

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
3:00 p.m. - 6:00 p.m.  
THURSDAY, MAY 10, 1979

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: (Ottenheimer) Order, please!

STATEMENTS BY MINISTERS

MR. SPEAKER: Hon. Minister for Labour and Manpower.

MR. J. DINN: Mr. Speaker, I wish to inform the hon. House of the developments and progress being made by my department respecting the dust problems in the Labrador City/Wabush area.

In addressing this problem, Mr. Speaker, I believe it is necessary to first make reference to the various studies, inquiries and commissions which have been established to investigate a variety of issues and problems in Labrador.

I am aware of twelve studies, inquiries or commissions which have been established since 1972 and which in one way or another relate generally or specifically to the Labrador West area. As the hon. members will see, only one of these studies, which I will describe, directly addresses the dust problem which is presently of such great concern to all residents in the Labrador City/Wabush area and which, I may add, Government is committed to resolve with the greatest dispatch.

The report to which I make specific reference is known as the Windish Report and the study was carried out in 1975 at the request of the Department of Mines and Energy to reassess the health hazards existing in the mining operations of the Iron Ore Company of Canada at Labrador City. This report concluded that serious dust problems did exist in both the concentrator and pellet plant and that a major dust control program should be instituted by the company.

The other eleven inquiries and commissions were set up to consider various problems which directly or indirectly affect residents of the Labrador City/Wabush area.

MR. J. DINN:

In 1972 the Morgan Industrial Inquiry Commission into conclusions of collective agreements between USWA-IOCC was established and also the Snowden Royal Commission on Labrador studied economic and sociological conditions of life in Labrador.

In 1973 the Neary Royal Commission on illegal work stoppages investigated the number of illegal work stoppages throughout the Province. Also in 1973 a Royal Commission on Mineral Revenue reported on all aspects of revenue derived from the mineral industry in the Province.

MR. J. DINN:

In 1974 a study was carried out on the possibility of elected municipal government for the Labrador City/Wabush area. In 1975 the Woolridge Industrial Inquiry Commission was established to resolve differences between the United Steelworkers of America, Local 6285 and Wabush Mines in an effort to conclude a new collective agreement and settle a strike. Also in 1975 the Easton Industrial Commission was established to look into all aspects of industrial relations between the United Steelworkers of America, Local 5795 and the Iron Ore Company of Canada.

In 1976 a Human Rights Commission reviewed and reported on alleged discriminatory practices of the Iron Ore Company of Canada in employment status of six employees of the company.

In 1977 the Bartlett Industrial Commission of Inquiry studied employment problems in the Labrador City/Wabush area, including the practice of contracting out. Also in 1977 the McCarthy Royal Commission was established to investigate and report on three industrial accidents leading to fatality at the Iron Ore Company of Canada operations in Labrador City.

Presently an Industrial Commission of Inquiry is studying the contracting out policies of Wabush or Scully Mines which led to a wild-cat strike in 1978.

As the hon. members will note, none of these inquiries or commissions described above have come to grips with the serious problems which prevail both in the Iron Ore Company of Canada operations, or to a lesser extent the Wabush Mines operations in the communities of Labrador City/Wabush. The question which must be answered is whether or not the engineering efforts carried out by the Iron Ore Company of Canada during the past several years have

MR. J. DINN:                    achieved sufficient dust level reductions, and for this reason government feels it is necessary that immediate steps be taken to once and for all identify the causes of the dust problems in the area and to initiate the necessary action to correct these problems.

   Accordingly, a programme of action has been developed and approved by Executive Council which should fully identify the dust problems and sources and recommend the necessary corrective action which must be taken. In addition, to this program I have initiated procedures for consultation with management and labour which will facilitate the implementation of the action programme which I will outline as follows: (i) An independent body be appointed to co-ordinate a comprehensive study into the dust problems at the Iron Ore Company of Canada operations in Labrador City;

MR. DINN:

- (ii) an independent consultant be engaged to analyse dust level monitoring techniques and results of tests conducted both by government and the Iron Ore Company of Canada;
- (iii) the independent body referred to in (i) above to arrange for an independent engineering study if the Iron Ore Company of Canada engineering efforts have not achieved sufficient dust level reductions;
- (iv) an independent consultant undertake a medical reassessment of workers having reported diagnosed cases of dust related diseases;
- (v) an independent ambient air survey of the area be undertaken;
- (vi) a community health study be undertaken by specialized consultants, with special reference to respiratory diseases; and
- (vii) if, as a result of the independent ambient air study referred to in (v) and the community health study referred to in (vi) a health hazard is recognized, a complete engineering study of all dust sources in the area be undertaken to enable the design of controlled equipment.

With respect to the procedures to immediately commence the 7-Point Programme, I have established two senior management committees. For the Iron Ore Company of Canada operations in Labrador City, the Committee will include Mr. Brian Mulroney, President

MR. DINN: of the Iron Ore Company of Canada; Mr. Len Loyte, President of Local 5795, United Steelworkers of American, Labrador City and myself, and a similar committee to address problems relating to the Wabush Mines operation will include Mr. William Muloin, General Manager, Wabush Mines; Mr. Cal Luedee, President of Local 6285, United Steelworkers of American, Wabush and myself. The purpose of the senior management committees is to ensure that a co-ordinated effort is made on the part of management, labour and government in implementing the 7-Point Programme and to develop cost sharing arrangements respecting the comprehensive assessment of the dust problems.

In addition to the senior management committee, two senior officials committees have been established to deal with the separate problems at Iron Ore Company of Canada and Wabush Mines operations. Both management and labour at the Iron Ore Company of Canada and Wabush operations will be asked to appoint two senior representatives to these committees to work with officials of my department in developing detailed proposals respecting the 7-point programme for consideration and approval by the senior management committee.

Mr. Dinn: I might say that the representation from my department will be re-enforced as necessary by officials from the appropriate Provincial and Federal Government departments in whose jurisdiction a particular aspect of the problem rests.

I am pleased to inform the hon. members that meetings of the Senior Management Committee, of which I am a member, have already commenced and the Officials Committee will hold its first meeting on May 21, 1979 in Labrador City-Wabush. I am hopeful that the Officials Committee will submit recommendations respecting the implementation of the 7- Point Programme at an early date.

In addition to this, I am pleased to inform the hon. members that government has approved the appointment of a resident Regional Mines Inspector for Labrador City-Wabush and one additional Mines Technician for a total of three full-time positions to specifically deal with the Iron Ore Company of Canada-Wabush mining operations. I believe the establishment of an adequate mines inspection team in the area is a forward step which should contribute greatly to the identification and prevention of problems which occur in mining operations in Labrador City-Wabush.

I want to stress to the hon. members that the 7- Point Action Programme which I have outlined above does not mean that the ongoing efforts to curb the dust problems will slow down or be placed in abeyance. Indeed, I have a clear commitment from the Iron Ore Company of Canada that it will continue its programme of plant modification in an effort to minimize dust problems.

As well I have a firm commitment from the Iron Ore Company of Canada to share substantially with government and hopefully the union in any expenditures related to the 7-Point Programme which involves their mining operation. I will seek a similar commitment from Wabush Mines Limited when I meet with Mr. William Muloin, General Manager, on Tuesday of next week. I am in the process of approaching the National Director of the United Steelworkers of America



Mr. Dinn: to determine the extent, if any, of financial support which that organization will contribute to this undertaking and it is also my intention to approach the Federal Environment authorities to fund any costs associated with ambient air surveys in the communities.

The hon. members will see that government is fully committed to get to the bottom of the dust problems which have plagued workers and residents in the Labrador City-Wabush area and towards this end I have the full support of both labour and management.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Mr. Ottenheimer) Before recognizing the hon. member, I would welcome some people to the galleries of the House. We have students from two schools. Twenty-nine Grade V and VI students from Little Bay Integrated School in Little Bay, Green Bay accompanied by a number of teachers, Mr. Samuel, Mr. Pitts, Mrs. Simms and Mrs. Snow. And we also have in the galleries fourteen Grade V and VI students from Halls Bay Elementary School of Southbrook accompanied by Mr. James Starkes and Mrs. Trudi Starkes and Mrs. Brenda Fudge. I know all hon. members join me in welcoming these students and their teachers.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Also present in the galleries from the Town Council of Hare Bay we have two members of the town council, Councillor Fraser House and Councillor Gary Collins. I am sure hon. members join me also in welcoming these gentleman.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, there is not much else, I guess, can be said to add to what the hon. gentleman has already indicated the government is prepared to do in the Ministerial Statement. I will save my congratulations to see how the project progresses but on the surface it would seem to me to be a fairly good approach to tackling this problem that has plagued residents of Western Labrador for so long. It is unfortunate that it took twelve Commission of Enquiry of one sort or another and, as the hon. gentleman indicated, only one of these enquiries and studies that have been made in Labrador West to date, only one had to do with the dust problem. It is unfortunate that it took so long to really bring the point home to the people in authority, that this was indeed a very grave and serious matter. I am glad that a medical assessment will be made of the whole

MR. NEARY: population of Labrador City and Wabush, especially Labrador City where the dust problem seems to be far worse than it is in Wabush. It was so bad the last time that I went in, I think, on Eastern Provincial Airways the Captain was giving the passengers onboard the aircraft a sort of idea about their whereabouts and so forth and when they would be landing and that sort of thing and pointed out the pollution in the air about twenty-five or thirty miles from the airport.

I do not know if it is meant to be a tourist attraction or not, but this is one of the things that the Captain of the aircraft or the First Officer, whoever was talking on the PA system to the passengers, pointed out. But it strikes me, Sir, as being a very good programme. The only thing that concerns me about it, if I do have any concern, is the fact

MR. NEARY: that it could possibly get bogged down, although I heard the minister outside the House the other night say that the government would put up the money immaterial of whether or not the Steelworkers International Union were willing to participate or whether Ottawa was prepared to participate or not. The minister indicated when being interviewed that the government would find the money somehow and would go ahead with this programme. I hope that it will not get bogged down in semantics, that the government will get sulky if the United Steelworkers does not participate in the cost, because the local president of the Steelworkers in Labrador City has already indicated - and I might say just for the minister's benefit that I think it is wrong to threaten to go over the head of the president in Labrador City.

MR. DINN: Nobody threatened him, Sir.

MR. NEARY: Okay, well that is fine, but that is not the way it came out. But it would be wrong because it would create very poor relations between the government and the company. Well, I am glad to hear that, because that is a good point, that maybe the president of the Steelworkers in Labrador City did not think that he had the authority and not wanting to accept the full responsibility may have said, 'Well, go ahead, consult our head office,' and they will probably ask Mr. Laite his opinion anyway and then they will decide whether they should go ahead or not. But I certainly agree with his point of view that if they are to participate then they should share in the profits of the company. If the problem is there it is not of their own volition. The workers should not have to put up the money to correct an occupational health hazard created by a company and not share in the profits of that company. So that concerned me a little bit, but I am glad to hear that that is straightened out.

The other thing that I might suggest to the minister in naming these committees - that is the company, Mulroney, Mr. Laite and the minister - I think the minister called them senior management committees. Well, that would automatically turn off

MR. NEARY:

a lot of labour people, too.

I believe the minister could find a better name for that committee - senior management-labour committee, you know - but certainly it is a combination of both, it is not a management committee, and I think that leaves the wrong impression.

So I hope, Sir, that the various committees will proceed posthaste to do something about this dust hazard in Labrador West. It has been neglected long enough.

I certainly am impressed with the seven point programme that has been indicated in this ministerial statement and, as I say, I will save my congratulations for maybe a little later on to see how the thing progresses. I hope they will not get bogged down in red tape or in technicalities. It sounds to me to be a good programme and I think it could go a long way towards solving the problem. In the meantime, I think the minister is right in

Mr. Neary: saying that the people in authority are not going to sit back and wait until this Committee reports, that any engineering studies that show that improvements should be made immediately that the company will be asked to make these improvements. And I am glad to see that officials of the Department of Mines will become permanent residents of Labrador West. I think it is a good move, Sir, and I wish the minister the best of luck in his endeavour.

SOME HON. MEMBERS: Hear, hear!

PRESENTING PETITIONS

MR. SPEAKER (MR. OTTENHEIMER): The hon. Leader of the Opposition.

MR. W. N. ROWE: Mr. Speaker, I beg leave to present a petition which I received just yesterday afternoon from most of the residents of an area which can be referred to, is referred to in the petition as New World Island West in my district of Twillingate.

The petition, Sir, reads basically as follows:

"We, the people of New World Island West" - which includes, Mr. Speaker, the communities of Virgin Arm, Carter's Cove, Chanceport, Bridgeport, Moreton's Harbour, Whale's Gulch and Tizzard's Harbour - "We, the people of New World Island West have been neglected on our roads. We have not had a bit of road construction since 1956, only what the Department of Highways have patched up. There are places where the corduroy is coming through." Mr. Speaker, they say, "not only that, but there are curves on this road that you almost meet your tail lights, and in Wintertime it is only a one-way road for twenty-five miles. We have a population of 1,764 people, so, as you know, we must have a road; about half the people have cars and pick-ups."

We have these communities which I mentioned shipping fish so that big transport trucks have to go over our roads to collect the fish. Last year, according to the petition, there were five trucks, fourteen-wheeler trucks, Mr. Speaker, which travelled over those roads. "We have eight grocery stores with wholesale trucks as well, which supply those grocery stores." So you can imagine what the road would be like which has not been upgraded since 1956. "We cannot

Mr. W. N. Rowe:           keep our vehicles up to standard in this way!"

                  They mention, Sir, when you go to the garage to get  
your muffler put back on and come back again it is beaten off again  
on the way back home.

                  So "we, the people of New World Island West, ask the  
Minister of Transportation and Communications (Mr. Brett) to look into  
this immediately, and as well our M.H.A.," myself, "and our M.P., Mr.  
Baker."

                  Mr. Speaker, that petition is signed by some  
600 of the adult residents of that area of New World Island, which I  
would estimate is about three-quarters of the people on the voters  
list people entitled to

MR. W.N. ROWE: cast a vote in that area. The vast majority of the people have signed this petition. And, Mr. Speaker, I have no hesitation whatsoever in supporting the prayer of this petition wholeheartedly and I hope that other members of the House will do so as well. I know they will because the matter of roads is very important to all members on both sides.

Mr. Speaker, I have been the member for Twillingate district - that great historic district, the district represented by a number of Premiers and former Premiers in this Province; Sir Robert Bond, for example - I have been the member for that district for eighteen months or so, and during that period of time we have been relatively successful in pressuring the government, I suppose, is the right word, to keep some of the commitments that they made during the by-election in which I was elected.

As Your Honour is quite aware, and as all members are quite aware, there were a great number of promises and commitments made to the people of the district of Twillingate during that by-election. To give the government its due, Mr. Speaker, there have been a number of those commitments which have been kept, not too much in the way of road work. A commitment was made by the former Premier and by members opposite when they campaigned in that district to upgrade and pave these roads, Mr. Speaker, serving nearly 2,000 people in that area of the district.

I would ask, Sir, that the Minister of Transportation and Communications (Mr. Brett), now that he is drawing up his budget for the upcoming construction season, that the very least he can do is to include in that budget for spending capital expenditure on highways sufficient funds to upgrade those roads, some twenty, twenty-five or thirty miles of road, those roads and make the roads decent not only



MR. WN. ROWE: for the people to use in a social way, driving back and forth, Sir, but because of the contribution it would make to the economy of the area, particularly in the sphere of transportation of fish to the fish plant in Twillingate.

Mr. Speaker, I ask that the petition be laid on the Table of this hon. House and referred to the department to which it relates, the Department of Transportation and Communications, with the earnest prayer, on my own part, Sir, that the government earnestly do something about this and try to accommodate these people in a reasonable way in the upcoming construction season. Thank you, Sir.

MR. SPEAKER (MR. OTTENHEIMER): The hon. member for Trinity - Bay de Verde.

MR. F. ROWE: Mr. Speaker, I would like to give my support to the petition presented by the Leader of the Opposition on behalf of 600 people who signed the petition from New World Island West, where there is an approximate population in excess of 1,700 people. Sir, the reason I would like to support this particular petition

MR. F. ROWE:

is this, one is that I spent some time on New World Island and Twillingate Island and one of the things I can say about New World Island, Sir, is that it has to be one of the most beautiful spots on the Island part of this Province - although it is an island off the Island. It has to be one of the most beautiful spots and therefore it can be a real tourist attraction. I doubt very much, Sir, whether there are any other islands in our Province that have such scenic beauty and so many little coves and inlets and beaches and what have you as New World Island. And many people, Sir, I know for a fact wish to travel to that part of the Province, particularly during the Summer for purposes of holidaying. And, Sir, they will never be attracted there to any great extent as long as they have to beat over the kinds of roads that exist there at the present time. I am utterly astounded, Sir, that there has not been any real work done in this particular area since 1956.

I know when I was down there during the by-election that the road conditions were absolutely deplorable but I thought it was the time in the year. But 1956, Sir, no substantial road work done in that time. It is an astounding fact, Sir. 1956, is that right?

AN HON. MEMBER: That is right.

MR. F. ROWE: 1956.

AN HON. MEMBER: Both governments.

MR. F. ROWE: Yes, both governments. Mr. Speaker, that is completely irrelevant whether it was a Liberal government, a PC government. The fact is still astounding that there has not been any substantial road work done in that area since 1956, and I think that it is time that this government take the bull by the horns and get some road work done in that particular area for a second reason, Sir, and I hope we hear from the Minister of Fisheries on this one; the

MR. F. ROWE: Minister of Fisheries knows that one of the problems that we have in this Province is quality control with respect to our fish.

MR. SIMMONS: He is a good man. He should have been Premier.

AN HON. MEMBER: Hear, hear!

MR. F. ROWE: Sir, there is a substantial fishing industry in that part of the district, Twillingate district on New World Island, and I would hope that if for no other reason that the government would see fit to do substantial upgrading and paving of the roads in the New World Island West area as quickly as possible so that the fish products being transported out of that particular area can be done in such a way that the quality of the fish will not be depreciated. My colleague

MR. F. ROWE:

mentioned there were five fourteen-wheelers transporting fish last year in that particular vicinity. And, Sir, one realizes that beating a truck over rough road under hot conditions, particularly in the Summer, and with the dust situation that that certainly has to depreciate the quality of the fish going to the final market whether for processing or for sale.

Sir, I would hope for these two reasons - the tourist attraction reason, that beautiful section of our Province; and for the sake of the fishing industry in that part of the Province - the Government will see fit to improve the road conditions in the New World Island area, Sir, and I give the petition my wholehearted support.

MR. SPEAKER: (Ottenheimer) Hon. member for LaPoile.

MR. S. NEARY: So the petition, Sir, will not look like brotherly love, I thought that I would give the petition my support, my wholehearted support, Sir, because I had occasion during the by-election down there to do a little work for my hon. colleague and I spent some time in the Tizzard's Harbour area.

AN HON. MEMBER: They were glad to shift you out.

MR. S. NEARY: Oh, no! Oh, very definitely not! As a matter of fact, Sir, I could not spend all the time there that they wanted me to spend.

AN HON. MEMBER: (Inaudible)

MR. S. NEARY: No, that is right, that is right. My hon. friend has got the message on the other side about the licences or permits to pick blueberries and all that sort of thing.

MR. F. ROWE: Salmon licences.

MR. S. NEARY: Salmon licences and all -

AN HON. MEMBER: The Premier's moose licence.

MR. S. NEARY: Moose licences. But anyway, be that as it may, Sir. I support the prayer of the petition. And these people down there, Sir, are hard working Newfoundlanders who are

MR. S. NEARY: entitled to the same privilege as the people over, for instance, in Upper Island Cove where my hon. friend announced a water project today, water and sewerage for Upper Island Cove - \$1 million.

AN HON. MEMBER: Some good.

MR. S. NEARY: I beg your pardon?

AN HON. MEMBER: Some good.

MR. S. NEARY: Some good, that is right. Well, I hope we are not just going to concentrate on Tory districts. And I am sure the people down in Tizzard's Harbour and that area are entitled to having a good road as well as the people in Little Bay Islands are entitled to a good ferry service, Mr. Speaker. One of the first decisions of the new Premier and his Cabinet was to approve \$460,000 for a five year period to provide a ferry for the people in Little Bay Islands, who did not want a new ferry, by the way, who wanted a causeway. And the hon. gentleman, I believe, had presented a petition in this House for a causeway. But anyway, the Government decided to give the Green Bay Transport \$460,000 for five years. How much is that? .2,300,000 over a five year period

MR. NEARY:

to provide a ferry service that they did not want, they wanted a causeway. So, Mr. Speaker, I would think that the people in Tizzard's Harbour are entitled to the same rights and the same privileges, we are all Newfoundlanders, and not just make decisions for Tory districts, that decisions will be made in the best interests of the Province, in the best interests of developing the Province, developing our natural resources and building up the economy of the Province and not just for pork-barreling reasons or political reasons. So for no other reason, Mr. Speaker, I support the prayer of this petition and I would hope that the people in that area are as good Newfoundlanders as you will find in Little Bay Islands or over in Upper Island Cove or all my friends, former employees of Dosco who used to work on Bell Island, who were entitled to their water and sewer system the same as the people in Little Bay Islands are entitled to any benefits they can get. Unfortunately they wanted a causeway but the Premier decided that he would help out Mr. Weir to get a new ferry.

PREMIER PECKFORD:

Nobody wanted a causeway.

MR. NEARY:

Then the hon. gentleman -

AN HON. MEMBER:

(Inaudible)

Long Island.

MR. NEARY:

Long Island. That is right,

they wanted a causeway. I believe the hon. gentleman presented a petition in the House, two petitions, on behalf of these people, and wanted the hon. gentleman to make representation to Ottawa to try and get a causeway built to Long Island. Yet despite that, almost \$2.5 million taken out off the public treasury to give the Green Bay Transport sufficient funds to buy themselves a new ferry. So the people down there now are discouraged and will probably never, ever get their causeway. So I believe the people in Tizzard's Harbour are just as good.

MR. SIMMONS:

You know the reason on

Long Island, do you not?

MR. NEARY:

No.

MR. SIMMONS:

He told them in writing he did not like the way they voted the last time.

MR. NEARY:

Oh, he did not like the way they voted the last time. "So you are going to have a ferry, we are not going to give you a causeway." It had nothing to do with the support.

MR. SPEAKER: (Mr. Ottenheimer)

Order, please!

The hon. gentleman has strayed from supporting the petition to getting into extraneous matters.

MR. R. SIMMONS:

Interesting but extraneous.

MR. NEARY:

Well, Mr. Speaker, I have wound up my few remarks, Sir, and I again want to congratulate my hon. colleague, the Leader of the Opposition, for making such a wonderful presentation, making such a pitch on behalf of his constituents and I do hope, Sir, that the Minister of Transportation and Communications (Mr. Brett) and the Minister of Finance (Dr. Collins) and the Premier when they are drawing up their list of projects for this year will include Tizzard's Harbour - I wish the hon. the Premier would keep this in mind - as well as the three mile stretch of road from the Trans-Canada Highway to Grand Bay West in the district of LaPoile where a promise was made. Although my hon. friend said no promise was made, a promise was made to the people there that that road would be paved.

MR. C. BRETT:

Who made it?

MR. NEARY:

Well I can tell the hon. gentleman who did it. But anyway, Sir, I support the prayer of the petition.

MR. SPEAKER:

The hon. member for Bellevue.

MR. CALLAN:

Mr. Speaker, I want to stand for a minute or two and speak in support of the

MR. CALLAN:

petition presented by the  
Leader of the Opposition on behalf of his constituents down on New  
World Island.

Mr. Speaker, a dozen years  
or more, about twelve, thirteen or fourteen years ago, I was down on  
New World Island as a school teacher, a school master, and I remember  
the names of the communities quite well, Morton's Harbour, Tizzard's  
Harbour, Chance Port and Bridgeport and so on. I have many friends  
down there. I made them while I was down there that year. I saw  
some of them less than two years ago on another occasion when I  
was down there. Mr. Speaker, when I was down there thirteen or  
fourteen years ago it was at the time when the new high school  
was opened in Virgin Arm and two years ago when I was down there  
I noticed that a big new gymnasium had been build onto that  
school which of course it did not have when it was built initially  
fourteen years ago. But I was surprised to hear in spite of some  
advancements in education and so on that no substantial work had  
been done on these roads since 1956, especially when you consider,  
Mr. Speaker, that the gentleman who was Deputy Minister of  
highways for a long and extended period of time was a gentleman  
who was formerly from Morton's Harbour, a Mr. Knight, whose brother



MR. CALLAN:

I knew quite well down in Moreton's Harbour when I was there as a school-teacher. But Mr. Knight, I understand, retired probably in 1975 or 1976. But it is surprising to hear that nothing substantial has been done with that road for - How long? -

AN HON. MEMBER:

Twenty-three years.

MR. CALLAN:

- an awfully long time.

Less than two years ago, Mr. Speaker, when I was there, I travelled over most all the sections of that road which was described in the petition, and, as one of the former supporters of the petition said, the road, of course, is in a deplorable condition, there is no question about it. Even if some capital money was laid out for reconstruction this year and perhaps some pavement next year, it would improve the standard of the road considerably.

The people down there, Mr. Speaker, as they said in the petition, are primary producers; millions of pounds of fish are trucked over these highways every year, so it makes every bit of common sense in the world that these 1,700 people living in these half a dozen communities should expect and deserve to get an improved road system.

Mr. Speaker, the Minister of Transportation and Communications (Mr. Brett) seems to be very engrossed in conversation with the Minister of Mines and Energy (Mr. Doody). I guess they are contemplating what they can do together to lay out some funds for the improvement of these roads.

In supporting the petition, Mr. Speaker, one of the earlier speakers also mentioned about how beautiful New World Island is for tourists and so on, and I heard the Minister of Transportation and Communications referring to the fact that Random Island, which happens to be in his district, is also a beautiful island, and I dare say it is. Last Fall, Mr. Speaker, a big new bridge was officially opened. I think that bridge led to Random Island. Is that correct? - that R. C. Brett Bridge, as it was named. No? It is down in that district but it is not to Random Island.

AN HON. MEMBER:

No.

MR. CALLAN:

The point I am trying to make, Mr. Speaker, is a lot of money is expended in building a bridge that is only several hundred feet long. But New World Island is very fortunate in that respect, that there is no difficulty at all in getting to New World Island - the bridges have been there. The bridges are there, they were built many, many years ago. They were built thirteen or fourteen years ago. As a matter of fact, when I went to New World Island in the Fall of the year, I went on a ferry - or my car did - but when I left in the Spring, the road was under construction and the bridges were being put in then. I brought my car across on the harbour ice before it broke up in the Spring so I did not get a chance to drive back on the new bridges that link the island to the mainland at Boyd's Cove. But as I was saying, a tremendous amount of money can be expended in building bridges which only cover short gaps of highways. This happened down in the district of Trinity North as it happens elsewhere in the Province.

But these people here, Mr. Speaker, are asking that probably several hundred thousand dollars be spent to do miles and miles of road rather than just several hundred feet of bridges such as the R.C. Brett Bridge down in Trinity North.

Mr. Speaker, I support the petition.

SOME HON. MEMBERS:

Hear, hear!

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

MR. SPEAKER: (Mr. Ottenheimer)

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, I wish to table today the numbers of people that I have on my staff, that are on the staff around the Province, which are now under review - to table the names and the salaries and to table also a copy of the contract of the Press Secretary. The copy of the contract for the senior policy advisor is not being tabled at this point in time because it has not been finalized.

PREMIER PECKFORD: As soon as it is, I shall table it in response to questions from the Opposition concerning it a week or so ago.

MR. SPEAKER: (Mr. Ottenheimer) Oral Questions.

The hon. the Leader of the Opposition.

MR. W. N. ROWE: Mr. Speaker, I would like to address a question to the hon. the Premier.

MR. DOODY: Excuse me, may we revert to "Answers to Questions for which Notice has been Given"?

MR. SPEAKER: Is it agreed?

SOME HON. MEMBERS: Agreed, Mr. Speaker.

MR. DOODY: Yesterday, the hon. the member for Burgeo - Bay d'Espoir (Mr. Simmons) asked about the Lobstick reservoir in Churchill and it sounded very ominous and serious and I checked it out immediately, and subsequently, the media asked some questions about it. I answered them, and

MR. DOODY: I think that I should respond here in the House as well. The question I think really centered on the control structure at the Lobstick gate, the gate that controls the run of water into the main reservoir. I had been thinking when I answered the question in terms of the whole dyke operation up there, which are a bunch of earth filled dykes on which an ongoing programme of maintenance and repair takes place. They have helicopters up there which patrol the dykes and the crews who regularly repair erosion. I do believe that my friend was referring to the control structure itself and I have been informed that some symptoms of erosion had occurred, some heavy rocks had been thrown up on the structure itself some time ago and CLFCO immediately engaged an engineering firm who did an indepth survey of the situation. They have informed Hydro who have advised me that there is no immediate problems. They foresee no major repair programme necessary for at least seven years, maybe as long as fifteen years. So they are satisfied, and the House and the public should be satisfied, that there is no immediate problem at Lobstick. There is a small erosion ongoing. It is not a major engineering concern. It is being monitored constantly so the questions that followed up beyond that as to penalties and loss of power to Hydro Quebec and so on are in terms of this particular question irrelevant. Fortunately the situation is well under control, there is no immediate problem.

ORAL QUESTIONS:

MR. SPEAKER (Ottenheimer): The hon. Leader of the Opposition.

MR. W. ROWE: Mr. Speaker, I would like to address a question to the hon. the Premier concerning some statements made yesterday, which I would assume he found as alarming as everyone else did, by Mr. Harold Snyder of C-Core in which he mentioned that although the economic risk was worth taking that there was no doubt that a disaster larger than the ones, I think was the way he referred to it, which ruined the fishing industry in Brittany on the Coast of France following an oil spill there which rendered the fishery inoperable for about ten years, a disaster larger than that could occur off the Coast of Labrador in connection with drilling for oil, and the subsequent transportation thereof particularly.

Mr. Speaker, I would like to ask the Premier what measures are presently in effect as far as the government is concerned to first of all protect the Coast of Labrador against an oil spill occurring, and, secondly, if one should inadvertently occur what measures are presently in effect as far as this government is concerned, in co-operation with Ottawa or otherwise, in order to salvage the situation and make sure that the damage is minimal?

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, I do not know if the Leader of the Opposition remembers about a year and a half or two years ago it was indicated at that time through the Department of Mines and Energy and the local Department of the Environment that we as a provincial government undertook a study on our own through various agencies of the government and the university to try to identify levels of risk as it related to environmental damage done by any possible oil spill if and when we discover oil off our Coast. I think that was tabled here in this hon. House at the time. Subsequent to that, or simultaneously with that initiative, the provincial government encouraged the federal environmental people to get on with the job of doing additional environmental studies off Labrador and in Northern

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PREMIER PECKFORD: waters. I think at that particular time the federal government were relying heavily upon experimental environmental problems and experiments they were doing in the Beaufort Sea and in the Artic Islands area that were ongoing with industry and by themselves.

Last Summer, if I remember correctly, the Federal Environmental Department then

Premier Peckford:

decided to enlarge the geographical area of their environmental experiments to include Northern Labrador. And so I have not seen the result of that particular study, I would rather all of the results are done. But additional work was done in consultation with the Province with the federal government having the lead role in it in experiments environmentally to ensure that the proper precautions would be taken.

So the Provincial Government has, I think, demonstrated in the last couple of years its concern for what the Leader of the Opposition points out, as a result of Mr. Snyder's statements, and have encouraged the federal government to get heavily involved in it. There are a number of areas of the Labrador Coast which are high risk areas as it relates to environmental damage. And as one moves down from the North to a Southerly direction off the Island of Newfoundland, the impact and the risk lessens and diminishes somewhat.

So initiatives are underway and we will continue to take into account comments like Mr. Snyder's because it is extremely important that we fully appreciate all the environmental risks involved before any development occurs after there is some commercial find.

MR. W. N. ROWE: Mr. Speaker, a supplementary.

MR. SPEAKER (MR. OTTENHEIMER): A supplementary.

MR. W. N. ROWE: Mr. Speaker, then from what the Premier is saying, it is rather a long statement with very little specifics, talk in terms of initiatives and directions and so on. From the government's standpoint, is Mr. Snyder correct when he says that, as reported, I was not at the symposium, reported that neither the government nor industry has the means of getting to a major spill and containing it before a tragedy results? That is his expert opinion that neither the government nor the industry has the means available at the present time to avert a major tragedy—tragedy may not be the correct word—a major disaster in terms of damage if a spill or a blow-out were to occur at the present time. Is that a correct statement?

MR. SPEAKER (MR. OTTENHEIMER): The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I could not say off the top of my head whether an expert in oil spills who makes a statement and then the Leader of the Opposition expects me today to comment in a qualified way on whether this expert's opinion is a valid one. All I can say to the Leader of the Opposition is that we are taking every initiative possible with the industry and with the federal government to ensure that the latest technological advances are applied against any kind of oil spill, if and when we discover oil, and if and when we decide that production of that oil should go ahead.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. member for LaPoile.

MR. NEARY: Mr. Speaker, do I understand the hon. gentleman, Sir, to state in his answer that he could not say off the top of his head whether or not Mr. Snyder's remarks were correct, and whether or not the latest technology that the oil companies or the Government of Canada Coastguard have, he could not say off the top of his head whether or not they could contain a major blow-out or a major oil spill off our coast? In view of the fact, Sir, that the Provincial Government are the ones who lay down the rules and regulations for drilling off our coast, have they not taken adequate steps to protect our fishery that we have gone through hell on earth to try to build up?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: If the member for LaPoile (Mr. Neary) will remember, some time ago, perhaps as far away ago as two years, there was established at the time that we were negotiating with the oil companies a special committee of federal-provincial people dealing with environmental and safety factors as it relates to offshore drilling, not only off the Coast of Labrador and off the Coast of the Island of Newfoundland, but also in all other frontier areas in Canada. So with the federal government moves are being taken to ensure that the latest



Premier Peckford: technology and the latest expertise is used and applied against any such eventuality as the hon. member points out.

MR. NEARY: A supplementary question, Mr. Speaker.

MR. SPEAKER (MR. OTTENHEIMER): A supplementary.

MR. NEARY: Mr. Speaker, I think we should pursue this matter a little bit further because I had occasion recently in view of the oil spill in the Gulf which threatened the fishery in my own district, and it still does threaten the fishery because a pilot of EPA spotted an oil slick recently off the Cape Breton Coast that could very easily drift down in Bay St. George area or down on the Southwest Coast, down in the Burgeo Banks and in the Gulf and ruin the fishery down there, that could still happen.

But, Sir, after that I had occasion to call up the officials in Ottawa and do some research myself, that the government should be doing, by the way, and discovered that even though the latest technology is available, that even though we saw these two little tugs out here in Freshwater Bay towing a boom around, even though the Coastguard is responsible, has taken the responsibility of looking after the equipment for the oil companies, the latest technology available in the world, I am told by the officials, and perhaps the Premier can confirm this, that there is no technology available on the face of the earth today to contain or to cope with a major oil spill or a major blow-out off the Coast of Newfoundland or Labrador. There is no such technology available. And that is something that we should keep in the back of our mind when we are allowing these companies to go off there and drill for oil and gas, that our fishery

MR. S. NEARY: is threatened if there is a major oil spill or a major blowout

MR. SPEAKER (MR. OTTENHEIMER): Hon. Premier.

PREMIER PECKERD: I appreciate the comments that the hon. member has made and I assure him that every action is being taken that can be taken in line with everything that the federal environmental people do. I would also like to add, Mr. Speaker, in response to the hon. member that I sort of remember a number of years ago the hon. member was taking the approach that we were driving the oil companies away.

MR. S. NEARY: A supplementary question, Sir.

MR. SPEAKER: Order, please!

Final supplementary and then I will recognize another hon. member.

MR.S. NEARY: Mr. Speaker, I subscribed to Mr. Snyder's remark here that we need the industry, we need the oil companies, but we are doing it at the peril of our fishing industry which is in my opinion as equally as great. I welcome the oil companies but, Mr. Speaker, what I want to know from the Premier and the government have they convinced themselves, are they persuaded themselves that if there is a major blowout or if there is a major oil spill off our coast that they can convince themselves that it will not ruin the fishery and, if so, would the government not be well advised to set up a trust fund to compensate the fishermen because that threat is there? The hon. gentleman knows it is there. The officials tell me, of the Coast Guard and so forth, there is no way, and the hon. gentleman knows this, that a major blowout or an oil spill can be contained or they can cope with it even with the latest technology they have now over on the Southside; the technology is not available. I am asking the minister can he assure the fishing industry, the plant workers and the fishermen of this Province that if there is a major blowout or a major oil spill that it will not threaten their livelihood, that

MR. S. NEARY: if in the event of that happening that they will be compensated from a special fund set up by these multi-national, huge oil companies that are in here drilling for gas and oil off our coast?

MR. SPEAKER (MR. OTTENHEIMER): Hon. Premier.

PREMIER PECKFORD: Several points on that question, Mr. Speaker, need to be addressed. I do not know if the hon. member for LaPoile (Mr. Neary) has read the oil and gas regulations. If the hon. member for LaPoile has read the oil and gas regulations he will see that there has to be a major environmental inquiry performed in all the communities along the area that are affected by production, before production starts, if there is a commercial find. There has to be that kind of process done before -

MR. S. NEARY: Before, but what about during the exploration?

PREMIER PECKFORD: Number two, hopefully the hon. member recognizes, as we all do, I am sure that there are risks, not only in offshore oil and gas drilling but in many things along that nature onshore or offshore. I accept and acknowledge, obviously, that there are risks involved in not only drilling, but if there is a commercial find in production, more so in production than there is in drilling. We have to take every precautionary measure to ensure that that risk is as minimal as possible and that the fishery is protected.

I think also, in light of the oil and gas regulations, if the hon. gentleman would read them, is that there are funds established to provide dollars in case of any kind of damage -

MR. S. NEARY: But that is only after they go in production.

PREMIER PECKFORD: - and that is an important component of a regulatory regime for offshore oil and gas exploration and drilling. It is extremely important.

I just once again, number four, reiterate to the hon. gentleman that we are with the Federal Department of Environment, and our own departments concerned doing all we can to ensure that any risk environmentally to our fishery is at a minimum, so that we can still see the exploration go ahead. But that there is a risk, I think the hon. gentleman acknowledges as do we all. There is a risk! There is a risk in almost anything man does today, whether it is offshore oil and gas or whether it is walking across the street. The question then is not one of risk, Mr. Speaker, I do not think, - we have all accepted that. The question is, is it an acceptable risk? Can we each day do more to reduce the risk to ensure that development goes ahead and at the same time the environment is protected and traditional, indigenous resource activities are still protected on their progress towards other resource developments like oil and gas?

MR. S. NEARY: She is wide open.

MR. SPEAKER (MR. OTTENHEIMER): The hon. member for Terra Nova, followed by the hon. gentleman for Port au Port.

MR. T. LUSH: Mr. Speaker, I want to direct a couple of questions to the Minister of Labour and Manpower (Mr. Dinn) and I want to say how sorry I am that I was not in my place when he gave the statement but the hon. the Opposition House Leader did a commendable job and said almost precisely the same thing I would have said myself. But a couple of questions and one is related to the inquiries that the minister mentions and I just want to ask a question about, I think it is the last inquiry that he alludes to, the McCarthy Royal Commission that was set up in 1977.

MR. T. LUSH: I wonder if the Minister can indicate to the House just what is the status of this inquiry because it seems to my mind that up to a month or so ago that this inquiry still was not completed?

MR. SPEAKER: (Ottenheimer) Hon. Minister of Labour and Manpower.

MR. J. DINN: Mr. Speaker, the McCarthy Inquiry is not complete. We have had - I do not know if it is phase one or Book 1 presented to Government. I have not had a chance to have a look at it yet but in my brief look at it there are no recommendations in there. And I have to get in touch with or have Government get in touch with the Commissioner and ask him when the final report will be in because there are no recommendations in the report and all we have is a condensation of - in my opinion, I have not read all of the report yet - but a condensation of the evidence and so on. So when the commission will be completed and presented to Government I can not say to the hon. member right now, but I will endeavour to get the answer for him and relay it to him.

MR. T. LUSH: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary, hon. member for Terra Nova.

MR. T. LUSH: Again, the only reservation really about this report that I express is the same one expressed by the Opposition House Leader and that was having to do with asking the union or the workers to contribute towards the cost of this study. And the question I would like to direct to the Minister is what rationale is he using or is the Government using in asking the union, in other words, in asking the workers to contribute towards the cost of this study? It is asking the workers to contribute towards a study to make the work place safe. This seems to be rather unusual, Mr. Speaker, and could even be a precedent whereby we are asking workers to contribute to pay towards making their work place safe. So, just what is the rationale for this?

MR. SPEAKER: (Ottenheimer) Hon. Minister for Labour and Manpower.

MR. J. DINN: Mr. Speaker, in an effort to have a tripartite committee more or less of Government, labour and management sit down as a committee and make decisions as to what route the seven proposals that we have put forward, who should do the various studies and so on, so that nobody feels that one has a right over the other, I felt that we should participate, Mr. Speaker, all the way through and that I did not want the union, as an example, coming out at the end of the study to say, "Well, Government paid the piper so they call the tune." I wanted to make sure everyone was in there on an equal footing. I wanted the decision made almost unanimously between labour and management and Government as to who should do the various aspects of the studies and that we have agreement all the way through the piece so that when we get something at the end we will get a resolution of the dust problems and possibly the health problems in the Labrador City/Wabush area. That is the basic idea.

AN HON. MEMBER: Supplementary, Mr. Speaker.

MR. SPEAKER: I have indicated I recognize the hon. member for Port au Port next.

MR. J. HODDER: Mr. Speaker, a question for the Minister of Transportation and Communications. Has the minister received a final report on the conditions which caused the landslide on the Trans-Canada Highway on the West Coast?

MR. SPEAKER: Hon. Minister of Transportation and Communications.

MR. C. BRETT: Mr. Speaker, I was advised five minutes before the House opened that the report has been given to the engineers. It has not come up to my desk but the report is in.

MR. J. HODDER: Supplementary, Mr. Speaker.

MR. SPEAKER: (Ottenheimer) Supplementary, hon. member for Port au Port.

MR. J. HODDER: The minister is reported to have said that there is a small chance that a similar occurrence would occur. Does the minister have a report of another condition, a similar situation occurring on the trunk road running through the communities of Felix Cove, Campbells Creek?

MR. SPEAKER: Hon. Minister of Transportation and Communications.

MR. C. BRETT: No, Mr. Speaker, I do not have any such report.

MR. J. HODDER: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary, hon. member for Port au Port.

MR. J. HODDER: Is the minister aware that a petition was presented here in this House last year from those people, that surveys have been done by his department and that a report is in his department that the road is being eroded underneath by sea action; that some 6,000 people travel across that particular road and that a letter has gone to him or one of his officials have told him that there is a possible loss of life in that particular area if that road is to slide?

MR. SPEAKER: Hon. Minister of Transportation and Communications.

MR. C. BRETT: No, Mr. Speaker, I am not aware of the condition of that road but certainly if it is as serious as the hon. member says then I will certainly look into it immediately.

MR. I. STRACHAN: Mr. Speaker.

MR. SPEAKER: Hon. member for Eagle River, Burgeo-Bay d'Espoir, St. John's North and Stephenville.

MR. I STRACHAN: Mr. Speaker, the provincial oil and gas regulations protect, I think adequately, the economic situation as far as the companies are concerned in Newfoundland,

MR. STRACHAN:

although not totally, but an environmental aspect - we can get back to that - could the Premier indicate to us whether, number one, there is any possibility of including in the oil and gas regulations a monitoring system of the oil companies during their drilling programmes since they directly regulate themselves, or monitor themselves? Is there any possibility that the Province can obtain funds from them or from various sources to monitor their drilling programmes in a far more visual and physical way? And secondly, is there any possibility of including what they call the weather window, a set time in which the oil companies must get out of certain areas, especially Northern Labrador areas before the weather and the ice damage and ice problems could create a very serious situation in which the oil, if there was a blow-out or spill late in the Fall, would not be contained until at least the following year because of the ice conditions?

MR. SPEAKER(Ottenheimer): The hon. the Premier.

PREMIER PECKFORD: The whole question of monitoring the drilling programme, I think the hon. member is aware that we do have controlling geologists on staff who go out on the drill rigs.

Now there is a question here on the weather window thing. I think that is an important consideration. I do not know if it is covered under the federal government or under us. We have a problem here that I would have to check out for the hon. member to be totally accurate in my statement and that is where federal jurisdiction stops and provincial jurisdiction



PREMIER PECKFORD: begins as it relates to environmental and safety procedures for offshore oil and gas drilling off Labrador and the Island of Newfoundland.

Right now, as the hon. member knows, as all Newfoundland knows, we are into a dispute as it relates to the ownership of the resource underneath the Continental Shelf. That is one thing and that is a jurisdictional, constitutional problem. The other one is resolving and working out with the federal authorities as it relates to environmental and safety precautionary measures which must be taken.

I know to date, and up to this present moment, we do have petroleum geologists and the like go out on the drill rigs and spend quite a bit of time monitoring the actual drilling programme, that is number one. Number two, on the whole question of a weather window, I think it is extremely important and I will have to refer to the Minister of Mines and Energy (Mr. Doody) and others for additional information as it relates to our responsibilities on that subject.

MR. STRACHAN: A supplementary.

MR. SPEAKER(Ottenheimer): A supplementary.

MR. STRACHAN: Agreeing with the fact that the Province obviously has a jurisdictional dispute concerning the seabed ownership, obviously then there also could be a dispute concerning environment, as to who handles it. But the Province had the forthrightness to bring in oil and gas regulations over the top of the federal government as far as the economics

MR. STRACHAN: side was concerned so surely the Province could do exactly the same thing because it is our fisheries which are involved, it is a livelihood here, surely the Province can do exactly the same thing environmentally?

MR. SPEAKER(Ottenheimer): The hon. the Premier.

PREMIER PECKFORD: A very interesting concept, Mr. Speaker. The reason why we brought in our own regulations as it relates to ownership of the resources under the seabed is because we believe we have a legal case, a sound, strong legal case. The same does not exist as it relates to environmental concerns. It is pretty clear under the constitution which of the two jurisdictions has primacy in that field constitutionally and therefore we do not have near the case. And any good lawyer worth his salt in the business of constitutionality as it relates to the Provinces and the federal government would advise their companies easily that on the environmental question the federal government has primacy.

MR. STRACHAN: A supplementary.

MR. SPEAKER: A supplementary.

MR. STRACHAN: On that point there, the Premier surely should feel that if we have no strong legal case as far as environment is concerned, surely we have a strong legal case if a spill in the environment will affect the livelihood of the people in this Province. So surely we have a case in which, if the fishery is wiped out, although we cannot control the environment, we have a very strong argument and a very strong case because the livelihood of the people of this Province would be wiped out. Surely it can be argued that we have

MR. STRACHAN: jurisdiction over  
the environment if the environment will affect  
the livelihood of the people.

MR. SPEAKER(Ottenheimer): The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, it is  
a moral argument not a legal one as I understand  
what the hon. gentleman just said. It has no  
weight at all legally. I am sure his leader would  
acknowledge that right from the start. Does the  
hon. member recognize that before we even began any  
drilling under our regulations that we established  
the Federal/Provincial Environmental Committee to  
oversee and to meet from time to time as it  
relates to the ongoing safety and environmental  
concerns on drilling? And if he does, that  
therefore

PREMIER MOORES:

this is one way in which we have tried to adjust that problem knowing full well that the oil spills and so on will be disastrous to our own fishery and things to do with Newfoundland as opposed to Canada. But on the whole question of constitutionality, I am sure his leader could give him some advice on that.

MR. SPEAKER: (Mr. Ottenheimer) I will hear one additional supplementary from the hon. member for LaPoile and then I will recognize the hon. member for Burgeo Bay d'Espoir.

MR. NEARY: Mr. Speaker, as I said earlier I think we should pursue this matter because the officials tell me again that there is no technology available today to cope with a major oil spill or a blowout off our coast. So what I am going to ask the Premier is this - a simple yes or no answer-would the hon. gentleman indicate to the House if the Province in drafting these regulations have left them wide open and have issued permits to oil companies to drill off our coast for oil and gas knowing full well that there is a danger, that there is a threat to our fish? The hon. gentleman who is minister of that department, the hon. gentleman should be able to give me that answer simply yes or no. Have the permits been issued by this government to these oil companies knowing that if there is a major blowout or an oil spill that our fishing industry could be wiped out overnight?

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, we have acknowledged that there is a risk involved in drilling offshore. The nature of the risk, the degree of the risk is very difficult to put into words to satisfy the member for LaPoile (Mr. Neary). at the present moment we are doing all we can on it and we acknowledge that there is a risk.

MR. SPEAKER: Hon. member for Burgeo-Bay d'Espoir. Before the hon. gentleman asks his question, I would

MR. SPEAKER: (Mr. Ottenheimer) welcome to the House on behalf of all hon. members twenty-seven high school students from Point Leamington, accompanied by two of their teachers, Mr. Andrews and Mr. Parsons. I know all hon. members join me in welcoming these students and teachers to the House.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Hon. member for Burgeo-Bay d'Espoir.

MR. SIMMONS: Mr. Speaker, I had a question for the Minister of Health (Mr. House) but I hope in his absence perhaps the Premier would -

AN HON. MEMBER: What minister?

MR. SIMMONS: The Minister of Health (Mr. House). Oh, the Minister of Health is now the former - I am sorry about that. I cannot keep track of that fellow. The Minister of Health is the member for Humber Valley (Mr. House). I was thinking of my dear friend from Gander, but he has departed that ministry. He is near the exit door these days, Mr. Speaker, in Consumer Affairs. Yes, the Minister of Health (Mr. House) then. I understand from a radio report in the last day or so - I think today, actually - that in Ontario they have determined that the use of X-rays there, they have found out that in using the X-ray equipment, the users, the technicians have been exposing the persons getting the X-rays to unjustifiably large doses of radiation, sometimes eight to ten times what is required to perform the X-ray technique and that this in turn has been traced to a form of cancer in some persons who have had X-rays there. I view this, Mr. Speaker, as quite a serious situation and I am wondering if the minister could indicate to the House whether there is any indication that such is the situation here? That persons getting X-rays are being exposed unduly to large doses of radiation in the process.

MR. SPEAKER: Hon. Minister of Health.

MR. HOUSE:

Mr. Speaker, on that specific question I cannot answer, but it is a matter of concern to the department. As a matter of fact, it is under discussion now and it will be discussed at the government level because we believe that excessive X-rays may cause more damage than they find out about. For instance, we have people having to have X-rays every two or three years for tuberculosis and we are wondering if that is not too much. That is under study now. And of course this latest finding that the member for Burgeo - Bay d'Espoir (Mr. Simmons) just mentioned, I have not heard it, I did not hear it in the news today, but certainly I will bring it to the attention of the staff. I am sure that is one of the things they have in mind with regard to perhaps trying to think in terms of cutting back on the excessive use of X-rays for the detection of tuberculosis.

MR. SIMMONS:

Mr. Speaker, a supplementary.

MR. SPEAKER: (MR. Ottenheimer)

A supplementary.

MR. SIMMONS:

Mr. Speaker, the minister addressed himself to the matter of the number of X-rays. My question was obviously related to that, but I am talking particularly about the actual dosage that a person is exposed to during an individual X-ray. Obviously the two are quite related. My question then in supplementary to the minister is, Does he know whether any mechanism is in position to monitor

MR. SIMMONS: what is, in effect, the case throughout the hospitals and the other places where X-Ray equipment is being used? Is there some monitoring mechanism in place to determine whether these pieces of equipment are being used properly? Are they being used by adequately trained personnel and are they being used in accordance with the procedures for usage of such equipment?

MR. SPEAKER: (Mr. Ottenheimer) The hon. the Minister of Health.

MR. HOUSE: Mr. Speaker, they are being used, I think, by adequate personnel. I do not know if it has anything to do, perhaps, with the quality of the X-Ray machines or not - some are, I guess, better than others - but I certainly will endeavour to take this matter up with staff and bring the information back to the House.

MR. SIMMONS: Mr. Speaker.

MR. SPEAKER: I will recognize the hon. gentleman for one supplementary.

MR. SIMMONS: One further supplementary just to clarify the minister's first answer, to answer my first question. He indicated there was some study ongoing in terms of persons who are getting a number of X-Rays, who are being frequently X-Rayed for apparently warranted reasons. How formalized is that study? Has some outside person been called in to do it and at what point could we expect a report on his or her findings?

MR. SPEAKER: The hon. minister.

MR. HOUSE: It is not a study in the strict sense of the word of somebody being brought in to do it. The fact is, I believe everybody who is connected with the health field feel that excessive use of radiology - X-Rays - may not be good, it could damage certain cells and so on. For instance, in the case of tuberculosis, which is one case I could mention, and in a few other cases the same, perhaps we should not have the large numbers of X-Rays. For instance, in going to University, I believe you have to have an X-Ray two or three times during that process. The same applies to waitresses, of course, in restaurants and so on. They have to have these examinations every

MR. HOUSE: year, and X-Rays. So what I am saying is it is not a study, it is just the staff bringing together all the information they have and making a decision on it.

MR. SPEAKER: (Mr. Ottenheimer) The hon. the member for St. John's North followed by the hon. gentleman from Stephenville.

MR. J. CARTER: I have a question that I would like to address to the Leader of the Opposition. In establishing my right to place the question -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. J. CARTER: - I have two citations, Mr. Speaker, if I may present them.

MR. SPEAKER: I will hear the citations. The hon. member.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: You are out of order.

MR. J. CARTER: Mr. Speaker has asked me for citations. I have offered citations.

MR. NEARY: A point of order, Mr. Speaker.

MR. SPEAKER: A point of order has come up.

MR. NEARY: Mr. Speaker, I believe Your Honour recognizes the fact that the hon. gentleman is completely out of order. I would like for Your Honour to ask the hon. gentleman to take his seat and not be interrupting and delaying the Oral Question period.

MR. J. CARTER: On that point of order, Mr. Speaker.

MR. SPEAKER: I have to hear the hon. member on the point of order.

MR. J. CARTER: I would like to present the following two citations. The first one is from Beauchesne, page 131, citation number 357 (jj). It says there, reading from "The traditional restrictions on questions are those listed in Beauchesne's Fourth Edition at citation 171, which is as follows: 'In putting a question a member must confine himself to the narrowest limits.' For instance, 'A question oral or written must



MR. J. CARTER: not: "(jj) be addressed to the Leader of the Opposition inquiring the course he intends to adopt regarding a motion by the Government.' There, the implication, Mr. Speaker, is that a question could be addressed to him on some other matter. And then I refer to Standing Orders, page 14, 25.(a), and here I would suggest that at the very best, Mr. Speaker, they are ambiguous. Standing Orders, 25.(a) reads: "Questions may be placed on the Order Paper seeking information from the Ministers relating to public affairs; and from other members relating to any Bill, motion or other public matter connected with the business of the House," and so on. At the very best, I would say, Mr. Speaker, that our own Standing Orders are ambiguous on that point.

MR. W. N. ROWE: Mr. Speaker.

MR. SPEAKER: (Mr. Ottenheimer) The hon. the Leader of the Opposition.

MR. W. N. ROWE: Having listened to the citations made by the hon. member and knowing how serious the hon. member is to elicit some information from myself concerning some grave problem, I would say, as the Standing Order suggests, why does he not put a question on the Order Paper and I would be glad to look at the question and respond to it at my own -

AN HON. MEMBER: Have you no objection to answering verbally?

MR. W. N. ROWE: Well, I can answer verbally, but if the hon. member wants to put it on the Order Paper let him do so. But if he wants to address the question to me, as I was going to say, verbally and orally in the House to save the time of the House, I will gladly listen to it in any event.

MR. SPEAKER: Actually, the two citations quoted by the hon. the member for St. John's North (Mr. J. Carter), the one from Beauchesne

MR. SPEAKER (Ottenheimer): Beauchesne does, I concede, leave the question open. It is not finally conclusive that one may not ask a question of a Leader of the Opposition. And 25 (a), which deals with questions on the Order Paper, does state that questions may be placed on the Order Paper seeking information from the ministers and from other members; there is a certain ambiguity there. However, I find 31 (a) dispels the ambiguity, because "The ordinary daily routine proceeding" Oral Questions" provided in Standing Order 14 shall last not more than thirty minutes, including supplementary questions and points of order. In these periods questions on matters of urgency may be addressed orally to Ministers of the Crown, provided, however, that Mr. Speaker shall disallow what he considers to be unparliamentary, etc.

So that seems to be a quite specific and restrictive statement. It does not say that questions may not be asked of others than ministers, but it does say that Oral Questions may be asked of ministers and more or less full stop. So I can certainly see where an hon. member might ask a question of the Leader of the Opposition in a speech in that the hon. member would be making and another person might reply, but I do not see provision for it under Oral Questions.

MR. J. CARTER: Mr. Speaker, could I just -

MR. SPEAKER: As an explanation of my ruling.

MR. J. CARTER: Just to clarify your ruling.

MR. W. ROWE: On a point of order, Mr. Speaker.

MR. SPEAKER: Order, please!

MR. W. ROWE: On a point of order, Mr. Speaker.

MR. SPEAKER: A point of order.

MR. W. ROWE: Obviously, as the hon. member has known from the past, it is no disinclination on any member who is making

MR. W. ROWE: a speech ever to answer a question from anyone in the House, Mr. Speaker. But I must say, Sir, that it would be a very dangerous precedent for us to start in this House now if we were to allow backbenchers on the government side, or anyone on the government side, to start questioning whether it is the Leader of the Opposition or any other member of the Opposition, and thereby set a precedent which could risk depriving the Opposition of its undoubted right under the rules to ask Ministers of the Crown - we have a half an hour ever day, Sir - and if we allow members of the government side of the House in the backbenches to be asking questions to this side of the House, Sir, it could very easily destroy -

MR. LUNDRIGAN: Have a separate Question Period for it.

MR. W. ROWE: - it could very easily destroy that half an hour, Sir, and confuse it and therefore we would not be providing the public function which we have. This side of the House would gladly, Sir, consent -

MR. NEARY: We are not in a decision making role.

MR. W. ROWE: We are not in a position where we make decisions or formulate policy, to put into effect immediately, Mr. Speaker, but I would say this, that I would agree with the hon. the House Leader opposite or the Premier, I am sure I speak for my colleagues on this side, if they want to put another half an hour in every day as a Question Period whereby members of the government can ask members of the Opposition questions, I would certainly consent to that.

SOME HON. MEMBERS: Hear, hear!

MR. W. ROWE: That would require a change to the rules, Sir. But we cannot consent to any deviation from the Standing Orders now or any setting of precedents which could deprive us, Sir, of our right to ask questions for half an hour of Ministers of the Crown. It is a public duty, Sir, which we must fulfill and we cannot allow any frittering away, Sir. That is my point of order.

MR. J. CARTER: To that point of order, Mr. Speaker.

MR. SPEAKER: The hon. member for St. John's North.

MR. J. CARTER: Mr. Speaker, about citation 31 (a), surely what is not prohibited in our Standing Orders is allowed.

MR. SPEAKER (Ottenheimer): Order, please! I have never accepted that kind of interpretation. There are many matters not specifically prohibited and one can think of numerous dramatic and even of various natures, but that does not mean they may be performed in the House. It would be a most dangerous ruling if I were to say what is not specifically prohibited may be done here. So I think I could not hear the hon. gentleman's opinion there.

Time for one further question.

The hon. member for Stephenville I have recognized.

MR. MCNEIL: Mr. Speaker, my question is to the Minister of Municipal Affairs and Housing. When the announced closing of the Labrador Linerboard was made in Stephenville, the Newfoundland and Labrador Housing under the Harmon Complex stated that a rental subsidy would apply to all units on the Complex according to the family income. Could the minister indicate to this House if the subsidy will still apply to senior citizens and to people who are presently living on the Complex who find themselves in a low income bracket? Will that subsidy still apply?

MR. SPEAKER (MR. OTTENHEIMER): The hon. Minister of Municipal Affairs and Housing.

MR. N. WINDSOR: Mr. Speaker, government has a programme whereby senior citizens in many areas of the Province can receive subsidies in certain units. That programme, of course, is in place. The programme the hon. gentleman is referring to is a special subsidy that was put in there on the closing of the Labrador Linerboard. The demand for those units now is greatly reduced. A large number of the people who were initially involved have moved away and we see that the requirement for the continuation of that programme has decreased tremendously. So we are reviewing it. No decision has been made up to this point in time, but certainly it is not going to be expanded to include anybody who was not included in the original programme.

ORDERS OF THE DAY

MR. MARSHALL: Order 13.

MR. SPEAKER: Order 13, the adjourned debate on Bill No. 15.  
The hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Speaker, I believe I have a few more moments at my disposal to speak to Bill No. 15. Sir, yesterday the Premier made two remarks, two observations, mainly, in his speech on the sale of the Linerboard mill and the conversion of the Linerboard mill to a newsprint mill, two observations, and two admissions.

Two observations were that there were two mistakes made. The first mistake, Sir, that the Premier referred to was the decision to put the Linerboard mill in Stephenville in the first place. Now, Sir, I categorically deny and dismiss that hypothesis or that reasoning on the part of the Premier, that it was a mistake to put the Linerboard mill in Stephenville in the first place. Everybody can well remember, Sir, can well remember the fact that the government of the day had a very serious problem on its hands, not of its own doing. One, there was the intention to set up a linerboard mill in this Province using wood from Labrador. The problem, Sir, was that at the same time, around the

Mr. F. Rowe: same time the Americans decided to move out of Stephenville leaving thousands of people unemployed, therefore, Sir, the Premier himself, of the day, went to Happy Valley-Goose Bay area, and it was well documented on CBC television, went to Goose Bay-Happy Valley area and in a four or a five hour speech convinced the people of Labrador in that area of the necessity for putting the mill in the Stephenville area in order to solve a serious economic problem caused by the Americans moving out of that area.

And as I mentioned yesterday, Sir, or the day before, there has been no proof nor any documentation to indicate that that Linerboard mill would have failed, but nonetheless it was taken over by the government. If it had to fail, Sir, it has been mentioned by hon. members on this side, if it had to fail it would have cost this Province far less if it had gone into receivership than it has cost as a result of the government's takeover of that mill. So I dismiss completely the hypothesis or the suggestion on the part of the Premier, and for years on the part of members opposite, that it was a blunder made by the previous administration with respect to the location of that mill. I dismiss it completely, Sir.

I will agree that there were two mistakes made. And the Premier himself, Sir, has admitted mistake number one. So number two mistake, which I categorize now as mistake number one, mistake number two was in government trying to run an industrial enterprise of that magnitude, given the fact that government had very little experience, and in running linerboard mills, none at all, so that was the second big mistake. These are the words of the Premier yesterday.

The Premier, Sir, and I might add that for years we have heard hon. members opposite deny that the takeover of the Linerboard mill was a mistake. They talked about what a great achievement it was. During this present debate over the past two weeks three ministers opposite and two members opposite have talked about what a great move it was on the part of that administration to

Mr. F. Rowe: takeover the Linerboard mill. And yesterday, Sir, to the amazement, the utter amazement - I was flabbergasted, I was almost bowled over when the hon. Premier stood in his place and argued against his own colleagues, what they have been saying over the past three or four years, and what they have been saying during the debate on this bill. Namely, he has admitted that this administrations taking over the Linerboard mill was a mistake, they had no business getting into whatsoever. It is unbelievable, Sir. Unbelievable!

So the placement of the mill was not a mistake, Sir. We will never know whether it was a mistake, because Canadian Javelin never had an opportunity to see whether it could have been a success or not. If it had gone into bankruptcy or receivership, Sir, we would have lost, say, \$40,000 or \$50,000, we would not have lost the \$400 million that we have lost as a result of the two major blunders of this administration in, number one, taking over the Linerboard mill, and number two, shutting her down. As a matter of fact, Sir, this administration is responsible for two major mistakes, two major blunders. The Premier would not admit the third mistake. I rejected the first mistake that he talked about, I support his second mistake, but he conveniently forgot to mention the third mistake, and that was the close down of the Linerboard mill itself, Sir. The close down of the Linerboard mill after utter and complete and dismal failure in the government attempting to run the Linerboard mill that first blunder, that first mistake, they then decided to close her down. In order to do what, Sir? Supposedly save the Province \$20 million to \$30 million per year, as quoted by the Premier on Tuesday, \$20 million to \$30 million. The taxpayers of Newfoundland started having to pump \$20 million to \$30 million into that enterprise. That was the reason for closing her down.

Sir, during questioning over the last few years we asked hon. members opposite why they had to close down that Linerboard mill? Was it true that they really closed it down because they were

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Mr. F. Rowe: forced to close it down upon the advice of their financial advisors, their fiscal advisors, that our credit rating might drop if we continued to operate that mill?



MR. F. ROWE:

To a person, Sir, members opposite denied outright that the Linerboard mill was closed down because of advice from the fiscal agents relating to the fact that the credit rating of this Province might be damaged by continuing to operate the Linerboard mill. Yet over the last few days, Sir, we have heard two hon. members, three hon. members opposite openly admit that one of the reasons for closing down the Linerboard mill was that if we did not it would have affected our credit rating. And one hon. member went so far as to say that it would have put the Province into bankruptcy if the Linerboard mill was not closed down. Now, Sir, I submit that hon. members opposite have grossly misled and deceived the people of this Province in not admitting the real reason for the closing down of the Linerboard mill in the first place, and they have grossly deceived and misled the people of the Province in saying that it was an achievement to take over the Linerboard mill when the Premier of this Province years later, the now Premier of this Province, admits - and he was a part of the administration, if not in the Cabinet he was certainly high up in the backbenches and eventually in the Cabinet and now he is Premier, he was a part of this deception and this misleading of the people of this Province in not admitting that even from day one it was a mistake for this government to take over the Linerboard mill. But, Sir, the second tragedy, the second blunder, the second mistake can go right back to the PC administration once again and

MR. F. ROWE:                   that is the close down of the mill. Now I got off track there because I started to mention that they were closing it down in order to save \$20 million or \$30 million a year. Now, Sir, everybody who has his head screwed on the right way realizes that this Province has lost far more than \$20 million or \$30 million a year in the mothballing of that mill. Maybe not \$20 million or \$30 million in direct interest payments the hon. members opposite can grin all they want to but if the hon. members opposite were living in Stephenville, one of the 2,000 people who were told one day, 'I am sorry, no work for you, boys, we are mothballing her -

AN HON. MEMBER:                   (Inaudible)

MR. F. ROWE:                   - and they had to go, Sir, to Alberta, Saudi Arabia, other parts of Canada, parts of the United States, and the world, other parts of this Province, sell their houses at extremely depreciated prices, disrupt their whole social milieu completely, 2,000 people, and then when the linerboard mill opens again perhaps these very same individuals who lived and grew up in Stephenville all their lives have to come back now after selling their property at depreciated values, and try to buy back that same property at appreciated values.

I submit, to, Your Honour, that this blunder, the close down of the linerboard mill has cost this Province directly and indirectly far more than would have been the case if they had kept the thing rolling. So, two mistakes, Sir, mistake number one; the takeover of the mill by the P.C. administration and mistake number two, the shut-down of the mill.

And, now, Sir, they are asking us to support a bill, which we will support in principle with all of its detailed faults. We support the bill in principle because it means jobs, it means employment, it means a livelihood for the

MR. F. ROWE: people of the Bay St. George and Stephenville area. We do support the principle of the bill.

But, the government, Sir, has made two monumental blunders, they made a complete shemuzzle of the whole situation. If they had to have left the liner-board mill where is and as is, the worst that could have happened is that it could have gone bankrupt and gone into receivership and the Province would have lost some millions of dollars, but not the some \$400 million that was lost as a result of the takeover and the close down of this mill.

Now, Sir, I do not know how much time I have left but I believe it is only a few minutes. The Premier on Tuesday, Sir, and I would like to read back into the record of this House - I wish he was in his seat to reply to this or maybe some other hon. minister or member will reply to it. In closing the debate on the bill I hope the Minister of Industrial Development (Mr. Maynard) will answer the charges or the statements made by the Premier on Tuesday. And I will read, Sir, from the record, "For whatever reasons there was a lot of, I agree, inefficiency in the operation." This was when the government took it over.

MR. F. ROWE: "Not only at Stephenville but more particularly in Happy Valley and Goose Bay area." Now listen to this one, Sir, "A lot of loggers from the district of Green Bay worked in Happy Valley-Goose Bay and they used to come back home Christmastime and sometimes in the Summer when there was a slow down and tell some wild"- Mr. Speaker, what is the racket? Mr. Speaker, listen to this, this is coming from the Premier now, the member for Green Bay district, His constituents used to come back and tell some wild and woolly stories about the wonderful life they were having in Happy Valley-Goose Bay and, you know, that they could get paid almost as much or more there than they could if when to work - I cannot understand the grammer of the Premier but this is the way it is recorded - if they were working with Price or

MR. F. ROWE: Bowaters near at home and they did not have to cut near the amount of wood and yet got paid just as much and drove around in trucks and all the rest. So they had a gala time for themselves, Mr. Speaker. There was lots of efficiency in the system - no question. This is coming from the hon. the Premier from his own constituents and, Sir, I ask the hon. Premier knowing that at the time, knowing that at the time, what did the Premier do about it? What did the Premier do about it?

MR. FLIGHT: Nothing.

MR. F. ROWE: As the member for Green Bay, coming from his own constituents, knowing that there were all kinds of inefficiencies, people were having wild and woolly times, gala times, these are words coming from the Premier, what did the Premier do about it as the member for the district?

MR. W. ROWE: "Go to it", he said.

MR. F. ROWE: Did he say, "Go to it"?

MR. W. ROWE: Rip-off.

MR. F. ROWE: Did he go to the cabinet, or the Premier of the day and report this? Did he ask for an investigation? Was there an investigation? If there was an investigation, what were the results of the investigation? What actions were taken? Does the government care, Sir? I cannot believe, Sir, that we have a Premier of a Province in this day and age who openly admits that there was gross inefficiency, gross inefficiency, people were having a wild and woolly time, a gala time, his own constituents telling him this and he did not take any actions. At least the hon. the Premier has not yet indicated what actions he took. I suggest, Mr. Speaker, it was incumbent upon the then member and now member for Green Bay and now Premier, it was incumbent upon that Premier, that individual as a member of this House of Assembly, to have reported this directly to the Premier or directly to the cabinet and if no action was taken to have brought it on the floor of this House, because that is part

MR. F. ROWE: of the reason, Sir, or part of the place where millions of dollars of the taxpayers' money was wasted.

Sir, it is incredible! I do not know what the hon. the Premier is trying to prove in the House of Assembly, Sir, whether he is trying to create an image of the good guy, trying to sweep everything clean or what, but for him to fly straight in the face of what all other hon. members have been saying over the past three or four or five years with regards to the Linerboard mill and to disclose that there was gross inefficiency revealed to him some years ago and we only find out now, when he becomes Premier, from his own mouth in debate on this bill that he was aware of it and nothing was done about it, I find quite incredible, quite incredible! So, Sir, somebody has to answer for it opposite. If there were investigations, I for one would like to know what the results and the reports of these investigations were and I would like to see them tabled on the floor of this House of Assembly.

So, Sir, there you go. The government stands accused. The government is guilty of massive and gross, almost indecent, deception and misleading of the people of this Province, because they told the people of this Province for years that the reason for the takeover or the shutting down of the Linerboard mill

MR. F. ROWE:                    was the fact that it was not economically feasible to operate, and they denied for years that there was no connection whatsoever with the closing down of the Linerboard mill and if they did not do so it might adversely affect the credit rating of this Province. The question was put to them hundreds of times, Mr. Speaker. "No, no, no", was the answer every time. No, an absolute no, nothing to do with it. The reason it was closed down is because it was inefficient to operate. Maybe so, but the inefficiency was under the ownership of this government and admitted by the Premier just two days ago. So -

MR. SPEAKER: (Mr. Cross)        Order, please!

MR. F. ROWE:                    I think Mr. Speaker is trying to tell me my time is up.

MR. SPEAKER:                    Your time has expired.

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

So, just in closing, Sir, I simply reiterate that we do support the principle of the bill although there are certain obvious weaknesses in it and we certainly take issue with the two monumental blunders by this administration in the handling of this whole affair.

MR. SPEAKER:                    If the hon. minister speaks now, he closes the debate. The hon. minister.

MR. MAYNARD:                    Mr. Speaker, I do not think anyone can accuse the government at this point in time of trying to stifle the debate on the Linerboard bill. We have been at it for two weeks or close to two weeks and hon. members should be at least satisfied that they at least had a chance to debate the subject that they have been saying for the last six or seven years they never had a chance to debate.

In closing remarks I would like to - I do not know how many pages of scribbles and notes and what-not I have here but there are quite a few.

I would like to relate to a few of the remarks that have been made by people opposite. I am still not

MR. MAYNARD: sure after listening to the debate for four or five days whether the Opposition supports the principle of selling the mill to Abitibi Price or whether they do not. Because in one sentence some hon. member will say that they support the bill in principle and in another sentence they will say that the government made horrendous mistakes and that there were inefficiencies, there were various other acts that were undertaken by government that were illegal or alleged to be illegal or whatever, so it is pretty hard to decipher exactly what is being said.

MR. MARSHALL: The hon. minister might - I believe they called it a bad deal for a start.

MR. MAYNARD: That is right.

MR. F. B. ROWE: But it was the Premier who said that there were gross inefficiencies.

MR. MAYNARD: They have called it a very bad deal on a number of occasions. I believe all with the exception of three members on the other side, that each of one of them as they stood in their place called it a very bad deal, the deal that we are now making with Abitibi Price.

Mr. Speaker, you know the facts and the figures and the history and everything else related to the Linerboard situation, the Stephenville facility has been related over and over in this House of Assembly or in various other forums over the years. It is well documented what the problems were and it is well documented as to why government at that point in time, in 1972, felt it was necessary to take over the Stephenville facility. And I agree -

MR. NEARY: (Inaudible) more time in the storage pot.

MR. MAYNARD: - and I agree with the Premier that looking back at it from a point seven years ago, looking back in retrospect, that it was a mistake at that time to take over the facility. But in 1972, Mr. Speaker, we did not realize that it was going to turn

MR. MAYNARD: out as it did and what we were trying to do was make the best of a bad situation. I might point out that at that time, Mr. Speaker, the Opposition members fully agreed with the takeover of the Linerboard facility from Canadian Javelin Limited.

SOME HON. MEMBERS: No way.

MR. MAYNARD: Fully agreed, Mr. Speaker, fully agreed, and I would like to make some quotes from Hansard by the present Leader of the Opposition and the former Leader of the Opposition.



MR. MAYNARD:

On May 4, 1972, Mr. Speaker:

"The government was in the same position as the present administration were when they took office, and the government then took the same decision as the present administration, namely, that there was no alternative but to continue the construction of that great mill in spite of the escalation in costs. It was under these agreements, Sir, containing Canadian Javelin's guarantee - the parent company - under these agreements that the hon. Leader of the Opposition and I" - this was Mr. Rowe speaking, the present Leader of the Opposition - "the hon. Leader of the Opposition and I threatened and were planning towards the takeover of the project by the then government in December and January of the year just past." That was December of 1971 and January of 1972 in the last days of the previous administration.

Another quote on May 4th, again from the present Leader of the Opposition: "It was about this time, December and January, that the Leader of the Opposition and I, including, I believe, my colleague here tonight, who were present then, felt that we had without a shadow of a doubt, after six or seven months of fooling around, of getting nowhere with the Javelin people, getting nowhere with Mr. Doyle, decided we had reached the end of the line and that a takeover of the project by government could not be avoided either by negotiation or otherwise."

Another quote from May 4, 1972:

"But, Sir, in the present case, under the present circumstances, the Javelin people seemed to have lost all interest in this project to a very great degree even before we left office, either because of the reduced profit potential or the lack of success in providing efficient management themselves, or maybe because of all the political fuss and commotion, or maybe because of a possible drag of this project on Canadian Javelin's other interests, or a combination of all these factors.

In these circumstances, Sir - in all these circumstances, it is our view on this side" - the Opposition side in 1972, Mr. Speaker, "that the government takeover of the project is the best thing to do in the circumstances."

MR. MAYNARD: Now, Mr. Speaker, these were words from the Opposition in 1972 when the government took over the facility at Stephenville. There has been quite a change in tone since that time.

MR. NEARY: Do you want the other side of the story?

MR. MAYNARD: I might point out to the hon. the member for Trinity - Bay de Verde (Mr. F. Rowe) -

MR. NEARY: Do you want the other side of the story?

MR. SPEAKER: (Mr. Cross) Order, please!

MR. MAYNARD: Mr. Speaker, the hon. gentleman from LaPoile (Mr. Neary) had ample opportunity and he shouted enough and made enough of accusations and charges while he was up on his feet, and I would like for him to let me speak without interruption.

MR. SIMMONS: Answer the changes.

MR. SPEAKER: Order, please! The hon. minister has a right to be heard in silence. The hon. minister.

MR. MAYNARD: Another quote from the Leader of the Opposition from May 4, 1972, Mr. Speaker: "Obviously, Sir, what the government already have put into the project and are going to put into the project, together with the taking on of certain obligations of the project is sufficient consideration and sufficient reason for a takeover of this project without any reference whatsoever to the \$5 million." And that was the \$5 million that we had agreed to pay Javelin for what was considered to be their input into the total operation.

The hon. the member for Burgeo - Bay d'Espoir (Mr. Simmons) said at one point in time that it should have never left the hands of private enterprise.

MR. NEARY: That is right.

MR. MAYNARD: Now, Mr. Speaker, you have to ask the very simple question, What private enterprise? Canadian Javelin had not invested any money into the facility as such. Canadian Javelin had put all the money into the facility simply by walking around Europe with an

MR. MAYNARD: Order in Council produced by the previous administration authorizing them to raise any and all monies they desired for the construction of a linerboard mill at Stephenville.

MR. NEARY: That is not true.

MR. MAYNARD: That is true, Mr. Speaker, it is absolutely true, and we have the original Order in Council that gave them the right to do that.

MR. NEARY: \$30 million.

MR. MAYNARD: It was never in the hands of private enterprise, Mr. Speaker.

MR. NEARY: I beg your pardon, it was.

MR. MAYNARD: It was in the hands of an agent who was being financed totally by the people of Newfoundland and that is not private enterprise. And it is obvious from the comments that were made by the Opposition members at that time that they were not very happy with the whole situation in the dying days of the last

MR. MAYNARD: administration and they were of the opinion that it had to be taken over and that it had to be run by government, it had to be constructed by government.

MR. NEARY: No way! No way!

MR. MAYNARD: The hon. member says, 'no way'. Refer back to the Hansards of May 4, 1972; it is all there, Mr. Speaker.

MR. NEARY: Did I say that?

MR. MAYNARD: It is all there.

MR. NEARY: Did I say anything?

MR. MAYNARD: The hon. member was part of the Opposition at that time and his leader was speaking on his behalf.

MR. POWER: 'Billy' is not going to be for long though.

MR. MAYNARD: And obviously, he went along with it.

Now, Mr. Speaker, to try to answer all the accusations that are made by the hon. the member for LaPoile (Mr. Neary) is impossible under any circumstances, because the hon. member does not make direct and specific accusations, he makes innuendoes about certain things, sort of dark, mysterious papers or documents that he comes up with from time to time and then, of course, tries to create an aura of mystery and criminal charges and criminal matters in various instances. He never comes up with any specific things that can be looked into or that we can find any documentation on.

MR. NEARY: Well, do you want me to give you what you are looking for?

MR. MAYNARD: The hon. member -

MR. NEARY: Here.

MR. MAYNARD: If the hon. member has

MR. MAYNARD: something he can put it on the table of the House, Mr. Speaker.

MR. NEARY: Mr. Speaker, the other day when I was making some of these charges and accusations I said I had testimony that was presented to the United States court and the hon. gentleman is now inviting me to put it on the table of the House. Here, I will put it on the table of the House and let everybody have a look at it.

SOME HON. MEMBERS: Hear, hear!

MR. MAYNARD: Testimony no doubt by Mr. John C. Doyle.

MR. NEARY: That is correct. Right!

MR. MAYNARD: Very good testimony, no doubt, Mr. Speaker.

MR. NEARY: The other side of the story.

MR. MAYNARD: Very good testimony.

MR. NEARY: Take it and read it.

MR. MAYNARD: Mr. Doyle does not have the guts to come back to Canada and make those accusations, does he?

MR. NEARY: I cannot speak for him but I can vouch for the testimony.

MR. MAYNARD: You know, the hon. member was pointing out that the -

MR. MARSHALL: May I rise on a point of order?

MR. MAYNARD: Sure.

MR. MARSHALL: Mr. Speaker, I raise this point of order and Your Honour may wish to take it under advisement. The hon. the member for LaPoile (Mr. Neary) has chosen to table evidence from his

MR. MARSHALL: host in Panama,  
Mr. Doyle. Mr. Doyle also happens to be a  
fugitive from justice from the Province. I do  
not believe it is appropriate for a fugitive  
from justice to have his testimony tabled before  
this House itself. We have no objection, if the  
hon. the member for LaPoile (Mr. Neary) wishes to  
distribute it to the press, if he wishes to  
convey Mr. Doyle's message to the people of  
Newfoundland himself, to the press himself. I  
do not believe it is in order, Mr. Speaker, for a  
fugitive from justice in this Province to have  
any rights whatsoever to table anything, to have  
any of his information tabled in this House.

MR. NEARY: To that point of  
order, Mr. Speaker, please. Mr. Speaker, first  
of all let me say that that was not a point of  
order, Sir, that the testimony that I just laid  
on the table of the House did not come from Mr.  
Doyle, it came from the United States District  
Court in New York. The seal of the court is on  
the testimony. I cannot vouch for whether or not  
the testimony is right or wrong, whether it is  
true or false I cannot vouch for that, but I can  
vouch for the fact that it was testimony given to  
the United States court.

MR. R. MOORES: Under oath.

MR. NEARY: Under oath.

MR. R. MOORES: That is right.

MR. NEARY: And I sent for the  
testimony to New York, and I was invited by the  
minister to lay it on the table of the House which  
I have done. Now it is up to Your Honour to  
decide whether or not it is admissible to do that  
in this House. It has never been done before.

MR. MARSHALL: Well, if the hon. member says it is from the United States court, why does the hon. gentleman not invite his host to come up here and give his testimony before this court?

MR. NEARY: Mr. Speaker, that is not for me to do, Sir. I am not in a position to do that. The hon. gentleman should ask the question of the gentleman to whom he is referring and not of me. I can only say, Mr. Speaker, to the point of order that I am very concerned about this testimony and the effect it could have on the credit rating of this Province, the effect that it could have on developers and businessmen coming into this Province.

If I were hon. members, I would not use any more diversionary tactics; I would read that testimony, read it, and get the other side of the story.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Now, Mr. Speaker, this was raised as a serious point of order and I suggest that Your Honour may wish to take it under advisement for the purpose of determining whether or not this material should be tabled in this House. As I say, we have no objections

MR. MARSHALL: if the hon. member for LaPoile (Mr. Neary) wishes to convey any messages he wants to the people of Newfoundland from a fugitive from justice and the people of Newfoundland, through any media he wishes to carry it, but not through the medium of this House, the House of the people of Newfoundland, to convey information from a fugitive from the justice of this Province.

MR. NEARY: To that point of order, Sir. The hon. gentleman can call Mr. Doyle whatever he wants, he can call him whatever he wants, a criminal, a fugitive from justice or anything else, But the fact remains, Sir, that this testimony was given to a United States Court and I believe the House is entitled to have it because it is of such a serious nature. And the hon. gentleman can continue to attack me personally, use all the diversionary tactics that he wishes, and the hon. gentleman I believe, Sir, is afraid that the other side of the story, the truth, may come out. Because there has been a travesty of justice in this whole matter, and if the hon. gentleman was not afraid of it the hon. gentleman would let it rest on the table of the House and let the chips fall where they may.

MR. MARSHALL: This House is not to be used, Mr. Speaker, by persons who are fugitives from justice and I am ashamed that a member of this House would be a messenger to deliver the evidence from a fugitive of justice. Now the point is I raised this as a legitimate point of order. There is certain freedom in this House for the tabling of anything, and I have not researched it, but I think it is utterly abhorrent to the people of this Province that the people's House should be used to table testimony or statements from a fugitive from justice of this Province and I ask Your Honour to take it under advisement.



MR. NEARY: To that point of order again,  
Mr. Speaker. The hon. gentleman has said, "delivered by a messenger."  
Mr. Speaker, I am no messenger of anybody. I want to make that abundantly clear to the House. I went to the United States Court to get certain information and certain documentation in connection with the oil refinery at Come By Chance and I discovered, Mr. Speaker, in the process of doing that that there were all kinds of evidence of wrongdoing on the part of the administration in that testimony that I got in connection with the oil refinery from the District Court in New York. Now I find, Mr. Speaker, in the latest testimony that I have gotten from the courts in New York, I find now all kinds of evidence of wrongdoing again and my hon. friend, the minister who is speaking, the Minister of Industrial Development (Mr. Maynard) said that I was making innuendoes and accusations. Well, I was not, Sir. I was not. I could not lay any direct charges. I could not make any direct charges. I kept referring to the testimony in the New York Court and I said at that time, Mr. Speaker, as soon as I received the testimony from the New York Court I would table it in the House. And the hon. gentleman invited me to do so today and that is what I have done. I will stand by the fact that the evidence has been given under oath to a branch of the district court in Columbia in New York and that is it. I cannot vouch for the fact whether the information is true or false. That is not my job, Sir. I am not supposed to do that. And so I laid the information on the table of the House and I am sure Your Honour will decide to leave it there because that is where it should be. Members should have access to that testimony that is being circulated throughout the United States. And there are 20,000 shareholders in this company. Mr. Doyle is only one shareholder, there are 20,000 shareholders in

MR. NEARY: this company that have been crucified by this government and it is about time the other side of the story was told and the hon. gentleman seems to be afraid that the truth may come out.

MR. MARSHALL: There is only one of them that is a fugitive from justice, and only one of that is positioned down in Panama because he cannot be here to extend his hospitality to the hon. member.

MR. NEARY: Mr. Speaker, I would sup with the devil to see that justice is done in this case and wrongdoing was brought up into the light of day and I intend to do it and any slurs or any innuendoes or any smears on the part of the hon. gentleman will not stop me from trying to bring the truth out into the light of day.

MR. SPEAKER (Cross): Order, please! I think I have heard enough dialogue at this point in time. I will not make a ruling right now but I will reserve my ruling for a later date.

MR. MAYNARD: I would make a bet, Mr. Speaker, that Mr. Doyle did not personally give the evidence to the district court in New York since he is also wanted in the United States.

MR. NEARY: A point of order.

MR. SPEAKER: A point of order has been raised.

MR. NEARY: Unlike the courts in Newfoundland, Sir,

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MR. NEARY: courts in the United States do travel.

MR. MARSHALL: Do travel.

MR. NEARY: Oh, absolutely.

MR. MARSHALL: (Inaudible).

MR. NEARY: And the Securities Commission, as hon. members will see from this testimony, did go to Panama, the Securities Commission.

MR. MORGAN: The Securities Commission is not the court sure.

MR. NEARY: It is a branch of the court.

MR. MORGAN: (Inaudible) is no such thing.

MR. NEARY: I beg your pardon! The hon. gentleman now is the expert.

MR. MORGAN: (Inaudible). What is he speaking on?

MR. BRETT: A point of order, is he not?

MR. MORGAN: Sit down, boy.

MR. MARSHALL: On the point of order - is this a point of order?

MR. NEARY: Excuse me, Your Honour, the hon. gentleman does not understand the situation - I was speaking to a point of order, Sir - that this was a case of the Securities Commission, a case going on in the court, the Securities Commission versus Canadian Javelin, a delisted Canadian Javelin, for various and sundry reasons including late filings and so forth.

MR. R. MOORES: That is right.

MR. NEARY: This is a court thing.

MR. MORGAN: What is the point of order?

MR. MARSHALL: There is no point of order. Sit down.

MR. NEARY: The hon. gentleman did not understand and I wanted to clarify that situation.

MR. SPEAKER: (Mr. Cross) Order, please! There is no point of order. I will ask the hon. minister to continue.

MR. MAYNARD: Thank you, Mr. Speaker.

MR. MAYNARD: Now, to continue on, I would like to say, Mr. Speaker, that if that evidence is given by Mr. Doyle, which it obviously is, I do not think it is going to send any shivers up the spine of anyone in this administration or the administration before.

SOME HON. MEMBERS: Hear, hear!

MR. MAYNARD: I think Mr. Doyle's record and his past are well known and I am sure anyone who takes him seriously in any evidence that we might give to a travelling court in the United States -

MR. SPEAKER: (Mr. Ottenheimer) If the hon. minister would permit for just a moment, I now have to inform hon. members what matters will come up for debate at 5:30 P.M. I have received notice of one matter from the hon. the member for LaPoile (Mr. Neary) concerning a question asked the Acting Premier, the subject matter being lobster prices.

MR. MARSHALL: Before you (inaudible).

MR. SPEAKER: The hon. the Minister of Municipal Affairs (Mr. N. Windsor), actually, is indicated as well.

MR. MARSHALL: Before you ask the hon. minister to return to the debate, Mr. Speaker, perhaps I may at this appropriate time, move that the House when it does adjourn this afternoon, stand adjourned until tomorrow morning and that the hours from 10:00 A.M. to 1:00 P.M. be substituted for the normal sitting times of 3:00 P.M. to 6:00 P.M.

Motion, that the House at its rising do stand adjourned until tomorrow, Friday, May 11, 1979 at 10:00 A.M., carried.

The hon. minister.

MR. MAYNARD: Mr. Speaker, I will not take too much longer to close off the debate.

AN HON. MEMBER: You have not started it.

MR. MAYNARD: Well, whether I have started it or not, there has been a fair amount of discussion going on throughout this debate. My colleagues on this side of the House have outlined the situation very well and have answered most of the questions, I think.

MR. MAYNARD: I would like to refer to one comment my colleague, the Minister of Mines and Energy (Mr. Doody) made when he summed it up very nicely, I believe, in speaking in the debate.

MR. SPEAKER: (Mr. Ottenheimer) Order, please!

I have to make a slight correction on the announcement of the matters to be debated this evening. Notice was given by the same hon. member arising from a question asked the Premier, but the subject matter now deals with blowouts and the possibility of a major oil spill. The hon. minister.

AN HON. MEMBER: Are there two questions?

MR. DOODY: One. Lobsters are out, oil is in.

SOME HON. MEMBERS: Oh, oh!

MR. MAYNARD: I must say, Mr. Speaker, it is a bit of a problem keeping continuity in this situation.

The Stephenville facility, Mr. Speaker, no one can deny the fact that it was an albatross around the neck of government, but we did not try to create that albatross. We believed, probably in our naivety in 1972, that we could take that mill, the facility at Stephenville, that we could probably try to do something with it, we could make it work. Unfortunately, that did not happen, and there were a number of factors, a number of reasons why that did not happen. The hon. the member for Trinity - Bay de Verde (Mr. F. Rowe) pointed out that the Premier had said that there were inefficiencies. Well, in my opening remarks, Mr. Speaker, I referred to the fact that there were a number of reasons why the facility could not continue to operate, one of which was some management problems that we had, and these management problems obviously did not take due account of some of the inefficiencies that were going on. There were other reasons - marketing reasons, the erratic nature of linerboard and the fact that linerboard production has not succeeded anywhere that I am aware of, except where a linerboard facility is owned and operated by the people who actually use the linerboard, in other words, the box plants.

MR. E. MAYNARD: The charge has been made, directly or indirectly, that the sale to Abitibi Price was sort of fixed before we even had a divestiture committee on the go, that it was already decided that we would sell to Abitibi Price. While it has not been said in so many words that is the impression that has been left.

Mr. Speaker, the Divestiture Committee that was set up by Government to try to dispose of that facility after the mill had been closed down did a tremendous amount of work in trying to find a buyer, first of all, for a linerboard facility. It is my recollection that they solicited bids. They did not receive bids or proposals from all of them but they solicited bids from some thirty-nine different linerboard facilities around the world. Thirty-nine different companies that are in the linerboard business either as manufacturers or as users of linerboard itself. And it became apparent after a few months of looking at the possible reactivation of the linerboard facility that there was just no one interested, there was just no one interested in using it as a linerboard facility.

The member for Stephenville (Mr. W. McNeil) pointed out that Mr. Crosbie, at one point in time said It was not worth a dollar, and that is correct. It was not worth a dollar to anyone that we could find as a linerboard facility itself, it was, however, worth a substantial amount as a newsprint facility. And it seemed to the Divestiture Committee and the Cabinet Committee, who formed the Board of Directors at that point in time, that the best thing to do was to get away from trying to sell it as a linerboard mill and try to find out whether or not we could come up with someone who would change it into a newsprint or a sulphite pulp facility.

MR. W. MCNEIL: (Inaudible) did you not say it was impossible to convert it to newsprint that it would always be linerboard?

MR. E. MAYNARD: No, we never stated, at any time, that it was impossible to convert it to anything. We were looking for the possibility, Mr. Speaker, of having it operate as a linerboard facility because, obviously, if a linerboard facility could be made viable by some company who is in that business or was using that product then it would be much easier because there would be no machines to change, there would be no wood processing rooms to change around, they could walk in, turn the key and almost have it operating the next day. And this is why, for the first year or so, we were looking for someone to operate it as a linerboard mill. But when that became obvious that we could not do that, that that was impossible, we then went out, or the Divestiture Committee went out searching for people who would buy it and convert it. And a number of world renowned companies expressed some interest in the opportunity and I give you the names of some of those companies, Mr. Speaker. There was Bowaters Incorporated, Abitibi Paper Company Limited, MacMillen Bloedel, Canadian Cellulose Company, Consolidated Bathurst, Parsons and Whitmore, Kruger Pulp and Paper and Helvenus Pulp AG. These were all very major companies who presented proposals to reactivate the mill either as a newsprint facility or a sulphite pulp beach craft or whatever the name of it is facility. And by the time all of these proposals had been gone through and by the time the analysis of the proposals were completed it became clear that - and I might first of all point out, Mr. Speaker, that we were interested first of all in having a Canadian company involved, and a lot of those that I read out are Canadian companies, and/or a Canadian company even if it was owned

MR. MAYNARD:

by a U.S. or a foreign company but it is operating as a subsidiary. We were very interested in having a Canadian company involved in one manner or the other. And it came down in October, 1978, Mr. Speaker, to two companies who had presented almost identical proposals and these were Consolidated Bathurst and the Abitibi Paper Company. For a number of reasons after a lot more analysis, we decided on the Abitibi Paper Company, Abitibi Price and, of course, one of the reasons, not the only one but certainly one of the reasons, was because Price was already in operation in Newfoundland. They knew the situation in Newfoundland, they knew the wood supply and being quite familiar with the Province and having a good record in the Province we felt that one of the prime reasons that Abitibi Price should buy and convert and operate the Stephenville facility, was they would make it much more of a successful operation.

Now there have been some charges as well that the Province has made not only a bad deal on the mill facility itself, but on the wood supply, the timber arrangements. Now the hon. member for Windsor-Buchans (Mr. Flight) says that there was no need of turning over Crown lands to Abitibi Price. Mr. Speaker, the Crown lands are not turned over in the same context that back in the 1920's and 1930's there were mass concessions given to the two existing paper companies. They are not turned over under those conditions at all. The member also charged that Price got a good deal. Well naturally they have got a good deal. I doubt very much if there would be anyone in their right minds who would come in and buy a facility of that kind unless they were going to make a profit out of it, Mr. Speaker. I do not know of any private corporation in North America or anywhere in the world that is going to spend up to \$150 million unless they are going to get a return on their investment. Certainly they had to make it a good deal. We had to make it attractive to any prospective buyer in order to be able to sell it. That is natural. That is common business sense. So the comment is really not relevant.



MR. MAYNARD:

Now he also pointed out that we are giving the stumpage back. What he failed to realize is that for the first time in our history we have a large company committed to proper management and silviculture techniques in this Province, for the first time. Now we could do it either way, Mr. Speaker. We could say, "Okay, give us the stumpage and government will go back and spend it in silviculture techniques" Or we could say to the company, "We have always spent a certain portion in silviculture techniques, we will give you a remission of your royalty." It means the same thing. But the principle of the thing is quite different in that for the first time we have a major company in this Province actively involved by agreement, by legislation of this House once the act is passed, into management, total management in silviculture, and improvement of the forest they are going to be utilizing Mr. Speaker, that is a very significant breakthrough.

Before closing off, Mr. Speaker, there are a couple of other items that I would like to comment on. The one, of course, that is ongoing now, brought up by the hon. member for Stephenville (Mr. McNeil) regarding the union-labour situation on the mill reconstruction there in Stephenville, the Minister of Labour (Mr. Dinn), I believe has, or at least he has convinced me, that he is on top of the situation and that it will be resolved. Now I can only take his word for it. As far as we are concerned, I mean government as a whole and especially the Department of Industrial Development, we are quite anxious to see that during the construction phase as well as during the operational phase, that the people from Bay St. George are given the first opportunity to take advantage of the jobs that are there. I firmly believe that the Minister of Labour and his officials will be able to ensure that that is done and I am sure that he is going to be working on that particular issue and that he will accomplish

MR. E. MAYNARD: what needs to be accomplished.

Mr. Speaker, the sale of the mill, the sale of the facility in Stephenville is a good deal regardless of what the Opposition members would like to find out and I would suspect that it is a bit of jealousy that we were able to make a good deal out of it. There is a lot of jealousy involved. It is a good deal for the people of the Bay St. George area and for the Province of Newfoundland. We made some mistakes by taking it over initially. Sure! We did not know at the time, Mr. Speaker, and neither could anyone else know that it was a mistake. And by the comments in Hansard from members of the Opposition they did not know it was going to be a mistake, they could not foresee that it was going to go sour. But in order to -

MR. SIMMONS: Who said that?

MR. E. MAYNARD: Who said it? The present Leader of the Opposition and the former Leader of the Opposition in about fifteen pages, saying the government did a tremendous thing by taking it over.

MR. DOODY: That should have been the warning. We should have known it was (inaudible).

MR. E. MAYNARD: That is right! But we were new then Mr. Speaker, we only had three or four months in office. We did not realize -

MR. S. NEARY: Conned by Crosbie and Moores, conned!

AN HON. MEMBER: Go down with you buddy in Panama, boy.

MR. E. MAYNARD: The situation was that it did not turn out very well. Mr. Speaker, since the member for LaPoile (Mr. Neary) is butting in again, he made some charges a few days ago regarding the two famous buildings at Stephenville. I must point out, Mr. Speaker, exactly what happened to the buildings. The two former American Air Force dormitories which were supposed to be sold,

MR. E. MAYNARD: actually they were not sold, they were given to Javelin back in 1970. That was previous to our coming to office.

AN HON. MEMBER: Given?

MR. E. MAYNARD: Now if the hon. member will just keep quiet. Both of these buildings had a 600 man capacity, they were dormitories for 600 men built by the American Air Force in 1958 and turned over to the Government of Newfoundland along with the transfer of other assets of the Ernest Harmon Air Force Base. In 1968 the Department of Education was using one of the buildings as a residence for the Adult Training School. In 1970, for some mysterious reason, very quickly the Department of Education was told to get out, like that, out of the building, and both buildings were offered for sale, supposedly by public tender but here is where the crux comes in, Mr. Speaker; there are two very large buildings, the tender call was for one week but the tenders had to include a total plan of what the purchasers were going to do with the buildings. Now does it surprise anyone, Mr. Speaker, I wonder who knows the background of Javelin, does it surprise anyone that Javelin was the only bidder on those buildings?

MR. MORGAN: The only bidder.

MR. MAYNARD: Is that not surprising? Does that not put some questions in people's minds as to why Javelin was the only bidder? To make it worse, Mr. Speaker, they bid \$100,000.

MR. MORGAN: What? How many thousand dollars?

MR. MAYNARD: \$100,000 and lo and behold they got it. They got the buildings.

SOME HON. MEMBERS: What a shame! What a shame!

MR. MAYNARD: Does that sound a little bit fishy? Unless the hon. member is making a point of order I am going to continue -

MR. S. NEARY: A point of order, Mr. Speaker.

MR. SPEAKER (MR. CROSS): A point of order has been raised.

MR. S. NEARY: The statement just read by the hon. gentleman, Sir, is completely incorrect, false, misleading. The hon. gentleman is misleading the House deliberately, or otherwise is not stating the facts. I cannot go as far as to say the hon. gentleman is lying, that is unparliamentary, but it is an untruth. The hon. gentleman does not have his facts straight maybe through no fault of his own, but that statement is incorrect and completely untrue. It is untrue!

MR. MORGAN: No, you do not want the facts.

MR. S. NEARY: I want the facts, Yes, Sir, believe me, I want the facts, Mr. Speaker. I want the facts! I do not want distorted facts, I do not want untruths, I do not want misleading and incorrect information, I want the facts and

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MR. NEARY: The hon. gentleman is not giving us the facts, because, Mr. Speaker -

AN HON. MEMBER: No, because he is not allowed to (inaudible).

MR. NEARY: Let me show you, Sir, the errors in the statement the hon. gentleman just made. First of all, Mr. Speaker -

MR. MORGAN: (Inaudible) point of order.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, I am making a prima facie case -

MR. MORGAN: That is not a point of order, prima facie.

MR. NEARY: I am making a prima facie case of the hon. gentleman, Sir -

MR. MORGAN: You are making a fool of yourself.

AN HON. MEMBER: You are all nerve.

SOME HON. MEMBERS: Oh, oh.

MR. NEARY: - of the hon. minister deliberately misleading the House, and that is a very serious charge, deliberately misleading the House. First of all, Mr. Speaker -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: (Mr. Cross) Order, please!

MR. NEARY: Mr. Speaker, can I continue, Sir. May I continue, Mr. Speaker.

MR. FLIGHT: Purchase orders boys 15,000 at a time.

MR. SPEAKER: Order! I think you will find in Beauchesne that it is unparliamentary to say that somebody is deliberately misleading the House so I ask the hon. member to withdraw.

MR. NEARY: Okay, I withdraw it, Sir,  
and I would say the hon. gentleman is misleading the House. He may  
not realize that he is -

SOME HON. MEMBERS: No, no, withdraw it.

MR. NEARY: No, I withdrew it. I withdrew it.  
He may not realize he is misleading the House, but, Sir, the offer  
on these two buildings to the best of my recollection -

MR. MORGAN: Mr. Speaker, point of order.

MR. FLIGHT: Oh, here he is, here he is, the expert.

MR. MORGAN: Mr. Speaker, the hon. gentleman stood  
in his place and said that my hon. colleague was deliberately misleading  
the House -

MR. NEARY: Your Honour has a point of order.

MR. MORGAN: Mr. Speaker, I am on a point of order.

MR. NEARY: You cannot have two points of order,  
Your Honour.

MR. SPEAKER: Order, please!  
There is a point of order before the  
Chair.

MR. MORGAN: Mr. Speaker, I am speaking to this  
point of order.

AN HON. MEMBER: But you know, he was not finished with  
that point of order.

MR. MORGAN: He is finished now.

AN HON. MEMBER: Is he? Good!

MR. MORGAN: Mr. Speaker,

MR. NEARY: Now, Mr. Speaker, I was speaking to  
the point of order when I was interrupted by the hon. gentleman, Sir.  
Mr. Speaker, the fact of the matter is that public tenders were called  
for these two buildings.

MR. MORGAN: What is your point of order?

MR. NEARY: I am showing where the hon. gentleman is misleading the House and you cannot mislead the House.

AN HON. MEMBER: You are not allowed to say that.

MR. NEARY: Oh, I can say it, Sir, I cannot say the hon. gentleman is deliberately misleading the House but the hon. gentleman is telling an untruth and misleading the House.

Well, Sir, public tenders were called for these two buildings. An ad was placed in the newspaper but the Minister of Justice (Mr. Hickman) when he asked the RCMP to investigate the disposal of these two buildings forgot to tell the RCMP that public tenders were called and there was an offer from Canadian Javelin -

SOME HON. MEMBERS: You are out of order.

MR. NEARY: Hold on now.

MR. MARSHALL: On a point of privilege, Mr. Speaker.  
On a point of privilege which overrules a point of order.

Now, Mr. Speaker, you can raise on a point of order - what the hon. gentleman is doing is prolonging a point of order and injecting himself in the debate. If he rises on a point of order, he is entitled to rise on a point of order and quote from the authorities. What he is doing is he has disagreed with what the hon. minister said and he is getting up and pointing it out.

MR. R. MOORES: But you are doing the same thing with a point of privilege as he is doing with a point of order.

MR. MARSHALL: But by getting up - it is a point of privilege - what, in effect, he is doing is interfering with the normal flow of the House and the normal flow of debate through a specious point of order and I submit to Your Honour that he has been allowed to carry on perhaps a bit too long in attempting to make his point of order, so long that he has shown that he has no point of order and is thereby impeding the progress of this House.

MR. NEARY: To that point of privilege, Mr. Speaker, Your Honour knows full well that there is no point of privilege, the hon. gentleman who has lectured members of this House so often and so long about abusing and misusing the point of privilege in this House, just did the same thing himself, Your Honour, and did it, Sir, to get the floor away from me in making my point of order and I would submit, Your Honour, that the hon. gentleman be severely scolded for abusing the point of privilege in order to grab the floor away from me.

There is no point of privilege, Your Honour, and I submit that I be allowed to carry on with my point of order.

MR. R. MOORES: No point of privilege.

MR. SPEAKER: (Mr. Cross) To that point of privilege, I would say that I would ask certainly that the hon. member from Lapoile (Mr. Neary) state his point of order.

MR. NEARY: I thank Your Honour. And the fact of the matter is, Sir, to correct the hon. gentleman in his misleading statement, whether it was deliberate or otherwise I cannot say, only the hon. gentleman can say whether it was deliberate or not, that the bid on these two buildings was \$250,000, of which \$100,000 was paid and later refunded to Canadian Javelin. And then the fate of these two buildings later, Sir, they were given to a Tory hack for a dollar a year for 99 years. How does the hon. gentleman explain that? And when they were given to the supporters of the Tory party for a dollar a year for 99 years, they still could not make a go of it. Now, how does the hon. gentleman reconcile that position?

First of all, Sir, my number one point is public tenders were called in the newspaper. Everybody could have bid, and the bid was \$250,000 not \$100,000, of which \$100,000 was paid in cash and later refunded and then later, Sir, the \$100,000 was paid to the Newfoundland



MR. NEARY:

Government, a downpayment on these two buildings, later refunded to Canadian Javelin.

AN HON. MEMBER: Why?

MR. NEARY: Why, Sir? Because the government took the buildings back.

The Minister of Justice (Mr. Hickman) launched an investigation into the two buildings, unjustifiably.

MR. SPEAKER (Mr. Cross): Order, please!

MR. NEARY: Yes, Sir. I am sorry.

MR. SPEAKER: To that point of order. The hon. member for LaPoile (Mr. Neary) has entered into the realm of debate on the point of order. Here I can see that there is a difference of opinion and a disagreement as to facts between two hon. members but I cannot see that there is a legitimate point of order.

MR. NEARY: Well, Mr. Speaker, a point of privilege. Mr. Speaker, I would submit to Your Honour that no member, especially a minister can stand in his place in this hon. House, Sir, and mislead the House whether it is deliberate or otherwise, Your Honour - do I have to start all over again?

MR. SPEAKER (Ottenheimer): No, I have heard everything.

MR. NEARY: Your Honour was listening to what I said. Well, I am on a point of privilege, Your Honour, and I am accusing the hon. gentleman of misleading the House, of telling an untruth in the House and I can prove that the hon. gentleman is misleading the House. I do not know whether it is deliberate or not, only the hon. gentleman can say that. I want Your Honour to point out to the hon. gentleman the seriousness of misleading the House. If he continues to mislead the House, then I shall have to lay charges against the hon. gentleman that I do not want to do Your Honour. I have a recourse open to me. The hon. gentleman just gave the House misleading information, told untruths. I do not know whether it is deliberate or not, Sir, only the hon. gentleman can say that. So I ask, Mr. Speaker, that the minister either clarify his statement or that he withdraw or that Your Honour lay charges against the hon. gentleman for misleading the House.

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

It is not infrequent that one hon. member thinks another hon. member is misleading the House and he may so state as long as he does not allege that he is deliberately misleading the House which is lying. It is not infrequent at all that one hon. member will say of another that he is misleading the House, his facts are wrong, his interpretation of the facts is wrong, he misunderstands the situation. And there can be a total difference of opinion between two hon. members. And when that happens, obviously one is of the opinion that the other is misleading the House and somewhere along the line, obviously, one or the other hon. member's information is misleading.

So whenever there is a difference of opinion one hon. member may well allege that the other hon. member is misleading. This comes down to what Beauchesne calls, contradictory statements by members. And on page 114 he says, "It has been formally ruled by Speakers that a statement by a member respecting himself and particularly within his own knowledge must be accepted, but it is not unparliamentary temperately to criticize statements made by a member as being contrary to the facts; but no imputation of intentional falsehood is permissible. On rare occasions this may result in the House having to accept two contradictory accounts of the same event." That is the situation we are in. The House has to accept two contradictory accounts of the same incident. The House has to accept them means that neither one hon. member nor the other may allege that his opponent is lying. Two contradictory statements are put in possession of the House and, as Beauchesne says, "On rare occasions this may result in the House having to accept two contradictory accounts of the same incident."

That is where we are. There are two contradictory accounts of the same incident but it is not a matter which the Chair can reconcile. I have to leave it at that. That has happened at times before. It just has to stay at that.

MR. NEARY: Mr. Speaker, I wonder if it would be in order if I could consult with Your Honour because I am not quite sure of the procedure,

MR. NEARY:

if you are lying or deliberately misleading the House what the procedure would be. I would like to have five or ten minutes of Your Honour's time as Your Honour could see fit to let me have it so I could go over the rules of the House with Your Honour.

MR. SPEAKER (Ottanheimer):

Well I could state that the lying or deceiving only comes into it where one hon. member alleges that another is lying or deceiving. That is wrong. If one hon. member says to another;The facts are wrong.

MR. SPEAKER: (Mr. Ottenheimer) "What you have said is wrong", that is permissible. Any hon. member can say to another, "The facts are wrong. The hon. member is totally wrong. The hon. member is misleading. He is wrong. His facts are wrong." And that can be said back and forth and we are just in a situation where two contradictory accounts of the same events are put forward and it is just stays at that and there is nothing the Chair can do. It just stays at that, and I am quoting straight from Beauchesne.

Now it being 5:30 a motion to adjourn is deemed to be before the House. The subject matter for debate regards a possibility of a major blowout and consequent oil spill.

The hon. member for Lapoile.

MR. NEARY: Mr. Speaker, following the episode of the Kurdistan, the former Frank D. Moores, that cracked in half in the Gulf there a few weeks ago, I started some research, Sir, into the method, to the procedures, to the mechanics, to the technology available in this Province to cope with major oil spills and major blowouts off our shore by the drilling process, the exploration being carried on by the big oil companies drilling for oil and gas off our coast, off the coast of Newfoundland and Labrador.

Lo and behold, Sir, much to my amazement, I discovered some very startling things, Mr. Speaker. Number one, and I am not trying to be dramatic about this, this is a very serious situation, number one, Sir, despite the fact that the oil companies have tried to brainwash the Newfoundland people, especially the fishermen and the fish plant workers, into thinking that they can go to bed at night and know that they are safe as far as a major oil spill or a blowout off our coast is concerned that it will not damage our fishery, they have tried to brainwash the fishermen, the Newfoundlanders and the plant workers into thinking that, when in actual fact, Sir, that is not so. I learned in my research that I have not done in any great detail yet, but I learned, Sir, in my research from the

MR. NEARY: officials in Ottawa that despite the fact that the oil companies have sucked in the Coast Guard, the Canadian Coast Guard, by asking them to take over the responsibility for the technology that we saw in Freshwater Bay the other day, these two little boats towing a boom around, in actual fact, these two little boats and the boom can only cope with a few hundred gallons of oil on the surface of the ocean off our coast, they can only cope with a few hundred gallons, that they cannot cope with a major oil spill or a major blowout. The technology is not available and the answer that you will always get when you ask the official in Ottawa, Mr. Speaker, is this - the same answer we got from the hon. the Premier today - that we have assured ourselves, we are sure, so they say, that we have the latest technology available on the face of the earth. That is what they are saying, but then when you ask the follow-up question, "Well, is the technology available on the face of the earth and despite the fact that the oil companies have spent millions of dollars developing this technology and purchasing this technology, can you guarantee us there will be no major oil spill or blowout off our coast that will not threaten the fishery?" And we will get the same answer we got this afternoon. "There is a risk involved", the Premier told us this afternoon. There is more than just a tiny risk involved, Mr. Speaker. I am told by the officials in Ottawa, the Coast Guard officials and others, that there is no way, no way, and I want members to let that sink in, no way that the Coast Guard, the Government of Canada, the Provincial Government, or all three put together, can cope with a major oil spill or a major blowout off our coast. Now, that is something to learn. That is something and yet the Provincial Government is issuing permits right, left and centre to these oil companies -

MR. J. CARTER:

Your time is up.

MR. NEARY:

- no, my time is not up, Sir - issuing permits right, left and centre. Knowing full well and they have not told the people of the Province this, they have not told the people, when they issue these permits the risk that is involved in destroying our fishery. It could be destroyed overnight. We have gone through hell on earth and fought tooth and nail to build up the fishery in this Province and it could be wiped out overnight.

MR. MORGAN:

Who fought?

MR. NEARY:

We fought, Sir. I remember, Mr. Speaker, I remember since I came into this House some thirty-odd fish companies,

MR. NEARY: and you can go and check  
The Evening Telegram, Go down in the morgue and you will see, 'Thirty-odd fish companies bankrupt' - that was the banner headline on the front page of The Evening Telegram back in the mid-1950s - thirty-odd fish companies bankrupt. And the Newfoundland Government of that day, the Liberal Government, bailed every one of them out, kept every one of them operating until the Government of Canada gave us a 200 mile limit and now the fishery is thriving and prospering and growing. But, Mr. Speaker, having done all that, asking the taxpayers of this Province to cough up literally millions of dollars to keep the fishery afloat, now it is threatened with pollution. One major blowout, one spill off this coast - the Kurdistan almost did it, by the way - could have ruined the fishery on the Southwest Coast. And we are not out of the woods yet so the coastguard people tell me, as far as the Kurdistan spill is concerned. There are still oil slicks floating around the Gulf. Mr. Speaker, I would submit, Sir, that if hon. gentlemen have not seen the Mummings Troup play Some Slick, well, they should go and take a look at it.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Mr. Ottenheimer) The hon. the Minister of Mines and Energy.

MR. DOODY: Mr. Speaker, in the absence of the Premier to whom the question was directed today, I will try to deal in some small manner with the point raised by the hon. the member for LaPoile (Mr. Neary). I notice his emphasis on the brainwashing operation and that I find rather weird and wonderful. An attempt to brainwash the hon. the member for LaPoile would take all the contents of one of these little soap packages they have in hotel bathrooms.

SOME HON. MEMBERS: Oh, oh!

MR. DOODY: We are really dealing with two particular - what is wrong now?

MR. DOODY: There are two different areas here that we are concerned with, one is the danger of a spill from a tanker - the Kurdistan was mentioned very often - and then that is used to overshadow or to confuse the issue regarding the offshore exploration. The danger of a spill from a tanker is going to be with us as long as oil is transported by sea to ports. As long as Newfoundland is an island, and that is likely to continue for quite a while, we are going to need supplies of oil brought in by tanker unless we can come up with some other means of transportation. And as long as tankers ply the sea there is always going to be a danger of an oil spill.

In the Province of Newfoundland right now, here in the port of St. John's, there is available - and the hon. member said so - the best technology and the best equipment available in the world. There is no port in the world that we know of that has better oil pollution control equipment than there is here in the port of St. John's.

MR. NEARY: That is right.

MR. DOODY: Everything that is available is here. The oil companies formed a consortium, pooled in the money, the Canadian Coastguard has taken the responsibility for handling it - everything that can be done has been done.

MR. NEARY: That is right.

MR. DOODY: The hon. member also said that the technology has not been perfected to handle spills in the North Atlantic. That is also correct.

AN HON. MEMBER: Right.

MR. DOODY: The danger of a spill from a tanker is always present. Fortunately, it happens very rarely. The Kurdistan was an example, a recent one, one that, thank God, did not have any really serious adverse effects that we know of as yet.

The other side of the coin, the one that the hon. member uses to confuse that very obvious issue is the handing out of licences to exploration companies. The emphasis has to



MR. DOODY: be on the fact that these are exploration licences and not production licences. Before we get into production we have to make absolutely certain insofar as we can that the danger of an oil blowout is minimized. The danger of a blowout in terms of exploration is unknown, it has not happened yet. You just do not have blowouts while you are drilling. It can happen theoretically, but in the exploration process it is a negligible risk.

Before we get into actual production, a great deal more has to be known about controlling oil spills or oil blowouts from the production process and that is particularly true in these ecologically sensitive areas of the Labrador Coast and the Northern waters of Newfoundland. Tests are underway. There is a programme being put together now by the Canadian Government in co-operation with the Province, and indeed, with the co-operation of the Labrador Resources Advisory Committee who have participated in the planning to date - have participated in the site selection and will be actually participating in the test programme of an actual

MR. DOODY:

oil spill under arctic conditions to see exactly what the dangers are. Nobody is suggesting to the public of Newfoundland or anywhere else that there is no danger from oil pollution in the process of supplying fuel oil to the Province or in the process of producing oil or gas off the Province. What we have done and are attempting to do is to minimize the risk. We realize full well that the major resource of this Province will continue to be, long after the oil and gas has been found, exploited and sold, will be the fishery. That has got to be our primary concern and that is the premise that we are working under. And there is nobody in this Province who should be led to believe that we are trying to fool anybody along that score. The oil companies are fully aware of their responsibility in this matter and the Canadian Government has been most co-operative. And the people of this Province can be assured that this government will do everything that it possibly can to protect the marine resource of the Province. Thank you, Sir.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: I move that this House do now adjourn.

On motion, the House at its rising adjourned  
until tomorrow, Friday, at 10:00 A.M.