

MR. SPEAKER: The honourable member for Bell Island!

MR. S. NEARY: Mr. Speaker, before we get on to the main attraction of the afternoon, I have a number of questions to put to the Premier and ministers, Sir.

My first question is directed to the Minister of Justice, Will the minister inform the House if he has yet been served a writ from the State of Florida for alleged kidnapping?

MR. HICKMAN: Mr. Speaker, that question is very much out of order. It is frivolous and vexacious and it can only come from a man with no sense of responsibility in this House.

MR. NEARY: That is the kind of an answer you would expect to get from the other side of the House, Sir.

Mr. Speaker, I would like to direct a question to the honourable the Premier. Would the Premier inform the House if he has yet received a proposal from the Federal Department of Transport requesting the provincial government to resume jurisdiction of inter-provincial ferry transportation services in the province, that is all ferries operating from a point within the province to another point within the province?

MR. SPEAKER: That question could be placed on the Order Paper.

MR. NEARY: Mr. Speaker, the Premier was prepared to answer the question. Could the Premier answer the question?

MR. SPEAKER: That question could be placed on the Order Paper.

MR. NEARY: Well we are still batting zero today, Sir, as usual.

Mr. Speaker, could I put another question to the Minister of Justice and this is rather urgent, Sir, this is an urgent matter. Would the minister inform the House when I can expect a reply to my

request to the minister about three and a half weeks ago that a commission of enquiry be established to investigate the Saunders resignation scandal?

MR. SPEAKER: I think that question could be placed on the Order Paper.

MR. NEARY: Mr. Speaker, we are doing well so far today. Could the Premier or the Minister of Finance, Sir, I am not sure which, indicate to the House how much down time the linerboard mill in Stephenville is going to have in the current year?

MR. SPEAKER: I think that question is hypothetical, predicting what down time they might have. I have to rule it out of order.

MR. NEARY: Mr. Speaker, only in today's newspaper there was an announcement of down time, Sir.

MR. SPEAKER: The question is hypothetical and it is out of order.

MR. NEARY: It is not a hypothetical question, Mr. Speaker. It is a legitimate question. I do not know if I can rephrase it, Sir, so that it would be in order.

MR. SPEAKER: Order please! I am sure the honourable member for Bell Island is aware of the procedure he can follow if he is not satisfied with the ruling made from this Chair, and I did rule his question out of order.

MR. NEARY: Mr. Speaker, I am just merely trying to rephrase my question, Sir. Would the Premier indicate to the House if there will be any more down time than the six days that was announced in today's morning news at the linerboard mill at Stephenville? Will there be any more down time apart from the six days

and have already been announced.

HON. F. D. MOORES (PREMIER): Mr. Speaker, referring to that question and in the frustrations of the honourable the Member for Bell Island I am sure he will have all of the day to make his presence felt in this House. The fact that he feels that the main attraction is coming up, I think he is probably accurate.

As far as the Linerboard Mill is concerned, Sir, as soon as we know, as soon as the directors of that company know, being a crown corporation, I am sure that upon the knowledge of down time it will be released in the appropriate manner and not by guesswork or suspicion by any member of the House.

MR. NEARY: Mr. Speaker, another question for the Hon. the Premier. I am so glad to have him back in his seat, this is about the third time he has been in attendance at sittings.

MR. SPEAKER: Order, please!

MR. NEARY: Would the Premier indicate to the House what steps the province intends to take to oppose a CN freight rate increase in this province?

MR. MOORES: Mr. Speaker, any freight rate increase in this Province will be opposed by the government. As a matter of fact with the cost of living being such as it is in this province, I think that possibly more freight rate subsidies by the Federal Government in Ottawa would be more in line, if we are talking about equalization of Canadian opportunity. This, Sir, will be the intent of this government to make sure that any action in that regard will be taken.

One other point, Mr. Speaker, in the introduction of his question, the honourable the Member for Bell Island mentioned about the lack of time in the House, I hope he is as lucky.

MR. NEARY: Mr. Speaker, not if they use the big stick.

MR. SPEAKER: Order, please!

MR. NEARY: Not if they -

MR. SPEAKER: Order, please!

MR. NEARY: Not if they abused their majority, Sir.

MR. SPEAKER: Order, please!



MR. NEARY: Mr. Speaker, a supplementary question to the Hon. the Premier. Would the Premier be a little more specific and give us some details of what steps his government have taken to oppose this proposed freight increase in the province? Rather than just a vague generalization, could we have some details?

MR. MOORES: Yes, Mr. Speaker, last week when I was out of my seat making personal representation to the Federal Government in Ottawa.

MR. NEARY: Which, Mr. Speaker,

MR. SPEAKER: Order, please!

MR. NEARY: Mr. Speaker, a supplementary question. I wonder if the Hon. the Premier could tell us what department of government he made these representations?

MR. MOORES: The Newfoundland representative, Mr. Jamieson, Mr. Speaker, and I am sure with his usual understanding that on behalf of the Federal Government he will undertake to do all he can to make sure that federal freight rates do not go up in Newfoundland.

MR. SPEAKER: The honourable the Member for Fogo.

CAPT. E. W. WINSOR: Mr. Speaker, may I direct a question to the Hon. the Premier. Did the Premier or has the Premier been successful in getting the Hon. Minister of Social Services, who is unfortunately ill at this time, to change his mind or reverse the decision on making welfare apply to fishermen who were compensated by the federal government by the amount of \$300 for loss of time owing to ice conditions last spring?

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

MR. WINSOR: Mr. Speaker, a supplementary question. I asked the Hon. the Premier, maybe he has forgotten it, the same question about two weeks ago.

MR. MOORES: Unfortunately, Mr. Speaker, not only was I out of the province but the Minister of Social Assistance is in hospital after an operation, but I will follow through and let the honourable member know in a few days.

MR. NEARY: Mr. Speaker, I wonder now if the Premier is in a position now to inform the House, I have already asked this question a number of

times. The Premier indicated that when the information became available he would present it to the House. Is the Premier now in a position to give us any of the details of negotiations for to rent space from Trizec Corporation?

AN HON. MEMBER: Inaudible.

MR. NEARY: Pardon?

AN HON. MEMBER: Inaudible.

MR. NEARY: No, Mr. Speaker, we did not get it yesterday. The Premier was not in the House yesterday, to my knowledge.

MR. SPEAKER: Order, please!

MR. NEARY: If he was, he did not stay very long.

MR. SPEAKER: Order, please!

MR. NEARY: What we want to know, Sir, we want some details about the dealings of this government with the Trizec Corporation, Sir, who are going to put up this big skyscraper downtown. Is the Premier in a position now to give us the information?

MR. MOORES: Mr. Speaker, as soon as the government have made a commitment with Trizec or any other corporation I will only be too glad to make it available to this House.

#### ORDERS OF THE DAY

MR. SPEAKER: Motion (5): The Motion moved by the Hon. Minister of Finance.

HON. J. C. CROSBIE (MINISTER OF FINANCE): This motion will be moved by me and seconded by the Hon. the Premier. The motion is on the Order Paper and it deals with matters that occurred in this House on Monday of this week, March 4, when as I mentioned yesterday I was 4,500 miles away, in the Province of British Columbia, on public business.

and the motion has to do with certain statements made by the member for Bell Island on that day which statements and allegations were scandalous and libelous and which are summarized in the motion that is before the House.

Those three statements, Mr. Speaker, which were unparliamentary and I do not understand how he was permitted to make them but in any event they were made, were: (1) That the Minister of Finance deliberately misled the House, was guilty of barefaced deceit, and deliberately deceived the honourable House and misled the people of Newfoundland; The second main charge or allegation appeared to be: The Minister of Finance committed a very grave conflict of interest in acting as both the Chief Officer of the Government in negotiating the cancellation of debt to the Province (by the way it is entirely incorrect) while, at the same time, he was associated in at least two ways with the purchasing corporation which had the most to gain by said cancellation of debt; (That is quite incorrect too but I will come to that later) (3) That the Minister of Finance abused a privilege of the honourable House and abused the privileges of his office for his own personal interest so that immediate steps should be taken to consider his impeachment.

Mr. Speaker, I am afraid that I do not have to worry about impeachment. That is something the President of the United States has to worry about. We do not have any impeachment process in this House.

Now, Mr. Speaker, these are three serious and grave charges that could not be more serious or more grave and I am quite prepared to resign my seat if any one of those charges or allegations are substantiated. I have no fear of resigning my seat because it is impossible for them to be substantiated.

Mr. Speaker, these charges were made maliciously and with intent to injure the character and reputation of myself as is quite obvious, by the way in which it was done. If the member for Bell Island had some documentary copies of letters and so on and so forth, which gave him cause to think that there was some explanation, further explanation needed about what had occurred when Bison Brewery sold their assets

at Stephenville to Labatt Breweries of Canada Limited then the normal practice would be for the member for Bell Island to ask questions, to table questions about that or to contact the Minister of Finance himself and say that he has some suspicions or he had some matters before him which appeared to cast doubt upon the transaction or which appeared to be contrary to what had been stated in the House and to inquire into it. Even if, last Monday, the member for Bell Island had simply raised some questions, either in the debate in the House or some other manner had raised questions and said that he had this and the other reason to need more information on this transaction, that there seemed to be something suspicious or something wrong about it, if he had done that last Monday or just asked for information or raised some doubts that now were in his mind because of information that he had, that would be quite normal practice. The member for Bell Island, Mr. Speaker, did not do that. He did not do that because that was not his motive or intention. He did not do that because he wished to destroy and injure the character and reputation of a member of this House.

The material that he had last Monday was only his pretext for making these unsubstantiated charges against the minister. If, Mr. Speaker, he had tabled questions in this House or raised these questions and had not been given any satisfactory answer or if I had been in the House and he had done this and could not explain it satisfactorily, then he would be quite justified in saying that it seems to him that the minister had misled the House or deceived the House or that there might be a conflict of interest or whatever. But, no, Mr. Speaker, he did not raise these questions when I was in the House because he only wanted an excuse to launch a character assassination attack on a member of this House.

I am not objecting, Mr. Speaker, on this motion to giving information to this House on the Labatt-Bison transaction or any other transaction but I have never been asked to give any information except for a question raised orally by the member for Bell Island on February 8, 1974 and have had no request for any information since he raised that oral

question on February 8. Between February 8 and when I left the Province on February 26, Mr. Speaker, there were eighteen days, of which the House sat during, I suppose, thirteen or fourteen of them. On any one of those days, questions could have been raised about this.

I left the province on February 26, and returned here on yesterday at one thirty in the afternoon. During my absence and on a facile pretext that the matter had to be brought up at the earliest possible opportunity, he launched this vicious and calculated attack last Monday.

The honourable gentleman was not seeking information, Mr. Speaker. The honourable gentleman was not dealing with any matter in a legitimate manner as one would expect the opposition is entitled to do. No, the honourable gentleman wanted to besmirch and slander me while I was away and prevent me from defending myself until I got back four or five days later.

As the whole House knows, Mr. Speaker, that a libel or a statement once issued you have to run pretty hard to catch up with it. He is well aware of that. That honourable gentleman is well aware of that.

Now, Mr. Speaker, I will give full information on that matter this afternoon, Bison and the Labatt transaction, but that is only incidental to this motion, because the whole point of this motion is whether a member of this House can be permitted by the House to launch unjustified libels and attacks upon another member of the House without the House taking any action at all to defend the character and reputations of the members therein.

I want to refer to Beauchesne first. Beauchesne, page (95) deals with the privileges of parliament which includes this House of Assembly. On page (94) first; "The House has always asserted the right to provide for the constitution of its own body the right to regulate its own proceedings and the right to enforce its privileges. The House has the exclusive right to regulate its own internal concerns."

Page (95) "The Speaker's function and ruling on a claim of breach of privilege does not extend to deciding the question of substance whether a breach of privilege has in fact been committed - a question which can only be decided by the House itself." That is

what I am asking the House and this motion to decide. Has there been a breach of the privileges of this House or does this House permit one member to libel and to slander another with no justification whatsoever?

Further, on page (95); "Certain urgent matters, such as assaults upon or insults to members if they should occur during a sitting of the House, may be raised at once in spite of the interruption of a debate or other proceedings. The right of making a complaint of a breach of privilege is open to any member of the House, and, even if an individual member alone is affected, is not confined to that member."

This breach of privilege is not confined to me, Mr. Speaker. This is a breach of the privileges of the members of this House because if the members of this House are going to allow this kind of tactic to be used in the House against one another then the House itself is badly damaged.

"A dispute," Mr. Speaker, and this is quite clear, "arising between two honourable members as to allegations of facts hardly fulfills the conditions of a privilege question."

This is not that case, Mr. Speaker. This is not a difference of an opinion as to allegations of facts. Not at all. This is three serious charges, and I will refer to the Hansard in a moment; made by the Member for Bell Island against the Member For St. John's West. Not a difference of fact. Not for one second is this a difference of fact. There might be a difference of opinion about the facts of the Bison - Labatt transaction or different interpretations of what this or that means but the fact that I am charged with being a liar and deceitful to this House and have abused my own office for my own personal interests and have been in a position of conflict of interest, these are not differences of facts between the Member for Bell Island and myself. These are charges made which can only have the consequence of my

resignation and if he had a streak of decency in his whole body, of his.

To go on with Beauchesne, page (98) "Libels on members have also been constantly punished: but to constitute a breach of privilege they must concern the character or conduct of members in that capacity, and the libel must be based on matters arising in the actual transaction of the business of the House."

Now, Mr. Speaker, this libel is four square within that paragraph of Beauchesne. It concerns my character or conduct as a member in that capacity and in addition to being based on matters outside the House it is based on matters arising in the actual



transaction of the business of the House. Since the member for Bell Island claims that on February 8, I lied when I answered his question in the House, this is clearly within the four square corners of a libel on a member. There is further material on page 98 about that.

Page 100 repeats that rule again: "To constitute a breach of privilege a libel upon a member must concern his character or conduct in his capacity as a member and the conduct or language on which the libel is based must be actions performed or words uttered in the actual transaction of the business of the House. Bad faith must be imputed and the charge cannot be indefinite." I will show you, Mr. Speaker, that charge is not indefinite and that bad faith is imputed. "The same rule applies to a charge against a member for conduct which renders him unworthy to sit in parliament," and so on.

On page 101, another libel, "Imputations against members of corruption in the execution of their duties." I am charged, Mr. Speaker, by the member for Bell Island of corruption in the execution of my duties. Make no mistake about that. That is what I am charged with.

Page 101: "Both Houses will punish not only contempts arising out of facts which the ordinary courts will take cognizance, but of those of which they cannot, such as contemptuous insults, gross calumny, foul epithets by word of mouth not within the category of actionable slander or threat of bodily injury."

On page 102: "A question of privilege should be dealt with by a motion giving the House power to impose a reparation or apply a remedy." So, Mr. Speaker, quite clearly this motion which I have before the House is properly before the House and the matters that are now being discussed is a breach of privilege of a member of the House.

Now, Mr. Speaker, I want to just refer to Beauchesne at page 45. It points out that a member can be expelled from the House, that is expulsion from the House for good.

Page 44 deals with suspension. "Suspension is a part of procedure which should be resorted to with great caution." I agree with that. There should be great caution but I think that this is a case that falls within that rule. "If a member, in the heat of debate, is charged by his opponents with laying serious accusations against a colleague, using unparliamentary language or indulging in uncalled for personalities, it is the Speaker's duty to insist on a withdrawal on pain of the member being named and liable to suspension by resolution of the House. The use of improper words may sometimes be a minor breach of order; but it becomes serious if the member refuses to explain or gives an unsatisfactory explanation; he is then amenable to discipline in the form of admonition, suspension or in extreme cases expulsion," and so on.

"Suspension from the services of the House is effected by a resolution." The Speaker cannot do that. There has to be a resolution. So, it is quite clear that the remedy suggested in this motion is one that is within the powers of this House.

Now, Mr. Speaker, what is all this about? First I want to refer to the Hansard of February 8, Friday, February 8, when I was asked a question by the member for Bell Island. That is page 406 or the question was asked on page 404.

"Would the minister give the House some details of the agreement that was negotiated with the Barvarian Brewery, I think it is Labatt's, to take over Bison Brewery? I would like the minister especially to tell us what has happened to the outstanding taxes that are due the province by Bison Brewery."

My answer, Mr. Speaker, the important part of it is on page 406. "Unfortunately after we assumed office and investigated that whole matter, it turned out that there was no agreement between the government and Bison Brewing Company Limited that had any binding effect whatsoever, that Bison Brewing would repay this amount of \$410,000, approximately. Although we tried to pursue the matter and have the revenue

bonds forwarded to us, that was never resolved and our legal advice from Labatt's said that they were interested in acquiring the Bison assets and the question which arose in connection with the \$410,000 is that we had no claim against Bison Brewing Company Limited at all in connection with the \$410,000. The simple position is that the \$410,000, negligently left uncollected from Atlantic Brewing will always remain uncollected. The matter, therefore, is no part of the arrangement between Labatt's Brewery and Bison. Now every word of that, Mr. Speaker, is true and correct. I will read what I consider relevant. If the honourable gentleman wants to read any more of it, he can. The rest of it is not relevant.

Now, Mr. Speaker, in connection with the purchase by Labatt's from Bison we have said that there would be no sales tax exemption. It is not our policy to grant sales tax exemption and so on. It is not relevant to this question at all. We will collect sales tax now on the transfer of the assets. The \$400,000 odd will never be collected. It could not be collected now from Bison because we have no legal way of getting it from them and they did not volunteer to pay us the \$410,000.

Now, Mr. Speaker, what happened on March 4? I am not going to refer to Hansard at all because it is one of the sorriest Hansards that I have ever read. The Hon. gentleman from Bell Island got up and extensively claimed that he had a breach of privilege and quite a hassle went on. Shortly in the debate, the House Leader for the Opposition and the Member for White Bay South explained what he thought the Member for Bell Island was getting at. As I understand it, Sir, page 1789: "It is the case of my honourable friend the Member for Bell Island that the Hon. Minister of Finance misled the House or lied to the House. He is attempting to establish that by putting forward the statement that the minister made and as I further understand it he has documentary evidence to support his allegations,

the Member for Bell Island's allegation, that the minister lied to the House or seriously misled the House. It is a very grave charge which the Member for Bell Island will be making against the Minister of Finance." The Hon. gentleman for White Bay South knew what was up, Mr. Speaker. It was not plain until he spoke. He knew what was up and he agrees that it is a very serious charge and, of course, he is doing his best to aid and abet the Member for Bell Island.

Mr. Speaker, further in the Hansard, page 1799, the Member for Bell Island spoke: "Mr. Speaker, what we have before us is ample evidence that the Minister of Finance not only deliberately misled this House but committed, Sir, a very grave conflict of interest in that the minister acted as both the chief officer of the government in negotiating a cancellation of debt ... while at the same time was associated in at least two ways with the purchasing corporation which had most to gain by such cancellation of debt."

Mr. Speaker, further on page 1800 - Mr. Speaker, this is barefaced deceit, all of it completely unparliamentary language. It should have been withdrawn or been named but that has not happened and that is why I had to bring in this motion. I should not have had to bring in this motion and I should not have been put in the position where I have to bring in this motion. I bringing it in and my character and reputation is worth more to me than anything else in this province, Mr. Speaker.

Mr. Speaker, on page 1807: "Mr. Speaker, I charge the Minister of Finance, Sir, with deliberately deceiving this honourable House, misleading the people of Newfoundland, Sir, and in view of the seriousness of this matter, I recommend that appropriate action be taken by this honourable House, that drastic action be taken against the Minister of Finance for abusing a privilege of this honourable House, Sir, for abusing the privilege of his office for his own personal interests and that immediate steps be taken to consider his impeachment."

Mr. Speaker, the honourable gentleman may smile over there and think that this is all comical but perhaps he has no character or reputation that is worth defending. I think I do and I do not think it is comical and I do not think it is amusing and I am not amused whatsoever by it.

Mr. Speaker, what this is about, it is not about Bison-Labatt's, although that is going to be amplified and cleared up here by me this afternoon, it is about these three libels on me, a member of this House who is entitled to the protection of the House. Mr. Speaker, a matter stated in this House, you cannot take legal action on it outside. The parliamentary immunity prevents that. This House has to protect its own

members from statements made in this House by members of the House. I can assure the honourable gentleman for Bell Island that if he will say those three things outside of the House clearly without equivocation as they are in that Hansard he will also be in the courts.

MR. NEARY: Inaudible.

MR. CROSBIE: You have not. Well the honourable gentleman let me know where he did.

AN HON. MEMBER: Inaudible.

MR. CROSBIE: He has not got the tapes. I heard you on CBC and you were weasel-worded enough to avoid it. If the honourable gentleman will say outside of this House just read the parts of Hansard I have read here today, then the honourable gentleman will certainly be dealt with in the courts as well, make no mistake about that. The honourable weasel-worded Member for Bell Island.

Now, Mr. Speaker, -

AN HON. MEMBER: Inaudible.

MR. CROSBIE: Pardon?

MR. NEARY: No character assassination.

MR. SPEAKER: Order, please!

MR. CROSBIE: Mr. Speaker, you know it is amusing, not amusing it is pathetic. It is sick. Sick! The honourable member does not know what he is doing. He has not got, I suppose, the sense of discrimination to know what he is doing.

Now, Mr. Speaker, as I mentioned before, that no explanation was asked for by the Member for Bell Island, no information was asked for just the reading of some correspondence, incomplete correspondence, only part of the correspondence given to him by his friends in Canadian Javelin, Mr. Doyle or one of his agents, given to him by them, not the complete record, but the complete record will be tabled here today, Mr. Speaker. Then after doing that these unparliamentary and slanderous accusations where I am accused of all these matters that I have just mentioned, aided and abetted by the Leader of the Opposition and the Member for White Bay South, both lawyers, both of whom should have some appreciation of what is happening, both of whom should

know that a member should be given a chance to explain himself before such accusations are made. Both of them completely disregarding that in their ambition to somehow smear this government and the members of it so that they can creep and crawl their way back into power in the province. That is the only explanation I can come to - two lawyers naming themselves and aiding and abetting in this foul conspiracy. I do not understand it of them. Perhaps they will clear that up today.

Now, Mr. Speaker, what are the facts, I will just go for a moment to them, the immediate transaction - Bison, the Bison transaction. I would like to file these copies of letters. I have supplied the Leader of the Opposition with a copy of them and one for the House.

Now, Mr. Speaker, just to get this in perspective: In December 1970 Bison Brewing Limited agreed to take over Atlantic Brewing Company Limited or whatever the name of the company was that had established the brewery out in Stephenville. Atlantic Brewery established out in Stephenville on April 27, or around that time in 1968 - they started operations on April 27, 1968. Their operations ceased on May of 1969. They only operated for thirteen months. They had been given a letter by the Hon. Mr. Smallwood at the end of December 1966 informing them that they did not have to pay any taxes or any commission on beer.

Mr. Smallwood did not have the legal power to give that commitment but they had this letter. Every brewery in Newfoundland, Mr. Speaker, is required to submit to the Newfoundland Liquor Commission, it then was to the Newfoundland Liquor Corporation, their commission they collect for the government on beer for the previous months. In other words this is March, by the 15th. of March every brewery has to give to the Newfoundland Liquor Corporation the commission on the beer they sold in February. If that is not done they should immediately be gotten after to pass over that commission, but Atlantic Brewing was allowed to go thirteen months without paying the commissions, the government commission on beer. It is now, I think, one dollar, twenty-two and a-half a case or twenty-four and a-half, not a tax - a commission, the government's commission.

Every other brewery in the province had to pay it by the 15th. of the next month but not Atlantic Brewing. In May, 1969, they ceased operations. They owed during that period, in commissions, \$412,000, I will forget the dollars and cents - 3130 - \$412,000. During the whole period they paid \$5,000, so that the balance owing when they ceased operations was \$407,000. That is what they owed.



A writ was issued against them on October 24, 1969 - June, July, August, September, October - five months later, after they ceased operations. No action was taken in the previous thirteen months. Of course when the writ was issued they were bankrupt, they had no assets to pay the writ, to pay off the amount and therefore it could not be collected. The letter that the Premier had given them was ineffective and it was debated in this House in 1971. I have a copy of it here but it is not too relevant to the present situation.

Bison Brewing Company Limited, Mr. Speaker, commenced operations in April of 1972 but on December 8, 1970 it was announced that they were going to take over the Atlantic Brewing assets. The Atlantic Brewing assets had been taken over by people who had a trust deed on it, banks and so on who had financed it. They sold the assets to Bison Petroleum a subsidiary of Canadian Janelin which set up a company called Bison Brewing Company Limited to operate the brewery. The release was made - the Premier, the Ex-Premier, last Premier, Mr. Smallwood, made a statement in November that this was going to happen and he said that Bison was going to take over the debt that Atlantic owed the government and would issue ten year non-interest bearing revenue bonds so it would be paid off over ten years out of these bonds. When it was announced on December 8, 1970, Bison said in their statement that they were going to do this.

The Ex-Premier, Mr. Smallwood, also said that all of the ordinary creditors of Atlantic were also going to be paid by Bison. That did not happen. That was not done. It never did happen but the Ex-Premier was very concerned about this irregular and unusual situation with Atlantic Brewing and was wanting to quieten down the other creditors who had lost tens and tens of thousands of dollars.

Bison Brewing commenced their operations in April 1972 and they closed down in August of 1973. Just for the record let me say they were watched like hawks and on the fifteenth of the month

they had their money in or they were immediately gotten on to to see they paid their commission. The total commission that they paid, Mr. Speaker, they had to pay from April 1972 to August 1973, was \$284,664. Every dollar of it was paid. We saw to that but it shows you how low their sales were. They did not have a chance, their beer was not accepted, the whole thing was an economic disaster, so in August 1973 they closed down.

Now, Mr. Speaker, during this whole period they had no revenue from which to pay anything on any bonds nor did we have any bonds. On December 8, 1970, Mr. Smallwood says they are going to issue non-interest bearing revenue bonds. When we came into office in January 1972, they still had not issued them and despite our best efforts from March of 1972 until December 1973 they still had not issued the non-interest bearing revenue bonds. In any event, if the brewery was operating so badly that it had no revenue it had no obligation to pay anything. It had no revenue from which to pay. When they shut down their operation in August 1973, there was no hope of getting anything. They are now shut down, had heavy losses, no revenue and the Newfoundland Government is never going to get a bean from them. That is the situation and Bison, roughly.

Now, there is correspondence tabled here and I will just run through it briefly. Some of it was tabled by the honourable Gentleman from Bell Island who got it from the Doyle organization presumably. There is nowhere else he could have gotten it. He had to get it from Mr. John C. Doyle or his lawyer.

MR. NEARY: No.

MR. CROSBIE: Or one of their agents.

AN HON. MEMBER: Incorrect.

MR. CROSBIE: That is the only place he could have gotten it.

AN HON. MEMBER: No.

MR. CROSBIE: In good faith, Mr. Speaker, a copy of an Order-in-Council was given to the solicitor for Canadian Javelin Limited and the honourable Gentleman from Bell Island ended up with a copy of

it. Now that either had to come from the solicitor for Canadian Javelin Limited or his client.

MR. NEARY: Wrong. Wrong again.

MR. CROSBIE: I am not wrong again. Now, Mr. Speaker, the first letter is March 8, 1972 when I wrote Bison Petroleum and Minerals Limited and I should refer perhaps first to the Order-in-Council that was passed by the Smallwood Administration, a copy of it is already tabled by the member for Bell Island.

It is dated "December 14, 1970. "Ordered that consequent upon the sale of Atlantic Brewery Limited, Stephenville to Bison Petroleum and Minerals Limited and with respect to the amount of \$407,000 owed by the former company to the Government of Newfoundland, the undertaking of Bison Petroleum to repay the said amount for the issue to the government of interest free revenue bonds redeemable in eight annual payments over a period of ten years be and it is hereby approved, the undertaking."

Now there is no cabinet paper went up with that, Mr. Speaker. It was brought up verbally and this Order-in-Council was passed. On file the only documents that were in the government's possession on that whole transaction that is these documents I have here. But there is said to be an undertaking by Bison Petroleum and Minerals Limited to pay this. Now Bison Petroleum and Minerals Limited, Mr. Speaker, did not own the brewery at Stephenville, that was owned and operated by a subsidiary called Bison Brewing Limited, so this has to do with Bison Petroleum. It is supposed to be an undertaking and it was a verbal undertaking.

There was no correspondence. There was no Agreement, capital "A". There was no Agreement, no exchange of correspondence between the Government of Newfoundland and Bison Petroleum or Canadian Javelin or whoever. There was apparently only a verbal undertaking and that was not enforceable because they were agreeing to give a gift. There was no consideration.

So there is no agreement as I said in this House February 8. None. So on March 8, 1972 I wrote Bison Petroleum and Minerals Limited and I refer to this Minute of Council and their undertaking and that

no revenue bonds had ever been received. I asked what their intentions were and when would this be finalized. I refer to the House of Assembly debate of May 28, 1971 when Mr. Smallwood said that all the creditors were going to be paid by Bison, all the creditors of Atlantic Brewing and asked them about that, said that we would be pleased to be informed of any arrangements which Bison had to pay those creditors.

Now March 12, 1972, Mr. L. B. Martin, III, said to be a Vice-President of Bison.

MR. NEARY: March 13 that is.

MR. CROSBIE: March 13, 1972.

MR. NEARY: That is right.

MR. CROSBIE: Bison Brewing Company Limited, a letter from L.B. Martin, III, Vice-President, I believe he is a son-in-law of the great Mr. Doyle, whom the member for Bell Island is such a great admirer of, he replied, March 13, 1972 he replied.

He said, "We hereby confirm that Bison Brewing Company has undertaken to pay the Newfoundland Liquor Commission the amount of \$407,000 by the issue to government of interest free revenue bonds redeemable in equal annual installments over a period of ten years." He then goes on to talk about the premises and he says, "The premises have been passed over to Bison Brewing, the sale of the premises has not been completed and the issue price and securities involved have to be approved by the appropriate regulatory bodies. Some of these approvals have to be obtained from the Interior Security Commission. Now this is all poppycock.

"Upon completion of the transaction it is the intention of the company to issue the revenue bonds to the government. No agreement has been made by the company with any of the creditors of Atlantic Brewing nor any agreement entered into providing for any such payments. This is a matter of discretion with the company, any payments would be purely a public relations gesture."

So they were not going to pay the ordinary creditor. Well

you could not blame them. They had no obligation to do it. So L.B. Martin, III, sent back that letter confirming there was an undertaking, That is March 13, 1972.

June 19, 1972 I received a letter from the great man himself, John C. Doyle, on the stationary of Canadian Javelin Limited.

MR. NEARY: What date?

MR. CROSBIE: Will the honourable gentleman listen and stop interrupting me. I have enough to go through without listening to his interruptions.

"June 19, 1972. Dear Mr. Crosbie, we have instructed our local counsel in St. John's, Newfoundland, Mr. Donald Dawe, to prepare the necessary documents for the issuance to the government of the \$470,000 in principle amount of non-interest bearing revenue bonds to be issued by Bison Brewing Limited to the province." Then he talks about the land out in Stephenville.

So in June of 1972, Mr. Doyle says Mr. Dawe has been instructed to prepare the documents.

Then there is another letter of June - a couple of days later - saying that the \$470,000 should have been \$407,000. On October 10 (nothing more was heard) October 10, 1972, I wrote Mr. John C. Doyle again telling him that I had not heard from him since June and asking for the issuance of the non-interest bearing revenue bonds. We understood that counsel was supposed to prepared the documents and had heard nothing from him.

October 18, 1972, I wrote Mr. Channing, Clerk of the Executive Council, asking him to search all Minutes of Council and so on and so forth to see what could be found on Atlantic Brewing and Bison Brewing and the matter of these bonds and so on. Mr. Channing replied with a note later on in October, it looks like the 31st. of October, attaching all the records they had on Bison Brewing. The only record they had was an Order-in-Council of December 14, 1970, an Order-in-Council amending some wording in that, the copy of a press release from Bison Petroleum and Minerals Limited dated December 7, 1970 and some documentation from the Minister of Economic Development about whether Bison Brewing should be exempted from S.S.A. Tax on the equipment they were getting from Atlantic Brewing in Stephenville. The rest of that is about the sales tax matter.

There was an Order-in-Council passed December 1, 1971, after the election of October 1971, December 1, 1971, ordering that under section (12) and so on of the S.S.A. Tax Act, the regulations be amended to grant exemption to Bison Brewing with effect from January 1, 1971, in respect of plant machinery and equipment acquired by the company and previously owned by Atlantic Brewing.

Mr. Speaker, these are all the documents the government had, up to October 1972, about Bison Brewing and its obligations to pay this \$407,000. That is all. No agreement, no exchange of correspondence between the parties, nothing but an undertaking confirmed in writing by L.B. Martin the III that they were going to

issue these bonds. The undertaking, Mr. Speaker, was not of any real assistance because, what were the terms and conditions of the bonds? All the undertaking was that they had issued ten year interest free revenue bonds. Nothing else agreed on the bonds at all. What conditions were the bonds to contain? None of that was settled.

On June 4, 1973, I do not know how I let that slip so long, but in any event on June 4, 1973, Mr. Peper wrote my instructions to Mr. Doyle reminding him about all this again, saying that his lawyer was supposed to have sent us these documents. We heard nothing further. Mr. Doyle's office had advised us that the documents were sent for his approval months ago and we would like to have some progress. As a result of the lack of progress the paper went to the cabinet, the Department of Finance, and on July 4, 1973, an Order-in-Council was issued that we notified Bison that unless they took satisfactory action immediately to issue to the government these bonds the necessary steps will be taken to suspend its brewer's license, this matter to be reviewed one month from the date hereof.

We had no weapon over the Bison Brewery, Mr. Speaker, to get them to issue these bonds at all except a threat that we would have to suspend their brewer's license if they did not carry out their undertaking. Of course that threat was no good whatsoever when the brewery closed down in August and was not going to operate again anyway. However, that had a good effect. On July 5, 1973, I wrote Mr. Doyle (the letter is here) about the commitment and the honourable gentleman the Member for Bell Island tabled this the other day and thought he had struck a great, you know, he had come upon a gold mine. He had struck the load, he thought, to show Grosbie was a liar. He thought he really had him, and this is what he has based his whole case on.

My letter says; "Dear Mr. Doyle: We have now had a long



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correspondence originating in March 1972, with respect to the  
commitment of Bison Brewing Company Limited

to issue to the Government of Newfoundland free of charge noninterest bearing revenue bonds in the amount of \$407,000 to be redeemed in equal annual installments over a period of ten years. The agreement, small (a), the agreement - that is the agreement, their commitment to issue these bonds. Not an agreement, capital (A), a binding agreement between the government and this company, the agreement between Bison Brewing and the government was ratified by the Executive Council by a minute passed on December 14, 1970. That is the commitment, the undertaking repeated in the Order-in-Council.

I went on to say, "There has been extensive correspondence and no reply. The situation is being reviewed by the cabinet. I am directed to inform you that unless Bison meets its commitment and issues these bonds action will be taken to enforce the agreement. It is difficult to see how we can continue the brewery to continue operating if they will not meet their commitments to government. I am giving them a month."

That is the letter, Mr. Speaker. That is the letter -

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: Oh, will be come to the lawyers' advice. Do not the honourable gentleman worry. He is getting quite familiar with lawyers, involved in so many suits and actions and he would be involved in more if he clarifies his position outside this House.

MR. NEARY: I have already done it.

MR. CROSBIE: You have not, you weasel, you have not done it. Go outside here this afternoon and honestly make those statements outside in the presence of witnesses later on and we will see.

Now, Mr. Speaker, I do not want to pay any attention to the member for Bell Island.

MR. SPEAKER: (MR. STAGG): If honourable members are to persist in carrying on a banter across the floor, the whole debate will degenerate and I ask, if the honourable member for Bell Island interjects, I ask the honourable Minister of Finance to ignore him or otherwise

the Chair will have to be continually ruling.

I ask the honourable member for Bell Island to refrain from gratuitous comments of any kind.

MR. CROSBIE: Yes, Mr. Speaker, I am not in the mood for banter.

The next letter is August 3, 1973. We received a letter from Curtis Dave Fagan and so on, Mr. Don Dawe acting for Bison Brewing. It says, "Your Letter addressed to Mr. Doyle" (handed to them for action) - "In your letter you referred to a minute of the executive council passed on December 14, 1970." Now, get this, Mr. Speaker. "But our clients advise us that they have not a copy of that minute which we would like to see. We would appreciate it if you would arrange to have a copy thereof forwarded to us as soon as convenient so that we can proceed with the matters referred to in your letter."

Now, here is a statement that was made on December, 1970 that they were going to take over this obligation and issue bonds, nothing done for the last two years of the Neary-Smallwood Administration to enforce it and back comes their solicitor on August 3, 1973 to say that they have not even got a copy of the minute passed by the executive council. All right, they did not have a copy. So, on August 20, 1973 Mr. Peper, at my instructions, wrote back to Mr. Dave sending him a copy of the Order-in-Council and asking him to reply by August 27.

Then on August 22, Mr. Dave replied again and thanked us for forwarding the Order-in-Council. "You will note that this Order-in-Council refers to an undertaking to issue interest-free revenue bonds. We have asked our clients for a copy of this undertaking but they do not appear to have and I am wondering if you will be good enough to let me have a copy thereof so that I could proceed with the preparation of the bond and settle the terms thereof with you."

Now, that is good. The honourable gentleman says that I am a liar because I said there was not agreement between the parties because his great friend and companion, Mr. Doyle, had not given him all the correspondence or his agent or agents or sub-agents thereof

or his co-conspirators. "August 22, 1973 refers to an undertaking. "We have asked our clients for a copy but they do not appear to have it." Would we be good enough to let them have a copy of it so they could at least start the preparation of the bonds.

August 30, 1973, a letter back from myself to Mr. Dawe. "In reply to your letter of the twenty-second, I enclose herewith copies of letters dated June 19 and 27 from Canadian Javelin signed by John C. Doyle in which he confirmed that the documents should be prepared." So, I sent him that letter or those copies of those letters.

We are concerned about the fact that you are requesting documentation which should be in the hands of the company, cannot tolerate any further delays. For this reason, I am not prepared to extend the deadline beyond September 7, 1973. I had a letter September 4, 1973 from Mr. Dawe. He had received my letter. I was disturbed by the contents of the last paragraph because the records of Bison Brewing Company Limited, which had been forwarded to me, did not contain any documentation to the government relating to the proposed bonds. I was informed that no such records existed. Now Bison has informed their lawyer that no such records, no documentation and I am called a liar and deceiving the House and deceitful by the honourable gentleman opposite who did not inquire what evidence there was or what all the correspondence was.

He says. "I felt that it was not proper for me to draft the bonds until I had all the information. You will note that the letters copies of which you forwarded to me were sent by Canadian Javelin Limited and no copies were ever in the files of Bison. We are still without a copy of the proposal made by Bison to the Government which was accepted by the Order-in-Council which you forwarded earlier on this matter and if you have it, would you be good enough to let me have a copy."

Well, we could not let him have a copy, Mr. Speaker, because there was no proposal made by Bison to the Government, accepted by the Order-in-Council. There was not one. Now, there must have been a verbal one. Presumably, Mr. Smallwood must have spoken to Mr. Doyle in December or November, 1972 and said, "Will you take over this \$407,000.00. It is politically embarrassing to me. I have allowed Atlantic Brewing to go for thirteen months without paying these beer commissions. I am in a hard, political spot, John. You know, you have to assist me. We have to get over this matter and if you will take over the \$407,000.00, it will help me out of a tight spot" - or some conversation like that. But there was no proposal. We are still without a copy of the proposal made by Bison to the Government, accepted

by the Order-in-Council because there was no proposal and we had no copy of it because there was no proposal. So much for the agreement.

September 6, 1973, a letter back to Mr. Dawe from me: "Thank you for your letter dated September 4 which deals with your further request to provide you with an agreement which is supposedly in existence between Bison and the Government. Review, search of our files has not been successful in locating an agreement between Bison and the Government and I therefore suggest that if such an agreement is in existence, it should be in the Bison Brewing Company file. However, we believe a letter is in our possession from the parent company or sufficient to indicate the intention of Bison and Canadian Javelin Limited and I extended the deadline to September 14, 1973.

So, on September 19, 1973, Mr. Dawe came back and says he has prepared a debenture. He sent it off to Bison and he wants to get their approval of it but he sent a copy to us for our examination and comment. As you are aware, I was at a disadvantage in drafting this debenture, as neither my client nor the Government has been able to supply me with a copy of the proposal which was accepted by the Government as appears by the Order-in-Council and I have had to fall back on statements, on correspondence subsequent to that day.

So, that is the position, Mr. Speaker, on this Bison situation. There was no agreement, none whatsoever, an undertaking, apparently verbally given, I presume, by Mr. Doyle to Mr. Smallwood in December of 1972, which they confirmed in correspondence after we took over but still no agreement. They did confirm that they had undertaken the issue of ten year revenue bonds.

October 2, 1973: The next document is a letter from Mr. Peper to Mr. Vincent McCarthy, Deputy Minister of Justice, on my instructions forwarding the debenture, asking for their opinion, asking what legal steps we could take, saying it looked like we had little chance of recovering any of the monies, and we wanted to be advised; so we did not have receivables that were worthless.

A letter of October 9, 1973, to Mr. McCarthy from Mr. Peper again

sending them our whole file on the matter and all the correspondence, asking the same question, asking to make a search on chattel mortgages and writs.

October 15, 1973: A letter to Mr. Peper from Mr. Nesbitt of the Department of Justice, he has been assigned to look after the matter. He says about a mortgage that is registered and that he is going to look into the matter.

October 30, 1973: A letter from Mr. Peper to Mr. Nesbitt, asking for progress.

A letter then, November 2, 1973, from Mr. Nesbitt to Mr. Peper, bringing him up to date: The debentures and the important paragraph, "The debentures that Bison Brewing have agreed to give you are revenue debentures, even though the title of the debenture is Unsecured Interest Free Debenture," consequently it would not make much difference if the debentures were dated September 15, 1972 or 1974. If the company produced no revenue then there is no requirement for them to make a payment.

By this time, of course, Mr. Speaker, you realize the brewery was closed; there was definitely no revenue. There is nothing in the draft debenture to suggest that if they failed to continue business or to produce revenue that all the debentures would fall due. Neither is there a clause stating under what circumstances the company would be deemed to have revenue sufficient to pay off the debentures.

All these things are not agreed because there was nothing agreed, just interest-free ten year revenue debentures. How could you sue them or take action on that?

Then on November 5, 1973, a letter from Mr. Peper to me, enclosing a memo from Mr. Nesbitt who had met with Mr. Dawe, and we decided that despite the fact that the brewery seemed not to be going to operate again we should still try to get the debentures.

Then a letter from Mr. Dawe again, on November 5, 1973, he requests instructions but has not heard from his client yet and it is a waste of time to meet with us until he does.

November 8, 1973, a letter from Peper to Nesbitt, he has discussed with me two questions that were not settled. One was advising him that he should still try to get the debentures even though they would not be of much benefit. So that is the letter of November 8.

November 15, a letter from Mr. Nesbitt to Mr. Peper saying that Bison wants the maturity dates updated at a current date. In other words, we said these interest free revenue bonds should be dated September, 1972. The promise was given in 1970 but it should be dated in 1972 when the brewery started up but they were insisting that they be dated the end of 1973 or 1974 when they were signed, so we would be two years longer getting our money. That was not agreed. I said no, they should be dated in 1971 or 1972.

Then the next big question was: It also appears that revenue will be defined as being net income from beer sold in Newfoundland but this would have obvious connotations since there is little or no beer sold in Newfoundland. They will never have to pay off the debenture. So, I said no, the revenue should be revenue. They should pay it from the revenue of Bison Brewing Company Limited whether the revenue was from beer sold in Newfoundland or beer sold in the United States or beer sold in Swaziland or beer sold in Nova Scotia or beer sold anywhere on the globe or any revenue that Bison Brewing has.

There are two matters not resolved, no agreement and we could not force them, Mr. Speaker, to agree to any of these points because they should all have been agreed to in December, 1970 or shortly thereafter. Honourable gentlemen opposite and three of them were in the government, the member for Bell Island, White Bay South, White Bay North, they were in the government, they never saw that anything was done about this.

November 20, 1973, another letter from Peper to McCarthy telling him about the maturity date on the revenue, my position on that. Then November 27, 1973, Mr. Nesbitt reports that he met with Mr. Daws and they are still in conflict about these two matters and



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they have discussed the definition of net revenue and the redemption date. He is going back to his clients; will attempt to redraft the debenture

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That is November of last year.

On December 17, 1973 we wrote Mr. McCarthy asking for progress again on the matter. So, Mr. Speaker, this brings us up to where Labatts entered the picture. This is the situation. Labatts come along in December 1973. Bison has not given us the ten year revenue bonds, if they do give them to us, they are not worth a darn to us because they have no revenue and they have shut down their operations. We have no security on their operation. We have nothing. There is nothing. Nothing. It is a wisp, it is a figment of the imagination. We got nothing from them. No agreement. No security. Zero. This is just a political dodge in any event adopted in 1970 to get over a very difficult position that the government were in, in connection with Atlantic Brewing.

Late in December of 1973, Labatts contacted the government and said that they were interested in buying the assets of the brewery at Stephenville and that there were some questions raised that they needed our position on. We had to agree to, for example, for a transfer of the lease at Harmon. There was a question of the \$407,000. What was the position of that \$407,000? Would they have to pay it or just what was the status? Would Bison have to pay it? There are one or two other matters that I will mention when I come to the Orders-in-Council.

Now that went to the cabinet, Mr. Speaker, to be discussed and the cabinet was anxious for the assets of Stephenville to be put into good use. The cabinet knew that Labatts if they take them over will operate that brewery, not only will they operate that brewery but it will not be closed down in thirteen months or two years or at any time nor will we have to worry about whether they pay the commission on beer or the rest of it. They will also employ I think it is some thirty people out in Stephenville.

The cabinet meeting was December 28, the Order-in-Council which I have tabled today is 1602 of 1973 and it is dated January 9, 1974. That is the date Mr. Channing prepared it. The cabinet meeting was

December 28. It was decided at that meeting that I consult with the Department of Justice to determine the liability of Bison and/or Bison Petroleum to the government under that Order-in-Council of 1970, that I be authorized to inform Labatts that provided that the sale of assets from Bison to Labatts was effective by March 31, 1974; first, the government would consent to the lease being assigned, it would have the Harmon Corporation assent to that. That the government reserve the right to take appropriate action against Bison and Bison Petroleum for the payment of the amount of \$407,000. Then it went on to talk about the interest free bonds, that we are going to reserve the right to take action against them. Third, that there will be no exemption from retail sales tax granted to Labatts in connection with the purchase of the assets of Bison. I must have slipped up there, Mr. Speaker. I must have slipped up. I did not give Labatts a sales tax exemption. That would have been \$30,000 or \$40,000 bucks in their pocket and mine I suppose, if I persuaded the cabinet to give them a sale tax exemption:

Anyway we stated that there would be no exemption from retail sales tax and that no claim will be made against Bison for retail sales tax on their purchase of assets from Atlantic Brewing because there was an Order-in-Council exempting them, of 1971. Now that was on the assumption that we might have a legal claim for the \$407,000. So that was the position on December 28, as Labatts were informed, on those four issues.

After that cabinet meeting I wrote Mr. Peper on December 31, (I was going away) to tell him what the situation was and asked him to get in touch with the Department of Justice and get their legal opinion. That letter is in the file here. On January 2, he wrote Mr. McCarthy and Mr. Nesbitt, sending my letter and asking for the opinion - did we have any suit against Bison? Then on January 8, Mr. Nesbitt replied. His letter is here, January 8, 1974. I have your memo and so on, made some inquiries of Executive Council to see if there were any background materials to support the Minute-of-Council. He could find nothing.

In order to enforce, I will not read the whole letter - but "in order to enforce an undertaking it is presumed that there must be legal consideration flow in the opposite direction. Prima-facie I can find no legal reasoning for one company to assume the debt of another when it does not have to merely because it has purchased the assets under a power of sale from a mortgagee. It appears then the undertaking of Bison is an undertaking of a gift and a gift is unenforceable unless the donor sets a condition precedent or subsequent which if acted upon forms a consideration sufficient for the gift and so on. I have not been able to find any support for this proposition.

Therefore, it is my opinion, that if you attempted to force a claim for a debt owing of \$407,000 in a court of law you would be unsuccessful." His opinion on that. That is clear enough. "Too, on the other hand if you attempted legal action for specific performance based on the assumption of agreement by virtue of the letters of L. B. Martin III of 1972 and John C. Doyle you would first have to overcome the task of convincing a judge of the existence of an agreement to support your claim. Then you would have to establish the form of that for which you are asking, specific performance. There is nothing to ask the court to specifically perform, the conditions are not agreed except that there is to be ten year revenue bonds.

There is no evidence of what was intended to be a final form of the revenue debentures and as can be seen by other correspondence between Dawe Q.C and your any my offices, it has not even been determined what the definition of revenue was to be. The affect of all of this is that it could be argued that since there was no consenses ad idem, a meeting of minds on the alleged agreement, then specific performances and possible and the agreement frustrated.

Assuming that we could successfully argue before the court and could convince the court that specific performance is warranted for the issuance of the debentures, the court will be reluctant to set a date for the issuance. Consequently even if the debentures were

issued, if there is no revenue being produced in Newfoundland, which I understand they would insist would be the farthest extent of its intention in issuing the debentures then government would be gaining nothing. On the whole I would say that our chances of obtaining the decree for specific performance by the court would be extremely remote." That is his opinion. If you got a decree of specific performance for ten year revenue bonds with no other conditions, it would have been no good to us because there was no revenue, because Bison Brewing is not functioning any longer. That is the legal position.

So on January 18, there was another cabinet meeting, the meeting was actually January 16 - this is all gone over again. The cabinet decided that since we had no legal claim against Bison it was just as well to recognize we had no legal claim against Bison and to tell Labatts that we had no legal claim against Bison. But since we now had no legal claim against Bison for this commission on beer and since they were not going to honour their obligation, they were not offering to come across with \$407,000. In fact they were doing

all they could to prevent us from getting the bonds, that we would not give them the sales tax exemption. They had no right to it. That Order-in-Council, which was passed in 1971, had never been implemented and it would not be. At least we would get \$40,000 in sales tax that they had been exempted from by the previous administration. The Order-in-Council of January 18, 1974, sets that out in view of advice received by me from the Department of Justice I am authorized to do such and such and the previous Order-in-Council was issued. There is a documentation, Mr. Speaker. Everything that is relevant I have. I have the originals here and a whole lot of other stuff from the files, enquiries of the Harmon Corporation, enquiries of Public Works and so on for information on the situation. The rest of it is not really germane to this motion nor to the issue that is being discussed here. There is the complete correspondence, Mr. Speaker, and the complete situation. Mr. Speaker, what I said, what I said on February 8, 1974, in this House, every word was true and correct, absolutely true and correct, absolutely!

Now, Mr. Speaker, would Labatts pay the \$407,000? No, they would not pay the \$407,000. Why should they pay \$407,000 for a debt owed by one Atlantic Brewing to the Government of Newfoundland four years earlier with which they had had no connection? Why should they? Why would any one? Mr. Doyle and Mr. Smallwood concocted their pact again to get him out of a tough situation he was into because he had not collected the sales tax nor the commissions on beer. I asked Labatts would they pay the \$407,000 and they said: "No, they would not pay the \$407,000. They were prepared to pay Javelin for their assets, what the assets were worth but they were not going to pay \$407,000. They asked for a sales tax exemption and they were told, no. Now that is the situation. There is the correspondence, Mr. Speaker,

The honourable gentleman opposite, without asking for the whole picture, not caring about the whole picture, has charged me with lying and deceiving this House. Now there is no fair-minded reasonable person in this House today that should make any other conclusion than that this House has not been deceived nor lied to by yours truly. Now that is one charge of the honourable gentleman which is one hundred per cent incorrect.

Now what was the second charge. The second charge - he has a lot of charges that fellow. The second charge: "A very grave conflict of interest and that I acted as the chief officer of the government in negotiating a cancellation of debt; that I was associated in two ways with the purchasing corporation which had most to gain by such cancellation of the debt." Mr. Speaker, there is no conflict of interest whatsoever. How the honourable gentlemen opposite talk about conflict of interest now; they never heard or thought about it until the last couple of years. When they were in office they never worried or heard or thought about it. They were not concerned about it then but now it is all conflict of interest with them. The legislation that is being passed is not tough enough, not strong enough and what not. They would not even hear it talked about in the House. I was attacked like a savage when I proposed it in 1969, accused of slandering every member of the House and every civil servant and the rest of it. Now the "doughty" members opposite are talking about conflict of interest and every time an action is taken by the government we are being accused, innuendo and snide whisperings around that there is conflict of interest, patronage, graft and corruption, which is all we have heard for the last two years lead by the Member for Bell Island who is a spigot and a fountain of viciousness and slander; aided and abetted by two more educated gentlemen.

Oh, yes one point was that I was a member of the firm of Aylward, Crosbie and Collins and therefore, I was getting the gravy from them and they were acting for Labatts in the purchase. Now let me

say this that I have acted for Labatts in the past when I was in practice and if I am in practice again, I would not doubt I would be acting for them again, if the government falls in eight or ten years time, if I am not all worn out and jaded by that time, I would act for them. Why should I not? I have every right to act for them or any one else. I am not acting for them now. I have not acted for them since January, 1972. My name is with the firm of Aylward, Crosbie and Collins because Mr. Aylward wants my name to stay there. We have been in practice together since 1958; we two little fellows started out on Duckworth Street. We rented from Dr. Harry Roberts, had a bathtub between the two offices and I used to look out on a concrete wall, a beautiful view, two feet out there was a big concrete wall. That is where we started and Brother Aylward wants my name to stay there. I do not care if it stays there or not. It is not a cent in my pocket. I have not had a cent from Aylward, Crosbie and Collins since January, 1972. In fact I do not know if I had a cent from them before January, 1972, because it used to be, Lewis, Aylward, Crosbie and whatnots and that firm had dissolved itself and I do not believe I ever got a chance to get down practicing with Aylward, Crosbie and Collins. Is that not right? He is so darn mean, I hardly got a cent out of him when I was back there in between times. It was a job to make a nickel out of him. I have not had a cent, Mr. Speaker, from Aylward, Crosbie and Collins and I am promised nothing and I received nothing from them and if I leave the government or get defeated or go back to practice, I will receive what I bring in myself and he might help me along for the first few months when I am down doing the collections again.

There is no conflict of interest - Aylward, Crosbie and Collins. Every lawyer in this House, except the Leader of the Opposition who has never practiced, has his name down with his firm, the member for White Bay South and the rest of them. There is nothing wrong with it. None of the slander and atrocious innuendo that we will get in this House will make me change that unless Brother Aylward wants to take it down, for a temporary rest, so he will not be abused and attacked slyly and viciously and with complete disregard for honesty and decent conduct in this House.



Now what about Labatts? I am a director, Mr. Speaker, of Gaden's Limited or I was when this was going on. Gaden's Limited is in the soft drink business. It has nothing to do with beer. The only thing it has to do with is Labatts - it is owned by Labatts. Labatts own it. It has hundreds of subsidiaries across Canada, two hundred, I do not know how many they have. I was a director of it before Labatts bought out Bavarian Brewery and Gaden's and the rest of them and I have been a director of it since and I am still a director of a soft drink company but not of Bavarian Brewing or the companies that have anything to do with the beer business.

MR. NEARY: Who distributes and sells the beer?

MR. CROSSIE: It is distributed and sold by Beverage Sales Limited.

MR. NEARY: (Inaudible).

MR. CROSSIE: Mr. Speaker, I do not care who distributes the beer.

I am explaining -

MR. NEARY: I care.

MR. CROSSIE: I do not care about the honourable gentleman except that he is a squalid nuisance in this House and in the whole province. Now, Mr. Speaker, I will continue on. I am a director of that company as is set down there in my conflict of interest statement and there is no conflict of interest, none whatsoever. I do not intend to resign from it and I see no reason why I should and I am not going to. There is no conflict of interest. If Gaden's ever have to approach the government on anything, then I will not participate in that matter. Labatts, Mr. Speaker, to top it all off, Labatts has nothing, the cancellation of the debt had nothing to do with Labatts. There was no debt owing to the government by Labatts or Gaden's or any one else. The debt was owed by Bison Brewing Company Limited. I can assure you that I have no connection with Bison Brewing Company Limited, none whatsoever. My only connection with the owner of it has been a very distasteful one but we are busy now wrestling this province back from the grip of that type of person and we are going to do it despite

the campaigns of insinuation and slander and the viciousness and the rest of it, we are going to wrestle this province back from the clutches of people like John C. Doyle.

SOME HON. MEMBERS: Hear! Hear!

MR. NEARY: You better tell Brother Andrew that.

MR. CROSBIE: Andrew can do what he darn well likes. He can look after - he is the

Liberal and he can associate with the honourable gentlemen opposite.

MR. NEARY: How naive! How naive!

MR. CROSBIE: But not me. Now, Mr. Speaker, to get back to this point here. Just to repeat that: Who was benefited by the cancellation of the debt? It was not cancelled, we just concluded that we had no way of taking action, no way of recovery. The only one who could benefit from that is Bison Brewing Company Limited whatever benefit it is to them, because they are bankrupt anyway. They have no assets, it matters not to them. They had certain mortgages and so on on their assets which I assume got paid off when Labatts paid them whatever they paid them.

So I have nothing to gain by the cancellation of the debt, Labatts had nothing to pay, I was not associated in at least two ways with the purchasing corporation; I get nothing from Lewis, Aylward and Crosbie and the conflict of interest is simply trumped up because it sounds to the ordinary person who knows nothing about these subtle matters that there is a conflict of interest, you know, and the ordinary person does not even know today really what that is except that it does not sound too good. So honourable gentlemen opposite go around saying; "Conflict of interest" and try to make us look bad. This is their campaign, deliberate, premeditated. This is how they hope to get back into power. Not by discussing the issues, not by what should happen to Javeline or happen to this, that or the other, not by dealing openly and honestly in this House but by a campaign of calumny and insult and innuendo and slander and viciousness unparalleled in this province. In the days when Mr. Smallwood was here we never had the likes of this.

We used to have a battle but we never had - and he would not even have stooped to the degree that the Member for Bell Island has stooped. He would not do it. He used to put his tongue on me every day in this House and outside and I would put my tongue on

him, I matched him tongue for tongue but he never stooped to this kind of thing , never!

MR. NEARY: What about Saunders?

MR. CROSBIE: Never had to. Never stooped to it.

Now, Mr. Speaker, what happened to - Oh! that was number two, yes. That is the conflict of interest and number three, which is really minor compared to the other two in my opinion, but number three was that I abused the privilege of my office for my own personal interest.

My own personal interest is not involved here, Mr. Speaker, as I have just explained. It mattered not a darn to me whether Labatts bought the assets of Bison or whether this or that or the other thing happened with the exception that we were delighted to see Labatts take over those assets out in Stephenville. They will create a viable industry there that will give employment to thirty or forty people in Stephenville. We know they can do it. They are experienced in the brewing business and the rest of it.

That is the three charges made, not legitimately, not because the member was really concerned. No. I have explained to you how he did not ask for any information, he did not ask for all the correspondence, he did not ask to see the file, no, he just wanted to use this as an excuse to follow up the same kind of thing that he used - went out and accused the Premier and members of his cabinet of flogging around shares of Javelin when the government sold its shares and so on. I will say no more because it is going to come up in court. The same kind of thing we see him do in the House. Insinuations against the member for Trinity North and this one and that one, anyone. The man seems to be filled with a vicious hatred of everything on the other side of the House. He will stoop to any level and this is evidence of it.

Now, Mr. Speaker, I do not want to speak too long -

MR. NEARY: (Inaudible)

MR. SPEAKER: Order please!

MR. CROSBIE: But, Mr. Speaker, -

MR. SPEAKER: Order please!

MR. NEARY: What about the donations for the minister's campaign from Labatts?

MR. SPEAKER: Order please! Order please!

MR. CROSBIE: Mr. Speaker, I will just have to repudiate that before I go on. There were no donations from Labatts to the minister's campaign, none whatsoever. The minister's campaign in St. John's West cost him \$2,500 last time. I only had to walk around the district once and stop into some stores. I was in this building working my guts out when the last election campaign was on in March of 1972. I needed donations from no one. \$2,500 is what it cost me in the last election, and in the one of 1971 about \$4,500, in St. John's West.

MR. NEARY: How about 1966?

MR. CROSBIE: And if the honourable gentleman wants to run against me in St. John's West or anywhere else, because I will bury him. They will not see him again. It will not be eighteen feet deep it will be one thousand feet in the molten insides of the earth.

MR. NEARY: How about the leadership?

MR. SPEAKER: Order please!

MR. CROSBIE: Now, Mr. Speaker, to come back to this issue. The facts -

AN HON. MEMBER: (Inaudible)

MR. CROSBIE: To come back to the facts, Mr. Speaker, just to summarize: Bison and the government never had any agreement. No agreement certainly with a capital "A" and no proper agreement with a small "a" of any binding effect whatsoever. Absolutely, beyond doubt, it is all here in the file.

Secondly; there are no terms or conditions of these interest free revenue bonds. There are all kinds of major principles not agreed right up to December 1973. No revenue to pay the bonds, The company had ceased operations. We had no legal

claim for the \$407,000 and no legal action for the bonds. I am just summarizing now what I have explained here this afternoon.

Even if we could take legal action to force them to give us bonds, we have gotten not a cent because the company had no revenue.

Thirdly, Mr. Speaker, every possible step was taken to collect, to get those bonds from Atlantic, from Bison, to get the money. Nothing was done from September 1970 to January 1972 except give them a sales tax exemption when they had taken no action on those bonds at all. After the government was defeated and when they were hanging on here in defiance of the will of the Newfoundland people, they gave them a sales tax exemption.

Nothing was done by the honourable gentlemen opposite to correct that situation. The record shows what I did and what the government did from then on to try to collect. Every possible step was taken. There was no possibility of collecting from Labatts who were never involved, who would not have taken over the brewery if we had insisted that they assume a debt they had no obligation for.

The sales tax exemption we did collect and said they had to pay although the previous administration had exempted them. There was no conflict of interest. There was no deceit or lying. There was no private interest, personal interest of mine achieved in the whole matter. There was nothing achieved except the public interest. The public interest in an honest attempt to get these people to do what they undertook to do and would not do and have not done, to act in the public interest, to reactivate that brewery at Stephenville, that is what was done and an honest effort made to overcome the positive neglect if not worse of the Smallwood Administration with Atlantic Brewing that was there from 1968 to 1970.

Finally, Mr. Speaker, this attack was launched when I was away. I mean, words fail you to describe, to describe. If the

people of Newfoundland cannot understand how low and contemptible this action is, then I despair for it but I think they do. It has never, in my knowledge never has there been a parliament or a House of Assembly where a charge of this nature was made against a

member when he was not in the House.

You know you can bring up the matter, even if you are going to use that story about it, you have to bring up a breach of privilege at the first opportunity. It was eighteen days after February 8. You can rise on your feet and say, "Mr. Speaker, I give notice I have a claim of privilege that involves the Minister of Finance and I would like the House to - I give you notice of it now and we will deal with it when he returns to the province." You can do that.

But no, the honourable gentleman did not want to do that. He wanted to launch it while I was away and get his libel and his slander slithering and slinking throughout the province so my reputation would be most blackened and then have three or four days of talk and agitating about it before I could get back and reply.

Never in the history of parliament has any - the words fail you. My God, if people cannot understand this, and how low and disgusting this is, then I for one hope they will defeat me in the next election and put me out if I do not put myself out first! I would sooner be abolished if people do not understand how nefarious this is, how disgusting and disgraceful.

Now if you have no character and reputation and if you do not care, then it makes no difference. You can squabble down in the mud and splash and spray it everywhere and you do not care because you do not care about your own reputation. But I care about mine! I am asking the members of this House to show they care too. While I was away, my wife here happened to listen to this while I was away - it is a wonder I can contain myself but I will.

MR. NEARY: Come on over.

MR. CROSBIE: If I came over, Sir, you would be finished. I would flatten you so fast. But I will not. I will just ignore him, Mr. Speaker.

MR. SPEAKER: Order please!



MR. CROSBIE: No, I am not going to get up on a manslaughter charge.

Mr. Speaker, I want the protection of this House. If this House means anything in this province, I want the protection of this House. That is what I want.

AN HON. MEMBER: Do no break up the microphone.

MR. CROSBIE: I want the protection, Mr. Speaker, of this House and I think that every member of this House deserves the same protection from these kinds of breaches of privilege, slander, libel, character assassination and the rest of it. If this House will not protect its members from this it means nothing and from now on it is a free for all, there are no holes barred and the next two or three years or until the next election it will be pigsty in this House. It is either that or this House has to show both the government and the opposition and the opposition will not and if the opposition will not participate and do not want to protect any of the members of this House on either side, then the government members will have to do it. Something has to be done to protect members from this kind of conduct because it is not tolerated in any other parliament in the whole of the Dominion or the Commonwealth.

The other day in British Columbia the Liberal Leader was put out by the Speaker because he said Mr. Barrett was a liar, and would not withdraw it. In this House I am blackened, slandered, libelled, called a liar, deceitful, a crook, a corrupt for his own personal interest, and not a word said or done to protect me, and I 4,500 miles away. What a wretched state of affairs is that? I have to wait until I get back myself. I do not think that is good enough. I hope that does not happen again.

Now this House can either decide we are going to act as other Houses do and enforce some rules or it is going to be a beer garden.

Mr. Speaker, I am quite prepared to consider withdrawing this motion if the member for Bell Island stands when I sit down

and says he withdraws completely and irrevocably these charges he made against me on February 8. He withdraws them completely and irrevocably and without equivocation because I have no desire to have him put out of the House or put in the House.

MR. NEARY: Oh no.

MR. CROSBIE: I have no desire, Mr. Speaker, other than this, that if this House is going to tolerate this kind of conduct in the future and no disciplinary action is taken by the House at all, then it is no holes barred. Then it is everybody jump in. Then it will be a level of behaviour and decorum that has never been observed in any parliament of the British Commonwealth.

So if the member opposite wants to withdraw completely and retract those statements completely and unequivocally with no equivocation, with no qualification, with no distinctions, then I would be prepared to withdraw the motion. The honourable gentleman does not? The member does not? Then I have no other choice, Mr. Speaker, but to carry on with this motion.

Mr. Speaker, do not let the opposition pretend as they have done outside since yesterday that this is anything different than it is. Hear the Leader of the Opposition with his crocodile tears on the air, "Oh they are going to stop us from speaking in the House. There is the tyranny of the majority. The majority are tyrannizing us. They are bullying us. They are stopping us from doing our duty, criticizing the government. They are going to use the House Leader on the other side, Mr. Marshall, in the conspiracy with the member for St. John's West is going to eject us from the House and stop us from speaking." Freedom of speech is gone. Democracy is gone in Newfoundland because Mr. Neary might be expelled for fourteen days."

Now, Mr. Speaker, there is not a word or an iota of truth in that. The opposition has never had as much freedom in this House since 1949; with a question period, say what they like, ask what they like, speak around the country, people have never felt so free before.

The dead hand of tyranny went, the end of 1971, and everyone feels free now to say what they think or feel, not like it used to be, not when they cowered and almost collapsed if you went into their tavern or their brewers retail store or their brewers agent's place when you were going around and Mr. Smallwood opposed you.

Then I saw it myself in 1969 and 1970, people blanch, turn white, ask you to leave because they are afraid they would lose their licence, That is gone forever, and the Leader of the Opposition has the gall to try to pretend in the last few hours you know that this motion is passed, the opposition are being stopped from doing their duty. They are not being stopped from anything.

One member from the opposition would be stopped, not from doing his duty but from libelling and slandering another member of the House and abusing the privilege of the House. That is what would happen and that is all that would happen. There is no one stopping the opposition criticizing or probing or speaking in this House. We have been here for over a month now. They have been speaking for a month but they have to observe the laws, Mr. Speaker, and the rules the same as we are supposed to do. You do not have complete freedom because you are in opposition, You cannot just slander or libel anyone or do what you like because you are in opposition and if the majority of the House should take no action, that would be your beer garden for sure!

Now, Mr. Speaker, I am asking this House for justice and I am asking this House for protection and I am asking this House for affirmation that there is absolutely no substance to these charges, if you can call them that, these base, cowardly, false

malicious, unparliamentary, McCarthyite, spurious, vicious charges made here last Monday. That is what I am asking this House for. I am asking members opposite, Mr. Speaker, I am asking the members opposite to make their position clear on what they speak. Do they believe these charges are true or false? Are they satisfied or not? I am asking members opposite to vote for this resolution if the member for Bell Island does not withdraw completely and irrevocably what he said.

I am asking, Mr. Speaker, for justice here, for decency and for a way in which this House can continue on as it should in discussing the affairs of this province.

MR. SPEAKER: The honourable Leader of the Opposition.

MR. ROBERTS: Thank you, Mr. Speaker.

Let me begin, Sir, by saying that if ever I opposed a motion, I oppose this one. Let me begin, Sir, by saying also that if ever I should, as a member of this House, oppose a motion, I should oppose this one. Let me say, Sir, that if ever a motion should be defeated, turned down, rejected, if ever that should happen to a motion, Sir, it is this motion.

The motion moved just now, Sir, by the Minister of Finance, is a vindictive and vengeful motion. It is part of a plot, a deliberate plot, concocted weeks and months ago in the confines of a Tory caucus, one which has become widely apparent to all of us in the last few weeks in this House, a deliberate plot, Sir, to do what? A plot to try to stifle this group in this House, to silence us, to keep us quite, to prevent us from doing our duty as we see it.

Well, let me say, Sir, they will not succeed. They shall not succeed. They do not deserve to succeed. While they may succeed in this House on this motion because they are a majority, Sir, and have made up their minds and they are going to force this through,

while they may succeed in that, Sir, they will have won the battle but they will lose the war.

The people of Newfoundland, Sir, as is evidenced by the crowd that have come here today, the people in the galleries, are interested in this matter and so they should be. Because never, Sir, in my eight years of membership in this House - I would remind Your Honour, Sir, that there are present in this Chamber today only three men who have been here longer than I have, the member for Bell Island himself, the member from Fogo who is the senior member of this House and the gentleman, the member from Fortune Bay. The Minister of Social Services has been a member since 1962 but he is not with us today. He is in hospital. He had an operation I understand. I hope he is coming out of it well.

Sir, this motion is the most shameful and vindictive and vengeful type of motion that I can conceive. It is the mark, not of a man fighting for his character and honour which is what the Minister of Finance would have us believe, a man standing there claiming he wants justice. He does not want justice, Sir, he wants vengeance. He wants to have a kangaroo court, a jury, Sir. That is the prosecutor, the judge, the jury and the executioner. That, Sir, is what we have today in this House.

That is why I say, if ever I should oppose a motion, it would be this one. If I never opposed anything else in this House, Sir, I would oppose this. These men opposite, Sir - let there be no doubt what the issue is. I will deal at length with what the gentleman from St. John's West said. But, Sir, the issue is not anything said in this House or outside by my friend from Bell Island. The issue is not anything said in this House by the gentleman from White Bay South, my friend and colleague, inside or out. The issue is not anything I have said inside this House or out.

The sole issue before this House, Sir, is whether a member of the House, the gentleman from Bell Island, four times sent here by

the people of the district, whether that member has the right to raise statements in good faith and honourably and put them to the test. I say, Mr. Speaker, that the gentlemen opposite deliberately, intentionally, maliciously and malevolently intend to deny him that right and to prosecute him and persecute him for trying to do it.

Sir, I am going to oppose this motion and I can assure the gentleman from St. John's West that we on this side intend to divide this House and every member present, Sir, in this Chamber - there will be none of this shameful exhibition he put on yesterday of ducking out - every member present in this Chamber, Sir, when the Sergeant-at-Arms puts the bar across, and were officially here will have to stand, Sir, and make his case known, "Aye" or "Nay". I do not expect that will change any vote, that fact. It should not.

I want it recorded, Sir, so the people of Newfoundland for years to come can see who stood for and who stood against this motion, can see who took part in a deliberate plot, a plot which was dreamed up weeks and months ago in the Tory Caucus. Oh, they will deny it. I can hear them leaping out now, Sir. But I say now that they made that plot. They sat back in the confines of their caucus and said, "We will get them!" They did not know what the precise issue would be. It did not matter but they said, "We will get them."

Here today we have the first results. I predict it will not be the last. I predict, Sir, that as long as there is an opposition in this House be it composed of the Liberal Party as it will be until the next election or be it composed of the Tory Party, Sir, or be it composed of any party, that if we have more of this, Sir, the opposition will fight it and should fight it. I would think the less of any group of men who did not.

I am going to oppose it, Sir, by my voice and by my vote. I ask every member in this House, Sir, now when the time comes, to do the

same because if he does not, Sir, he will be doing the wrong thing for Newfoundland and for this House.

Now, Mr. Speaker, let me first of all, Sir, deal with a number of minor points that I have marked in my notes here as being undergrowth. Let me clear away the undergrowth, Sir, to get at the main issue, to get at the point which is being debated and which should be debated and a point which will be decided. First of all, Sir, let me dispose of a couple of base canards from the point of the Minister of Finance and some of his colleagues opposite.

The rules of this House, Mr. Speaker, are quite clear. We saw it earlier today when my friend from Hermitage who has had to leave the House to travel to Springdale where he is to be one of the major exhibits in the Winter Carnival tonight.

AN HONOURABLE MEMBER: What happened to the member?

MR. ROBERTS: The member? He was not asked but the gentleman from Hermitage is

to take part in an important part of the Springdale Winter Carinval tonight and he has left to go on. But earlier this day he stood on orders and he raised a point of privilege. He said he was not sure if it was a point of privilege, or was it, Sir. It is a practice that is mentioned in Mr. Speaker Sparke's citation in our Standing Orders. It is printed, a practice hallowed by this House. Your Honour has allowed it time and time again, and the Minister of Finance did it a few days ago when he launched a quite vile attack on the "Evening Telegram" and Mr. Wickford Collins one of the writers for that newspaper.

Your Honour in dealing with the point raised by the gentleman for Hermitage said, "Timeliness is of the essence." That is a position in which Your Honour is well fortified, Sir, by our rules, by Beauchesne and by our precedents. Timeliness is of the very essence, the very heart, the very pith and substance of any point of privilege. If one does not raise the point of privilege at the earliest possible moment, it cannot be dealt with. That is a rule hallowed in parliamentary practice, Sir, and it is a wise rule.

The gentleman for Bell Island, Sir, told this House that this information came into his possession this past weekend. Nobody has challenged that, Sir. I believe him. I believe he came into possession of this information, the information which he tabled on Monday, this past weekend. I believe that, Sir. He has stated it and there has not been even a voice heard against him.

Well, Sir, then if he came into that and if he were to deal with it, and I will come back to that whether he should deal with it or not, it stands that he must deal with it on Monday when Your Honour called order. If he did not, Sir, the timeliness rule, that quite proper rule would put him out of court.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: Mr. Speaker, the gentleman for St. John's West made his speech uninterrupted by me. My friend for Bell Island was provoked on a number of occasions and resisted manfully but once or two rose to debate it. I do not propose, Sir, to be interrupted by any honourable



gentlemen opposite unless any honourable gentlemen opposite wish to rise in the proper way on a point of order or something that is proper under our rules.

I would ask that I be given the same courtesy, a courtesy that I am seldom afforded in this House, the same courtesy that I gave the Minister of Finance. I heard him out without interruption, question, ejaculation, remonstrance or interjection, any sort. I listened to him, Sir, carefully, carefully in the hope that he would do the right thing and he did not say it, but so be it.

There are days when I am in the mood for banter and I do not think that I am confessing anything very unsuspected when I say that at times I am not entirely surprised when gentlemen opposite rise to debate which I have prompted in the form of provocative statements. I am like the Minister of Finance, Sir, I am in no mood for banter this day. I am in no mood for banter on this subject, Sir. This goes to the heart, the very heart of this House of Assembly.

Now, Sir, I have just established before the, I am not sure which honourable gentleman it was, it may have been the gentleman for Trinity South but I do not know that, I just established, Sir, that the reason the matter was raised on Monday was timeliness. Timeliness! If it should have been raised at all, Sir, and in my submission it should have been, but I will deal with that at length, if it should have been raised at all, it must have been raised on Monday. There can be no question, no quarrel, no doubt of any sort with that.

Now, Sir, let me deal with another specious, spurious and really quite irrelevant issue. "Whether there should have been notice given to the gentleman, the Minister of Finance." He was not here on that day, Sir. My friend for Bell Island must have known he would not be here. We all knew he would not be here. In not being here, Sir, first of all it was not our fault. We did not send him away. He was off on a phantasm frolic, flitting hither and yon about the country, doing we know not what, he and the Premier and Mr. Korbai of the Premier's staff and who know who else off flitting about. They say they were on public business, I accept their word. I accept their word, but they were not here. It was not our doing nor our fault. And I stress, Sir,

that if we had not raised the matter on Monday, if we had not raised it, it could not have been raised at all.

But, Sir, the gentleman for St. John's West in not being here, Sir, was in breach of Standing Orders of this House. Standing Order (80), Sir, says "Every member is bound to attend the service of the House, unless leave of absence has been given to him." Standing Order (80), Sir, is found on page 55. It is a rule, of course, Sir, that is more honoured in the breach than in the observance.

Indeed in my eight years in this House, Sir, I cannot remember any honourable member having asked for or been given leave to be absent. I am sorry does the gentleman for Labrador South want to do it?

AN HON. MEMBER: Inaudible.

MR. ROBERTS: Continuously. Well I agree he is continuously absent but I amend my statement then to - I had not recalled the honourable gentleman asking leave - if he were to do so, he is, was quite proper. I would submit in course of our practice, quite eccentric because most of us are guilty of breaches of Standing Order (80), I am certainly not accusing the gentleman for St. John's West of having done anything unusual or very wrong in being in breach of Standing Order(80).

But I point out, Sir, that it is there. The requirement is there. There is no requirement anywhere that any notice be given to anybody else. Nor, Sir, has it been the practice of this House that honourable gentlemen notify honourable gentlemen on the other side when they propose to call into question their character or their activities.

The gentleman for St. John's East once sent me a note, I was Minister of Health at the time, when he was over here as the health spokesman or critic, to say that he proposed that evening or that afternoon to raise a matter. He did raise it, a matter affecting me personally and in responding I thanked him for his courtesy and then proceeded to demolish his argument. Sir, he did not do me that courtesy two years ago nor did the Minister of Transportation and Communications when he came in here one day in the spring of 1972, Sir, came in here with a prepared statement not written out word for word because that is improper under our rules but a statement prepared, carefully shaved, worded, and

launched a vicious and a vile attack on the gentleman for Bell Island, so vicious and so vile that the gentleman for Bell Island was forced to ask publicly to ask the government for a public enquiry, to call upon the government to appoint a judge or some such person to make an enquiry. The government responded to my friend's appeal, Mr. Justice Mifflin of the Supreme Court has sat, has heard evidence and I understand in due course will be submitting to His Honour the Governor or the Executive Council.

MR. NEARY: Inaudible.

MR. ROBERTS: Mr. Speaker, there was no notice from the

gentleman from St. John's East Extern, a premeditated attack, none at all. How do you think the member for Bell Island's wife felt or children or brothers or your mother, your father was alive at that stage. I could talk just as meaningfully about that as could the Minister of Finance. His wife is a lady and I respect her, Sir, and I have respect for her feelings.

AN HONOURABLE MEMBER: So does my wife.

MR. ROBERTS: That is just the point. So is the lady married to the gentleman from Bell Island. Sir, maybe in this House we should have a rule. I think certainly it is a practice that should be encouraged. It is a practice that I would like to see encouraged and if possibly, possibly having our time back, possibly the gentleman from Bell Island should have sent a wire to the honourable the Minister of Finance, wherever he may be at that time saying: "Proposed to raise following issue today in the House." Maybe he should have but Sir, it is hardly a very grievous sin. The Minister of Finance has time and time again lashed out quite low and sordid, personal attacks on such gentlemen as the gentleman from White Bay South and myself.

All you have to do is look at the debates in the spring of 1972 on the Linerboard Mill when he deliberately and malevolently accused us of having knowledge and having taken certain acts when the facts available to him showed conclusively that we had done no such thing and had done the direct opposite. No notice came then and the Minister of Finance, Sir, could hardly be heard now to draw about himself the seamless garment.

"Sir, let he among you who is without sin be the first to cast a stone." It is a good biblical injunction and it is good in this House too. His point is specious and spurious and I am surprised that the Minister of Finance would weaken his argument, maybe try to strengthen it but all he did was weaken it by resorting

to it. It was not a valid point, Sir, and is not. Neither on the question of timeliness nor on the question of notice is there any validity at all in what the Minister of Finance has said repeatedly. There just is not and his repetition of it, his saying so does not make it so.

I can say, Your Honour, a thousand times that black is white but that does not make black white. The Minister of Finance saying something over and over again does not make it so.

The third point I wish to deal with, Sir, on this question or these questions of undergrowth is this magnificent red herring. "Resign your seat." They would like us to resign our seats, Sir. That is the only way they will ever get me out of this House. It is the only way they will ever get me out. The people of the district I represent, Sir, will get me out whenever they wish at a general election but the only way that crowd will ever get me out, I am sorry, that honourable crowd will ever get me out, Sir, is that way.

Let me say here and now, I have said it outside the House and I will say it inside and I will say it outside, that I will put my seat to the test on this matter, Any time the Premier, and he will not need Bill Saunders this time, he will not need the mysterious circumstances there, any time the Premier wishes to wait upon his Honour the Governor and advise his Honour to have a desolution, I have no doubt his Honour will accept the advice. He has no alternative, he will accept it. Any time the Premier wishes to do that, Sir, I will put my seat to the test and so will the gentleman from Twillingate who today is on his way to Twillingate for a function there tonight at which he is the chief speaker. So will the gentleman from Labrador North. So will the gentleman from White Bay South, the gentleman from Fogo. So will the gentleman from Bell Island, the gentleman from Bonavista North who is attending the funeral of a member of his family, the gentleman from St. Barbe North, the gentleman from Hermitage, although he is not part of our group, I have no doubt the gentleman from Labrador South, at any time, will happily put his political faith in

the hands of his constituents. He nods agreement and being a man of integrity I have no doubt that is what he would say but I am glad to hear him say it.

I have no intention of resigning my seat over the sordid charges of the Minister of Finance but if they wish to have an election on this issue, Sir, let them issue the writs. We can have an election in March in this country, we have had it before. We will not need a Bill Saunders this time. We will not have that trail of shame and scandal and that will come out, that will come out. We will not have men trying to cover it up as men are today in this Province.

AN HONOURABLE MEMBER: This House.

MR. ROBERTS: Mr. Speaker, all this talk of resigning one's seat is a red herring. The Minister of Finance says, "I will resign my seat if I am found guilty." By whom? By himself? Mr. Speaker, it is nonsensical. It is not worthy of the Minister of Finance who normally is an able opponent in debate. But every now and then, Sir, the Minister of Finance gets so carried away with his own moral righteous indignation that he uses arguments that really are not worthy of him, and that is such an argument.

I say, Sir, that if any honourable gentleman wants to put it to the test, I stand ready. I stand ready this night to seek a nomination and a constituency and to submit my faith to the hands of the electorate, now, tomorrow, next week, next month or next year and I will happily and gladly abide by the result. I will not abide happily by the result of this House, no, not in a kangaroo court, thirty men who have made up minds, who have made up their minds. They have made up their mind now to vote for this motion, no matter what is said or what is done and I can sit down now, get into the debate now or we can debate it for a week or a month and the result will be the same. These thirty men have made up their minds, Sir. They made it up weeks ago and now they are just putting their plot into action.

I will not resign my seat. They can take it from me. They can

persuade the people. If the people decide to take it away from me then that I accept happily. So do all the nine men on this side, for this purpose the ten men on this side, any of us. I do not hold this seat by right. I certainly do not hold it fiat of any gentleman opposite. I hold this seat, Sir, by virtue of the fact that the people of one constituency, White Bay North in my case, have in a majority ballot, a secret ballot, chosen me to be their member and that is that. The honourable gentlemen opposite can stand up and prate all they want about timeliness, about notice, about resignation and I say now that we reject all of these because none of them are relevant, none of them have anything to do with the issue under debate, none of them have anything to do with the issue before this House now, none of them have anything to do with the issue we will be deciding with our votes, our voice vote or our standing vote when the question is called.

Then the Minister of Finance, Sir, talked about the opportunity to reply as if somehow this was something new, the Minister of Finance, the great character assassin of this House. I sat there. I sat just behind the desk he now occupies where the gentleman from Grand Falls sits and I listened for two or three years as the present Finance Minister set out and tried to destroy the character of a man, Mr. Smallwood. I sat there and so did the gentleman from White Bay South, so did the gentleman from Fogo and so did the gentleman from Bell Island and so did a number of other members opposite, many of whom are in the House, six or seven - character assassination. "Let he among you who is without sin be the first to cast the stone." Let that stand, Sir. He says he has no opportunity to reply. Your Honour ruled the other day - the gentleman from Placentia East raised on a point of privilege a reply to statements - there was no objection from this side, Sir, once Your Honour made the ruling. The gentleman made his statement. It was heard out in respectful silence, as he would agree. Whether we agree with his statements or not is another story but we heard him out. I say that the gentleman from St. John's West made no such effort.

If the gentleman from Bell Island is at fault for not having sent a wire saying: "Dear John, I am going to produce some facts", the gentleman from St. John's West, Sir, is equally guilty for not having stood in the House and said, "Mr. Speaker, may I make a statement by leave or may I make a statement according to the principles of this House." The first would have been a matter of leave and the second would have been a matter of right and I submit, Sir, on the precedents in this House or outside, the gentleman would have been entitled to that statement and there would have been no objection. Oh no! Oh no! There was no thought of that.

Mr. Speaker, I would think that when the word went out to Vancouver on Monday, the phone lines burned up between here and



there, there was great glee, great joy, great rejoicing. First there came the vicious personal reply to the gentleman from Bell Island, calling him "an agent of John C. Doyle," calling him this and calling him that, this from a man who does not believe in character assassination. That is grand. It is not even worth a writ for libel. That was the first response.

Then the glee, I submit, Mr. Speaker, the joy. They said: "Ha, ha, we got him now!" The Minister without Portfolio, the gentleman from St. John's East I am sure chortled, if chortling is a feeling to which he is prey because he has been saying for weeks now on the radio stations and in the newspapers: "Ah, we do not know how long we are going to go on. Sooner or later we are going to stop them! Sooner or later we will nail them!" Here we are, Sir. We will face them now and here and outside and anywhere else, all of them gladly, with a clear conscience, Sir, and a firm belief in the rectitude of what we do. I have cleared it all away, Sir, I have cleared away this talk of opportunity of reply. This motion is not here so we can have an opportunity to reply. It is not the minister's purpose. The motion is not here, Sir, because of any question of timeliness or any question of notice or any question of resignation. That is all beside the point. It is all a diversion. It is something to titillate the honourable gentlemen opposite. This motion is here as part of a vengeful and vindictive plot to try to silence the opposition.

Now, Mr. Speaker, there is one issue which leads to the central part of this and that is: Did the gentleman from Bell Island, my friend and my colleague, act properly and in accord with the traditions of this House in raising this matter of privilege? I say, Sir, without reservation, that he did and I say, Sir, without reservation, he acted in the best traditions of this House. I say further, Mr. Speaker, that if he had not raised that point on that information when he did, he would have failed in his duty as a member of this House. I say that, Sir, and I believe it and I mean it!

Mr. Speaker, if I had the evidence that the honourable gentleman from Bell Island had, I would have raised it in the House. I did not have the evidence, Sir. It did not come to me. That is fine. It did not come to me. If it had, Sir, I would have raised it because I submit (I realize that Your Honour has made a ruling. Although I appealed it, we lost the appeal. I do not dispute Your Honour's ruling.) that on that evidence there was a prima facie case, that there was a breach of the privileges, a very grave breach going to the root and the heart of the whole practice of parliament. If a minister, Sir, or any member does not tell the truth that, Sir, is a very grave question of privilege. My friend, the gentleman from Bell Island, Sir, had evidence, had documents which were genuine, they are genuine, he produced them manfully. He stood in his place and produced them. He read from them and quoted from them and said: "I submit, Mr. Speaker, there is (These are not his words but his thoughts. He and I used different words) a prima facie question of privilege here.

Mr. Speaker, some say that he did not make a motion. Well, Your Honour, the reason he did not make the motion (He was prepared to make it) was that with Your Honour's acquiescence he was not required to make it. Your Honour, I submit, was perfectly in order. There is no question of any wrongdoing there. I refer Your Honour to pages 1804-1806 of the Hansard and to page 1807, all in the Hansard of Monday, March 4 - page 1807, Sir, 1804 and 1806. I made the point. Let me read it first, Mr. Speaker. Your Honour said, "Order please." This is a phrase which Your Honour is often required to use in this House. He said: "Order please!"

Because I was speaking and some honourable gentleman opposite tried to disrupt me and Your Honour said, "Order please!" Then I said, Mr. Speaker, according to the verbatim record issued under authority of Your Honour, I said, "I quite agree with the point of privilege and if it were not for the honourable gentlemen opposite we would be at the point of privilege. The point is, Sir, the point of order is that all that my friend, the gentleman from Bell Island, is attempting to do is to give the notice of motion, before he can do that, Your Honour must be satisfied that there is a prima facie case. Before Your Honour can be satisfied that there is a prima facie case, a prima facie case must be established, That is all my colleague is trying to do and if honourable gentlemen opposite would like to debate the matter then perhaps they would agree to let us put the motion on the Order Paper and then it could be debated but until Your Honour is prepared to say whether there is a prima facie case, then no motion is in order. The authorities are quite firm on that point."

Your Honour made no response recorded in Hansard because the next speaker was the gentleman from Placentia East and so Mr. Speaker, that in itself shows that my colleague was acting properly but then on page 1807, Your Honour is quoted, I have no doubt correctly, Sir, as saying, I read the full thing that I said, Sir, I read the full thing. Your Honour said, "The honourable member for Bell Island is taking considerable time and I do feel that he has been debating the point of personal privilege to a great extent. He has made some charges against the present Minister of Finance. I am not prepared to let him continue unless he makes a motion as such or states very precisely and immediately his point of privilege which I will take under advisement and rule on it later. I shall not permit the honourable member for Bell Island to continue any further after that." That was the totality of what Your Honour said at that point as recorded in the Hansard.

The gentleman from Bell Island then said in full, "Mr. Speaker, I charge the Minister of Finance, Sir, with deliberately deceiving this honourable House, misleading the people of Newfoundland, Sir, and in view

of the seriousness of this matter, I recommend, Mr. Speaker, that appropriate action be taken by this honourable House, that drastic action be taken against the Minister of Finance for abusing a privilege of this honourable House, Sir, for abusing the privilege of his office for his own personal interests and that immediate steps be taken to consider his impeachment." That was the end of my friend's comments, the next speaker was the Minister of Justice.

In other words, Mr. Speaker, my colleague was perfectly in order on the procedural point. He presented his evidence. He presented what he made out to be and what I still believe to be, I accept Your Honour's ruling but you cannot change my mind. Your Honour's ruling does not change what I believe, I accept it but I do not believe it. What I believe is that he presented a prima facie case. He was prepared to move the necessary motion but he never got the opportunity because Your Honour upon consideration yesterday afternoon at 3:00 P.M. we met, ruled that there was no prima facie case. I believe, I do not have the Hansard, it has not been distributed yet, I believe I am citing it correctly when Your Honour said that it is not a prima facie case; it is at best a dispute between two honourable gentlemen as to matters of fact and on that ground there is no question of privilege, again a point that is well established in parliamentary practice.

So, that is what my friend did. He presented evidence and he was prepared to move the motion, and I will say now what the motion would have been - is it okay if I say it - the motion would have been that the matters referred to by my honourable friend to be referred to the committee on privileges and elections and that is the appropriate motion, Sir, that is the appropriate motion because there the committee would have been made up of members of the House. The committee could have heard evidence, it could have sent for documents and papers, it could have sent for witnesses, it could have questioned them, points could have been made, witnesses could have been examined and cross examined, not kangaroo trial as we have here today, where forty-two men are going to vote,

I am sorry, Your Honour will not vote, I doubt if there will be a tie, Sir. I do not expect a tie vote on this. Forty-one men will vote if they are in the chamber and I venture to say, Sir, that of these forty-one men, every one of them has this day made up his mind how he will vote and I predict this vote will be on strict party lines, although I say now that on our side it is not a party matter. As leader of this party I say that any honourable gentleman in my group in the Liberal Party, in the opposition, is free to vote as his conscience wishes. I know how they will vote because they have told me but they may vote as they wish

This is not a matter of partisan politics except honourable gentlemen opposite choose to make it such. That is the point. That is the problem. That is what they are doing, vindictive and vengeful. "We got the vote boys. We will drive her through." Of course they will. They will drive it through this House. If they get behind this motion it will pass. "The Evening Telegram" today says in their front page story that they expect it - have you got it there - "Neary expected to get suspension," says the headline. Of course he is expect to get suspension. Everybody here knows he is going to get the suspension because honourable gentlemen opposite have made up their minds to nail him. Vindictive and vengeful and shameful, that is what it is.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: Mr. Speaker, the Minister of Transportation is back. I now say to him what I said to another honourable gentleman, that I heard out the Minister of Finance in quiet, there was not a word from me and I ask the same courtesy and I say further that if the honourable gentleman from St. John's East Extern is prepared to enter into this debate and I hope he will and I shall later make reference to the honourable gentleman's departures from this House, the two occasions when the House put him out. But if the honourable gentleman wishes to enter into this debate, I shall certainly hear him in silence and I ask the same courtesy of him and any honourable gentleman opposite. I may say, Sir, that most

honourable gentlemen opposite have respected that as I am sure will the gentleman from St. John's East Extern.

Now Sir, as I was saying, my colleague presented the evidence and was prepared to move the matter to a select committee, to refer the motion to a select committee and the select committee could then have heard evidence and found whether or not there was a case of privilege against the gentleman from St. John's West. They could have but they will never be given that chance now.

Oh no! Even if they amend their own motion and send it to a committee, it will just be a partisan hatchet job, a political murder as sure as in Macbeth. What was that line from Macbeth, "The bloody hands that Lady Macbeth saw before her." Well, that is in the parliamentary or in the figurative sense what we have today, Mr. Speaker.

What was the evidence my colleague presented? I am going to refer to it in detail, Sir, because I believe it did constitute a prima-facie case and I think my colleague was right to raise it. He was right to raise it. It was not a personal attack. It was a quite proper point, a quite proper proceeding, done in the proper way and at the proper time and in the proper place. My colleague, Sir, - and all these documents were tabled and distributed to the press and they are all contained in the documents which the gentleman from St. John's West, the Minister of Finance, passed me earlier today and I believe he has laid copies of those upon the table of the House as well.

The first of them, Sir, is a letter dated December 14, 1970 - I am sorry, not a letter. It is a certified copy of an Order-in-Council. "Ordered that consequent upon the sale of Atlantic Brewery Limited, Stephenville, the Bison Petroleum and Minerals Limited, and with respect to the amount of \$407,000 owed by the former company to the Government of Newfoundland, the undertaking of Bison Petroleum and Minerals Limited to repay the said amount by the issue to the government of interest free revenue bonds redeemable in equal annual installments over a period of ten years, be and is hereby approved." Quite straightforward, Mr. Speaker. That was it.

There is not on it, Your Honour, any notice of any cabinet submission. Your Honour has not at this point served in a cabinet. Perhaps Your Honour will and perhaps Your Honour will not. Time will tell. For those honourable gentlemen who have not yet served in a cabinet, they should be told that on the certified copies of the minutes of the meeting of council, it has been the invariable practice in my experience, for

Mr. Channing, the clerk of the Executive Council, the head of the civil service, then to place, where there is a cabinet submission, the number of that cabinet submission. There was no cabinet submission recorded on that order of December 14, 1970. I would assume therefore it meant the matter was raised orally, that it was not accompanied by a written paper.

That is not an unusual proceeding. Indeed, Mr. Speaker, there is no record of any cabinet submission on the order of January 13, 1974 to which the Minister of Finance made reference or - here is another order here - or on the order, I believe, of December 28, which was actually gazetted or actually produced by the clerk of the council on January 9. Where is it? Now, maybe Mr. Channing has changed his practice, Sir. I have no way to know that. It has been two years since I have seen an Order-in-Council. I have no right to see them now. I have no desire to see them now.

It may be that Mr. Channing has changed his practice or the cabinet office have changed their practice. In any event, in 1970 it was the invariable practice to record these matters, and it was not done. So, the matter obviously was raised orally. I do not recall whether I was at the meeting when it was decided or not. I may have been or may not have been. I am certainly as responsible as any member of the cabinet for what was decided. I make no apologies. It was quite in order.

Whether or not, I do not propose to debate the Atlantic Brewing fiasco, although if honourable gentlemen opposite wish to, I would be happy to do it but I suggest that it is not quite relevant to this - but whether or not the government should have refrained from collecting from Atlantic Brewing is one point. I can see no real argument on it. I can see it quite readily - I have time and time again - that the government were wrong in not pressing the matter of Atlantic Brewing Company. It is not a tax as people sometimes erroneously refer to it, it is a commission. I understood it was one dollar, sixty-nine and a-half cents



a case. I could be wrong.

The government of course acted wrongly in that and have been quite properly criticized widely for the point. All I can say -

AN HONOURABLE MEMBER: Two dollars and forty-nine cents for two dozen.

MR. ROBERTS: Two dollars and forty-nine cents for two dozen. I thank the Minister of Finance. I cannot afford to drink beer at the price we are now getting for it. Anyway, that is two dollars and forty-nine cents with the increase or two dollars and forty-nine cents before the increase?

MR. CROSBIE: That is the commission that goes to the government. One dollar and twenty-four and a-half cents.

MR. ROBERTS: All right. One dollar and twenty-four and a-half cents a dozen, ten cents a bottle.

That is a commission. It is a profit because the government own the beer by law in this province, Mr. Speaker, all beer. What is made by the brewery and goes out the door of the brewery is, in theory the title to that beer is vested in the government. The brewer's agents distribute it on behalf of the government. In some provinces they distribute it through government stores but not so here, never has been and still is not and maybe never will be.

So, obviously the government acted incorrectly. Any man who was in that cabinet has to answer for it. I take my share of the blame. I can say, in my defense, that when the matter came before the cabinet to my knowledge - maybe I was negligent in not inquiring maybe it was my duty as a member of the cabinet or the duty of the member for Bell Island and the member for White Bay South to inquire whether every account had been collected. Maybe it was although there cannot be more than 50,000 accounts with the government in any given year. When we had notice of this, Sir, we raised the matter in the cabinet and as a result the writ to which my honourable friend referred. was issued.

Now, I agree with him the writ really was not worth a great deal because the company by that time was either bankrupt or on the verge of bankruptcy. I recall indeed attending a meeting with one of the principal

backers of the company at which the statement was made, as I recall it, the company is not bankrupt simply because it is not worth-while issuing a writ to put it into bankruptcy. Why even pay the legal fees to put it under? It is just not worth it. Atlantic Brewing was a disaster financially. It may have been a disaster in other ways as well.

But if I have to answer for it, Sir, so do other honourable gentlemen including a man who sits in this House - we have been through it again and the gentleman I am glad to see is here now. He is coming onto the floor. He is coming on now, a gentleman who apparently kept this close to his breast, a man who was primarily responsible because it was within his departmental authority, and who did not tell the cabinet. He may have told the Premier, Sir. That I do not know. He did not tell me. The moment the matter was raised in the cabinet, the moment it was raised, the feeling of the cabinet and the order of the cabinet and the decision of the cabinet was that a writ be issued. Perhaps by then the horse had gone and it was too late to lock the barn door but it was all that could be done then.

Be that as it may, as the Minister of Finance told us earlier this day, Atlantic Brewing Company at the time the Bison people moved in was bankrupt. Their debt to the Crown - the Crown could have gotten a judgement very easily and it would have made a lovely piece of paper framed on somebody's office wall because that was about all it was worth. Bison, for whatever reason

I know not what the reason was, I had no part in any negotiations with them. The Minister of Finance in his usual underhanded way imputes the motives of Mr. Smallwood and imputes that it was surely and merely for political and partisan reasons, for whatever reason Bison assumed that debt, gratis. It is not just my opinion, it is the opinion of Mr. James Nesbitt, Senior Counsel, and one of the opinions tabled today by the Minister of Finance.

They did not have to assume it. They did not have to. The only reason other than their kindness of their hearts or political reasons if so there be, as the Minister of Finance insinuates and says the only reason that they could have assumed that was to clear the assets because, Sir, they bought the assets of the Atlantic Brewing Company, the brewery at Stephenville and whatever was in it. I do not know what is in it. I suppose great big vats and bottles and yeast and whatever goes into beer. Your Honour may know. I have not had much experience in touring breweries. Maybe it is something lacking in my career to date.

But they bought the assets. The government had a lien against those assets, a good lien and so they undertook to take it up and pay it in interest-free revenue bonds, really not very good security, I am not prepared to say it was a very good deal. I do not pretend to know a great deal about this sort of financial matter, this sort of financial matter, but I would think that interest-free revenue bonds are, as a number of honourable gentlemen have said, payable only if there is revenue in the company.

I do not think revenue equals profit. But whatever revenue equals, unless there is revenue and I do not think revenue equals profit, an important point, one that has not been settled. It may have been that the sale by Bison to Labatts of whatever they sold for whatever they got for it was revenue and the government may have had a claim against that. I do not know. It may or it may not have been revenue. But that is what the government took in return. It was either that or nothing.

This crowd, Sir, when they got the chance, took nothing. The will say there was no agreement with Bison but they never put it to the test, Mr. Speaker. I will deal with it again later but they never put it to the test, never, never! They relied on one man's opinion, one lawyer, a good enough lawyer, His opinion is here. It has been tabled. It was not available to my friend from Bell Island. He would not have access to the opinions of lawyers in the Department of Justice nor should he. They relied on one man's opinion, one senior counsel, and on the strength of that they gave up all further efforts. They may have relied on their own opinions. There are lawyers in the cabinet. They may have relied on their own opinions. They may have done that and so they would be committing the same ghastly political error that the late Mr. Justice D. Favreau committed when he gave a legal opinion which happened to be a political opinion, I am sorry, happened to be a valid opinion, as a royal commission subsequently affirmed, and for that Sir, he was hounded from office and hounded to an early grave, D. Favreau. He gave an opinion. He should not have given it, politically. It was on one of his own aides charged with accepting a bribe or offering a bribe, I am not sure of the details but something in connection with bribery.

Mr. Favreau reviewed the evidence and said there is no case to go to court, nor was there but he should not have given it, and I say that any minister who happens to be a lawyer who gives an opinion on which the cabinet acts is being extremely foolish in political terms. He may be valid in law but ministers, Sir, obviously should not be giving legal opinions. So if a minister gave a legal opinion here, it may or may not be valid, I do not know, but it certainly was not wise.

So they relied upon one opinion, as far as we know. There may have been a thousand but only one has been tabled, and on the strength of that they then forgave that debt, gave up all efforts to collect it. At least Joey Smallwood made some effort to collect

it, better than nothing, maybe not much better but better.

So my friend came by this evidence and the first piece of the evidence he led was that Order-in-Council, the next piece - Sir, now it is not the complete set, there are only six or seven documents here and there must be forty or fifty or one hundred pages in that thing, the stuff tabled by the Minister of Finance today, but how would my friend have access to that? We do not have access to the files downstairs. We should not and we do not.

The next one was a copy of a letter written by the Minister of Finance, dated March 8, and the minister read it in the House. I think it is worth referring to one or two paragraphs, and I will read it all if any honourable gentleman wishes, but it says; "Dear Sirs," it is addressed to Bison Petroleum and Minerals, C/o Bison Brewing, "On 14 December 1970 a Minute of Executive Council indicated that your company consequent upon the sale of Atlantic Brewery Limited would undertake to pay to the Newfoundland Liquor Commission the sum of approximately \$407,000 by the issue to the government of interest free revenue bonds redeemable in equal annual installments over a period of ten years."

It goes on, "The premises were passed over to your subsidiary. We would point out that the agreement entered into with the government as indicated by the Minute of Council has not been carried out by your company and the revenue bonds have not as yet been received. May we ask what your intentions are on this matter and when it is anticipated it will be finalized."

The next piece of evidence refers directly to that. The letter dated March 13, 1972 from Mr. L.B. Martin, III. Let me say I have no idea whether Mr. Martin is or is not a son-in-law of Mr. Doyle and I submit that has nothing to do with it. If he was a Vice-President of Bison Brewing and I assume he was, the only question, the only question is whether he had the authority to send and sign that letter. The Minister of Finance in his normal fashion attempted a gratuitous insult.

So what if a man is a son of John C. Doyle or a son-in-law? So what? What has that got to do with it? What has that - Nothing to do with it, obviously. It is the Minister of Finance's nastiness coming through. He cannot even be vengeful and vindictive in a pleasant way.

The letter begins, "Dear Mr. Crosbie," it is addressed to the Minister of Finance, March 13. "We hereby confirm that Bison Brewing Company has undertaken to pay the Newfoundland Liquor Commission the amount of \$407,000 by the issue to the government of interest-free revenue bonds redeemable in equal annual installments over a period of ten years." That is what it says.

Now, Sir, on the strength of those letters, was there or was there not an agreement? I submit that there was an agreement and I do not think any honourable member, Sir, can challenge that. Your Honour, in private life, is a learned man. Your Honour, I believe, is also learned in public life but that is another story. Your Honour knows as well as do I or any man in this House who is a member of the bar that an agreement, this is something not generally realized by the public, it is one of these secrets we lawyers hug to our chest for fear it will be revealed the emperor is not wearing any clothes, that an agreement is not the written document. The written document, Sir, which most people would call a contract is not the contract. It is not in law. It is the memorandum of agreement. It is merely evidence. It happens to be very useful because if you have a written document and two parties sign to it and all that, it is easy to prove what the agreement was and if the contract is merely by oral means or by word of mouth - Mr. Speaker, I wonder if the gentlemen outside could please, including my own colleagues, please keep it down a little? Thank you.

The agreement is the agreement between the two parties, the consensus, to use another of those Latin words that lawyers use as substitutes for thought, the agreement is not the written document and I submit, Sir, that it is obvious from these two documents that there was an agreement between the two companies, I am sorry, between the Bison Company on one hand and the government on the other. Now, whether it was a good deal or a bad deal has nothing to do with it. There was an agreement. There was an agreement. It was not in writing. It was not reduced to writing. It did not come within the terms of the Statute of Fraud, 1660, but it was an agreement. There was an agreement between the Bison Company and the government. There can be no doubt of that. Whether the agreement was a foolish one for the government, whether it was a good one, a bad one, an indifferent one, it is beside the point. The fact remains there was an agreement.

So, if the Minister of Finance had said there was no agreement he would have been lying. If he had said that, he would have been lying and he did say it outside the House and he was lying outside the House because there was an agreement, and that is that. He libelled Mr. Smallwood - Mr. Speaker, the honourable gentleman cannot speak from there but let him go ahead.

MR. CROSBIE: We know what the rules of the House are.

MR. SPEAKER (Mr. Stagg): If the Minister of Finance would return to his chair.

MR. ROBERTS: Mr. Speaker - no, do not make the point. I will withdraw it anyway, "John". Go ahead.

MR. CROSBIE: The honourable gentleman knows full well what this whole matter is about, that the expression he just used is unparliamentary and I ask him to withdraw it.

MR. ROBERTS: I have no hesitation in saying it and I did not mean to - the point I was trying to make was that he made the statement outside the House. He was quoted as making it. He may not have made it. The reporter who wrote the story says he was quoting accurately the minister but he may or may not. In any event, if anybody has an action it is Mr. Smallwood and I am not acting for Mr. Smallwood, so Mr. Smallwood can decide whether or not he wishes to issue a writ.

The point is there was an agreement and I said if the minister had said in the House, Sir, there was no agreement he would have been lying but the minister did not say that. What he did say is set forth in the Hansard, quite clearly. He says on page 406, Mr. Speaker, the second paragraph, the first paragraph is not material to this point: "Unfortunately, after we assumed office and investigated that whole matter, the matter between Bison and the repayment to the government, it turned out there was no agreement between the government and Bison Brewing Company Limited that had any binding effect whatsoever."

I would agree that the material words are "that had any binding



effect whatsoever". If they had been left out, the statement would have been incorrect. They were not left out, they are there, they were said. So the question then becomes, "Was there a binding agreement that had any legal effect whatsoever?" Well, was there? The minister says there was not. On the evidence of one lawyer, the matter was never put to the test, never, not ever, not once and that is why my friend did not have any idea, could not have had any idea, whether even one lawyer had said anything, and all we have now is one opinion, the opinion tabled today by the Finance Minister.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: So, they did not test it in the courts. That is what the courts are for, to decide questions of law. Cabinets that decide questions of law are open to the suspicion they do it for political reasons, do it for reasons other than legal reasons. It is all very well to seek advice, to know what your rights are, to get opinions as to what your rights are, but, Mr. Speaker, only the courts can tell you what your rights are.

Now they were willing enough to go to the courts, according to the later letters. July 5, 1973, Bison Brewing, a letter from the minister, again tabled by the gentleman, third paragraph and again I will read the whole letter if anybody wants it, Sir. The third paragraph is: "The situation has now been reviewed by the cabinet and

I am directed to inform you that unless Bison Brewing Company Limited immediately meets its commitment, "strange words to use if there were no agreement, Sir, and issues to the government the said non-interest bearing bonds in the amount of \$407,000 to be repaid over a period of ten years commencing from the time when the agreement - when the agreement, again words that, Sir, when the agreement was entered into - what will happen then? Action will be taken against Bison Brewing Company Limited to enforce the agreement. That was the situation in July, Mr. Speaker, they were going to take it to the courts to see whether it was legally enforceable or not. At that stage they obviously felt they had at least a case. Who knows what the courts would have said?

I was once told in law school that courts should be illegal under the Criminal Code because gambling is illegal under the Criminal Code. Who can predict what a court will do with the evidence before it? But in July the government were willing to take it to the courts. On July 5, according to the Minister of Finance, they were willing to take it to the courts. There was no talk then of an non-enforcement agreement. Maybe it was a big bluff.

I only know of the statement in the letter tabled by the gentleman for Bell Island and tabled also by the Minister of Finance. Then there was other correspondence tabled by the gentleman for Bell Island back and forth about the difficulty and the eventual failure to get these revenue bonds. At some point during that period the Bison Brewery ceased operations because of a great flood at Stephenville. Maybe they were going to cease any way but - I do not recall the date, I have not looked it up but it was some point in the latter part of 1973 there was a great flood in that part of the Harmon Complex and Your Honour was in there I am sure helping to stem the tide and the flood came along and did considerable damage, including considerable damage to Bison Brewing Company Limited's premises. They ceased operation then as I recall it and did not open.

All of this, Sir, is the case made by my friend for Bell Island, a prima facie case, that there was a good agreement. How did he know?

. We still do not know. Even on the evidence tabled by the Minister of Finance, there is no conclusive case that there was not an agreement - all he - I am sorry that there was not an enforceable agreement - all he has stated is the opinion of a lawyer, a worthy gentleman, a good lawyer, doubtless, giving his honest opinion. But on that my colleague is charged with libel and slander. He is going to be flung out for fourteen sitting days. Vengeful vindictiveness, Mr. Speaker, that is what it is!

Then what happened? The next step. My colleague also produced a copy of an Order-in-Council dated the 18th. of January. The Order has been tabled. It has been read. I shall read it if anybody wish - but again no indication, unless the cabinet practice has changed, that there was any cabinet paper. Again, presumably the matter was raised orally. I do not know that. It may have been cabinet practice has changed since I ceased to be a minister. But on the practice which was in effect when I was in the cabinet in 1969 and 1970 and 1971 and 1972 there was - a fortnight in 1972 - the practice was, as I have indicated, to note on the minutes-of-council, the cabinet submission, the cabinet paper in respect of which the order was issued in referring to it.

So there we are: My colleague came by evidence and, as I have indicated, Sir, there is to be no quarrel with that, as that evidence presented a prima-facie case, I would take it to any court in the land as a prima facie case. What is a prima facie case? A case which requires an answer. There may be a good answer or there may not. In my view now that the minister has

delayed it for some length. There has been no answer but my colleague honourably and honestly and properly and manfully came in here and laid before the House in the proper way, the proper procedure, laid before the House his evidence to support the allegation that there was not - I am sorry, that there was an enforceable agreement, that the situation was not as the Minister of Finance had said it was. I say now that even though the Minister of Finance has spoken for an hour-and-a-half or so, he has certainly not shown me where there was an enforceable agreement.

All the documents do not show that. The only thing they show is that one lawyer, a senior counsel, perhaps the Minister of Justice, concurs - I do not know. Perhaps all the learned gentlemen opposite concur but only a court can show that that agreement is enforceable or not because only the court can enforce an agreement or not. That is what the courts are for. That was what my colleague did. That is what he did. He followed the rules of the House and for this he is being subjected to trial by a kangaroo court, because this is not a fair court. There is no element of fairness in here, Mr. Speaker. This is a partisan debating forum with two sides and the neutral referee in the middle.

There is no hope of justice here. The honourable Minister of Finance asks for justice. He is entitled to justice, any man is. Bill Saunders is entitled to it and he will get justice too. The honourable Minister of Finance does not come here to seek justice because Houses of Assembly do not dispense justice, Sir. Houses of Assembly or Houses of Commons or Legislative Assemblies are not dispensers of justice. They are partisan debating forums with a government and an opposition, A pro and a con run all through all our rules. Every semblance of our practice and every semblance of our procedure is the adversary system. A court is an adversary system but it has a judge or a jury or sometimes both.

Sir, we have no judge or jury here. Your Honour is not a judge. Your Honour is not a jury. Your Honour is the presiding officer. We are the judge and jury. The Premier is the judge and jury and the Minister without Portfolio and the Minister of Finance, the Minister of Justice. We are all the judge and jury and this man has been condemned in advance. There is no fair trial in this House on this matter. It is a shameful proceeding, shameful, vindictive, vengeful and part of a plot.

What else did my colleague allege? Conflict of interest? Well, there is a conflict of interest, an obvious and a classic conflict of interest. First of all, Sir, the gentleman is a director, he has told us, of Gaden's Ltd. I do not doubt that. I do not know that because Gaden's Ltd. was registered on November 26, 1973, three or four months ago. That is when Gaden's Ltd. was registered. It is company number 7063 in the Registry of Deeds and Companies. There is no way to know who the directors are because they have not, as of two days ago, filed the share list for the year ending March 31, 1972. They have - what is today, the eighth - they have three weeks yet to file the share list with the registrar.

Gaden's Ltd. was registered by the gentleman from Placentia East, acting as its solicitor, quite properly and nothing wrong with that. I suppose he registers many companies in the course of his practice. The subscribers to the memorandum were the gentleman from Placentia East and

his secretaries or two ladies in his office. Again, I suppose that goes on a hundred times a day. It is quite the normal course. I have no doubt that the gentleman from St. John's West is a director of the company but we do not know that because Gaden's Limited came into corporate existence on November 26, 1973.

Mr. Speaker, one will say that Gaden's Limited has been in existence for many years and has done a thriving business. Of course they have. As of October 31, 1973, Sir, Gaden's Limited, as it formerly was, ceased to exist because there was an amalgamation agreement - it was filed on November 26. Again, the gentleman from Placentia East acted as solicitor and quite properly read, Sir, the agreement amalgamating the following companies in alphabetical order: Bavarian Brewing Limited, Beverage Sales Limited, Blue Star Brewing Limited, Gaden's Limited, Gaden's Central Limited, Gaden's West Limited, Jockey Club Brewing Limited and Realities Limited. They were all amalgamated by an agreement dated October 31 and the new company, No. 7062 on the corporate register of this province, is called "Labatt Breweries of Newfoundland Limited." What that means, Mr. Speaker, is that the company of which the honourable gentleman was a director, the old Gaden's Limited, No. 2062, the most recent share list they filed was dated March 13, 1973, the honourable gentleman was secretary, and thus a director - he owned one share of that company, one share. Five other people each owned one share. Labatt Breweries of Canada Limited owned the remaining 998 common shares and also all of the 560 preferred shares.

In other words, Mr. Speaker, the honourable gentleman as of a year past was a director of a company, he held a share. It may have really been a qualifying share, I have not looked up their articles. I do not know whether directors are required to hold a share. I do not know what interest he had. It may have been one thousandth and fourth and it may not even have been that. I do not know whether Gaden's Limited is a private company. I do not know whether they declare

dividends or what directors' fees they pay. I have no idea. There is no way to tell in this country unless it is a public company. These are not registered. Nobody can look it up. Nobody can tell me because the information is not public. Maybe it should be but it is not. He owned one share in a company, Sir, a company which was owned almost entirely by Labatt Breweries of Canada Limited. Gaden's West Limited of which the honourable gentleman was secretary was, in a sense, in the same position. The honourable gentleman owned a share, five others owned one share each. Gaden's Limited owned 153 and Labatts Brewery owned 147. Since Gaden's Limited was controlled as to ownership by Labatts, of course, Labatts controlled Gaden's West. Then as I have explained both Gaden's and Gaden's West Limited became part of a new company called Labatt Breweries of Newfoundland Limited.

Now, Sir, if that is not a conflict of interest situation, I do not know what one is. I just do not know what one is. There was no allegation he got any money. He may or may not. He said that he has not. I accept his word. There was no allegation of any money. It is a classic conflict of interest situation; the government dealing with Labatt Breweries Limited. The honourable gentleman disclosed his interests, although how he could be a director in the statement filed early in January, a director of a company called Gaden's West Limited and Realties Limited, when that company went out of existence in November, 1973, escapes me, but I am not a very eminent practicing lawyer. I have never practiced.

Mr. Speaker, anyway he was a director and he had an interest,

very small I agree, in a company, in the company doing business with the government and the company on which the government conferred a benefit. The benefit: They decided not to proceed on a \$407,000 claim not against Labatts but against some assets that Labatts wished to acquire. I submit, Sir, that the only reason, the only reason, Sir, that the government passed an Order-in-Council dated January 18 - where is the full one? That is a bad copy.

The Order-in-Council, number 57 - 74. It says, "Please place in Bison file," in somebody's handwriting. The only reason that the Order-in-Council was passed which says, "The government will not be taking action against Bison and/or Bison Petroleum and Minerals Limited for the payment of the amount of \$407,000 owed to the former Newfoundland Liquor Commission by Atlantic Brewing Company Limited and da, de da, de da! I submit, Sir, that may not be the only reason.

One of the major reasons that it was passed was so that Labatts would have those assets clear without any question of title because, Sir, that issue never came up until Labatts entered into the picture, as the documents tabled by the Minister of Finance revealed clearly.

In July, Mr. Speaker, in July the government were going to take Bison to court, so they said. Maybe they were bluffing, maybe they were not but that is what they said in a letter from the Minister of Finance to Mr. John Doyle.

Then in December, on the basis of one opinion, after Labatts intervened, after Labatts expressed properly, no argument there, an interest in this plant, the government gave up all attempt. One opinion they get, one opinion! Now, maybe it was right, maybe it was wrong but I say that that is a classic conflict of interest situation. I say that, Sir, and I will say it outside the House or inside the House or upside the House or downside the House.

That is what my colleague said. He let his evidence and he educed his evidence. That is what he said, Sir. That is the evidence on which



he said it. Everything said today and tabled today by the Minister of Finance only supports the propriety of my colleague's action in leading that evidence and in making those allegations. That is what he said.

I do not charge the gentleman from Placentia East with conflict of interest. I do not make that charge. I say that his colleagues opposite in a similiar situation charges a former colleague of mine with conflict of interest in the same situation. Mr. John Mahoney was a private member of this House in exactly the same position as the honourable gentleman now is, a backbench supporter of the government and solicitor practicing down town. He was acting for a client for whom his firm had acted for a number of years, just as the gentleman from Placentia East was acting for a client for whom his firm has acted for a number of years, the Labatt interests.

Mr. John Mahoney, the junior member as he then was for Harbour Main, was quite vilely and viciously attacked because he was acting for the Shaheen Company and the Shaheen Company or one of their companies - I do not know which one - was dealing with the government. If that was conflict of interest then the honourable gentleman from Placentia East is in the same position. If it was not, then the honourable gentleman from Placentia East is not. I say, Sir, that it is exactly a parallel situation.

The same honourable gentlemen who be so righteous now in denouncing my friend, some of them were in this House. The one I believe who made the charge unfortunately is not with us this day and it is not his fault. I refer to the distinguished gentleman from St. John's Center. Mr. Speaker,

honourable gentlemen opposite it was their party stand then that that was conflict of interest. Well how come it is not conflict of interest now? I happen to think it is not a conflict of interest. I happen to think that a solicitor is quite at liberty even though he is a backbencher, a member of the House, if he is a member of the cabinet that is different but the gentleman for Port au Port is a solicitor, a member of the Bar, the gentleman for Placentia East, the gentleman for St. John's South. There are no other solicitors who come to mind readily in the backbenches at present.

I think they are quite at liberty and I know they are doing properly in the code of ethics of a Bar but they are quite within the bounds of proper practice constitutionally and politically to act for a client in behalf or to act in behalf of a client in dealing with the government - they are not part of the government. They support the government that is all. They are quite at liberty to do so, as long as their interest is disclosed and there is no secret here. There is no doubt that Mr. Fintan J. Aylward, Q.C. was acting for Labatts Limited in this action or this matter. There is nothing wrong with that at all. My friend as the Hansard will show made no charges against the gentleman for Placentia East. He did not. I realize in the heat of debate the gentleman for Placentia East, who unfortunately was late that day at the House, somebody gave him a garbled report, as these reports tend to be, and the honourable gentleman did what anyone of us would do, stood to defend himself and quite properly and honourably did so.

But I say it is strange, Sir, it is strange that an action which proper now, four or five years ago was attacked by honourable gentlemen opposite. Amazing is it not, Sir? That is just further proof that this is a vengeful and vindictive plot trumped up, phony, faked, an effort to try and grind us down and to get Steve Neary, that is what this is. It is not a motion for justice for the Minister of Finance.

MR. NEARY: They will never get me, I can tell them that.

MR. ROBERTS: The only people who will get the honourable gentleman are his constituents and they will not get him, they sent him back time and time again.

MR. NEARY: I will guarantee you -

MR. ROBERTS: Mr. Speaker,

MR. NEARY: Inaudible.

MR. ROBERTS: No, No, hold on!

MR. SPEAKER: Order, please!

MR. ROBERTS: Mr. Speaker, the Minister of Finance asked for justice.

He has no claim to justice, Sir, indeed he is preventing justice. If he wants justice, Sir, let him do what my friend did when he was attacked, My friend asked for a commission of enquiry. Let us have one here, let us get to the bottom of this because I say, Sir, that the evidence led by my friend does disclose a case which should have been disclosed and I say that my friend would have been failing in his duty if he did not bring that up in this House. I say further that all of the speech made by the Minister of Finance does not to the slightest degree answer that case. It does not. Oh, I know that the vote will be taken as evidence but I say, Sir, the vote is no evidence of that. Honourable gentlemen opposite, I submit, have made up their minds how to vote on this no matter if there is not a word said.

Indeed, Mr. Speaker, if no man had wanted to speak when the House Leader of the government side today called Motion (5), if no member stood to speak and if Your Honour then put it to the vote I would venture to say that the vote would have been the same as it will be when we finish this debate in a week or two, or a month, whenever it is finished.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: Now, Mr. Speaker,

MR. NEARY: Put it to the test, and find out -

MR. ROBERTS: No, hold on now! Let us not hear any more talk of seeking justice. A man who seeks justice does not use a partisan majority to ram through a motion to put a man out for fourteen days - he does not. It is the mark of a man who fears to put it to a test and I say to the Minister of Finance now that he fears to put this matter to the test.

MR. NEARY: Inaudible.

MR. ROBERTS: Hold on, Steve! Now you will get your chance to speak-

MR. SPEAKER: Order, please!

MR. ROBERTS: You will get your chance to speak.

MR. SPEAKER: Order, please.

MR. ROBERTS: All of these words used by the Minister of Finance do not answer - he denies it, and I take his denial, I accept his denial but that is not proof, Sir. Why, Mr. Speaker, and I am not imputing the honourable gentleman as a criminal but I could say the jails are filled with men who have been sent there denying their guilt and yet they have been found by an impartial court to be guilty. Denial does not constitute proof any more than what my friend alleges constitutes proof. All it needs is his evidence. Why not put it to the test? Why not? What do they fear? My friend put it to the test, he put it to the test and we have had a Supreme Court judge sitting a year or a year and a-half, two years, We have not got the report yet. Then we will know whatever Mr. Justice Mifflin reports, then we will know.

Mr. Speaker, I move that the debate do now adjourn, it is of the order of six, I am quite prepared to move the adjournment now if that is in order, Sir.

MR. SPEAKER: The Hon. the Leader of the Opposite has adjourned the debate. It now being 6:00 o'clock I do leave the Chair until 8:00 o'clock tonight.