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VERBATIM REPORT

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SPEAKER: THE HONOURABLE GEORGE W. CLARKE

The House met at 10.30 A.M.

Mr. Speaker in the Chair.

HON. J.R.SMALLWOOD(Premier): Mr. Speaker, I rise to point, not of personal privilege but of information or explanation. Yesterday in the debate there was some discussion of the cost of bringing wood chips from Lake Melville to Stephenville. And the cost now of bringing round pulpwood compared with the cost of bringing chips and the comparison of the two. Some figures were given but I have made an effort to get the accurate figures and they are as follows: In the E.& B. Cowan feasibility report revised to May 13, 1968. The cost of transporting chips from Lake Melville to Stephenville per cunit. not a cord but a cunit. A cunit is a cord plus one - it is not quite one and a quarter cords. It is a cunit. C U N I T, the cost was as follows: 1970, \$5.70. 1971, \$6.20; 1972, \$7.20; 1973, \$7.20; 1974, \$7.20; 1975, \$6.60; 1976, \$6.60; 1977, \$6.60; 1978, \$6.60; 1979, \$6.20; This was an average over the ten year period beginning this year of \$6.61 plus the cost of amortizing an amount paying interest on and redeeming capital outlay of about \$14 millions that would have to be spent to put in the loading and unloading facilities for chips, and the construction of a wharf. So the ten year average is \$6.61 plus amortization of \$14 million which would be well over another one dollar. a cunit. Well over a dollar, which would make it close to eight dollars. The new rate is \$5.30, the rate for hauling round wood versus chips. Chips a ten year average of \$6.61 plus and the new rate for the round wood is five dollars and -

SOME HON. MEMBER: Is that a cord?

MR.SMALLWOOD: No cunits, both are cunits. The modern measurement of pulpwood is cunits. We are not used to it in this province but cunit is the modern way of measuring pulpwood. C U N I T, cunit. And all the

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figures in the E.& B. Cowan feasibility study are given in cunits. We are not used to it I must say I find it difficult to get used to it. I am so used to referring to cords.

Presenting Petitions:

MR.SMALLWOOD: Mr. Speaker, I have the honour to present a petition from something getting up toward two hundred persons residing in the community of Cormack, in the district of Humber East. The prayer of this petition is that the road from Deer Lake through Cormack to the Sir Richard Squires Park be rebuilt and paved. They give a number of reasons for this prayer.

One, that this road leads to one of the most famous tourist attractions in Newfoundland namely; Big Falls, in the Sir Richard Squires Park. And second, we anticipate they say the paving of the road from Deer Lake to St. Anthony and we consider this road through Cormack would be a valuable spur in the development of the area. Three, our area being a primary producer, paving would aid the development of the farming industry and would be a boost to the whole economy of the area. Four, from past correspondence we believe that this has been a part of a government long-range plan which should be implemented soon. Five, it is fitting that the access road to a park named for such a famous Newfoundlander in an area which owes its development to his foresight should be a proper one.

I must say I heartily agree with these reasons and that I share them, Other reasons could be cited. This road of course ceased to be part of the Trans-Canada Highway when the new Trans-Canada was built in 1965. But the fact that it does not now form part of the Trans-Canada Highway itself ought not, I submit, be allowed ought not to be allowed to derogate from the importance of this particular road especially as it goes to the Sir Richard Squires Park. I heartily endorse the prayer of the petition

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and asked that it be received and referred to the department to which it relates.

MR.G.MYRDEN: On behalf of my absent colleague the member for Humber East I would like to have a few words to say on this petition. Knowing the area of Cormack and how it has been developed by the veterans of World War 11, knowing the great effort they put into the whole area there of trying to farm and log and the great troubles they have had with telephone service and power,I think it would be only fitting actually to, on that basis alone, to be able to give that community some decent road. Now I would like to say also that I believe (the minister of Highways can correct me) there is a new survey of a road which will completely do away with that section, almost, I believe they have already surveyed and I think it would probably take a new bridge across the Humber. So, before they do that I suppose they will be looking into this new road concept that will go on down to the National Park.

Cormack, Sir, has always been a great producer of vegetables and beef and timber in that area. Going farther down, to the Sir Richard Squires National Park (I suppose almost every member of the House has been there) it is known or as we grew up it was known as the Big Falls, one of the most famous salmon areas on the West Coast and probably all Newfoundland. I would like to see it Sir, and I hope that the petition will go through.

MR.SPEAKER: The hon. the Premier asks leave to introduce a Bill, "An Act Further To Amend The Newfoundland and Labrador Power Commission Act, 1965," Bill read a first time ordered read a second time on tomorrow.

Committee on Supply: MUNICIPAL AFFAIRS AND HOUSING:

Chairman of Committee, Mr. Hodder:

MR.CROSBIE: 1321-05-01, just to conclude on this Mr. Chairman, this is

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the Blackhead Road Urban Renewal Scheme. I notice here the amount to be voted is \$2,258,000 and the appropriation in aid, which would be from the Government of Canada, is \$841,800, which would make it appear that our share this year is \$1,004,000 about, and the rest is from the Government of Canada this year. Would the minister tell us what it now appears the total cost of this scheme is and how it is shared, how much of it is coming in loans from the Federal Government and how much in grants and how much the Province has to put up itself? I do not know if he can elaborate on what we were discussing yesterday. I think yesterday the minister said construction should be completed around the end of August and the people there themselves would have to decide what kind of municipality they are going to have there or whether they will wish to come within the city of St. John's or have their own municipality or come under the Metropolitan Area Board. I believe the minister said yesterday that people in that area do not like the concept of subsidized rental housing. They would prefer some other kind of housing. My suggestion is, and I do not know costly it would be and the minister says that the Government of Canada will not agree, perhaps they will change their minds, the answer to Blackhead Road might be individual units dwelling houses, where the people are going to be dispossessed, which they could rent and with the rental going towards eventual ownership of the home.

Now I know that that does not fit within the present rules and regulations of CMHC but I think in this particular case, or an urban renewal scheme like this one, the Government of Canada should make the rules more flexible. It would not even need to apply to every urban renewal scheme. This might be an area where shell houses, where there could be some considerable experimentation with shell houses. But the people who are going to lose their own homes, I think, should be given some kind of choice like that. One can sympathize with them that they do not

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want to move into subsidized rental housing which they will never own themselves, that they want to acquire ownership of the new dwelling accommodation that they are going to move into. So that there is the shell housing that could possibly be tried there or some new scheme that will give them a rental-purchase, some rental-purchase scheme for them. Doubtless the minister has got quite a difficult problem at Blackhead Road to deal with and we all sympathize with him in the problems that he has up there. I think that some decision will have to be made shortly and communicated to the people who live on the Blackhead Road with respect to this housing issue. It seems to be the great issue up there. There have been other construction problems. So if the minister could enlighten us on these costs -

MR .E.DAWE: Mr. Chairman, first to deal with the housing, I do now give the estimate of cost, that of matters raised by the hon. member. As regards to the housing as I stated yesterday that this is under consideration of the government, is very actively being considered and when we are in a position to advise the people of the decision of the government it would be made known to them. I have attended two meetings on the Blackhead since I have been the minister and I am planning to meet with the householders union again.

I made it clear to them that my office is open to them any time and that when the government arrive at the decision with regard to housing on the Blackhead I will be most happy to make this known to them. But as I say it is still under active consideration and I am not in the position to add any further information than what I did on our estimates of yesterday. With regard to the hon. member's request for the total cost of the scheme the total cost for the completion of the scheme, with the revised figures is \$5,180,880. Five million, one hundred and eighty thousand eight hundred and eighty dollars.

MR.SMALLWOOD: What is that for?

MR.DAWE: This is for water and sewerage, acquisition of land -

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MR.SMALLWOOD: What does acquisition mean, purchase -

MR.DAWE: Purchase - the right-of way for the new street alignment, street paving and the erection of utility poles for street lighting and some house construction where the houses would have to be removed in the scheme and purchase of property and for the general carrying out of the scheme. This total \$5,180,880, the recoveries -

MR.SMALLWOOD: This will be the total cost when the project is finished in August.

MR.DAWE: In August, the end of August. From CMHC section 23B granted \$2,590,440, grant CMHC. under section²³/of the Act, 23C a further grant of \$1,million, (I am sorry) a loan of \$1,545, 078. There are recoveries \$545,643 shared equally between CMHC and the Province. The Province shared \$272,822 and recoveries \$272,822, to go to CMHC. The total cost to the Province will be \$2,317,619.

MR.SMALLWOOD: Approximately two and a-quarter million. It will cost the government two and a-quarter million and a bit over. And Ottawa a total of \$2.5 million and almost \$2.5 million from us. It is almost fifty-fifty.

MR.DAWE: That is correct. About fifty-fifty. With regard to a form of local government or representation on the Blackhead, as I said, this may be decided by the people themselves, or we may continue as at present under the Metropolitan Board. Mr. Leo Stead, as you know, is our chairman. And his position is not just to attend meetings. His position is more or less confined, mostly as a town manager. He is very actively connected with the Blackhead scheme. He was chairman of the implementation committee and he is a general supervisor of all activities of the Metropolitan Board throughout the area of St. John's.

MR.CROSBIE: Who is this -

MR.DAWE: Mr. Leo Stead. He is at his office regularly every day and his is not just an honorary position just to attend meetings but he attends his office

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every day and he is the real officer behind the Metropolitan Board and he is quite active with the development at the Blackhead. As I say; we may continue to have Blackhead be under the supervision of the metropolitan board or they may decide or request some form of government of their own free will at some later time in the future.

MR.SMALLWOOD: I can tell the hon. minister that Mr. Stead is not willing to stay an awful lot longer in that job which is so completely onerous as a part time job. It really should be a full time job. He is not prepared to give full time to it.

MR.DAWE: I agree Mr. Premier, I am aware of that fact and we may have to have a replacement in a month or so's time. But if the position, I think I made it quite clear on the amount of money is involved, and regard to housing and regard to local government.

MR.CROSBIE: This amount of course does not include any public housing up there of course, and this is something that now has to be decided whether there will be and what time, public housing.

MR.DAWE: That is correct.

MR.CROSBIE: If, let us say there was no public housing built there. It was decided not to have any subsidized rental housing, because the people living there do not want it or will not accept it. Then what would be the position on the amendment to the Family Homes Expropriation Act? I would assume that if there was no public housing provided a compensation should be based on the 1964 Family Homes Expropriation Act and not on the amendment. Because the amendment provides that people who live in a substandard house or a house unfit for human habitation would get the market value so long as public housing was made available. But if public housing were not made available then they should be compensated under the old Act. Would that be the position?

MR.DAWE: Yes, that would be position Mr. Chairman, The houses would have to be left there but, as I made it quite clear to the committee that this is

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under active consideration of the government and we are considering other means and possibilities to help the people there, and when this decision is known we would be most happy to make it known to them. I know their provincial member Mr. Nolan , the minister of Supply, is quite active in this and naturally, in his position in the government, he will be requesting and naturally will be interested that a decision will be made as soon as possible and then, as soon as this is decided, as I say, we will be happy to meet with representatives of the householders' union on the Blackhead and make this known to them. I can add nothing further.

MR. CHAIRMAN: Does 02 carry?

MR. CROSBIE: 02 Mr. Chairman, can the minister give the House any information now on Corner Brook West and Mundy Pond? Both the urban renewal schemes there have been ready, of course they were planning for years and it was announced that both would have to be cut down because Ottawa had to cut back on their amount of money that they would make available for urban renewal schemes.

Can the minister tell us now just what is planned to do in Corner Brook West and Mundy Pond, and save us asking when we come to the next item, and when it is likely to start?

MR. DAWE: Mr. Chairman, Mundy Pond and the City of Corner Brook are practically in the same position only that you could say probably that Corner Brook may be a little further advanced than Mundy Pond. The position is this, that, final detailed plans should be received from the City of Corner Brook and from the City of St. John's within three months. I think hon. members will realize that there was quite an adjustment in the original plan due to the limitation of the money provided under the urban renewal Act, as announced by Mr. Andreas, and it was made clear by the hon. Premier, in his announcement early this year of the limitation of money involved. This necessitated more complete planning and survey work to make certain that the scheme that we planned to develop in both the City of St. John's and the City of Corner Brook keeps within the limitations of the money provided.

This is what possibly I would say caused this delay in submission of their plans to Government. But, this is really - the engineers have been, like I say, going through it with a fine tooth comb just to make sure that they are within the limitations of the money provided. This is what I say probably added to the time in receiving the application. The City of Corner Brook's application should be ready within one month, the City of St. John's application should be ready within three months, and once these applications are received and Government approval is given, we will submit

them immediately to C.M.H.C. at Ottawa and we would expect approval for implementation within a month after receipt of our application on behalf of the City of St. John's and the city of Corner Brook. With this procedure forthcoming and carried out, we would hope that we would be in the position then to start immediately with the purchase of property for street alignment, and clearing of the right of way and the erection or moving of utility poles. If the city of St. John's or the city of Corner Brook decided to call tenders - tenders would be called then immediately. Once the approval is given, the work could begin early in the spring of next year. I think it is fair to say that major construction on both schemes will not begin until next year. The city of Corner Brook I think has decided that they are going to try to implement their scheme with their own forces.

At this time they can utilize their money and go further, stretch their money to that extent, and they have decided to carry out their part of the scheme with their own forces and maybe it will be the same with the City of St. John's. If they decide they may do that as well, that will be a decision for the city to make, and if they decide to do that then they will no doubt start late this fall in preparation for major construction work in the spring. If the city decided not to do that, well naturally we would call tenders later this fall for the work in the Mundy Pond area.

The work will involve, as I said, street alignment, water and sewage facilities, storm sewers and street paving. The exact detail of the area of the scheme at Corner Brook is approximately ninety acres, the present population is 1,740, the number of houses in the scheme is 294, the number of existing houses to be demolished is seventeen, the number of existing houses to be moved is twenty-nine.

MR. SMALLWOOD (J.R.): Does the hon. gentleman have these figures to give a copy to the press for example? These are terribly interesting figures.

MR. DAWE: I will obtain extra copies, I did not come prepared for extra copies, but I will make them available.

MR. COLLINS: Mr. Chairman,

MR. CROSBIE: The minister is not finished yet.

MR. DAWE: The number of new lots in the scheme is approximately 144, and land for schools 1.25 acres. There are 15,617 feet, lineal feet of road to be constructed and paved, 9,011

MR. SMALLWOOD: Where is all this - this is where?

MR. DAWE: In Corner Brook, in the Watson Road area.

MR. SMALLWOOD: Yes. If the minister would draw a very wide line, or a wide gulf between Mundy Pond and Corner Brook West, so that there will not be any misunderstanding of what he is referring to.

MR. DAWE: Well I am referring now Mr. Chairman to

MR. SMALLWOOD: You are talking about widening roads and house, where?

MR. DAWE: What I am referring to now is strictly in the Watson Road area all within the City of Corner Brook.

MR. SMALLWOOD: I love to hear this because.....

MR. DAWE: And we have 9, 011 lineal feet of sanitary sewer.....

MR. CROSBIE: Whose district is this?

MR. SMALLWOOD: Someone or other.

MR. DAWE: 10, 664 lineal feet of water mains, 12,965 feet of culverts, and storm sewers, catch basins and fire hydrants. This is the scheme in Corner Brook and I will try to give you some details now on the scheme at Mundy Pond, for the information of the committee.

MR. CROSBIE: This is the revised scheme now you are talking about?

MR. DAWE: This is the revised scheme I am referring to, within the limitations of the 3.5 million provided from Ottawa. This is matched half by the Province and half by the Federal Government. The Province here in both schemes, makes a total of \$3.5 million and \$3.5 million from Ottawa.

The scheme at Mundy Pond within the City of St. John's, the location is bounded by Cashin Avenue, Blackmarsh Road, Jenkin's Camp Road New Pennywell Road, the Old Pennywell Road and Empire Avenue. The area is some 600 acres. The present land use is about 720 dwellings, ten commercial

buildings, twenty-two industrial buildings, four schools and six churches. The proposed land use is not precisely known until the scheme is completed. The scheme itself will follow along the lines similar to Corner Brook's. As I said, we have not the exact details because, as I say, they are not as far advanced in their planning as the City of Corner Brook, and we have not received the official - the plans from the city of St. John's or their consulting engineers but, they will take the same pattern as this development at Corner Brook.

MR. CROSBIE: Would the principal thing in Mundy Pond also be water and sewage? The water line now is - or are both to St. Theresa's School, is it water and sewer or just water?

MR. DAWE: Water and sewage and this will be the first part of the scheme. It is going to be implemented as a water and sewage system first.

MR. CROSBIE: Is the position still that - with reference to both these schemes, are the Cities of Corner Brook and St. John's being required to contribute any money to these two projects, or are they both entirely Provincial and Federal?

MR. DAWE: They are both entirely the responsibility of the Federal Government and the Provincial Government and we have already extended assistance to them in their planning for both the schemes.

MR. MYRDEN: The Corner Brook West renewal will be started this fall or was it both you said?

MR. DAWE: I would say that they should be in a position to start this fall. They are doing quite a bit of work there now, and planning now within Corner Brook and as far as work - as soon as the application is received and approval of the Federal Government, I understand definitely the City of Corner Brook is going to proceed with their own forces and it will be up to the city itself, once the approval is given, but they should be in a position to start this late summer or early fall.

MR. COLLINS: Mr. Chairman, I would like to make a few brief comments. There is not too much left to be said, because this debate is very wide

ranging, and a lot of it has made much sense to me. I think it is generally agreed that there are some serious problems in terms of housing, depending on what area one might be living, and depending on what salary or income category which one might find themselves locked in. Certainly in the larger incorporated areas, where we have, where the town councils have adopted the National Building Code regulations, and they have also established certain regulations of their own, certainly in those areas it becomes virtually impossible for a person to ever obtain a home of his own, unless he is in a salary range certainly from about \$10,000 upwards.

On the other hand Mr. Chairman, people in the income bracket \$4,000 down also find themselves in quite a jam and have to depend almost entirely on subsidized rental units. This leaves, Sir, a vast majority I suppose of the population, the residents in the larger areas, in the category between \$4,000 and \$10,000. This is where the majority of the people are - the middle income people. They are in an almost impossible situation, because of the fact that they are making more than \$4,000 a year, with the present subsidized rental rates, scales - it means that it is not to their advantage to take advantage of subsidized rental units because of the high rents involved. On the other hand, because they are not making sufficient money or up to \$10,000 and above, it means that they cannot take advantage of Central Mortgage and Housing plans and ever hope to own a home themselves.

Possibly one of the main contributing factors here is the cost of land. I know that land in St. John's and Corner Brook and some other areas, but St. John's and Corner Brook sells in the order of six to seven to eight thousand dollars for a service lot. It has been said by many people of this Province that one of the main contributing factors to the high cost of land in those areas is because the land has had to be purchased from farmers or from some other people - in other words there has been land speculation and price speculation. But it is not entirely true, Sir, because in the land of Gander where I have the great honour to reside - in the town of Gander, all of the land is God's land - not owned by Harold Collins, it is

not owned by any person around there. It is land which is crown land and a lot of it is owned by C.M.H.C. but at least --- C.M.H.C. did not pay out any cash to obtain the land, the land was just deeded over to them, or granted for over to them. So, all practical purposes the land was free. In the meantime to purchase a serviced lot in Gander, even though there was no outlay for the cost of land in the first place - to purchase a serviced lot in Gander now in the order of sixty by a hundred or sixty-five by a hundred whatever it might be, the cost varies from around \$4,200 and possibly goes as high as \$5,500, which Mr. Chairman, reflects the cost of developing the land, water and sewer and sidewalks and street lighting, pavement and so on and so forth.

Now it has been said that those costs should not be so high. And while we might argue that all day, personally I do not see where we can get that cost down because generally the servicing contracts are put out on tender, and I suppose the lowest tender generally is accepted, depending upon the qualifications of the developer to perform the work. And certainly with wages rising there is always demands for wage increases and equipment prices are gradually going up as a result of that. All in all, there is certainly no ray of light, no hope in sight at all, that the cost of developing land will ever come down. Indeed Mr. Chairman, I would suggest that it will gradually increase, which means that the cost of serviced land can be expected to continually increase, and of course that will preclude more and more people from ever having opportunity to obtain a piece of land and build a home. Much has been said about this particular topic Mr. Chairman, and I believe that the time has come, certainly it has come, if not long past, when the minister and his department should be looking at some of the larger areas, and try to come up with some plan whereby land can be serviced without the cost being immediately reflected in the lot purchased price. There are several ways to do this, I suppose we could come up with some sort of a lease-hold system. I know that it worked in St. John's, some years ago. I am not sure if it is continued there now. I know it did work in certain

areas where the St. John's Housing Corporation built homes, generally if is lease-hold land.

Another attack might be that municipalities and provincial government, this is the Newfoundland and Labrador Housing Corporation, would develop the land and amortize the cost of it over a period of fifty years or a hundred years, whatever it might be. But we have to come up with some plan whereby the cost of servicing the land is not reflected in selling price to the prospective home owner right away. Because in a great many cases, while a man might be able to come up with the necessary down-payment to satisfy C.M.H.C. or whatever institution it might be, he might be able to come up with enough cash to satisfy the institution for a down-payment on the structure, and he might well be able to meet the monthly payments, but Sir, when he is faced with the high cost of a piece of land, he checks around a few places. I have gone through this, hundreds, not hundreds but certainly dozens of people have come to me, and eventually those people have to throw their hands up in despair and realize that they just cannot carry on and hope to ever own a home of their own.

Now Sir, a few days ago it was mentioned that the subsidized rentals were high, that is the scales were high. I understood from the minister that this is being - hopefully, will be corrected - the scale would be brought down and made more realistic in terms of people's ability to pay.

Mr. Chairman, last year, thirty-two subsidized rental units were constructed and eventually put on the market in the Town of Gander. I believe that in the first place there were about 120 applications submitted for those thirty-two units, which is indicative to me and certainly is indicative to people interested in housing. Now there is a great need for housing in the area, and certainly there is great interest in this particular type of housing, for reasons I just gave. In the first place I believe, the municipality requested fifty units as a trial measure, subsequently thirty-two were constructed and I understand that the remainder are to be constructed this year. I do not know how many extra ones. But certainly there is a great need for this particular type of housing. And I would also suggest

Mr. Chairman, to the minister and his officials, that we should be thinking in terms of dispersing those units throughout the municipality, not only in Gander, but in any municipality. I believe it is a terrible mistake. We have seen the results of the past where this particular type of housing and tenant have been lumped together in a certain section of a community and we know what the result has been. In the town of

MR. COLLINS: The town of Gander - we have been fortunate in that it is a new town, and have had some very good planning regulations. A lot of the credit is due to some of the officials which are now in the minister's department, and I think that it would be a shame - in fact I would go so far as to say it would be criminal to permit all subsidized rental units - (if there is a stigma to that I do not, there might very well be) to permit those units to go up side by side, all of the street, both sides of the street I believe, is a terrible mistake. And in the southeast land development in Gander where they have I believe in the order of three to four hundred building lots - certainly I would like to see those units dispersed, so that they will be intermixed with other types of housing and I am sure the minister knows what I am talking about here, and I believe it will be to the benefit of all concerned, the tenants and the city fathers, so on and so forth. Before I sit down, perhaps I might mention that there has been a lot of activity and a lot of talk about the need for urban renewal plans, and I suppose we get the name urban renewal because generally those plans take place in the larger urban communities. Certainly St. John's - the city of St. John's has done marvellously well with the subsidized rental units and other government subsidized plans. I do not know of a city across Canada where there has been such participation in public housing as there has been in St. John's. And I notice now that some great efforts are taking place in Corner Brook. I would like to draw to the minister's attention that there are a great number of areas across Newfoundland, some of them in my own district - in towns like Glenwood and Bishop's Falls and Botwood - developments connecting Botwood and Bishop's Falls, along by the access road, where people, Mr. Chairman, are literally living in the type shack the Premier

described a little while ago, when he was talking about shell housing. A lot of people are living in tar-papered shacks. A family, a man and his wife and possibly one or two children, in a one-room tar-papered shack. Now what does the minister have in mind for relieving the housing problems in those areas?

I am sure they deserve just as much attention as St. John's and Corner Brook - granted there are more of them here, but certainly the problem is just ^{as} great, in terms of the individual problem is just as great in some of the more rural areas as it is in St. John's. I would like for the minister to react to that, and also indicate to the Committee whether he has received applications from the municipalities of Bishop's Falls and Botwood for any subsidized rental units. And since he made an announcement that some units were to be supplied at Gander, how many does he have in mind, and also if he does have any idea as to whether shell housing would be introduced into the town of Gander this year?

MR. DAWE: Mr. Chairman, in reply, before we carry that item, for the information of the hon. member, we are planning this extra twenty-two houses in Gander, subsidized housing, and we are planning some shell housing as well. With regard to the cost of land, this is a problem that is confronting all levels of government, municipal, federal and provincial throughout the nation. I suppose there is scarcely a day or a week passes that reference is not made to it, and naturally there is no other way that the cost of land can be reduced to the owner unless the Provincial and Federal Government are prepared to subsidize, the extension themselves to these particular lots. Until such time as the Federal and Provincial Government are prepared to do that, there is no other way that we can foresee whether land costs can be brought down, and even with the leased land, this

could run to about - the cost of that to a householder could run to about thirty dollars for interest charges. And that would be quite extensive over a long period of time. And as I say, we were wrestling with this problem, and all the governments of Canada are wrestling with this problem every day and that until there is a change in government policy, both from the Federal point of view and the provincial point of view, the cost of land will have to remain the same to further the cost of extending services, with regard to housing throughout other parts of the more rural areas.

MR. COLLINS: The cost of land is not brought down. The Government is going to have to get involved deeper and deeper and deeper in subsidized rental units, there is no doubt about that.

MR. DAWE: I agree with the hon. member, subsidized housing is much cheaper than home ownership - the reluctance in Newfoundland especially in the rural areas -

MR. COLLINS: How does that fit in with the Newfoundland people who traditionally like to own their own homes?

MR. DAWE: That is a point I was just going to raise - particularly in the rural areas - there is the problem. Most of these people are not used to paying monthly rents, and naturally they rebel against it. So here is the problem - unless some more definition of government policy, on the federal and provincial level, is more clarified we will have this problem with us until such time - until it is remedied in this manner. We see no other magic wand to change this position. And I think I would just like to add one point, if I may before we close on our estimates, With regard ^{to} the announcement I made the other day regarding the water and sewerage facilities, I did mention here, with regard to Wesleyville, we are going to try to involve as many councils as possible. We had an estimated cost for the town

of Wesleyville in this amount of \$365,000, and as I mentioned at that time, the mayor of Wesleyville advised me by telephone that their estimated cost was \$150,000, and then in the meantime I did contact officials of my department to investigate the proposition from the town of Wesleyville. And I was pleased to get the report yesterday from our engineer Mr. Dyke, and he confirms the submission made by the town of Wesleyville, and they are confident, barring unforeseen circumstances, that this project could be carried out within the limitation of the amount specified by the town of Wesleyville. And I am going to authorize one portion of Wesleyville, that is probably Pound Cove or Valleyfield, to undertake one portion of the project that they want there and make a detailed study and close observation and see if they can keep within the limitations of the money they estimated. And this will be supervised by the officials of my department, to make certain that it is installed in the proper manner and to make preparation and safeguard, especially against frost. It will be at the proper depth, and this could be a guideline for other councils throughout the Province, and we are confident, as I stated yesterday, that the list we had contained many small projects, some with extensions, some with plastic lines. And along these lines and with a submission we had from MacLarens Agency, as I said, about seventeen to nineteen million dollars - this we could carry out - this project as I intimated to the House the other night. It was not just a figure that we just pulled out of the hat. There has been active consideration by the officials of the department for four years, as the hon. member for St. John's West knows. Each year requests come in - a preliminary survey is made on each one of them, to estimate the cost, and we are confident that this figure is realistic.

MR. JONES: I move that the block provision salary increase change from \$24,000 to read \$34,600. That the block division for salary increases in new posts be amended from \$24,000 to \$34,600, that is a net increase of \$10,600. The new total then would read, before we get to the other amendments, to \$10,055,800, and I have a note of one only amendment under 1311-07-01 - a token vote of \$100, so the new total Department of Municipal Affairs and Housing should now read \$10,055,900, and I so move it.

MR. CHAIRMAN: 14 Fisheries - 1401-01

MR. WINSOR: Mr. Chairman piloting those Estimates through the House, the Department of Fisheries, I find myself in an unfortunate position, having just shortly taken over as acting Minister of Fisheries. And with the continuation almost of the Session of the House, it has provided very little time for me to sit down and discuss the functions of that department, or the Estimates with the officials. And as we all know Sir, the loss of - the death of Mr. Ross Young is quite a blow at this particular time. On Friday afternoon Mr. Young and I got together for a short while, and he agreed to give me some information regarding his particular part of the Department of Fisheries. And we agreed on Saturday morning that we would sit down together for a couple of hours and go through the whole thing in his Estimates. But at eight o'clock on Saturday morning I had a telephone call advising me that Mr. Young had taken ill and was in hospital. And of course we know that I had no other opportunity to discuss anything with Mr. Young. And Sir, it is a sad and moving coincidence today that I have to stand here and pilot those Estimates, and Mr. Young is being buried this afternoon at two o'clock.

I thought I would start the Estimates by giving a brief summary of the activities of the Department of Fisheries. In many respects 1969 was a remarkable year in the long history of New-

foundland Fisheries. The landed weight of all species exceeded one billion pounds, and was valued at more than twenty-seven million dollars. An all-time record both for the quantity taken and the financial returns to the fishermen. At the same time it should be pointed out that the Labrador Fishery which had been recovering from its almost total extinction in the early '50's, or the total failure. And all those engaged suffered crippling losses, But Sir, we have adopted a policy for the Labrador floaters/^{on}which I will give some information later on in the Estimates.

The remarkable increase in our annual catches during the past few years has been almost entirely due to the rapid development in the herring industry, which reached a total of over 368,000,000 pounds as against approximately 30,000,000 pounds ten years ago. This rapid development is due mainly to the combined efforts of the Federal and Provincial Department of Fisheries, which undertook experimental fisheries on a very experimental fishing, on a very modern scale in recent years.

The success of these experiments resulted in experienced firms setting up reduction plants at various points along the southwest coast, with a result that partly all our catch has gone to fish meal. However, there is a grave fear amongst scientists that unless restrictions are placed on total annual amounts taken, depletion will soon set in, that could result in the destruction of the valuable resource, a situation which has already occurred in the Northeast Atlantic and in the Pacific Ocean of British Columbia. This Government, in co-operation with the Federal Government, is already taking steps to discourage the establishment of further reduction plants and a real effort is being made to divert more of this precious food resource to high-class food for human consumption. Now I noticed a couple of days ago where the Federal Minister of Fisheries, Mr. Davis,

announced an experimental program to be carried out this year on the caplin. I would assume that, if this experiment proves successful, that caplin will be used for fish meal and what-have-you, rather than the herring, and herring will be diverted to more human consumption.

The ground fish catch shows little change from other years and the fact that a greater effort is required to maintain the present annual landed weights, indicates that perhaps we have reached annual maximum sustained yields, if we are to maintain existing stocks in the western ocean, Eminent scientists have expressed fears that depletion has already set in, but to date there appears to be insufficient evidence to provide conclusive proof.

In order to diversify our catch and remove our dependents on the ground fish, the department is encouraging the development of the crab fishery, together with the production of more turbot and attempts are being made to develop our shrimp resource. This work is being done ^{on} a cost-sharing basis with the Federal Department of Fisheries, and to date the results have been most encouraging.

To the efforts by the Federal Government, to stabilize the fresh frozen and salt fish marketing, returns have been quite successful. As a result indications at the present time point to a very prosperous fishery this year, And the setting up of a salt fish development corporation, which this Government has advocated for years, should do much in removing the uncertainties and precarious aspects of this oldest industry. Now Sir, in 1968, the destruction of inshore fishing gear, by off-shore draggers, reached such an alarming and widespread proportion that the Province institute a special fishing gear replacement program, which to March 31st. 1969, when it terminated, amounted to

payments to fishermen to approximately \$400,000. The cause and effect of this program confirmed to the Federal authorities the urgent necessity of establishing a twelve mile limit. And we sincerely hope that regulation will be effectively enforced. In other areas of fisheries assistance and development, I might say, Mr. Chairman, that during the summer and early Fall alleged dragger destruction of inshore fishing gear reached such a disastrous level in the Port-aux-Choix - Port Saunders of the northwest coast, as to completely immobilize the fishing efforts of forty-seven crews, comprising 180 fishermen, to promptly alleviate the resulting distress and hardship on fishermen involved, the Government co-operated with the fishermen in the area affected, through their association, whereby a program of loans and grants was devised for implementation by the Fisheries Loan Board of Newfoundland, to make available approximately 800 gillnets to replace those destroyed.

The Federal Government has declared its intention to reserve the Gulf of St. Lawrence as a protected Canadian fishing zone, and if this materializes, the fishermen of the northwest coast may look forward to a brighter fishing future.

The Inshore Assistance Program - the Inshore Fishery Assistance Program was continued in 1969 and during the year, 134 boats, measuring from twenty-four to thirty-five feet in length, were built, amounting to \$30,178 paid to the fishermen. The number of small boats built under this program since its inception - in 1962, total 2,976.

MR. SMALLWOOD: Say that again.

MR. WINSOR: The number of small boats built since the program was brought in, in 1962 -

MR. SMALLWOOD: What program?

MR. WINSOR: The bounty of small boats - the Provincial Governmen

MR. SMALLWOOD: The Newfoundland Government?

MR. WINSOR: Right.

MR. SMALLWOOD: How many boats?

MR. WINSOR: 2,976 -

MR. SMALLWOOD: 3,000 boats!

MR. WINSOR: Right. On which the bounty paid to the inshore fishermen by the Government of this Province - amounted to \$567,829 -

MR. SMALLWOOD: What did they cost? We contributed half a million - what did the 3,000 boats cost?

MR. WINSOR: Well I would say twice that much.

MR. SMALLWOOD: We contributed about half.

MR. WINSOR: About half - maybe a little more than half.

The purchase of gillnets dropped substantially in 1969 when the fishermen purchased only 14,196 by comparison with 21,000 in the previous year. And the amount of bounty paid was \$292,000 as compared to \$457,000 in 1968. So there was a considerable drop in the demand for gillnets. And I can understand that, Mr. Chairman, because there is a possibility of fishermen using too many gillnets, and the quality of fish that come out of the gillnets leaves something to be desired, especially if they leave their nets out over-night. In addition to the bounty paid on small boats and gillnets, Government also paid \$16,000 as bounty on trawl lines. It is also interesting to note that there is a decline in the purchase of trawl lines for inshore fishermen over the past three years.

MR. SMALLWOOD: What is that again?

MR. WINSOR: There is a decline in the purchase of trawl lines over the past three years -

MR. SMALLWOOD: Why?

MR. WINSOR: That is a good question. I suppose that more people are adapting to nets rather than trawls. A trawl is quite a laborious task for a fisherman. He has to provide bait, but if this fishery can be developed by gillnets, it is much easier.

The total expenditure on bounty payable to the inshore fishermen by the Government of this Province Mr. Chairman - I think this is worthy of note - on small boats, units and trawl lines during the past eight years amounts to \$3,089,000. That is the provincial government's contribution to the fishermen in supplying them with boats, gillnets, and trawl lines.

Vessel construction and inspection - twenty-two new fishing vessels consisting of eighteen standard longliners. Two standard fifty-foot fishing vessels. One eighty-six foot sealing vessel, and one other fishing vessel, totalling 618 gross tons were completed during 1969, and the Fishing Ships Bounties Act, 1955, in addition, eight standard longliners, one standard sixty foot fishing vessel, and four other vessels are under construction. All of these crafts are eligible for provincial bounty and five of them qualify for the federal subsidy. During the past year, the Department of Fishery in conjunction with the Department of Justice, have amended fish inspection and marketing legislation to complement similar legislation recently enacted by the Federal Government at Ottawa. In this connection we have been successful in obtaining the services of the Federal Department of Fisheries to carry out the necessary inspection work and this will save a considerable sum of money to the tax payers of Newfoundland.

Marketing: I ...

MR. WINSOR: Now, Sir, the Fisheries Development Authority, Mr. Young, did prepared a very short summary for me, and I suppose it was the last thing he did in office on Friday afternoon. And it was dealing with a joint shared projects. The Industrial Development services of the Department of Fisheries and Forestry and the Authority, annually entered into an agreement with respect to certain exploring operations, fishing gear demonstrations, food processing and experiments, surveys for new resources etc.

And I am sure you will be interesting in knowing the program for next year that out of an expenditure of \$825,000, if the funds are voted here today, almost \$600,000 will be recovered from the Federal Government. I think this will do as a summary, Mr. Speaker, and now we can proceed with the estimates.

MR. COLLINS: Mr. Chairman, the problems of the fisheries have been with us for years, I suppose, and probably fall into two categories of stocks or supply, and the prices which are paid to the fishermen. It is realized by all hon. members what our fishermen have gone through down through the years, where they have had to wait and see if the fish were going to come to the rocks, years ago. Now they can go a little further afield, but you had to wait first of all to see if any fish were come to shore. The fish did come, and they had a good voyage, they had to wait and see what the terms were going to be. Then, Sir, it always seemed in the year when the fish did come, were plentiful, eating the rocks, as the fishermen would say, they probably had a real good catch but that would always be the year when the price was down. Next year, when supplies, stocks were scarce, the prices seemed to rise a little bit. I suppose it was supply and demand, I do not know.

At any rate, Sir, fishermen have been the unfortunate ones down through the years in terms of any worth-while return for their labours which they put into the fishery. This Government have announced, down through the years, many, many great fisheries development programs. They always seem to be made just prior to an election or in an election year or during an election campaign. Of course they would then all fizzle out for about four years until another election rolled around

MR. COLLINS: , and again the fishermen were used with big announcements , big fisheries programs hopefully of course to keep them endeared to the Government in power.

Sir, possibly the greatest problem in the fisheries now is the Labrador fishery. As the minister indicated just now, there was a serious decline, in fact it almost disappeared for some years. Then in recent years it made some sort of a comeback. It was very doubtful and last year, I suppose, with the complete failure on the Labrador, certainly completes failure in terms of the floaters who went down there, many people, who thought there maybe a future there, suddenly became discouraged again, and for a good reason because the losses suffered last year meant captains could not afford to once again stick their neck out and take a crew of men to Labrador, not knowing what the results would be.

We know also, Sir, that possibly the greatest single cause for the decline in the Labrador fishery is the International fishing done by draggers mainly I suppose on the Hamilton Banks. I remember seeing a program on television awhile ago, I suspect many hon. members saw it, where the European draggers were over there, just around the same time, and our ships are out hunting seals. And they seem to concentrate on the Hamilton Banks, and haul the fish offshore. And of course this all means that there is less and less fish coming to the Labrador Coast, and as ever year passes it seems that the size of the fish is gradually but surely diminishing until we find now that the majority of the fish caught down there can be classified as almost of the tomcod nature. That is one problem, Mr. Chairman.

The other problem centers around -

MR. SMALLWOOD: Inaudible.

MR. COLLINS: I am sure that everybody over there will want to hear what I have to say.

MR. SMALLWOOD: Inaudible.

MR. COLLINS: I cannot speak for the people down here, but I know that my colleagues are out for a good cause in St. John's East, and no doubt the result tonight, when the results starts to come in, when the count comes in, will certainly show how effective job that they did today.

MR. ROWE, F.W. Will there be a victory party?

MR. COLLINS: There will be several victory parties. I do not know if you have invitations or not, but I will check into that for the hon. member.

Now, Mr. Chairman, to get back to the Northeast Coast - probably one of the real troublesome spots in our fisheries, because the fishery on the South Coast and in certain sections on the Avalon Peninsula seems to have received a lot of attention, and rightly so, because of the climate and ice conditions etc., it is impossible to carry on a fishery operation in that particular part of the Island, - almost on a year around basis. And of course to be really successful, I would be the first to agree that we must be able to carry on, if not on a twelve month basis, well then certainly on a six, or seven or a nine months. And of course this has created a great problem on the Northeast Coast, especially in terms of the inshore fishery.

Mr. Chairman, I am sure that hon. members will recall that the areas of Notre Dame Bay, Green Bay and White Bay, even though the season is much shorter, in the past years there was a considerable amount of fish landed in those places. I am thinking of the areas of Fogo Island, Seldom, Musgrave Harbour, Change Islands, Twillingate, LaScie, and into White Bay, and around Harbour Déép, Engle and Conche and all of those areas. There never seems to be too much of a problem with the supplies of fish which were available. Cod fishermen were generally successful, but they did have their bad years, but generally their return in terms of the volume of the catch was always adequate. But of course the prices paid, and this was dictated by market conditions and also, and I do not mind saying, by the poor quality of fish which was produced by trap fishermen engaged in the inshore fishery.

But, Sir, that problem has been compounded now because people who are still continuing to fish on the Northeast Coast find that the stocks in that particular area are rapidly diminishing. And this of course can be attributed again to the over fishing, in terms of how many foreign draggers, but sometimes our own draggers, what I mean by our own, that is Newfoundland and Canadian draggers. I would suspect, Sir, this is possibly the greatest single problem facing the fishery today, how successful the fishery would

MR. COLLINS: be in the future will depend on how successful we are in preserving the various species and protecting it from over-fishing.

I was amazed to hear the hon. member from Bay de Verde make a statement a few days ago to the effect that foreign draggers have destroyed much of the gear of many fishermen in his particular area. I believe he mentioned figures in the order of \$6,000 to \$8,000. Now this, Mr. Speaker, seems to be a drastic situation, and it certainly requires some drastic action on someone's part. I suppose we must look to the Federal Government for protection. Whilst it is a problem for us, we must assume some responsibility for it. Realizing the limited resources of the Provincial Government, we know there is very little we can do ourselves. But certainly the Provincial Government can bring pressures to bear on the authorities in Ottawa to ensure that those people's rights are protected not only the gear, which they have out there trying to catch fish, but also their rights must be protected in terms of protecting the fishing grounds so that there is fish available.

I was amazed to hear the hon. member say, that at the same time there were foreign draggers there destroying fishermen's nets and other types of gear in that particular area. And the argument put up the Federal authorities is that they do not have the ships and so on to protect our fishermen and the areas. At the same time when all of this was taking place, Mr. Chairman, there were two corvettes around Harbour Grace or Carbonear with a great number of military types around visiting Air Cadets Squardons. There was a lot to be said for Air Cadet Squardons, I know. And there is a time to carry out inspections for those young people, to give them every encouragement in the world, but certainly goodness when our fishermen are out at sea with their gill nets and trawls and so on down on the bottom of the sea, when the need for a patrol ship is certainly evident by the record of the performances of those draggers, how in the name of goodness can we justify some of our military people sky-larking around the coast in ships which could have had been used for protection purposes? I would hope that the Minister of Fisheries would take note of this, and hopefully to be able to reinforce his argument with the Federal authorities when he goes

MR. COLLINS: to bat, I presume, for the fishermen of Newfoundland.

Sir, it has always been a problem with fishermen on the Northeast Coast and some of the other areas too, but certainly on the Northeast Coast, where they seem to be preoccupied with the codfish. I know there have been areas where fishermen have had considerable catches of crab and haddock and mackerel, and other species, but they seem to be so preoccupied with producing cod, to use an old Newfoundland term, "If you cannot see the woods for the trees." And very often the other species which are more valuable in terms of monetary returns, more valuable in terms of the quantity available on the grounds, but still our fishermen do seem to be altogether too much, too greatly preoccupied with just the codfishery.

MR. SMALLWOOD: Does the hon. gentleman not remember that on the West Coast just as today dogfish are looked upon as a nuisance, you know.

MR. COLLINS: There are no dogfish today.

MR. SMALLWOOD: Dogfish - not too many years ago lobster were regarded as a darn nuisance, and were thrown back and that when they began first to buy lobsters in Bonne Bay, you could buy twenty lobsters for a cent. They were not regarded as fit to eat, in fact it was a crazy idea that anyone would think of eating lobsters.

MR. COLLINS: That was a problem, I agree Mr. Chairman, that was a problem years ago because, through ignorance and lack of markets and lack of market development there was probably no market for it, but today we do have a market for lobster. We do have a market for squid. We do have a market for crab. We do have a market for herring. We do have a market for haddock. You name any species that we have in our waters, there is a market already developed for it. And certainly there is a need for, (not necessarily educating the fishermen in that particular area) certainly a need to get across to the fishermen that ^{as} fishermen they might be sometimes better off maybe in paying less regard and less attention to the codfish and possibly concentrating on some of the other species. Certainly, Mr. Chairman, methods of catching and the types of fish that they catch certainly need diversification. Certainly there is a need for diversification and improvement in fishing

MR. COLLINS: techniques. I am aware that the Government have provided some assistance in the form of bounties and so on and so forth down through the years. I never did agree though with the bounty on the gill net, and the Government seemed to go over-board in that particular type of fishing gears some years ago, and to our regret now, because it is generally accepted that gill net fishing has done terribly damage to some of the spawning grounds in Newfoundland. Granted we may not have known at the time, but -

MR. SMALLWOOD: It is not the spawning grounds, it is the quality of the fish.

MR. COLLINS: Well so the fishermen claim that a lot of the larger fish - the spawning fish have been caught, I am not prepared to accept that - I am not prepared to disregard it either. But it might be a problem. But certainly the quality of the fish produced by gill nets is of such a low quality that the returns to the fishermen are much less than they should be and certainly it is not helping the people who are involved and trying to develop markets in terms of quality. I said, the year before last and last year, that we should be thinking about eliminating the gill net altogether, unless it is in an area which is reasonably well protected and where fishermen can get to the net in the morning and in the evening chances are the quality of that fish might be suitable. But certainly in areas where the gill nets are left out overnight and possibly a couple of nights the fish which the fishermen get when they do get to the nets, as far as I am concerned, is better used for lobster bait than it is for human consumption. It is certainly not doing anyone any good and of course, if it creates a problem in the market then the people to suffer ultimately must be the fishermen themselves.

Mr. Chairman, the minister mentioned lobster a little while ago. I do not know how many hon. members have checked around the coast this year, or of what the slow decline in the lobster production ^{has been} down through the years, this past six or seven years at least, and how many have checked around this year to find that there is a gradual decline again both in terms of numbers

MR. COLLINS: and in terms of the size of fish. I would say, and I do not want to be ^{an} alarmist, but I would say that certainly the time is coming when the Federal Government are going to have to take a long hard look at this, and I would suspect that sooner or later, maybe next year, or two years from now, certainly they are going to have to consider means to either close the season altogether for the sake of reproduction or certainly they are going to have to reduce the number of traps going into the water, and possibly the number of fishermen who are catching them. Because, Mr. Chairman, we have reached the stage now where returns are diminishing to such a point that it is hardly worthwhile for a fisherman to get involved in the lobster fishery.

I remember reading, two or three years ago, where they had a similar problem around New Brunswick, I believe, or Nova Scotia - New Brunswick, I believe, in this particular case, where every year more and more fishermen were getting involved in catching lobsters. And more and more fishermen were increasing the number of traps which they were putting in the water, until eventually it reached the point where the output of money which the fishermen had to come up with in order to increase the number of traps in the water, that method, against the return which was lessening down through the years, finally reached the situation where very few dollars would be made from that particular fishery and the fishermen got together and called meetings and subsequently they arrived at a cooperative or a mutual decision whereby they reduced the number of traps and also reduced the number of pounds which they were taking and the result of that was seen to be very beneficial two or three years afterwards when the stocks did tend to come back again.

I would hope that the minister is aware of this situation and that he is looking into possible remedies for it. In terms of our herring fishery we all greeted the Federal minister's announcement sometime ago with some relieve when he made an announcement which had the effect of limiting the amount of herring which could be taken and the number of plants which were to process the herring into meal and oil. Certainly, Mr. Chairman, this is an area where we have to do a lot of work. I know it will cost a lot of money, but if we are looking toward the fishery supplying a number of people

MR. COLLINS: with the means to make a living, well then we have to think in terms of not using all of our stocks for oil and meal, but we have to think in terms of finishing more of the products here in Newfoundland, and this does not apply only to herring, it applies to cod and all the other species. I think the time has come when we must endeavour to come up with a more finished product in Newfoundland, instead of shipping out cod blocks, instead of shipping out meal and oil, we must (I know it is going to take a number of years to do it) but we must make a start and try and come with a product which is finished to a greater extent than is the case today in Newfoundland.

MR. SMALLWOOD: Of course that raises ^{at} once the question of tariffs. Most countries will allow raw material in duty free or at a low rate, for the finished product deprives them of the work and labour and they usually tax against it by tariffs.

MR. COLLINS: Mr. Chairman, I acknowledge -

MR. COLLINS: acknowledge that could be a problem, but, certainly goodness! since the main market for most of our fish is in the United States, with the relationship between Canada and the United States, I think, that through negotiations we can come up with a satisfactory solution to that problem, Not over night, but certainly over a period of time, I believe, we can reach some agreement with the United States whereby we can be permitted to -

MR. SMALLWOOD: Especially as the number of United State fishermen declines and there is less of a vested interest in a tariff, on the part of the American fishermen, it will become that much easier, of course, to get our fish in at a low rate, and then as the GATT arrangements and so on - but that is a painful and an uphill fight.

MR. COLLINS: This is a very painful uphill fight. I agree, Mr. Chairman, but that does not mean that we should throw our hands up in despair and quit. I think there is a need for continued negotiation in that particular field. And I am sure that the negotiations will take place, and hopefully this will result in greater returns again to our fishermen.

Mr. Chairman, I mentioned salmon, I believe it is in the Throne Speech Debate or the Budget Debate. I must mention salmon again because of the fact we are getting into the salmon season now. And also because of the fact that only last week there was a meeting of the North Atlantic Fisheries Council or the International . .

MR. WINSOR: International North Atlantic Fisheries.

MR. COLLINS: Some international organization anyway. having to do with fishing in the North Atlantic Ocean, where it was hoped by people in Atlantic Canada for sure, that some arrangement would be reached with Denmark in terms of the deep sea salmon fishing around Iceland, and Greenland. Evidently no such agreement, or no worthwhile, no agreement with any worthwhile benefits to Newfoundland was reached. I have great fear, Sir, that our salmon fishery is on a rapid decline. and, unless some international agreement

MR. COLLINS: can be reached soon, maybe in less time than we think the salmon fishery will be a thing of the past. Because I remember reading an article in Sports Illustrated Magazine, and I believe I referred to that before, where this reporter visited all the major European countries, at least those involved in salmon fishing in, ^{the} Baltic and off the coast of Norway, and Iceland and Denmark and so on and so forth. And I remember a quote in his writings there, from the British Minister of Fisheries, I believe it was, when he accused the Danish Minister of Fisheries in regard to their fishing the salmon around Iceland and Greenland. They accused him of milking a cow which they never had to feed or some such term as that. And certainly it was a real good term, a real good way to express the problem because the salmon which are spawning on the rivers in Newfoundland and in Nova Scotia, and in New Brunswick, and indeed some of the New England States, such as Maine, and one or two other states -

MR. SMALLWOOD: And Quebec.

MR. COLLINS: And Quebec. Those fish we tried to create the proper -

MR. SMALLWOOD: And over in Scotland, and the North of England, and Norway they spawn too I believe. The same fish.

MR. COLLINS: No doubt they spawn, but I believe the problem which we have with the Danes -

MR. SMALLWOOD: In Ireland, England, North of England -

MR. COLLINS: Mainly with the fish which is spawned in Eastern Canada and the United States, I think that has been proven by tags which have been put on the fish and checks which have been made in Greenland and Iceland where the tags have been recovered. At any rate we will let the British look after themselves.

MR. SMALLWOOD: It is the same stock.

MR. COLLINS: And let the others look after themselves, but we certainly have an interest because many of the fish that are being caught on the high seas and in areas I mentioned are fish which have been spawned in the Gander River, the Exploits, and the Terra Nova and the Humber River and the different

MR. COLLINS: other rivers.

MR. SMALLWOOD: They migrate, the same fish. I am not sure if they do spawn on the other side of the Atlantic. I must look it up. The very same salmon -

MR. COLLINS: Fish which have been hatched in Great Britain are caught in the Baltic and off the Norwegian Coast.

MR. SMALLWOOD: And not on this side.

MR. COLLINS: There a few at this rate, but not too many, mainly the problem is in the Baltic and on the Norwegian Coast.

But to get back to ourselves, Sir, our big problem is with Denmark. It appears that, regardless of what bids or what negotiations the Canada Government comes up with, they cannot seem to be successful with reaching any understanding with the Danes. I do not know what we can do about that. I know that ^{the} Rod and Gun Clubs in Great Britain and they have the problem with the Danes again, they are the culprits who are doing the damage in the Baltic and off the Norwegian Coast. And certain Rod and Guns Clubs around Great Britain went so far as to have posters made up banning Danish cheese, and Danish butter, etc. And they really advertised it in no uncertain terms to discourage people from buying Danish products, so they could get even with the Danes, and hopefully influence them to the point whereby they might change their fishing methods.

I do not know what we sell in Newfoundland coming from Denmark, but I am not suggesting that the Government should undertake a program to ban imports or anything else, But certainly the time might come when Rod and Gun Clubs and other interested groups should making their feelings known and I can think of no better way to make it known than possibly where they eat ten pounds of Danish butter or Danish cheese cut it down to one pound, and may be cut it down to no pounds for a few years to see if this might finally shock those people into their senses.

Mr. Chairman, those are a few points I wanted to make. There will be a few others that I will make as we go through, but certainly we have a real problem in our fishery that requires some speedy actions, some

MR. COLLINS: enormous funds of Federal money - Federal money I suppose in the main place. It is certainly an area where we do have a lot of problems and if we are going to continue to be considered as a fishing Province, and people are going to have a chance to derived any sort of a living from it, then I am afraid it is going to have to get much more attention in many ways than we have in the past.

MR. SMALLWOOD: Mr. Chairman, I would like to say two things; one, I would like, now that we are talking about herring. I would like to pay a tribute to a memory of a man who, in my opinion, was one of the greatest pioneers that Newfoundland has ever known, and one of the greatest pioneers that Newfoundland will ever know in the development of the Fisheries of this Province, and that is the late Chesley A. Crosbie.

You cannot think of herring in Newfoundland without thinking of him. You can think of him without thinking of herring, because he was in a lot of other things besides herring. But you certainly cannot think of the modern herring industry of this Province without thinking of him, and not only of this Province, but of Newfoundland before she was a Province.

I think he was perhaps entirely alone in Newfoundland in having a deep and abiding faith in the possibilities of developing a great herring industry. And he flung thousands and tens of thousands of dollars, and then hundreds of thousands of dollars into the effort to back his belief, to back his conviction that there could be a great herring industry here in Newfoundland. And he did everything under the sun. I do not know if there is anything he did not do, I do not know what it was, I think the only limit was knowing what to do. Whatever he did know he did. Whatever money could be spent to back his ideas he spent. And I would think that he went horribly into debt in doing that.

He, of course, was away ahead of his time. And I remember his saying once in The National Convention that the herring industry of Newfoundland would grow to be worth more than the cod, than the salt codfishing industry. Now that sounded crazy when it was said, because at that time the herring industry was a joke. Just after the war there had been the UNRRA - The United Nations Relief and Rehabilitation Administration. There had been

MR. SMALLWOOD: the UNRRA program to feed hungry people and one of the foods used was herring and a lot of that herring was caught and barrelled in Newfoundland and shipped off. That was regarded as a mighty effort in Newfoundland and that was not even the head of a pin, compared with the gigantic herring industry there was at that very moment in Norway and in Iceland.

In Norway, if I remember rightly, the production was close to a million tons a year. A million tons of herring a year, and we had produced under the UNRRA scheme, which was the greatest effort of all our lives in herring here in Newfoundland, we had produced a few hundred thousand barrels. Not a half a million barrels - a quarter of a million maybe - 200,000 or 300,000 (I am speaking from memory now, and I do not remember precisely the number).

AN HON. MEMBER: Inaudible.

MR. SMALLWOOD: No it was around a-quarter of a million barrels or maybe between there and 300,000. There was not a-half a barrel of herring produced in Newfoundland for a ton produced in Norway. And it was an incredible development.

I remember his explaining the program they had developed in Norway. In Norway the Government had engaged ships and aircraft and for years and years they had gone out and found the herring, great schools of herring, so many miles off, as the years past they were able to go further and further and identify them. And then follow them in, follow their progress in toward the shore, and the scientists would take samples of those herring out of the water and study their scales and get their life history. And they got that data so well compiled that they were able to forecast the age groupings. Next year, the year after, the year after, six, eight, ten years ahead they could tell what numbers of herring would come into the shore and what size they would average. Because of their age groupings.

With the result that the Government of Norway could set a date, and say on that date, like we set it in the seal hunt, on that date, but

MR. SMALLWOOD: not before, you may go out and meet the herring and you may start taking herring. And they have the thing down to a science and they were producing a million tons a year. And they had more factories up and down the coast of Norway with more people employed in them, in the herring industry, than we had in all of Newfoundland in our salt codfish industry. Now I am talking now about twenty-two or twenty-three years ago.

And that man producing those facts produced facts which fell virtually on deaf ears, Not all ears were deaf, mind were not deaf, I was deeply impressed by it, and I became a convert to him, in that regard, then I had been a convert of his before that in other matters. But I became a convert to his idea that there were great possibilities in the herring fishery of Newfoundland.

And when I became Premier of the Province, I was able to persuade my colleagues in the Cabinet to back Chesley Crosbie's faith in the herring industry, a faith that was shared by me, with hard dollars. And we then began putting money into that venture. We financed the first pumps used in the world, in all the world, Chesley Crosbie was the introducer and the user of those pumps, and we financed them. This is a system whereby, when a great seine was thrown around a huge school of herring and the boat came up and just got inside that seine, to get the herring aboard of the boat you would sink a great hose, a big wide-mouth hose, down in amongst the herring in the seine, and turn on the pump and the pump would suck the herring live up through the hose on board the ship and fill her up. That was the first time that was done in the world and Chesley Crosbie pioneered it, and the Newfoundland Government helped in the pioneering by putting up the money to pay for it.

Again and again, we helped, we joined in, we put money in. It was all pioneering work, and of course, it ended in failure, because for a number of reasons; (1) that he was the only one in it; and you cannot develop a great fishing industry with one man in it. You have got to have more than one or two boats, You have got to have ten, fifteen, twenty boats. And he had one, and finally he had two. Then again at that time, Mr. Chairman, they

MR. SMALLWOOD: did not know how to find the herring. They brought a captain here from British Columbia, (I forget his name) Captain Gamin, I think, he brought him here for his firm. And do you know how they used to detect herring? They would go out on the boat and Captain Gamin would lower down a weight on the end of piano wire, he would have a roll of piano wire and he would unroll it, and let the weight carry it down to the bottom. May be down a thousand feet or well say a hundred fathoms, six or seven hundred feet until this weight would touch the body of herring, and then he with his fingers, his sensitive finger tips, he would feel that piano wire, he would feel the wire, and he would let the weight go down, down, down and keep feeling it, and he would come to the bottom of the school of herring from the top to the bottom he could measure it from the wire that went down. And this is the only way they had in the world at that time to tell what would be the size of a body of herring. They would steam along so far, and they would do it again. And they would steam along so far, and in this way they would get the length of that body of herring.

And then, of course, came in the echo sounder, and then they were all wishing to God they could get an echo sounder that would not just go straight down through the bottom of the boat - straight down to the bottom but one that would go out at an angle, so that as you went along, steamed along over a body of herring your echo sounder could not only go straight down to tell where the herring started on top and where they ended on the bottom, to get the vertical depth of the school, but other echo sounds that would go out diagonally and get the horizontal width of the body of herring.

Then when he got that he proved, he went over some absolutely astounding bodies of herring. I remember one scene Chesley Crosbie showing me the chart, the paper on the recording machine of the echo sounder, when it did come, of a body of herring that passed over in Placentia Bay. That was an incredible body of herring and you would look at it and you would be incredulous, you would find it really impossible to believe it. You know, was the machine cock-eyed? Was the thing just unreliable? Because the body of herring indicated, it was so big, as to be unbelievable. It

MR. SMALLWOOD: was a million tons of herring in one school - a million tons. That echo sounder revealed that the body of herring they steamed over in Placentia Bay went for twenty or twenty-five miles. A solid mass of live herring, twenty or twenty-five miles long and may be a quarter of a mile wide and may be one hundred or two hundred feet deep. Imagine a school of herring that size. If you could get them ashore you would have a million tons or some fantastic volume. Since then everything that has happened has confirmed those early estimates that Chesley Crosbie had made by his captains and his boats. And today we have reached the point where - what was the volume - how much herring are we producing this year?

MR. WINSOR: 368 million pounds of herring.

MR. SMALLWOOD: Of herring?

MR. WINSOR: Of herring.

MR. SMALLWOOD: 368 million divide that by 2000 - how many tons is that?

We are getting up to around 100,000 tons, are we not?

AN HON. MEMBER: 180,000

MR. SMALLWOOD: 180,000 tons. The greatest production in all our history in Newfoundland was in the UNRRA years just after the war, if they got up to 350,000 barrels, I think it was, no say call it 300,000 barrels, how many pounds to a barrel?

AN HON. MEMBER: 200 pounds.

MR. SMALLWOOD: 200 times 300,000 - how much is that? That was 700,000 pounds, yes 300,000 barrels twice is 700,000 pounds. And how many tons is that?

AN HON. MEMBER: 3000 tons.

MR. SMALLWOOD: 3000 tons? 3000 tons in the biggest year of all of our lives, this year it is 180,000 tons - from 3000 tons in one year to 180,000 this year, is a pretty eloquent bit of evidence to show that the late Chesley A. Crosbie knew what he was taking about, and that his faith was well founded indeed. What a gambler he was? How willing he was to take a chance. What a gambler he was?

MR. SMALLWOOD: He was a gambler. He was a man who believed passionately in Newfoundland, and he believed passionately in Newfoundland's natural resources and he believed passionately in the capacity, the capability of Newfoundland to develop natural resources that God had given us.

There were people who would go a little crazy at the chances he took. They did not approve of these chances, there were people quite close to him, who just could not abide it, they could not stand it, they could not tolerate his taking the chances he took. But he took them and he was a great asset to Newfoundland. What a loss! What a loss! What a loss he was in a relatively early death! What a loss! And the remarkable thing is that one of his closest associate's Ross Young, being buried at two o'clock today, at the age of sixty-three. Chesley Crosbie, I do not even think reached that age or anything near it. Did he?

MR. CROSBIE: Fifty-seven.

MR. SMALLWOOD: Fifty-seven years of age. You know it is just criminal. And then some other old codgers, like some us around this House, hang around, and hang around, and encumber the earth. And men of tremendous ability and faith and daring, the gambling spirit carried off long years before -

AN HON. MEMBER: Does the hon. the Premier subscribe to the theory that the good die young?

MR. SMALLWOOD: In sheer selfishness I cannot admit that. They do not all die young, not all.

Now the other thing I wanted to say about the Salt Fish Marketing Board: You know sometimes you are reduced to utter despair. The thing is talked of for say ten years, advocated, expounded, explained, for ten years. And you would think that the end of that everybody concerned would know what it was about. You would think so. For ten years we have expounded the idea of a Salt Codfish Marketing Board patterned largely upon the Canadian Wheat Board. And explaining carefully to everybody the idea of a fish marketing board was this; that the full returns from the market would be paid over to the fishermen, every last nickle

MR. SMALLWOOD: of the returns that would come in from the markets would go to the fishermen, to the primary producers after taking off the expense. You had to take the expense off, the expense of collecting it, and bringing it to a place to be packed, the expense of packing it. The packages that the packing was done in, you had to put it in barrels and drums and what have you, and boxes and so on. The cost of loading it aboard the ship and the freight of the ship to take it to the market and so on, all of that had to come off, naturally, somebody has to pay it. This would come off and expect for that, just the cost of doing it, the full return would go to the fishermen. And at the beginning of the year, before they had sold any, before selling any fish, the Marketing Board would set a price, and this would be just the opening price.

One thing I do think, one mistake that probably was made that would have had eliminated some of the disappointment when Mr. Maloney, the new President of the Salt Codfish Marketing Board announced the opening prices, if he had remembered to use the phrase that would have had struck a responsive cord in the minds of an awful lot of fishermen, I think, he would have saved a lot of difficulty. And the old phrase was one that Coaker initiated, you know for fish, a quintal, "Ten dollars and the rise", "Eight dollars and the rise". How many hon. members remember that? Such and such a price and the rise. In other words the price was just the starting price and then the rise after that whatever might come on top of that again, so a fisherman would sell his fish to a merchant for say eight dollars a quintal, and the rise meaning that if the price went higher throughout the season, then he get not only the eight dollars but the rise, we got the increase in the price later. And that is

MR. SMALLWOOD: if the price was the price and the rise, then the price that you would get would pay your expenses and what you would live on for the winter would be the rise, what you would get above the opening price. And that is what this salt cod fish marketing board is. They name an opening price, and the opening price they name this year was roughly last year's prices. Now they will collect in the fish - they will pack it, they will ship it. They will get paid for it, and when the season is nearly over, they will probably make another payment of so much a quintal, and when the season is over, they will make a final payment. Now this is exactly what happens with the wheat board. There is an opening price. There is a half-way or an intermediate price that is so much more, and a final concluding payment when the season is all over and the wheat is being marketed and the returns are back and they know just how they have done, they will make a final cash payment. And the wheat farmers are tremendously interested in all three - what is the opening price? What is the subsequent price, and then what is the final price? And this is how it is going to be with our salt cod now. And yet you would think that that would be so thoroughly and easily understood after ten years of propaganda, that when the board announced its opening prices the other day, there would be a nodding, and say well that is very good, that is the opening price, that is the starter. That is the beginning. Now we will get more a little later on when the fish is taken to market, and they begin to get money back, and they begin to see what prices they are going to get in the market, and finally next winter - in the winter sometime, we will get probably a final payment. You think everybody would have nodded. No. No Mr. Chairman, there was an immediate outcry - what a scandalous thing - what a disgraceful thing -

how scandalous, how intolerable, how unendurable this price was, as though this were the one and only price - this was the beginning and the end. The Alpha and the Omega - the beginning and the end of it all. Whereas it was nothing more and nothing less than the opening price. I was tremendously interested in hearing from the acting Minister of Fisheries, that we have had 3,000 boats built in Newfoundland since we started the program of helping them. What year was it we started? 1963, that is seven years ago. We started a program of helping to build boats in Newfoundland, and under that program 3,000 boats - 2,927 not quite 3,000 boats had been built under it - that we have paid out over half a million dollars cash to the fishermen on those 3,000 boats. And the boats have cost roughly around a million dollars - that we have paid out about half - or a wee bit better than half the cost of their burning those boats - were those boats built or burnt? Which was it? Did I understand the minister to say we had paid over half a million dollars to help burn 3,000 boats? Is that what the hon. minister said? Somebody said burning boats, I am sure I heard it here this morning. So we paid out half a million dollars to help to pay half the cost of burning 3,000 boats. We supplied the matches, and the kerosene and the kindling and so on.

The relatively small boats - this is not long liners. This is the ordinary trap skiff size boat. That would be boats I suppose measuring on top up to thirty-five feet on top. A regular trap skiff type of boat - 3,000 of them, in seven years. Is that 3,000 figure correct? That is right is it? 2927 boats. Nearly 3,000 boats in seven years that we have paid out over half a million dollars, or more than half the cost of those boats. Is not that something? We burn boats. We advocate - we advise the fishermen to burn their boats, and we pay them the

money to help them do it. Oh, we also help them to burn their engines. And their nets - how many nets? What is the number of nets? It is at least 30,000 and I always exaggerate, so we will see how much I have exaggerated - at least 30,000 nets we helped them to buy. At least 30,000. No, you spend thousands on the nets, and they catch millions of fish. How many nets did we help to buy? How many? 70,000 nets we helped to buy - helped the fishermen to burn. 70,000 nets, 3,000 boats we helped them to burn. And how many engines did we help them to burn? One for every boat? Well that is a fair average. 3,000 boats, 3,000 engines. And we have spent an awful lot of money. It must be the best part of a million dollars. In fact I would say it is over half a million dollars.

In 1968 we spent half a million dollars in that one year to help fishermen to buy nets - in one year 1968. And in 1969 over quarter of a million more on top of that. So in the whole period, three quarters of a million we gave them to help burn their nets. And over half a million we gave them to help burn their boats, and so it is about one and a half millions altogether

MR. SAUNDERS: Yesterday Sir, you noticed I was not present in the House, I was down in my district all day.

MR. SMALLWOOD: Is that where the hon. gentleman got the good tan? Not Jamaica?

MR. SAUNDERS: Out in the good weather down in my district. And yesterday, there was so much fish that the plants this morning had to stop and ask the people would they salt their fish? There is no way in the world of handling the amount of fish that those boats are bringing in. And by the way, there are 1,000 people employed.

MR. SMALLWOOD: 1,000 people employed in Old Perlican and Bay de Verde.

MR. SAUNDERS: Old Perlican, Bay de Verde and Harbour Grace, and Carbonear.

MR. SMALLWOOD: 1,000 people today employed, putting away the fish, brought in by how many fishermen? About?

MR. SAUNDERS: Bay de Verde alone has 180 boats.

MR. SMALLWOOD: Well, let us get it. 180 boats, that is two men to a boat about?

MR. SAUNDERS: Average, yes.

MR. SMALLWOOD: 360 men.

MR. SAUNDERS: In Grates Cove we have about forty boats.

MR. SMALLWOOD: That is eighty more in Grates Cove.

MR. SAUNDERS: Redhead Cove and Old Perlican, I would say another sixty.

MR. SMALLWOOD: That is a hundred and twenty more men.

MR. SAUNDERS: You could add another 100 boats up the shore.

MR. SMALLWOOD: That is 200 more.

MR. SAUNDERS: And then in the Carbonear - Harbour Grace area 200 or 300.

MR. SMALLWOOD: Call it 200. That is 940 - round it out as 1,000 fishermen today brought in enough fish today in those three or four places to employ 1,000 other people putting it away. Dressing it and putting it away, and they could not handle all of it. And so the fishermen were asked to salt some of it. And people will say, "do away with the fishery."

AN HON. MEMBER: The hon. Premier should remember that the caplin are in now.

MR. SMALLWOOD: That is right. I know. Can we not tell it by the weather the last few days? Except today. Yes, even today. So Mr. Chairman,

MR. WINSOR: Mr. Premier the total amount paid by the inshore fishermen in the past eight years from small boats, gillnets,

trawls, is \$3,089,000. \$3 million not \$1.5 million.

MR. SMALLWOOD: In seven years?

MR. WINSOR: In the past eight years.

MR. SMALLWOOD: In the past eight years, \$3 million dollars we have given the fishermen to burn their boats, burn their nets, and burn their engines. And that is only the small boat fishermen, not counting longliners, and not counting draggers, and not counting large fish plants. And yet in the face, in the very face of that knowledge, people will still say with perfect illogic, will say that this Government do not believe in the Fisheries. They do not help the Fisheries - they do not help the fishermen - they do not help the fishing industry, because they do not believe in it, because they want every fisherman to burn his boat.

Mr. Chairman, of course, if I were to make this speech 379 times in the next 379 days, on the 380th. there would be some Tory get up and say, somewhere in Newfoundland, "this Government want the fisheries to go, they do not believe ⁱⁿ the fisheries - they do not do anything for the fisheries - they are telling the fishermen to give it up and go and burn their boats - go and get work on the roads, about which we are going to hear a little more in the present Session when the Minister of Highways gets up to tell us what we are hoping to do in the present year in connection with road construction.

All fishermen give up - all fish plant workers quit, and everybody go out and get jobs in Come-by-Chance and Churchill Falls and Stephenville and wherever there is any work going on, but give up the fisheries, burn your boats or live on relief. Now this is what we are told, is our policy. This is what we are told the Government of Newfoundland has been advocating down through the years. And they will keep on saying it no matter

what the facts are. They will just keep on saying that without one single scrap of evidence to support it.

MR. CROSBIE: Mr. Chairman, just a few preliminary remarks on the Department of Fisheries: I would like to say that I certainly agree with what the Premier was saying in the first part of his remarks, in fact I do not see anything to disagree with at all in the remarks that he has just made on the fishery. Occasionally even the Premier can be right Mr. Chairman. We are always ready to acknowledge that. Usually we do not have to say it, because there are lots of people on the other side who will.

With reference to the fishery. The problem of draggers and the inshore within the twelve mile limit Mr. Chairman, is still very much with us, as the member for Bay de Verde pointed out the other day. And there has been more worries on the north-west coast also, and there is going to be trouble all summer. Now I realize that this is a matter which has been the jurisdiction of the Government of Canada, but the Government of Canada does not seem to be doing much about it, or at least certainly not very vigorously, or they do not want to ruffle anyone's feathers, or do not want to upset other nations. And I suggested last summer Mr. Chairman, I think it is still a good suggestion, that the Government of Newfoundland should use its aircraft fleet when this becomes a problem later in the summer, or planes fitted out with photography to photograph draggers, whether Canadian or foreign, within the three mile or twelve mile limits, so we will have indisputable proof of the fact that they are there.

MR. SMALLWOOD: They will have to use infrared photography, because they mostly come in in the night.

MR. CROSBIE: Of course you can only do this in the daytime.

MR. SMALLWOOD: No, no, you can use a type of photography and take it in the dark now.

MR. CROSBIE: If we had that, but I was thinking of the aerial photography that they are doing on the forest, which I imagine has to be done in the daylight. But if you had that kind of equipment, you could use that. And frankly Mr. Chairman, I do not see why we could not use the waterbombers. When we get a report that there is a dragger within the three mile or twelve mile limit, you send out a waterbomber - it drops a load of water on that dragger, and I do not think the dragger is likely to back inside the three mile limit again. Well the first couple of occasions you could drop the water near the trawler or the dragger.

MR. SMALLWOOD: A better way would be to drop a few Tories - drop a few Tories down on top of them.

MR. CROSBIE: Well, that would be giving them too much of a scare. I think that a few thousand gallons of water - If this got to be quite a problem and we can do nothing about it

AN HON. MEMBER: They will probably all be wearing oilskins, and the water will not bother them at all -

MR. CROSBIE: Well if a couple of thousand gallons of water falls on you from a height of 500 feet, it does not matter what you are wearing, you are going to be driven to the deck anyway. But quite seriously Mr. Chairman, I cannot see any foreign nation, or any trawler skipper, suing the Newfoundland Government because they had a load of water dropped down on them. We can always say that the pilot was mistaken, or there was a fire near the shoreline and he just happened to press the wrong lever as he was turning around to go back to the fire. If the Canadian Government will not take what we think, and they have all kinds

of diplomatic problems with other nations and so on, if they cannot take the vigorous enforcement of action that we think they should, then I think that we should take some steps like that ourselves, and after one or two international incidents, one or two trawlers getting five or ten thousand gallons of water dropped on them, I believe that this problem would be solved - or well on the way to being solved. And I for one, would certainly applaud the airarm of the Newfoundland Government, if it did that. In fact there are one or two ministers they could take out with them.

MR. SMALLWOOD: Would the hon. member yield a moment? Would he agree, and I personally think there is something in what he is saying, and I do not dismiss it at all. I wonder if he would agree whether it would be a good idea for us to ask the Government of Canada to employ our aircraft. We have aircraft. We have these airbombers. We have others - equip them with infrared photographic equipment that they could photograph them at night. We heard from the member for Bay de Verde that they were coming in and destroying gear inside the limit at night - and doing it at night. I wonder if it would be an idea to ask the Government of Canada to pay us for the cost of doing it in their behalf, instead of their trying to station their fleet around, their fleet of aircraft - we have a small fleet that could do that. What would the hon. member say to that? By the way Mr. Chairman, while I am at it, I mean this is getting to very dangerous - this is really a - I do not know - I am getting to feel uneasy.

MR. CROSBIE: It must be the silly season. I think that is a good suggestion Mr. Chairman, because this fleet of aircraft that the Government has - the main expense of having that fleet of aircraft is just having it. The cost of using is only the cost of gasoline. The wages have to be paid - depreciation has

to be paid, and all the rest of it. So whether they are fighting a fire or not fighting a fire, the cost is practically the same except for the use of the gasoline and so on. So that fleet of aircraft could be very well ^{be} employed, when not otherwise employed patrolling the coast, and if the Government of Canada could be persuaded to put some infrared equipment on those planes, it would be well worth while. If we do not take the matter into our own hands, we are just going to be continued to be trampled on. And I am quite sure the Government takes this vigorous step, for which we would give the Government secondary credit, and it would be a great step forward. And I know the fishermen of Newfoundland would greatly enjoy seeing a few thousand gallons of water drop on some of those draggers.

Now on just a couple of other Items on Fisheries, I think I can finish before 1:00 ^{P.M.} In general - the herring fishery - I am glad to hear the Premier mention my late father, who was certainly one of the pioneers in the herring fishery, as the Premier well knows. And it is certainly a great satisfaction to see that the herring fishery is run so well, and when you visit a place like Burgeo and see the new modern fish meal - the oil and meal plant at Burgeo - it is just tremendous the progress that has been in the past twenty years in that industry. But I think the Minister of Fisheries mentioned caplin - that in the future, they should concentrate on caplin for meal and oil purposes, and use the herring more for food - it is indirectly used for food purposes now, but directly for food.

MR. SMALLWOOD: Again if the hon. gentleman will allow me to interrupt him. Even in caplin the late Chesley Crosbie was the pioneer. He gathered ship loads of caplin, took them down to Williamsport to be used in his plant that he had there - the whaling plant - to produce oil and meal. Unfortunately,

the collection turned out to be too expensive, and the caplin arrived in Williamsport in too poor a condition. But there again was the pioneering, gambling spirit that some people might be willing to follow if they were not so completely hogbound conservative.

MR. CROSBIE: Of course, I do not know who the Premier is referring to there latterly -

MR. SMALLWOOD: Some people -

MR. CROSBIE: But I was just going to mention that there is a problem - the late Ches Crosbie was a pioneer in attempting to use caplin for meal and oil purposes also. It was not Williamsport - it was brought to the Bay of Islands -

MR. SMALLWOOD: And Williamsport.

MR. CROSBIE: They may have tried Williamsport too, but as I remember it the Bay of Islands - there was quite a problem with caplin, because when they come in the shore of course, they are spawning. And I was there the Spring that they were doing this, and as I remember it, because of the caplins' spawn, there was great difficulty in processing the caplin. The reduction machinery got all - I do not know what the word is -

MR. SMALLWOOD: Stogged up -

MR. CROSBIE: all stogged up - and there was quite a problem with processing the caplin: Now this might have been overcome, that was fifteen years ago, and this technical problem might have been overcome now, but that was one of the problems. The other was the cost of getting the caplin from where it was caught to the plant. So the minister might tell us whether or not if that is any problem now - the processing of caplin in that way. I wonder if the minister could - I do not know how vigorous the Government of Newfoundland has been in connection with sealing industry. And the minister of Fisheries of Canada

seemed to be quite adamant that he is not going to permit the gaff to be used. But if there is going to be any Newfoundland sealing effort again, and I noticed in the paper the other day, I never have the time to talk this over with him really - that it is doubtful whether the CHESLEY A. or the SIR JOHN CROSBIE will be going out next year because of the ceiling put on the number of seals taken at the front. But on the assumption that there is, for the life of me, I cannot see why the Government of Canada will not permit the gaff to be used, in the light of the fact that practical experience has shown that this club that they are now using is not as efficient in killing seals, and is certainly of no use whatever from a safety point of view. So could the minister tell us whether he will take that up with the Government of Canada again and try to get that changed. It looks as if we are going to ^{be} without any sealing industry in the future, and that Norway is going to have it all. But in the event that there are Newfoundland sealing vessels out next year I think a vigorous effort should be made, and of course the minister coming from Bonavista North or being born there, is certainly familiar with the sealing industry. And I think the hon. member for Bonavista South was out to the sealing fishery too. In connection with the marketing of frozen fish or fresh frozen fish Mr. Chairman, I cannot for the life of me see it - there may be some reason the minister can explain - why the fresh frozen industry of Newfoundland or the Government of Newfoundland does not make an effort to put our own processing plant down in the United States of America. Now I am no expert in the fishery, but this has been suggested by various people. Iceland has its own processing plant down in the U.S.

MR. SMALLWOOD: Monroe has had it for years. Arthur Monroe, for years, in Detroit.

MR. CROSBIE: Well we know that Iceland has it there. I think that Norway or Denmark have their own processing plant down in the U.S. They ship in the cod blocks and so on and they process them inside the tariff barrier. Well why is not that a feasible thing? I can see that one Newfoundland company has not the finances perhaps, or the money to do it, but why cannot the industry as a whole, organized by the Government, or assisted by the Government, have our own processing plant inside the U.S. tariff barrier where the cod blocks and the rest of it can be processed into fish fingers, fish sticks - and the final consumer product down in the U.S. as Iceland has done, and other countries have done. I mean it sounds like a sensible thing when it is suggested, and is the Government of Newfoundland considering this? I can see where no one company in the industry has the money to do it, but why not the Newfoundland industry co-ordinated by the Government of Newfoundland? Or assisted by the Government of Newfoundland? Is there some reason why this is not feasible? Would it not give us a better return in the Newfoundland industry? I would say that a lot of ^{the} money is made in processing the product from the cod blocks in ^{to} the final consumer product. So I will be interested in hearing the minister's views on that. I think it is about one o'clock so I suppose we should adjourn.

MR. CHAIRMAN: It now being one o'clock, I do leave the Chair until three.



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VERBATIM REPORT

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SPEAKER: THE HONOURABLE GEORGE W. CLARKE

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members. I believe that they have some kind of a committee set up. Mr. Sam King of Valleyfield or Badger's Quay is the secretary and I know they have made representation to the government. What have they asked the government to do to help them and what is the government prepared to do or what is the government going to do for the Labrador fishery this year? Or does the government consider that the Labrador fishery should be written off as non-productive or an uneconomic one. In any event, as the House knows the vessel owners and fishermen all had a disastrous season last year and I believe the position is that most vessel owners could not finance another return to Labrador fishery, with the loss they had last year.

I also would like to bring up this question of money that the government has in trust for the fishermen of Newfoundland.

MR. SMALLWOOD: We have no such money.

MR. CROSBIE: Well I thought, well, the minister might tear that up then. I have the impression or some people have the impression that there is a fund of five or six hundred thousand dollars, I think is the amount, and that this was left by the Commission of Government, I am not sure that he has, I may have it all wrong. But anyway there is some fund invested which is supposed to be used for the fishermen of Newfoundland. And in fact it has been suggested by the Federation of Fishermen, Newfoundland Federation of Fishermen, that the \$20,000 grant they get from the Government each year comes from that fund or some of the income from that fund. Here is a quotation here, April 15, 1970, Evening Telegram, Mr. Pat Antle explained that the \$20,000 grant by the Government is not paid out of taxpayers money but it is a sum that represents interest on the \$650,000 the Commission of Government took away from the fishermen, said Mr. Antle."

MR. SMALLWOOD: That statement does not come from the Treasury. It comes

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from Mr. Antle.

MR.CROSBIE: That is what I say, that is why -

MR.SMALLWOOD: There is a slight difference.

MR.CROSBIE: I think Mr. Chairman, if the Premier was listening I said I was quoting -

MR.SMALLWOOD: I heard it and read it.

MR.CROSBIE: I was quoting Pat Antle.

MR.SMALLWOOD: I know it is not from the Treasury it is from Mr. Antle. There is a difference.

MR.CROSBIE: If Mr. Antle was in the Treasury it would be from both.

MR.SMALLWOOD: Yes, but he is not -

MR.CROSBIE: He is not in the Treasury, it is from Mr. Antle alone. But is there in the Treasury \$650,000 Mr. Antle should have? That is the question.

MR.SMALLWOOD: That is a good question. That is a really ^a good question and Mr. Antle is very interested in the answer.

MR.CROSBIE: Exactly, and so are we Mr. Chairman. So I do not know whether Mr. Antle's statement is correct or not but I would like the minister to clarify this question, Is there \$650,000 left by the Commission of Government, taken away from the fishermen, and if so, what happens to the income from it or what is planned to be done with the money? Provincial Government, Mr. Antle said, when it assumed office in 1949 became trustee of this fund and agreed to pay interest on this sum to the federation. He said this was explained on at least three occasions by Premier Smallwood, adding that Mr. Barbour probably was not aware of this. Well, if Premier Smallwood has explained it three times I am surprised that Mr. Barbour has not learned about it. Because usually, when the Premier explains something, it is pretty clear. So, if the minister could clarify that situation. Or the Premier clarify - There is just one other general point I think, I do not doubt that -

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The herring plant International Fisheries and Fish Meal Limited located at Stephenville is a plant I believe which is entirely financed by the Government of Newfoundland. There are two herring boats the Harmon I and Harmon II, which take fish, bring fish to that plant. I think the company is owned by the Grace Company and the Litton Company of the United States, two large American Companies. But all of the money for this plant has been put up by the Government of Newfoundland. The whole scheme started I believe in 1966. The purpose of the plant was to test a device known as the reso jet, which was a device that had been developed by Litton I believe it was, or one of the companies in any event and, if it was successful when put on a production basis it would ^{be} quite revolutionary in the herring reduction business. Because I think he would not need these great dryers and so on to dry the herring. It would all go through this reso jet and this would revolutionize anyway the whole herring processing industry.

Now that was four years ago Mr. Chairman, and there were several questions asked the Minister of Fisheries and he said that ^{from} January to March 31, 1970, 150 tons of meal and sixteen tons of oil were processed at that plant in Stephenville. Now that is a very very small amount of meal and oil for three months period. In answer to another part of the question he said that seventy-five per cent of the production of the plant at Stephenville during that same period was cured for food. In other words they were not processing for meal and oil they were smoking it or processing it for human consumption. And the fact that I was, I think it was in January or February. I was in the plant, there watched them packing the herring for export. So seventy-five per cent of the production was for food and twenty-five per cent for meal and oil. What is the position then on this reso jet, has it, the previous minister of Fisheries seem to feel that it still has great possibilities. But two or three years is certainly long enough to test it, Is this device a success or not? What is

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forecast to happen with that plant at Stephenville? The plant has to be moved, as I understand, once the Melville Pulp and Paper Mill operation starts in Stephenville. That mill has to be removed from the site, because the smell from the fish operation would spoil the linerboard. Is that so? I would like that confirmed. It was not mentioned yesterday whether that is true or not. And who is going to move it and at whose expense? The minister can answer that. But if the minister could tell us, what is, it appears that this reso jet cannot be much of a success because it is not being used. The primary function of that plant is not to turn herring into meal and oil rather to now produce food herring. And you do not need a reso jet for that. So is that experiment worth continuing there? The Harmon 1 and Harmon 11, can always be used in the fishing business and they can sell their catches anywhere at any of the plants on the South Coast or Nova Scotia. So just what is the position now on this International Fish Meal and Fisheries Limited Plant? And in any event, if Grace & Litton still own the equity in this company, if they are the owners of the company how much longer should we continue meeting the operating deposits and so on, for these two great international companies? I think it is time, if we are to continue operating that plant, that we took over the ownership of it, the Government of Newfoundland, People of Newfoundland, who have put the plant there, who have bought the Harmon 1 and Harmon 11, and who have met all the operating deposits. So I think those are the only general points I have, Mr. Chairman, the minister can answer some of them before we get down to the details.

Before I sit down I should just ^{to} mention again quite seriously that my suggestion about using our air fleet for fishery patrol or even to punish trawlers or draggers caught within the twelve mile limit is a serious one and the minister should take that up with the minister of Supply and Services. If the water bomber is out, start with a few near misses on foreign draggers

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and trawlers and then drop one right down the funnel - .

Canada will protect us if anybody fires on us. We do not know what they will protect us with. But it is better than having to put up with these foreign draggers destroying all our gear. As a matter of fact, in the year 1969 our government here of Newfoundland spent \$337,000 paid out to fishermen \$337,000 to replace gear that the fishermen had lost to draggers and trawlers coming inside the three mile limit, or the twelve mile limit. So, with \$300,000 we could wreck a considerable amount of damage on foreign draggers and trawlers.

MR. NEARY: Our deputy-minister is a former fighter pilot -

MR. CROSBIE: Just the man we need. The deputy-minister of Fisheries a former fighter pilot, well he would find this to be a piece of cake. Would not bother him at all. And I am sure that Capt. Ted Piercey would be glad to go along on the assignment, a very capable pilot. But quite seriously Mr. Chairman, our government should take positive ^{to} action on this and even if it was only do photographic missions that I mentioned this morning that would be a help. And even our own draggers all the damage is not caused by foreign draggers, obtain evidence of what local draggers or local trawlers are doing the damage also.

MR. SMALLWOOD: Mr. Chairman, the minister of Fisheries has been in an acting capacity for three or four weeks and he is not as familiar with this particular item as I am and perhaps therefore it might be more satisfactory if I were to answer it.

During the war the Commission of Government collected from all salt codfish exported to the foreign markets, especially across the Atlantic, to the Mediterranean seaports, so much a quintal, as a levy as an export levy on all the salt codfish shipped. And this accumulated so that by the time they had gone out of Newfoundland and Confederation came in it had

reached a total of around half a million dollars. It lay there as one of the accounts. It was in the consolidated revenue fund, of course, as all money taken in by the government must be. But in the books of the government, in the accounts of the government there was set up a separate account to cover this approximately a-half million dollars. Subsequently the money, it was not set up as belonging to any one, it was not the fishermen's fund it was just an amount of money that was in consolidated revenue fund, C.R.F., and in the accounts was noted as a separate amount of money but not credited to anybody. Not designated for anyone, or for any particular purpose, it was just there. The present administration, when we came in office at the coming, or shortly after the coming of Confederation, decided that we had this sum of money there it had come out of the fishery. And therefore, in the broadest sense of the word, had come out of the pockets of the fishermen, in the sense that every thing that comes out of the fisheries comes out of the pockets of the fishermen. If a merchant gets rich every nickel of it came out of the fishermen's pockets. No question about that. Everything that comes out of the fisheries comes out of the fish, and everything that comes out of the fish comes out of the fishermen's pockets. There is no other pocket for it to come out of. except the fisherman's pocket. And as, in that broadest sense of the word, this money had come out of the fishermen's pockets, this government chose as a matter of decision to look upon that money as money that belonged if not legally then certainly morally to the fishermen of the province. Having reached that decision we then considered the question: What would we do with it?

Would we take it and distribute it as a sort of cash dividend among the fishermen? Count up the number of fishermen that operated in the Province and divide that number into a-half a million or five hundred and fifty thousand or whatever the money amounted to. Would we do that?

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The trouble with that was that a good many of those fishermen were no longer around, they had died. Some of them had gone away gone out of the Province. And those who had gone away, you might not be able to find, those who had died you would have a job to find their heirs and successors, find them physically and find out who is legally entitled to be the beneficiary of, the beneficiaries of the fishermen who had died. And in other ways the whole idea we dismissed as not being practical. We just could not take that money and divy it up, divide it up and pay it out, issue so many cheques, twelve or fifteen thousand cheques to the fishermen. We dismissed that idea.

Then we thought that the obvious thing to do was, if we regarded as money that we wished to have earmarked no one else had earmarked it, the Commission of Government had not, no one had, but we decided to earmark for the benefit of the fishermen, The best way we could spend it perhaps was to spend it in some way that would ^{be} of general benefit to the fishermen as a whole, not for any particular fisherman, just the fishermen as a whole, the fishermen in general, the fishermen as an economic class or sociological class in the Province. And so for a while we considered using it, we considered using it as a means of paying a premium on an insurance scheme on fishermen's gear in the water, fishermen's property, the property the tools of their trade, boats, engines, fishing gear, their stages, their flakes, their fish stores, generally the tools of their trade. In case of loss, by storm or fire, to enable every fisherman to have his gear, the tools of his trade, insured against damage or loss. And to charge a very small premium for that by using this half million dollars for the purpose of paying most or a large part of the premium.

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We actually took some steps on that. We sent a man to London to investigate the question with the late Mr. Tracey was it? If Mr. Aiden Maloney were here, he would remember, but a man who represented an insurance company in London and he came out here to Newfoundland and spent years with Crosbie and Company, at least his offices were in the offices of Crosbie and Company representing this insurance company - was Tracey his name?

AN HON. MEMBER: General Tudor.

MR. SMALLWOOD: Not General Tudor, no. I remember the man well. He went back to live in London, and if I am not mistaken it was the late Ross Young that we sent over to London to interview him and get rates. They got rates. He was with this firm of insurance brokers, and they were represented in Newfoundland by Crosbie and Company..

MR. CROSBIE: Homewood, Back and Mansom.

MR. SMALLWOOD: Homewood, Back and Mansom was the name of the firm and the man who represented them in Newfoundland and went back to live in London was, I think, named Tracey or Stacey or Tracey, I think. And he and his firm contacted insurance people in London and got the best rates we could get and we thought with those rates and \$500,000 to go towards them spread over a number of years, the individual fishermen would have a very small premium to pay.

So we, therefore, introduced legislation into the House and debated it at second reading but did not give it second reading. We did not adopt it. We did not put it to a vote. We introduced it and gave it second reading for the purpose of debating it and explaining it. Then we issued a pamphlet describing the whole plan and sent it to every fisherman in Newfoundland and we had three inquiries from 15,000 or 17,000

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fishermen - three fishermen wrote in and all three of them asking for a job, asking for a job in the new insurance office that might be set up under this scheme. But no one showed any real interest in the scheme itself except to get a job out of it.

So we dropped it. We abandoned it and the money was never used for that purpose. In the meantime the Government had promoted - I had personally promoted the idea of the formation of a Fishermen's Federation in Newfoundland and as a result of my promotion such an organization was formed, and has existed to this day. We came in the House and asked the House to vote a sum of money to the Fishermen's Federation out of this fund which was not a fund, but out of this amount of money. From that day to this, we have come annually to the House asking the committee and then the House to vote, I think, it is \$20,000 each year and..

MR. HICKMAN: Was that money to be used for Workmen's Compensation..

MR. SMALLWOOD: No. We did suggest that it be used for an insurance scheme to help reduce the premium cost to the fishermen of an insurance scheme that would cover their losses big or great, by storm or fire or other causes. And that idea was dropped and so instead we have just been paying out \$20,000 each year.

Now, I do not know - since the estimates have been printed there have been meetings with the Federation and there is a suggestion that instead of \$20,000 the amount to be granted by this committee and by the House to the Fishermen's Federation might very well be increased beyond the \$20,000, possibly half as much again - fifty per cent increase, \$30,000 - to enable them all the more efficiently to organize the fishermen and carry out more thoroughly, perhaps more successfully, the purpose for which they were organized in the first place.

Now as to the money: In the Public Accounts for the year ended 31st March

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1969, on page (18). There is a reference to it, the second last item, The amount in 1968 was \$600,000 and there is a footnote, note (5): the balance was transferred to consolidated revenue fund and Minute of Council, 101-'69 refers. Then on page (198) there is a further reference to it: Department of Finance, Fisheries assistance fund, a balance of fund at 31st March - this is really a misnomer but however, we accept it, in 1968, \$600, 298.000; receipts, bank interest, \$3,827; bond interest, \$16,900. That is \$20,727 together with the \$600,298 making a total of \$621,025. Payments made, bonds transferred to consolidated revenue fund, \$500,000. Cash paid to CRF, \$121,025 making up the total of \$621,025. Balance of fund, nil. So the whole amount has been transferred to a bond issue and the bond issue transferred to the consolidated revenue fund and that is what has happened to that fund. That money is no longer a fund. It is transferred to consolidated revenue fund and forms part of the general cash revenue and cash assets of the Government of the Province.

But that is the fact textually and technically. The moral fact is that we choose in this administration to regard that money as money morally belonging, not to any individual fisherman, not that any one individual fisherman by name has some legal claim on a portion of it, but rather that the fishermen as a class and the fishing industry as an industry, especially as that industry impinges on the fishermen, not on the merchants but on the fishermen themselves; in that connection the money should be regarded by all of us in this House as morally belonging to the fishermen as a class. We should vote it for purposes that we think will help the fishermen, as a class, such as voting it to the Fishermen's Federation to help that Federation to do good work for the fishermen of the Province.

I think now I have covered the matter pretty thoroughly, and I do

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not know if there is anything I can add to it except this that my hon. friend the Minister of Fisheries (Acting) wishes to increase the amount as printed in the estimates from \$10,000 to \$20,000 for the present year.

AN HON. MEMBER: \$30,000.

MR. SMALLWOOD: Oh, \$30,000 is it? Yes, \$20,000 to \$30,000. It is \$20,000 now.

MR. HICKMAN: Mr. Chairman, if I may make a couple of comments under the general item of the Department of Fisheries Estimates - one of the difficulties^{of} debating fisheries in this House is the divided jurisdiction and the very, very limited jurisdiction this Province has over the Fisheries. Be that as it may, Mr. Chairman, it would be most unfortunate if we should ever reach the position in this House where fisheries did not occupy a very great deal of time and attention on the part of hon. members - not simply because it has been traditionally a great Newfoundland industry but apart altogether from tradition, the simple fact is that today it is making a very strong and viable contribution to the economy of Newfoundland. In most areas or in a lot of areas fishery is fortunately passing out of the stage of being simply a seasonable operation. And when once we can reach the position where the fishery is no longer seasonal, when we can provide some mobility of the fishing force in this Province, so that when the trap fishery is over they do not have to simply haul in their gear, then it truly will be once again a great Newfoundland industry.

Mr. Chairman, the area that I come from and represent, primarily, as this committee knows, the deep sea fishing areas of the Province, that area extends really from Fermuse to Port aux Basques. There have been certain happenings in the fishery of this Province during the past few years that have aroused and continue to arouse the concern of our deep sea fishermen and that is the declining, the obvious decline in the fisheries

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stocks off our coast. A few years ago, oh, up until 1956, seventy per cent of the fish landed by the deep sea fishermen of this Province - seventy per cent of all species was haddock. A few years later we found that haddock had just about disappeared, in fact, had disappeared as far as the deep sea fishery was concerned. Now there is not much point in crying over spilt milk but what I believe we have to ensure is that the same thing does not occur with respect to the stocks of cod and rose fish and other species that make up now the bulk of the production of the deep sea fishery of this Province.

The reason apparent for the decline and the disappearance of the haddock fishery was that the Russians, in particular, would drag and fish over the haddock spawning ground during the spawning season and this, in effect, destroyed the haddock on the Grand Banks and on the other banks off our shores.

Now biologists are beginning to express concern over the stock of cod. They have suggested - some of them are suggesting that the sustainable yield of cod was passed in 1968. It is, I believe, accepted now (and I think the hon. member for Harbour Grace mentioned this earlier during this session) that because of indiscriminate dragging and fishing on the Hamilton Bank that this obviously is one of the contributing factors to the decline in production in the Labrador fishery. Anyway this committee may very well say, so what? We know that haddock has gone. We know that the cod seems to be declining. Red fish or rose fish, as our fishermen refer to it, appear to be heading in the same direction and what can we do about it?

Well, I do not think a provincial government can stand idly by and see one of the main sources of employment off its coast disappear or decline and simply say; Well this is a problem for the Government of Canada that the Federal Government have the right to enforce certain

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regulations." And leave it at that.

The Federal Government are not noted for rushing to the rescue of primary producers unless there is a great deal of pressure brought to bear on that Government. Obviously, public pressure from the Government of the Province of Newfoundland, hopefully, will not fall on deaf ears, at least, if we give a clear indication to the Federal authorities that we are quite concerned in this Province over the decline that is taking place right around us in the frozen fish industry and the deep sea fishery. They may say that there seems to be an increase in employment in the fish plants along the south coast. There is more continuity of employment rather than an increase in the frozen fish plants along the south coast and there is a great deal of fish still coming in, but I think the significant thing is this: that in 1954 the per man hour trawler catch was 220 pounds - 1954. In 1969, bearing in mind now that we have new ships - in 1954 we had the side dragger - in 1969, we have a large number of stern draggers, these ships can fish in much rougher water than the side dragger. Their production, generally is higher. Techniques have improved. We are now down to 900 pounds per trawler hour. So that it is not simply enough to take a look at a fish plant in Rose Blanche and say that the men there are getting as much work as they did five years ago. If they are, it is because the trawler fleet has doubled. What is significant is that all evidence points, quite clearly, to a decline in our cod and rose fish and the danger signals are up that the same thing that happened to the haddock can very well happen to the rose fish.

Now, Mr. Chairman, what if anything can the Government of Canada do about it? There has been great talk and suggestions from time to time that the Federal Government cannot unilaterally impose fishing

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restrictions on waters off our coast. The present Minister of Fisheries in Ottawa, the hon. Jack Davis, seems to be sorrily attempted to abandon that policy of unilateral interference or enforcement and he keeps referring now to some of his recent discussions on our waters and Canada being a coastal state, that the Continental Shelf theory can be extended to take care of the banks of the eastern and western seaboard. If the Government of Canada are concerned about unilaterally taking control and imposing fishing regulations on all the banks off our coast, you may get into some real dicey international arguments and problems over the Grand Bank. I do not think there is very much doubt at all, because the western banks, St. Pierre Bank, Quereau, Misaine, these banks, very clearly, are Canadian waters, regardless of the fact that they are outside the twelve mile limit.

There are two ways, Mr. Chairman, that fishing controls can be imposed. One is by way of international agreement. That may not be very successful because this is tried through ICNAF and ICNAF seems to be a veto-ridden organization and it is highly unreasonable to expect that some of the European countries will go along with too restrictive regulations insofar as fishing on the Grand Banks is concerned.

The other way to do it is the way that the Government of Canada, the United States really, has done with its prodding on the Georges Bank and Browns Bank. They have worked out an agreement which restricts fishing in that area, during the spawning season of certain species. Obviously any country that has a resource such as we have off our coast, if it is concerned about protecting that resource, should be able to make a good case to any nations who are using the waters off the coast of Newfoundland.

But other than a suggestion from the Minister of Fisheries that he is going to try and preserve what is left of the haddock grounds, we have

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heard very little to date to indicate that any real positive action will emanate from Ottawa.

Now, Mr. Chairman, I think that the time is now when we can expect, should expect and must expect from the Government of this Province an expression of not only concern but a demand for some action by the Government of Canada to enforce certain conservation measures ⁱⁿ off our coast and our traditional fishing waters. Some of our people along the south coast and some of the organizations along the south coast have become impatient in waiting for Government action and have now taken it upon themselves, (the joint councils of the Burin Peninsula which encompasses the districts of Placentia West, Fortune Bay and Burin) and are in the process now - there is no trouble to get help on this, technical help and scientific help because you will find that the Federal Department of Fisheries here and the Provincial Department of Fisheries and other conservation organizations are quite willing and able to provide the technical details that are required to present briefs and recommendations to the Federal Government.

These people should be commended, these organizations should be commended for what they are doing. I do not think they are doing it completely out of a great belief in conservation per se but rather along that coast they realize that, unless some conservation action is taken soon, their livelihood is going to be in jeopardy; What I would ask of the Government is this; that whilst we must encourage these local organizations to make their representation that if the representation of the people along the south coast of this Province to the Government of Canada was bolstered by strong demands and recommendations from the Government of this Province, then I suspect it would not find its way into a waste paper basket in the appropriate offices in Ottawa.

Mr. Chairman, again under the general items of the Minister of Fisheries' accounts, we note that he is responsible for the administration

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of the shipyard at least he is responsible for the losses of the shipyard at Marystown. This yard, as my hon. friend from Placentia West knows, is a well-designed, well-planned yard. It cost an awful lot more than it should have, but again that is water under the bridge. The only penalty that is, ^{being} paid for that is that that much more money has to be spent in servicing the loans, because of the unnecessarily high costs.

But what is facing the shipyard at Marystown now is to make some plans for the future. It is beginning to establish a reputation of being a high class repair yard, and you will find almost any day of the week now one dragger, may be two, certainly one or some other ship in their for repairs. Last week, I think, there were three or four there either on dock or waiting to go off up on the haul out. But this only goes about one-quarter of the way towards solving that shipyard at Marystown and allowing it to be used for the purpose it was designed and intended. Its main design was for the construction of draggers and at the time, we were told by the hon. the Premier - at the time that this was first mooted, the fish operators along the south coast of Newfoundland were asking (this has been going on for years) for some haul-out facilities so that they would not have to take their boats to North Sydney and St. Pierre to have them repaired. Apparently there were all sorts of excuses and rows and everything else went on trying to decide on the site as to where this marine haul-out should be located.

In any event, eventually, it was decided that Marystown was the place to put this marine haul-out. This is what the operators in their prudence wanted. But then suddenly they found themselves caught up in a

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huge, modern ship-building plant, much too large for the demands that then existed or the projected demands for the south coast fishing fleet only. That, coupled with the decline which had already set in in the ship-building industry, placed that plant in some difficult scrapes. But that, as I say, is water under the bridge. The fact now is that we have at Marystown a shipyard that is capable of building modern draggers and has built two. It took them a long time to build them, so long that I do not think they could remain competitive if the same process was repeated.

But, Mr. Chairman, if a shipyard is to operate efficiently, there has to be continuity of orders and continuity of employment, because shipyards must have on their staff some pretty highly skilled technicians and shipwrights and tradesmen and these men

MR. HICKMAN:

will not hang around waiting for a yard to get another order unless there is something in sight when they finish the last job and this is what has happened in Marystown right now. Now you may say it is all the fault of the Government of Canada. The Government of Canada in its wisdom or lack of wisdom, I would suggest, two or three years ago, reduced the subsidy on the ship building in Canada from fifty per-cent, I think it was, down to thirty-five per-cent. Well, obviously that is a very contributing factor and was a contributing factor and has played havoc with every shipyard in Canada just about, apparently with, and this is one that is kind of difficult to explain, with the possible exception of the Ferguson Yard in Picto. That yard is still being kept busy building draggers for the Atlantic Seaboard parts of Canada but this yard right now is being used as nothing but a repair yard. It is not employing anything like the number of men who were projected, who were projected would be employed at the time it was built. Nothing close to it and it keeps an air of uncertainty over that whole area. People are reluctant to make the necessary investment in the construction and buying of homes because they do not know what is going to happen next.

Now, Mr. Speaker, since we discussed the Marystown Shipyard some months ago in this House I have been making some inquiries as to what the prospects are to keep that plant fully operational during the next say five years. The indications are that right now the frozen fishplant operators along the South Coast of Newfoundland have indicated that they will require over the next five years twenty-seven new draggers, twenty-seven large new stern draggers. These will not be twenty-seven additional draggers to the existing fleet, some will but others will be to replace some of the older side draggers that are still operating out of Newfoundland ports. But I think it is equally clear that with these deep-sea draggers, these stern draggers costing certainly in excess of \$1. million that even though the price of fish has gone up somewhat that these draggers are still beyond the reach of the frozen fishplant operators or alternatively they do not have the borrowing capacity to raise the necessary funds which now works out to sixty-five per-cent of the cost.

Now we note that in the estimates that are before this House that

MR. HICKMAN:

again this year this House will be called upon to vote monies to make up losses at the Marystown Shipyard of \$285,000. Last year the revised estimates were for \$540,000. It seems to me that if Government is going to have to be involved anyway in paying for losses at the Marystown Shipyard, and it is inevitable that this will continue unless the shipyard can get back into building some ships on a continuous basis, that it would be far better to take that \$285,000. and maybe some more and use that as either a Provincial subsidy toward the building of the draggers or an alternative proposal which now seems to be coming to life down in that area that the Government provide the necessary funds to allow the shipyard to construct draggers and have them paid for under a hire-purchase arrangement over a period of say ten years. Either way, Mr. Chairman, you arrive at what I suggest can be the only solution if we are going to turn this into a viable operation. Either way you would have continuity of employment, you would have that shipyard turning out what it is capable of turning out and what is equally important and this is where the declining fish docks is very relevant, you would also be providing to the deep-sea operators and the deep-sea fishermen the additional draggers that they are going to need if, in the face of declining stocks, they are going to maintain a production at anything like today's level

So you kill two birds with the one stone, Mr. Chairman. You provide continuity of employment at the Marystown Shipyard and you assure continuity of employment and continuity of work and not a-day-on and two-days-off in the fish plants between Fermeuse and Port aux Basques. Mr. Chairman, I believe that if the Marystown Shipyard and the company that is managing it have to follow the same accepted pattern of other shipyards in Canada there is no good going to that shipyard and saying, "Look, we have one dragger for you for this year. Will you gear up and decide to build a dragger because this is all we can furnish you at this time." The Shipyard is not going to gear up and do the necessary design work and do the necessary planning for one dragger for the year 1970 or the year 1971. But if you can go to the Marystown Shipyard and say, "Look, here is a requirement for a minimum of twenty-seven draggers over the next five years and through our new policy of either subsidization,

MR. HICKMAN:

supposing we put another twenty-five per-cent on to the Federal thirty-five and brought it up to sixty or alternatively through a scheme whereby these draggers can be paid for and bought out over a period of ten years we can assure you of a minimum order of twenty-seven stern draggers for the next five years" then that plant will tool up, that plant will do the necessary design work, the parent company will provide the necessary design staff necessary to do it. But it is unrealistic, Mr. Chairman, to expect that this will be done unless there is some assurance that that shipyard is going to be able to find itself busy for four or five years at a minimum.

MR. NEARY: That is still not enough.

MR. HICKMAN: Oh, no it is not enough. This is typical of the hon. the member for Bell Island. The hon. the member for Bell Island one of these days he is going to discover the Burin Peninsula. His hon. friend and I, next to him, we are going to have out a welcome map. We have left instructions down there that the hon. the Minister of Welfare is to get the same treatment as any foreign tourist. He is supposed to be taken around and explained to him the typography of the land and that people do live down there and that the deep-sea fishery is the main industry down there and that there is a mining town in St. Lawrence. So he will be welcome -

MR. CROSBIE: And widows in St. Lawrence too.

MR. HICKMAN: Well, he will stay away from these you can be sure of that. And as you enter that Peninsula, and you can get the direction from your hon. friend next to you, you will see a nice tourist chalet there and you go in and identify yourself and you will be taken care of.

MR. NEARY: The people down there know all about it.

MR. HICKMAN: Whatever they know about, one thing they are concerned about and that is the fact that there is nothing like the amount of employment or the continuity of employment that had been promised with the building of the shipyard at Marystown. And, Mr. Chairman, this is not simply due to the Federal Government withdrawing its subsidy, this is not simply due to a slump in the ship building industry in North America but it is something that -

AN HON. MEMBER: (Inaudible).

MR. HICKMAN: No, right now you have the frozen fish industry operating at a fairly viable level and as viable, Mr. Chairman, as it is likely to be unless it gets crucified by Mr. Benson's freeing of the Canadian dollar last week. But what is a fact is that these fish plants, even though they are now getting a half decent price for their fish, cannot reach on building these new draggers under the present thirty-five per-cent subsidy. So if a plant has to be subsidized to maintain employment in Marystown, so be it, but why not switch that subsidy around to provide employment? This is what we want. And if we switch it around and increase that subsidy to sixty per-cent there will be twenty-seven new draggers built in Marystown, minimum, within the next five years.

MR. CROSBIE: There was \$1. million spent two years ago, that was the subsidy.

MR. HICKMAN: Two years ago the subsidy was \$1. million but the subsidy is reducing and unfortunately the reason why the jobs are being reduced is because the number of men and women working in that shipyard have been reduced accordingly.

MR. CROSBIE: They are not building ships.

MR. HICKMAN: They are not building ships but apart from not building ships the men who work on the repair work in the shipyards are on call and when a ship is in they work and when it is not they do not. So this is how the money is being saved and their subsidies being reduced. But that was not why the shipyard was put there, that was not why the plans for Marystown called for great housing developments and why the regional plan for the Burin Peninsula called for all sorts of infrastructure that would be necessary if this plant was functioning properly.

MR. CANNING: (Inaudible).

MR. HICKMAN: Well, you know the hon. member for Placentia West may be aware of some deep-sea fish plant on the South Coast that I know nothing about that went out of operation during the last two or three years.

MR. CANNING: I did not say the South West Coast.

MR. HICKMAN: Harbour Grace, alright Harbour Grace, Ross Steers, two big ones with a lot of outside money which points up very clearly the danger of

MR. HICKMAN:

bringing in and putting all your eggs in the hands of large financial institutions from abroad because with their rather cold calculating controllers in London, or wherever their head office might be, as soon as they see an industry taking a loss, and that is precisely what happened with Bird's Eye and with the Ross group, they sealed off, "Cut our loses and we will make our money selling butter or peas or ladies underwear or anything" and that is what happened. This is what happened there but to the great credit of the frozen fish operators and the rest of Newfoundland engaged in the deep-sea fishery, they did not close their plants. They managed to keep them operating and now we find where employment is increasing in these plants and all they need now is more draggers -

MR. SMALLWOOD: All those foreign outfits that came in closed up their plants like Atlantic Sugar, like Booth, like BC Packers, all those outside firms -

MR. HICKMAN: No, they did not close their plants.

MR. SMALLWOOD: Oh, did they not.

MR. HICKMAN: No, but it points out, Mr. Chairman, the danger and when you are sitting in a fish plant in Harbour Breton, or Fortune or Marystown and you have to answer at every annual meeting to the directors and the shareholders of large parent corporations you do not rest too easy until that annual meeting is over because all these people are concerned with is the ledger and what it shows and they can be so cold-blooded that they will cut off, if a loss is there, "Cut your loses and get out" whereas the local operators if they -

MR. NEARY: What is the alternative?

MR. HICKMAN: The alternative is very simple. Do I have to go over it again and explain it to the hon. Minister? We now have in this Province a fairly viable deep-sea fishery and if this maintains at anything close to the present level it should continue that way. If you want continuity of employment in these fish plants you need a couple of things. You need more draggers, which you cannot get without an increase in the subsidy. The other thing, which is equally important, is that you need more housing in the areas where these plants are located.

Mr. Chairman, building a fish plant and having a fish plant operate

MR. HICKMAN:

only solves, does not give the full employment benefits that should accrue to people who find employment in these plants. And you may say that is a contradiction in itself. But, Mr. Chairman, these fish plants, to some extent still, and it varies from one plant to the other, operate whenever there is fish in to be filleted.

Fishery Products in Burin and Trepassey have brought in the incentive scheme and this has pretty well now provided almost regular employment within these plants. The others are doing it to a lesser degree, depending on the number of draggers they have fishing out of that plant. But this is not much good to a fellow who has to commute. We have working in the plants in Fortune and Marystown, Burin and Grand Bank, certainly these four plants on the Peninsula and I suspect the same applies in Trepassey, a large number of plant employees who still reside a considerable distance from where the plant is located and who try to commute but they are not commuting as a matter of choice, they are commuting because of the fact that they cannot find adequate housing accommodation in the towns where the plants are located

Mr. Chairman, it stands to reason that if a person is living in Bay L'Argent and there is five hours work on a Thursday afternoon coming up at a plant in Fortune, he is not going to commute to Fortune for that five hours work whereas, if he lived in Fortune, he would be able to take advantage and the women who work in these plants would be able to take advantage of every hour of employment that becomes available.

I have the figures, Mr. Chairman, from the town of Fortune. And the situation with the plant employees in Fortune is that fifteen per-cent of the people who work in Fortune come from over that shore around Lamaline, Lord's Cove and that area. These people are losing good dollars that they would be able to earn if they were not compelled to commute. But, Mr. Chairman, there has been an improvement and the improvement has taken place along side of the establishment of housing developments in these towns. In 1967 forty-five per-cent of the work force in Booth Plant in Fortune resided outside of that town. In 1970 sixty-six per-cent reside within that town and the reason for it is that during that (this does not include trawler crews because fifty per-

MR. HICKMAN:

cent of the trawler crews now reside in that town. I only use Fortune because I believe the same thing prevails in all of the centres where we have the frozen fish industry operating today) Fifty per-cent now of the trawler crews reside in their home ports and the reason for it is that at the same time in 1967 when this improvement set in, that was when we had our first housing development in these towns of Burin, Fortune, Trepassey and Grand Bank.

Now we have reached the stage, Mr. Chairman, where some of these plants and in particular the Booth Plant in Fortune is still planning an increase in the productive capacity of that plant. But one of the factors that will determine whether or not that expansion will take place is the criterion that is being laid down by the economists and their large parent organizations and it applies to the other plants as well; That for a plant to operate economically eighty-five per-cent of the work force should reside in the town where that plant is located. So what the proposal that is being put by the Fortune Town Council and the proposal that is being put by the Grand Bank Town Council and I believe Trepassey, if they have a council or whoever makes representation on their behalf, is that if you want expansion you have to have these additional housing units now and if we do not have them then obviously there is not much sense in expanding the plants. This is what is holding up the future development of some of the fish plants in this Province at this time, developments that will not involve any additional Government financing or any additional Government guarantee of loans.

Now, Mr. Chairman, -

MR. NEARY: Carried.

MR. HICKMAN: Carried, what is the hon. Minister in such a rush about? I know he is getting carried away but if we were -

MR. NEARY: You are putting us to sleep.

MR. HICKMAN: Well, that is what I am hoping. I am deliberately trying to put the hon. Minister to sleep because he needs his beauty sleep and he did not get it today at noon and if by 4:30 I have accomplished that and the hon. Minister is gone off in a nightmare of his own then my afternoon will have been worthwhile. But I do not blame the hon. Minister, you know, he knows

MR. HICKMAN:

as much about fish now as the hon. Minister of Mines knows about these sculpins that he found down in Bonne Bay. I am not going to put the hon. Minister out of his agony yet, not likely.

MR. NEARY: I am not the only one that is in agony. Even the policeman on the door is on tranquilizers these days.

MR. HICKMAN: Now, Mr. Chairman, earlier today the hon. member for Bay de Verde gave us some encouraging news about the amount of fish that is being landed in his district today and being processed at the plants at Harbour Grace, Old Perlican and Carbonear and Bay de Verde and this is good. The figure, I must say, kind of puzzles me, of 1,000 men being employed as a result of the number of men in the boats this morning in Port-de-Grave. I do not know whether this 1,000 additional men and women are being employed. The total work force, for instance, at Booth plant which is a larger plant than the one in Harbour Grace is 409.

MR. SAUNDERS: (Inaudible).

MR. HICKMAN: How many men?

MR. SAUNDERS: Half a million pounds on hand this morning when I left in one plant alone.

MR. HICKMAN: I am not questioning the amount of fish but I am questioning this formula that 1,000 men and women are working on shore over there today to process the fish that was landed yesterday. 1,000 men and women was the figure given here this morning. Now the Harbour Grace plant employs in total about what? 300.

MR. SAUNDERS: More.

MR. HICKMAN: More than 300.

MR. SAUNDERS: Yes, pretty near 600, double shift. Harbour Grace employs 600 double shift workers.

MR. HICKMAN: I know Booth Plant on three shifts employs 409 and that is a larger plant.

MR. SAUNDERS: Harbour Grace is doing more.

MR. HICKMAN: But whether that figure is good or not is not -

MR. SAUNDERS: Earles in Carbonear got four or five -

MR. HICKMAN: I know the plants, I have seen the plants -

MR. SMALLWOOD: We better drop that subject.

MR. HICKMAN: No, we will not drop the subject at all. The point that I was trying to lead up to was that the landing of the fish as such in the district of Port-de-Grave is not yielding, in my opinion, the full benefit that the fishermen in the hon. member's area have been asking for because one of the problems that the hon. the member for Harbour Grace speaks about everytime he stands on his feet in this House and he speaks about it even more strongly when he is standing over a weighing machine in Harbour Grace is the deterioration that takes place in the transportation of some of that fish over some of the dusty roads that for some reason or other seem to still continue to prevail in that district. What the hon. member for Harbour Grace and I believe the hon. the member for Bay de Verde has been advocating and it makes a great deal of sense that if the inshore fishermen during what is a very limited season is to get the maximum return from their products they can only do this with quality production. And if they are going to sell to the plant in Harbour Grace or Bay de Verde or Old Perlican the amount of fish that was caught yesterday if that fish can be landed at these plants in much the same condition as it was taken out of the water and if it will not be allowed to stand in the truck in the sun with a tarpaulin over it and further deteriorate while they are trying to unload ^{the} throat net, then the returns of that fisherman will be considerably higher than if the reverse takes place. This is what has been happening not just in Bay de Verde but in other districts in this Province during the inshore fishery. And we cannot lose sight of the fact that the Government of Canada, through the Federal inspectors, and very properly so, are becoming more and more restrictive all the time in enforcing and inspecting quality control regulations.

Now, Mr. Chairman, apparently what is happening in our neighbouring Provinces of Nova Scotia and Prince Edward Island and New Brunswick, where they have a problem, not to the same extent because they do not prosecute the trap fishery the way we do, is that this fish is being transported from the smaller fishing areas in temperature controlled trucks and this would ensure that when

MR. HICKMAN:

you take fish out of a boat in Ochre Pit Cove and if you can put that fish straight into a temperature controlled truck that that fish is going to arrive at the Harbour Grace plant in precisely the same condition or close to it that it came out of the water. This will mean that the fisherman who spent his day out hauling his trap in Ochre Pit Cove is going to get a better return than he gets under normal circumstances. That is not a very revolutionary idea, Mr. Chairman. When you accept the position and the principal that certain areas of our Province are still restricted to seasonal fishing operations then surely Government owes it to these inshore fishermen to get the maximum return during the period they have their gear in the water.

Mr. Chairman, I would not want to sound parochial, far be it -

MR. SMALLWOOD: Well, do not. Shall we talk about some other Peninsula for awhile?

MR. HICKMAN: Everytime I mention Burin the Premier goes right straight up the wall. For some reason he cannot stand to hear the word Burin, I do not know why but he cannot.

MR. SMALLWOOD: Does the hon. gentleman want to know why? Would he like to know why?

MR. HICKMAN: Because he does not understand it.

MR. SMALLWOOD: No but would he like to know why?

MR. HICKMAN: Yes, tell him. Because you hate the member, other than that what else?

MR. SMALLWOOD: Because the hon. gentleman who is supposed to be a statesman and a Newfoundlander knows the East End of St. John's, the cocktail circuit especially and one small part of the Burin Peninsula, that is all he knows of this Province, that is all he ever talks about, ever.

MR. HICKMAN: Well, anyway, Mr. Chairman, now that we have that settled that I am an expert on the cocktail circuit of St. John's East I hope that word gets around so I might get a few invitations to some of these cocktail things that the hon. the Premier is talking about. But let it never be said that any that I attend, be it in the Lines Club in Burin or in the Motel Mortier in Marystown or as I did last weekend where I spent a very delightful weekend

MR. HICKMAN:

in Bonavista addressing 180 rather angry teachers and where they too had a cocktail party. This was Bonavista, Port Union, Twillingate branch of the NTA and they had representatives there as well from Bonavista North and for some reason or other they too enjoy the cocktail circuit. I guess the word must be getting around that I enjoy the cocktail circuit because for some reason Bonavistonians and the people of Port Union and Catalina, at least we had a very pleasant dinner and a very pleasant evening with ladies and gentlemen who were not very pleasant towards Government's abandonment of their real needs in the educational process of that area.

AN HON. MEMBER: (Inaudible).

MR. HICKMAN: Tomorrow I have to go to Salt Pond and I would hope that the hon. the member for Placentia West will be there and again we better not -

MR. CANNING: (Inaudible).

MR. HICKMAN: I have only missed one.

MR. COLLINS: Inaudible.

MR. HICKMAN: Well now I think, from what I can get, they see a great deal more of me than some other gentlemen in this hon. House down there.

Anyway tomorrow they are going to have, I believe, another small well we do not use the word "cocktail party" down there, we call it a "bit of a time", but we will be having a "bit of a time" in Marystown and in Burin. And the only one that I have missed in the five years from there was last year at the direction of the hon. the Premier, I had to go to Ottawa to a Federal/Provincial Conference. But they are friendly, and we were there two weeks ago on another party. But that has nothing to do with fisheries, really, has it?

Well, Mr. Chairman, if I maybe parochial for a minute, before the hon. minister - in the hands of the hon. minister and his department, at this time ^{is} a very good brief that was prepared by the Lord's Cove Improvement Committee. Now for the benefit of the hon. the member for Bell Island, Lord's Cove is on the Burin Peninsula almost directly across from St. Pierre, Miquelon. I will not go into it in any further detail with my hon. friend the Minister of Finance, he can give him the latitude and longitude, and I think he should, in the course before the hon. minister leaves here to take his first trip south.

But be that as it may, there was a very good brief prepared about six weeks ago and submitted to the Federal Minister of Fisheries and to the Provincial Department of Fisheries and to the Canadian Salt Fish Corporation. That area is one of the few inshore fishing areas left on that Peninsula. What they find, and I have no doubt that this is not peculiar to that part of the coast in Newfoundland, that when the fish strike in during the trap season that the frozen fish plants cannot in many instances accommodate the total production from these various areas.

What they are asking is that, if they are to take full advantage of the Salt Codfish Corporation and the Salt Codfish Marketing Board, they be placed in a position where they can salt some of their fish. This they cannot do at this time. And in their brief to the Federal Minister of

MR. HICKMAN: Fisheries and the Provincial Department, they point out that last year, because of lack of processing facilities on that coast, that their production had to be curtailed quite a bit and that, with a view to eliminating this unnecessary difficulty in the future, that a community stage capable of use for the salting of fish be provided for that area.

It is my understanding that whilst the community stages are paid for by Ottawa, or most of them, that Ottawa relies very heavily on the recommendations of the Provincial Department of Fisheries. And I know that the late Ross Young was quite involved in that particular project. And, not too long ago, he and I discussed what he considered to be this very excellent brief from Lord's Cove, which was done by the people there, aided and abetted by the Extension Department of Memorial University. And we have heard a great deal of lip-service at least in this House during the past few weeks, The Government side taking great pride and particularly the hon. Minister of Municipal Affairs in the establishment of Local Improvement Councils, and Local Organizations. The hon. the member for Humber East thought it might even be the forerunner of county councils. But whatever it is, it shows a very encouraging sign on the part of our people that they are prepared to do some of the work and to do some of the planning and become involved themselves. And they are taking full advantage of the Extension Department of Memorial wherever that can be found in the Province. And I would like very much, if the hon. the minister when he speaks if he would give some indication whether this community stage can be provided for Lord's Cove this year, or whenever the estimates for community stages are brought down. And again, when the minister is answering questions, would he please also indicate, if he can, to this committee, what the future holds in store for that fish plant which has been closed "on again, off again," in Lawn during the past seven or eight years? That plant was originally built as a partial filleting plant, that was not successful. Then it was given - no it was a salt fish plant first. Buffetts owned it first as a salt fish plant. Then the salt fish went out.

MR. HICKMAN: Then there was to be partial filleting, that did not succeed. Mr. Maloney, when he was assistant Minister of Fisheries, spent considerable time there, and Government gave as a free gift or for a dollar a year the plant to the co-operative. And last year there was going to be an abattoir, and that has not worked. But the simple fact is that Lawn for instance last year landed during the trap season 13 million pounds of fish, and that is a fair hunk of fish to come into that port in a very short time. And to see that plant standing there, that small plant lying idle, makes one wonder if, particularly again with the improvement that is anticipated with the Canadian Salt Cod Corporation, if something cannot be done to provide facilities for the salting of fish in that plant. Apparently the transporting of partially filleted fish is out, because partially filleted fish deteriorates more rapidly than fish that has not been filleted at all. So it looks -

AN HON. MEMBER: Inaudible

MR. HICKMAN: No the facilities are not contained in the plant at this time to enable them to salt the fish. I do not know what they did when they had that abattoir going down there last year. But whatever it is -

AN HON. MEMBER: Inaudible.

MR. HICKMAN: That is right, but they are not there now.

AN HON. MEMBER: Inaudible.

MR. HICKMAN: Well they have not got it, and this year they trucked all of their fish - and all they can do is truck their fish again.

MR. SAUNDERS: Why do they not do what they are doing down in my district?

MR. HICKMAN: Now it is not for want of effort, but it seems to me, and I think the hon. Minister for Finance would agree that everybody has been going off, there has been more ideas come out for the use of that plant in the last ten years, and everybody genuinely wanting to find the solution, but never coming up with the right one. And instead of following through one proposal that is abandoned, and you go from salt fish to fresh fish to -

AN HON. MEMBER: Inaudible.

MR. HICKMAN: But price is part of it, or to an abattoir which was dead

MR. HICKMAN: before it even started.

Mr. Chairman, this morning there was talk about the price that is now being quoted by the Canadian Salt Fish Corporation for salt fish this year, and the prices apparently are considerably lower than the fishermen had anticipated. And the hon. the Premier suggested, if Mr. Maloney had used the words, "this is the price and the rise", that the fishermen would have then understood that this was only a minimum price that was going to be received. But apparently it is more than ^{to} the fishermen that this has not gotten through. Apparently other than fishermen in Newfoundland are concerned, when you see an announced price, that the rise may not be what is anticipated. Because we have all read in the paper, the last couple of days, expressions of concern by Mr. Pat Antle, the Secretary of the Federation of Fishermen, and, what is equally significant, joining with him in his condemnation of the prices that have been offered is Dr. Raymond Barrett, the President of the Fisheries College, who probably is the only trap fisherman in Newfoundland who has a Harvard degree, a doctorate from Harvard, at the same time. Apart from being an excellent President of the College of Fisheries and being a very skilled technician and educator, he is still one of the best, he and his father, his brothers, are one of the best trap crews (and I am sure that the hon. member will agree with me) in this Province right now. He, too, was loud in his condemnation yesterday and, as a member of the Advisory Committee to the Canadian Salt Cod Fishery Corporation, expressed some dismay over the price. So that the explaining, apparently, even if it has gotten through to our fishermen, is not being accepted. Because not only they are having difficulty in understanding this and they are disappointed but so are those who are very close to it, and who should be very knowledgeable in the significance of what this announced price means. And it would be cruel in the extreme if we build up the hopes of fishermen and then have them once again back to the ground, because an awful ^{lot} of fishermen have pinned their hopes on the Canadian Salt Fish Corporation. and one more disappointment would be ruinous to that branch, at least, of the fishing industry in this Province.

MR. U. STRICKLAND: Mr. Chairman, I wonder if I could be allowed to speak from this position, because my chair is occupied?

MR. CHAIRMAN: It is agreed.

MR. STRICKLAND: Mr. Chairman, I assure the committee that I am not going to detain them very long, but I think there are two or three things that must be said. I have heard a lot today - I have heard a lot of solutions for all of our problems in the fisheries and yet I do not think we have come to grips with our problem. I just heard my hon. friends speak out in defense of deep sea draggers. Some of the larger plants undoubtedly will have to have draggers in order to get the supply of fish to operate, but I wonder is the hon. gentleman aware of this fact; that fish landed from deep sea draggers cost seven cents per pound whereas the fish landed by longliners and other means of inshore fishery is landed for four cents a pound?

MR. HICKMAN: I know there is a difference, there is a difference of three cents.

MR. STRICKLAND: That is the difference. I think the minister can confirm that that is the figure.

Now then I want to know who loses the three cents? Do the fishermen lose it? Who picks it up? I would suggest this, that a plant that is entirely depend on deep sea draggers will have a much greater overhead than the plant that is operated by inshore fishermen. And who pays for the overhead? I heard the Premier say today, I believe, that all of the cost must necessarily come from the fish, which means the fishermen's pockets. And I suggest to you or to the House, Sir, that a lot of the problems of our fisheries in this Province can be solved in a different way, and I will give you one living example: We have a plant over there in Hant's Harbour that today, one hour and a-half ago, had 219 people employed. And that plant is fed entirely by longliners and trap men. The overhead of that plant is far below the overhead of a plant that must be entirely dependent on deep sea draggers. Maybe if we had a dozen other such small plants around this Province we could very well take care of more problems

MR. STRICKLAND: in connection with our fishery than though we had two or three or four giants scattered around the Province. I say that is a partial answer to some of our problems.

AN HON. MEMBER: Inaudible.

MR. STRICKLAND: No it is eight months out of the year, and that is very good.

Something else which must be said, Sir, what we need to cure some of our problems and I am going to be very clear-cut on this no matter who it offends or does not - we need a Government in Ottawa with guts enough to enforce the twelve mile fishing limit. and keep the draggers out of the bays of this Province. I do not care what draggers they are, keep them out, period, and give the inshore fishermen a chance to pay off his investments. He has invested in a longliner to X number of dollars; he has invested in so many nets, some of them 100, 150, 200 nets. I know they get a bounty on it, but they must pay a certain percentage of the cost of their fishing gear. And unless we can make the bays available to those men to fish, then let me say right here and now, (and keep the draggers out) that our inshore fishery is doomed to die.

If we can get a Government in Ottawa, I could not care less what political tag they wear, that will enforce that twelve mile limit, and I do not care how they enforce it but it has to be done. if we are going to save our inshore fisheries. Let me give you one example; the distance from Grates Rock to Horse Chops, I think is twenty-one miles, in the mouth of Trinity Bay. If we enforce that twelve mile limit, there is no dragger can operate anywhere in Trinity Bay, They are automatically shut out. And I would suggest that the same thing goes for most of the bays in this Province. And if we will do this, then we will have all of the bays of the Province left for the inshore fishermen. And in this way they can take care of their investments, They can earn a decent living for their families, and they can maintain a good quality of fishing gear.

Now if we can get this done, Mr. Chairman, I suggest right now that

MR. STRICKLAND: one of the biggest problems confronting the fishermen in this Province is being met. And if we cannot get this done, I am very much afraid that the inshore fishery is not going to be all or half of what it could be.

I was amazed, in view of all that we have been hearing for the last decade of the failures of the Government, I was amazed to hear the minister, in his opening remarks, the figures that he quoted which spelled out in no uncertain way what the Government has done to help the inshore fishermen - 2,927 small boats, and they are new boats - the Government's bounty towards the cost of building those boats is \$567,829. (over a half a million dollars there); 14,196 nets, in 1969 alone. And the Government's share of the cost \$292,000. Trawl lines - \$16,000 bounty. And the total paid, as the minister said, by this Government over the last eight years was no less than \$3,089,000 in bounties on small boats, nets, lines and engines.

AN HON. MEMBER: And more if they wanted it.

MR. STRICKLAND: And more if they needed it undoubtedly.

So for all, Sir, the Government, they have done something. We have 2,927 boats, so let us cut off the 927 boat, maybe 927 of them could have had built their own. I do not know. But we certainly got 2000 boats around now that we would not have had without this bounty. And some of those boats carry more than two men, especially when they are trapping. Most all of the trap crews have three men. And a lot of them have diesel engines. So the Government have done something, and yet every single problem that we have in connection with the fishery in Newfoundland, "oh" they say, "the Government is to blame." And I am sick and tired of hearing this.

I suggest another thing that is needed to cure some of the problems of the fisheries in this Province, Sir, we need businessmen who will not set out to bleed us to death and then run away and leave us. We need businessmen who will stick with it, take their losses with their gains, take the good years with the bad, and the bad with the good and stike with **7016** it. And any year that they have to take a loss, they know that the men who

MR. STRICKLAND: work for them and with them, they take a loss as well. But that is no reason why ^{they} should run away and leave it. Bank everything they get. "Get all they can, and can all they get", that is the policy of some of them. These men are no good to the fisheries of this Province. We need men who will give it all they have, take their losses if they have to, but yet carry on. And if we can get businessmen who will give their investments, and invest in the fisheries, sure they are entitled to a legitimate profit. They are into it to make money. and to honestly make money, otherwise they cannot stay alive.

But surely they owe the fishermen something. They should not have it all and leave the fishermen with nothing. The fishermen who work, they are entitled to something as well. And if we can get dedicated men, men who are interested not only in themselves but in others, to invest in the fisheries and stick with it, then I think; when that day dawns, we will see a much better fishery in Newfoundland than what we have now. Give us men like that, give us a Government that will enforce the twelve mile limit, plus the help that the Provincial Government has already given and will give, then I think, Sir, we will get the fisheries of this Province off and away - and the quicker it comes the better. And it is time for the people, (unless they are satisfied) to look this thing square in the face and state facts - then it is time for them to say so.

On Motion Item 1401 to 1402 carried.

MR. COLLINS: Mr. Chairman, 1412-05-01 - Lewisporte Haulout, this was constructed by the Federal Government, I believe, I stand to be corrected on this. I believe it was constructed by the Federal Government and is being maintained by the Provincial Government is that the position?

MR. WINSOR: Yes, Mr. Chairman, that is the position, and this haulout provides the people of that area you know with the facilities to haulout their boats, paint them, repair them, and I understand there are quite a few hauled out and more or less stored there or kept in dock for the winter period. The cost to the Provincial Government is \$8000. I have not seen it myself, but I am sure the member for Lewisporte is quite familiar

MR. WINSOR: with that haulout. And I understand it is providing a great service for the local boat operators, not only in Lewisporte but the outside areas as well.

MR. ABBOTT: Mr. Chairman, 1412-05-05 - Ramea Ferry Service. Mr. Chairman have we other ferry services besides Ramea, because I note here Ramea Ferry Service, now that is under fisheries. I understand we have one in the Straits of Belle Isle running across -

MR. JONES: Mr. Chairman, I would be glad to assist my colleague on this matter. The ferry across the Straits of Belle Isle is subsidized by the Federal Government and operated by the Maritime Transportation Commission. The one on Bonne Bay, at least up until the end of the past year, was operated by the Department of Highways. The one operating between Twillingate and New World Island was operated by the Federal Government. The one from Carmanville to Fogo is operated by the Federal Government, and this one here the vote is carried in the Department of Fisheries, This is the only one actually, apart from the Bonne Bay Ferry, which is operated by the Provincial Government at the moment, or in which the Provincial Government is involved. And, of course, the Bell Island Ferry, as well, is operated by the Federal Government.

MR. COLLINS: Mr. Chairman, perhaps the Minister of Fisheries or the Minister of Finance might indicate to the committee who is going to operate the proposed ferry from Stag Harbour to Farewell? Is this a

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a private venture, totally a private venture or just some Government participation?

MR. JONES: At the moment, Mr. Chairman, it is private. It is a completely private venture. The only involvement that the Government have in it, to my knowledge, is a couple of years ago the Department of Mines, Agriculture and Resources did agree to the operator building the road over Crown land.

MR. ABBOTT: Yes, Mr. Chairman, that information is very valuable. There is another service, ferry service, that is from Badger's Quay to Greens Pond and that is being operated by the Federal Government as well or being subsidized by the Federal Government. But this struck me funny, the Ramea ferry service being in fisheries. Apparently they get no subsidy from the Federal Government, I would assume that is so. They are being financed solely by the Provincial Government.

Mr. Chairman, you have not called (06). Of course, there is no vote there but while I am speaking, I am wondering - I am thinking now of the fishermen of Labrador North or Bonavista North rather. Maybe while we are on that - we are thinking now of assistance - questions have been asked the House concerning the fishermen. Fishermen have been in touch with me, and I am sure they have been in touch with the hon. Minister of Fisheries concerning their plight of last year wherein they came home practically clean...

MR. SMALLWOOD: That would come under 1413 - Fisheries Development and Assistance. The next page.

MR. ABBOTT: I presume, Mr. Chairman, that will become..

MR. SMALLWOOD: The minister is going to make a statement.

MR. ABBOTT: Oh! I see. Thank you very much.

MR. CHAIRMAN: Shall 05 carry? Carried. 1412-06-02.

MR. SHALJWOOD: Mr. Chairman, I have some information on this vote that might be of interest to the committee. First as to the number of persons employed 1968 and 1969 and then 1970. In 1968 production workers, 85. In 1969, 189. More than 100 upwards. Apprentices 121. These were young men who were apprenticed in the shipyard, learning the trade of ship building - 121 and last year 70 and the number of staff in 1968 was 55 and last year 45. The totals 1968 were 261 and last year 234. A decrease in the number of apprentices from 121 down to 40. A decrease in the number of staff down from 55 to 45 and an increase in the number of production workers from 85 up to 189. So that, in the two years, it was 261 the year before last and 234 last year. The wage bill, the total payroll the year before last was \$1,422, 000. Last year, \$1,220,000.

Now in the current year we have the figures for the week ending May 30th, the last week of the past month. Yard workers: there were 79 regular and 9 temporary. Staff was 29 regular and 1 temporary. The total staff, the total payroll for the week ending May 30th. past was 118, and they were paid at the rate of \$900,000, just under \$1 million a year. If the rate, at which they were paid for that week, were to be continued throughout the year, no more and no less, it would be about \$1 million.

Now, I have a note here, one of the last notes ever sent to me by the late Ross Young. I will quote at least in part from it. " You will recall," he says to me ; " that in my diary of 29th. November, 1968, I reported on a meeting in Montreal with J. Eric Harrington, President of Canadian Vickers Ltd and certain top officials of that organization regarding the future prospects of Marystown shipyard. Discussions centred around a five year projection of operations based on the following

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cases:

" (1) Use of the facilities for repair work only which could result in the loss of \$1.8 million over five years - nearly \$2 million loss in five years by using the facilities only for repair work;

" (2) To add construction of one new trawler yearly to the repair work which would result in a loss in the five years of \$1.2 million. In other words save \$600,000 in the five years; or

" (3) To add construction of the two new trawlers - add to the construction two new trawlers yearly which would mean a near break even point over five years."

In other words, Mr. Chairman, if two draggers a year could be built along with the repair work in the yard then over a period of five years, they would just about reach the break-even point. They would not lose any money. "Following a review of this projection it was decided to circulate it to the directors of Newfoundland Marine Works Ltd for comment before submission to you." (That is to me)

" To accept (3) would mean substantial loan assistance to the industry not in a position to build new trawlers" - to the industry now, the fishing industry, to go for number (3), the third alternative, to go for that, to adopt that, as our policy would mean that the fishing industry that would place the orders for these draggers, even at two a year, not being themselves in a position to do it would have to get loan assistance from the Government to build new trawlers to replace certain obsolete and uneconomical trawlers and to bring fleets up to standard. Nevertheless this would appear to be the only alternative, if the yard is to become a viable industry. A consensus of the directors was that (3) . if the program could be financed, was a logical course to follow. Accordingly, Mr. Harrington wrote on December 18th. informing

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you of this. He also sought direction as to which path the yard should follow. In the same letter, Mr. Harrington pointed out the loss for the fiscal year ended November 30, 1968 was expected to be in the vicinity of \$1 million.

"This loss exceeded the projection made the previous year of \$650,000." He listed the contributing factors. "The accommodation of the Government's apprenticeship program at both the Fisheries College and the Burin school, the natural process of unionization causing wages to be paid beyond what had been expected. The cost of retaining houses for the attraction of technical personnel, which program has now ended. The cost of staff which was built up, based on the original conception which never materialized. Owing amongst other things to drop in subsidy, that is Federal subsidy, and a crisis situation in fish marketing, it was felt that the next step should be to await receipt of the audited financial statement. These were received recently, not only to verify the loss position but to have accurate knowledge of the cost of the apprenticeship program."

The Auditor's note says: "apprentice wages are considered by the company to have little if any productive value and the amount of such wages and fringe benefits included in production costs and overhead amounted to \$441,000 in 1968 and \$126,000 in 1967." Mr. Harrington remarked that a rather severe program of cost reduction had already been instituted which as yet had not drastically affected the apprenticeship program but which in the near future must almost eliminate that program. He said, "it must be borne in mind that neither case one nor two has any apprenticeship content and those presently employed will be laid off, whereas, case three, to go on with the repair work and build a couple of draggers a year and allow for thirty-six apprentices; it is expected that an additional sixty could rejoin the work force in 1969 and 1970."

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Meanwhile Mr. Young went on in this: "meanwhile I pursued with the Department of Fisheries in Ottawa the availability of the steel vessel subsidy. You will recall that in my diary of November 20th"- I may say that the late Ross Young instituted an absolutely wonderful system of keeping an hour to hour diary, accounting for every hour of the day of every visit he made outside this Province or to other parts of the Province away from St. John's. He kept an hour by hour diary which he submitted to me upon his return to the City, and I have that collection of diaries today, and I have offered to give a complete set of them to his family if they will agree to keep them confidential, because they are an absolutely remarkable tribute to the meticulous mind, the careful, meticulous, orderly mind of the late Ross Young.

So he says here, "you will recall that in my diary of November 28th I mentioned that Dr. Needler said his minister wishes"- well, I will drop that. This is a reference to the Minister of Fisheries in Ottawa and the Deputy Minister. "Then on Friday afternoon last Dr. Needler informed me that so and so and so and so was reluctant to pass over the subsidy to such and such and such a department. They had no reason to believe that ^{the} funds, if needed, would not be supplied." It goes on to some statistics and then he says, " goods and services purchased by the yard." Now this is interesting "that in addition to the wages paid by the yard to employees and apprentices and so on, goods and services purchased by the yard amount to \$1,037,067. But it is difficult to tell how much of this directly benefited the Province. Perhaps, fifty per cent would be a reasonable estimate." Then it goes on, "repair sales were up from a relatively small amount less than \$50,000 in 1967 to \$584,000 in 1968 and since the beginning of the year there had been twenty-four dry dockings and seventeen vessels repaired along side that is

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turned to start building, repairing and building, than the very bottom - the very bottom dropped out of the frozen fish industry of this Province and of Canada and of a large part of the world. We have gone through hell. Newfoundland and Nova Scotia and Iceland and Norway and the Farrels Islands have gone through veritable hell for about four years past in the fishing industry. The market simply collapsed. It just simply collapsed. The price of frozen cod blocks dropped down, I think to below twenty cents a pound. In the United States, duty paid, freight paid, warehousing and everything up there, and still fetching after all that, nineteen cents or something and all these expenses to come off that low price - the price had been up around the twenty-nine or thirty cents a pound and one-third of the price disappeared. That is the gross price I am talking about. The landed price in the market! Well these were disasters. We have the balance sheets of all these companies, because they all owe money to the Newfoundland Government. The Government helped to finance them. We put out something, I think, like \$20 millions in loans to those companies, those fish plants and we get their annual balance sheets and we know what their losses are, and it was utter disaster.

In that disaster the great Harbour Grace Plant - four plants, Fermuse, Harbour Grace, Port-de-Grave and Old Perlican - four plants. the great Birds Eye, the great Unilever - one of the second or third biggest - the biggest firm in the world selling food - Unilever, Lever Brothers, Unilever, owning Birds Eye and they with these four plants, they just walked out after losing \$9 million. They wiped off their loss. They Gut their loes. They cleared out of Newfoundland and sold the whole outfit to the Newfoundland Government for \$1.5 million. We have \$12 or \$14 million worth of fish plants. We bought them so they would not become derelict. We bought

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them so they would not just lie there and become graveyards. We bought them to keep them in condition, keep them operating and try to find a buyer who would take them over at a bargain and carry on. We did not want to make money although we made, I think, we made \$250,000 or more out of the sale. But, however, we were not interested in making money. We were interested in keeping them intact. Those four plants folded, and the owners cut their loss of \$9 million and cleared out. Although right now, though they have cleared out of Newfoundland and got rid of those plants, they are very happy to be buying the fish from those plants and fish is going today from Harbour Grace to that same company in England, Birds Eye, who have about seventy-five to eighty per cent of all the fish sales of the United Kingdom. That one company, they have thousands of shops all over the United Kingdom; hundreds and hundreds of refrigerated trucks. They are a fantastically big outfit. They are now buying fish from the plant, the very plant they gave away practically as a gift.

At the same time the Ross Steers group folded over here on the southside, that magnificent plant. It was a spic, span, ^{new} shiney, modern plant, six months old, when they folded and cleared out. We had not seen hide nor hair of them since. All this was part of the collapse of the fish industry up and down North America and there is one fish company - one frozen fish company in all the Eastern Seaboard of Canada that made money and that was the outfit in Halifax - National Sea Products. The one outfit, Clarence Morrow's outfit, the one outfit in all the Eastern Seaboard of this nation that made money in spite of everything is that one company. Everyone else losing their very shirts. All that happened, that began, that started almost the day that the shipyard was built and ready to produce.

Now, Mr. Chairman, we expected - we expected when we financed the building of that shipyard that even with things going on normally, it would lose money. It would lose money for a year or two or three. It

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would lose money until they had built up a trained work force in it of 500 or 600 Newfoundlanders who would become good modern style steel ship builders. We brought them in from Northern Ireland. We brought them in from Scotland. I do not know how many - fifty, sixty. I am not sure how many were brought in, expert shipbuilders from the great shipyards of Northern Ireland and Belfast, I expect, which is a famous shipyard town or seaport and from Scotland to train our workers. And what we had to do was to train them and they would be very nonproductive or unproductive at any rate while they were learning their trade!

So, we expected this. We calculated on it that for the first couple or three years the shipyard would lose money even in a booming economy, even in a booming fishery. Then we expected to lose money. Well then what can you imagine happened when, instead of a booming fishery, the very bottom dropped out of the North America Fishing Industry? What would you expect but exactly what happened, which is that the losses became astronomical.

Now right now the fishing industry is coming back. It is coming back - cod blocks have increased eight cents a pound - eight cents. They have gone up to twenty-eight to thirty cents - twenty-eight, twenty-nine, thirty cents a pound, and I do not know whether they will keep on going up. Other more valuable species have gone up even more than that. They have gone up to as high as forty cents a pound. I am talking, of course, of a very, of a more exotic type of fish, when I am talking of figures getting up, you know, in the thirty to forty cents a pound. But cod block, the frozen cod block, which is the very staple, the plentiful codfish, filleted and frozen into blocks, that is now up to twenty-eight, twenty-nine cents a pound.

So, give it a year or so. Let them get the feeling of loss, the feeling of disaster out of their blood, out of their system and then perhaps you will see the beginning of a little boom - a boomlette, if not

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a full boom in shipbuilding again. We have a shipyard there, beautiful, nothing better in all Canada, bigger maybe, nothing better, the last word in a stream-lined shipyard. We did not spare the horses. It cost us what? It was \$14 million - a beautiful shipyard, all ready to go as soon as they start building ships again.

Now I - my attention was diverted when the hon. member for Burin District was speaking. I listened to him in part and then I got impatient and then, before I knew it, he was making a suggestion which struck me without hearing it thoroughly as being perhaps a very sensible and practical suggestion. So, what I am going to do, I do not know if I can wait until I get Hansard. I am going to read that part of his speech. I will try to skip over the nonsense in it before and after this sensible part, But I will try to pin down the sensible part and read it and see if it is as sensible as I think it is - where he suggested some kind of a scheme along lines which were suggested to me by Mr. Ross Young - something along the same line, that we approach the trade and make a deal with the trade whereby they will anticipate their needs. Their obsolescence is hitting. It is hitting. It is striking the fishing fleet. They are getting to be obsolescent. There are still a few old side draggers are there not? What do you call them? Side trawlers - there are still a few I believe. There are still some, enough to be replaced with the modern stern dragger and some of them have accommodation which is not very attractive. Today, to get men in the dragger industry, you have to give them not only an efficient, ^{ship} from the standpoint of fishing - that means a stern trawler - but you have to give them a ship that is also comfortable and where they

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can live almost as comfortably as if they were home on dry land and why not? If you can do it, why not? If you can put that kind of decent comfort aboard a ship, why not? What is the reason not? Why expect a man to go and work in greater discomfort than he needs to? The only way, in any case, you will get them to go is to give them a decent kind of accommodation, decent food, a decent chance in life, a decent chance to make a dollar, a decent chance to support their wives and families back home and give them a chance to spend some time home as well. Because Your Honour a crewman on a dragger is just as fond of his wife, as Your Honour is fond of his wife, and just as fond of his children as Your Honour is of his children, or any of us. And I do not see that God has ordained or nature or anything else has ordained that a man, who makes his living supporting the fishing industry by being the crew members aboard draggers out in the rough North Atlantic, should be expected to go on forever taking a poorer kind of living than other workers are getting.

So maybe there is something to be said, I do not know what we are going to do without Ross Young, I just frankly do not know. I do not know what we are going to do without him. I do not know what this Government are going to do without that man. We have just had the loss but we will find someone and we have to find someone who has the confidence of this Government, to start with, and has the confidence of the Canadian Government, in the second place, and has the confidence of the fish merchants, the fish trade, and has the confidence of the fishermen. That is a sweet job, is it not? That is a dandy to find a man like that but we have to find one.

Anyhow I would like to read this speech, ^{or} if the hon. gentleman would even write me a letter and outline what it is he said. I should have been listening but I was so completely bored, I was bored to tears, I was ready to break down and cry with the sheer boredom of his speech until suddenly and I got myself in the mood that I could not stand it any longer suddenly I realized he was making a bit of sense. Now I would like to hear the sense part of it.

MR. HICKMAN: If you had stayed away from the cocktail parties we would have been alright. That is the trouble the hon. Premier is always on the cocktail parties.

MR. SMALLWOOD: I was not at a cocktail party, I was at a funeral. Anyhow I would like to hear an explanation of what he said because just in case it was sensible and as I suspect it was I would like to hear something about it. I do not know if there is anything more I can say about the shipyard. It is a great idea. It is going to succeed. It just awaits the resuscitation and the revival of the great fishing industry, and that nothing can stop, I think, in my opinion anyway.

MR. CHAIRMAN: Shall the item carry? Carried. Shall 1412(08) carry? Carried. Shall 1413(01) carry?

MR. COLLINS: Mr. Chairman, I notice the grant is down a little here, that is dealing with Fisheries Development and Assistance. Certainly there is a great need for further development and there is no doubt at all that there is still a continuing need for assistance. Could the Minister give us an indication of why this is?

MR. SMALLWOOD: The hon. gentleman will understand.

MR. WINDSOR: It is an unfilled position in the case of Mr. Hynes, I think, who has retired but has not been replaced. It is an unfilled position, Mr. Gerry Hynes who has retired. Is that salaries (01), is that what you are on? Yes, that is the reason why it is down.

MR. COLLINS: The position will be filled, will it?

MR. WINDSOR: Oh yes, in due course.

MR. SMALLWOOD: Where are we? What item are we on?

MR. CHAIRMAN: 1413(01).

MR. SMALLWOOD: 1413(01).

MR. BURGESS: Mr. Chairman, on this Fisheries Development and Assistance relative to the Labrador Coast. Now the Labrador -

MR. SMALLWOOD: That is (03), 1413(03) - Development and Assistance is on so can you not wait until we get to the office expenses?

MR. CHAIRMAN: Shall (01) carry? Carried. Shall (02)(01) carry? Carried. Shall (02)(02) carry? Carried. Shall (03)(01) carry?

MR. BURGESS: In the matter of Development and Assistance there are just a few matters. I am happy in the sense that the present Minister holds this

MR. BURGESS:

Portfolio of Fisheries because he is one of the few men who are thoroughly familiar with the Labrador Coast and I am sure that, in this new portfolio, this could be a benefit to the people on the Coast. Now, as he well knows, Labrador is divided up into five development areas, composed of the Labrador Straits Development Area, the Southern Labrador Development Area, Goose Bay-Lake Melville Development Area, North Coast Development Area and Labrador West.

Now in the Labrador Strait Development Area, Mr. Chairman, there are 354 fishermen from L'Anse-au-Clair to Rocketts Cove, and I am quoting figures from something that was compiled by the Department of Labrador Affairs, the community inventory of Labrador, but in this area there are 356 fishermen from L'Anse-au-Clair to Rocketts Cove and there are sixteen communities involved in this area, Mr. Chairman. In the Southern Labrador Development Area from Chateau to Fox Harbour, ninety-three communities, there are 1,014 fishermen. In the Goose Bay-Lake Melville Development Area there are 192 fishermen. In the Northern Coastal Development Area from Ironbound Islands to Nail there are 355. Now the total is approximately 2,000 fishermen.

Now with regards to development I would like the Minister to inform me as to the possibility of the establishments of some frozen fish plants along the Coast of Labrador. I am not too knowledgeable about frozen fish plants but I did happen to go through a couple of them last weekend down here on the Island and there is no doubt about it that the need for smaller industry in these communities on the Coast is great. And what better industry could be established along the Coast of Labrador at a reasonable cost? It would not cost much. For \$1. million I am informed you could put five or six of these frozen fish plants in strategic areas of the Coast.

Now these frozen fish plants, Mr. Chairman, would provide employment, not alone for the fishermen who would provide the catch, they would also provide employment for the people in the various communities, to fillet these fish or put them through the various processes, the process that is necessary and freeze them, and the fish could be picked up by boats in route to the United States for the export market. I mentioned to the hon. Minister of

MR. BURGESS:

Social Services and Rehabilitation the other day that there has been a grant from the Federal Department of Indian Affairs and Northern Development, there has been a grant of \$1. million since 1964 and I ask the hon. Minister of Social Services and Rehabilitation, how much of that \$1. million was spent, for instance, last year? He told me \$215,000. and over the period of six years I am informed, Mr. Chairman, that where \$6. million could have been spent there were only \$2.6 million. So we have \$3.4 million sitting in Ottawa that could have been utilized for the development of Northern Labrador. I just do not see the sense in having that money available. Now I am not quite sure on what basis, if it is a cost-sharing basis, if it has to be matched by a certain percentage from this Province, but the fact of the matter remains that there are over \$3. million available, to be spent in Labrador. in Ottawa. What better way to spend this money than to establish some smaller industries of this type in Coastal communities in Labrador where it would provide employment? Everything would generate around this because there are desperate employment needs in a lot of these coastal communities.

MR. SMALLWOOD: After this Department, the next one we are calling is Labrador Affairs so would not this be a better speech for that? Right after fisheries we are going to call Labrador Affairs, because it is the same Minister, so why not save special references to Labrador for the Labrador Affairs Department? Otherwise the hon. member will want to say it all over again.

MR. BURGESS: Now I just want to make one point. I want one answer from the Minister of Fisheries on one problem which the people from Labrador are facing now. The Newfoundland stationers, Mr. Chairman, are brought to Labrador by the CNR for only \$6.00 a man, at this time the stationers who go over to the Coast of Labrador. Yet the fisherman in Labrador who, for instance, wants to move from Cartwright to Spotted Islands, he does not receive any subsidy of any type from wherever this subsidy comes from but CNR charges him the full rates. I would like to know if the hon. Minister has been aware of this and what is the reason for it? Why should the Newfoundland fisherman, I am not saying that he does not deserve it, but if it applies to one group why should it not also apply to the people on the Labrador Coast?

MR. WINDSOR: Mr. Chairman, all down through the years there was always known to be a fisherman's rate for transportation of fishermen and their families from Newfoundland to the Coast of Labrador. This has been way back for twenty or twenty-five years and I served as purser on the old Kyle when we used to go around Conception Bay and pile on 400 people on that boat, all on fishermen tickets. Then the same thing applied to the people of Labrador providing they travelled within a certain period because, Mr. Chairman, people would come on board in September, October and November and look for fishermen tickets, That was nothing uncommon. So there was a cut-off period, I think it was somewhere around the last of June or the first of July.

Now in Labrador, and I do not know how much of this the hon. member knows about, I do not think he is very well acquainted with the Coast of Labrador. He is an inland man like the Great Lakers, he is an inland water man. But we fellows with long experience in Labrador, you know, we sort of roughed it on the coast and what not. But the problem there is that people were always abusing it. I am not saying they do not deserve it, Sure they deserve it but ^{that} the problem there is, very few of the people from Cartwright today will take the Bonavista or the Nonia or the Cabot Strait to go to Spotted Islands. They get in their own boats and they have boats thirty-five and forty feet and they take their families and they go off out to Spotted Islands. There has never been a request, there has never been a request from the fishermen of Labrador asking for this transportation subsidy. If they were to ask we would certainly look into it and be glad to accommodate them.

MR. BURGESS: (Inaudible).

MR. WINDSOR: Sure, why not?

MR. CHAIRMAN: Shall the item carry? Carried. Shall (03)(03) carry?

MR. SMALLWOOD: Mr. Chairman, the Minister was going to make a statement on Labrador fishermen under (03)(03).

MR. WINDSOR: Mr. Chairman, we all know, of course, the failure of the Labrador fishery last year and it was almost a failure the year before. But last year it was a complete failure, the whole length and breadth of Labrador from Blanc Sablon down to Chidley. Consequently, of course, the floaters returned

MR. WINDSOR:

home with no catch. It is not usual, as the hon. member for Bonavista North knows, it is not usual for a fish failure in Labrador. It happened once before in my time and I am sure that too was in his time at Wesleyville but I recall it quite vividly. So what are we to do with the Newfoundland floaters? The Newfoundland floaters as such, they are a specific and a special kind of a vessel. They are not the longliner type, they are not the dragger type or they are not the trawler type. They are, most of them, converted sailing Grand Bank fishing vessels. I am sure if the hon. member for Burin could go down in Bonavista Bay now he would see one or two of the old Grand Bank fishing schooners converted into a Labrador floater.

The practise has been that the Labrador floater would leave home in June, the first of June, and they would sail directly to Labrador sometimes passing fish on their way but they were headed for Labrador and it was Labrador blow high or blow low. They had to go there and many of them took chances on their lives poking through drift ice. I have seen them, Mr. Chairman, go down out there, a fleet of vessels, ten, fifteen, twenty and more, vessels poking along and trying to get ahead of the other fellow getting through the ice to get down to drop anchor in places like Boulders Rock or Bateau or Long Island, Grady, Cape Harrison, oh, scores of places, and when they got there, of course, they were victims. They had to stay there until the fish struck in and if the fish did not strike in there they usually moved on to some other place North, not very often South, but they moved on North until they ran their course.

Now what we have done, without taking too much time of the Committee, we have a program of a cost-sharing program whereby we assist the Labrador floater to install on that schooner a gurdy and a number of gill nets. This will give them more mobility. They will be able to move around and if there is no fish in Cape Harrison then ^{they} can move out to Ragged Islands and use the gill nets. I hope and trust he does not put out a fleet of gill nets and leave them over the weekend because if he does then of course he is going to produce a very poor quality of fish. So this is the program, Mr. Chairman. We invited the floaters in, We had meetings with them and this was as far as

MR. WINDSOR:

the Federal Government was prepared to go. Most of them went away. They were not all happy but half a loaf is better than no bread at all and this is the only assistance that we could offer the floaters.

It is my opinion because, Sir, there has been no change, no change at all in the Labrador fisheries for hundreds of years. The only change that I know in my time is that several of the vessels have been converted from sail into auxiliary first and now, of course, it is down to motor vessels and an auxiliary vessel as you know is a combined power and sail. That is the only change. The method of fishing in Labrador ^{is} with a cod trap and my great-grandfather was one of the first ever to set a cod trap in Labrador and he set it down at the Stag Islands in Groswater Bay. There has been no change in that method since. This is a revolution if it works and I think it will work. This will give the operator an opportunity to fish longer and go in deeper waters. In substance, Mr. Chairman, that is the policy.

The bank fishermen, I recall if you were down around Domino in September your banking fleet would sail down and they would approach the harbour, leave the big mainsail on, fasten in your sheet, drop your cable and here you were. But the next morning at two or three o'clock they were out off the Round Hills. But they used -

MR. WINSOR: And of course they had to bring their bait. But the only thing about the Grand Bank fishing schooners - they used to head for Greenland -

AN HON. MEMBER: If there were no fish in Labrador?

MR. WINSOR: No, sometimes a fellow would leave St. Pierre on that particular trip - it was always exciting to see a Grand Bank fishing schooner hauling in toward the harbour, because you knew there was a bottle there shining on board - but you always knew there were a few cigarettes to get and the odd bottle of liquor.

MR. HICKMAN: This was about the first week in September?

MR. WINSOR: In September yes. That is right.

MR. HICKMAN: And you get a lot of bakeapples -

MR. WINSOR: Yes, they used to go to Eagle Sound and pick their bakeapples before they returned home.

MR. HICKMAN: They stay until the 10th. of November -

MR. WINSOR: Oh, I have seen them there in October - when you get the real hard industrious like many of the Grand Bank fishermen.

MR. HICKMAN: I remember Captain Harry Hynes coming back from Greenland in November - In November now.

MR. ABBOTT: I wonder if the minister can inform the Committee as to how many vessels have accepted, or how many fishermen the Federal Government's offer? Or the Provincial Government's offer?

MR. WINSOR: At the moment there are seventeen.

MR. ABBOTT: Seventeen accepted?

MR. WINSOR: Seventeen vessels will be supplied with the fishing gear.

MR. HICKMAN: On that same heading - some work I think has been carried out this year in deep water trawling by the Provincial Department of Fisheries. Would the minister indicate to the Committee as to what success if any this has proven to be?

MR. WINSOR: Mr. Chairman, I am afraid that is one I am not familiar with, but I can certainly inquire. I do not know how the deep water -

MR. HICKMAN: But it is on going right now?

1414-01

MR. COLLINS: On this Item - I would have thought that the establishment of the salt cod marketing corporation had a need for this. Would the minister indicate to us what it is all about?

MR. WINSOR: This is a post Mr. Chairman, that was provided for - as a matter of fact, we had a man in that position. He now has resigned and I think he is taking up a permanent position with the salt fish marketing board. If that is the case, this vote will not be necessary.

MR. CHAIRMAN: Shall 1431-11 carry? Carried.

02

MR. SMALLWOOD: Mr. Chairman, the hon. minister wants me or someone - he is not permitted himself, to move that this be amended to read \$30,000 instead of \$20,000.

MR. JONES: Mr. Chairman, on the Block Provision Salary increases - the figure \$11,300 is to be changed to read \$16,700 and the new total then will include the extra \$10,000 under 1431-02. The total for the Department of Fisheries should read \$3,307,900 .

MR. CHAIRMAN: Block Provision Salary increase in new post be amended to read \$16,700 and that the total be amended accordingly. Those in favour "aye" contrary "nay" Carried.

Shall I report Heading 14, Fisheries with some amendments - Carried.

MR. SMALLWOOD: Head 19 , Page 84.

MR. CHAIRMAN: Head 19, Labrador Affairs. Shall 19-01-01 carry?

MR. BURGESS: Mr. Chairman, under this general heading, Labrador Affairs, first of all Mr. Chairman, I would like to refer to the Act - Statute that was passed on March 25, 1966, wherein the Department of Labrador Affairs was created. And the powers and functions of the minister in Section 7 read, "extend to and include all matters relating to Labrador over which the Legislature has jurisdiction which are not by law assigned to any of the department branch or agency of the Government of the Province." Now in relation to that section Mr. Chairman, Section 7 of that Act -

in reply to a question addressed to the hon. minister in Goose Bay during the hearing of the Labrador in the '70's, the Labrador Conference held in Happy Valley on February 26, 27 and 28th. And I am reading from the minutes of this Conference Mr. Chairman. "Captain Winsor was asked to explain the functions of the Department of Labrador Affairs, and pointed out that it had been set up as a liason department between the people of Labrador and the other departments of Government. He stated that the department had a representative stationed at Cartwright, and that he made periodic visits to the other areas along the coast."

Now Mr. Chairman, that statement in no way agrees with the powers and functions outlined in Section 7 of the Department of Labrador Affairs Act. "Extend to and include all matters relating to Labrador over which the Legislature has jurisdiction which are not by law assigned to any other department, branch or agency of the Government of the Province."

Now for some time past Mr. Chairman, I have been making statements relative to Labrador, which apparently do not meet with the agreement of the Government, the people on the opposite side of the House. And I can remember not too long ago in this House when we were discussing the Estimates on Legislative - the Legislative Estimates - wherein I expressed the fact that I felt that Labrador, by virtue of its economic contribution to the Province, should have more than three representatives sitting in this House, based on its economic contribution, and based on its size, And I was told that this theory was so much hogwash. I was told that by the hon. the Premier. Now I would like to read from the "Evening Telegram," Friday March 4, 1966, during the debate on the passing of the Act, establishing the Department of Labrador Affairs. And I would like to read from ^{the} article, statements and quotes of the hon. the Premier. And the heading Mr. Chairman, was - If Newfoundland Doesn't Colonize Labrador Then Someone Else Will," the Premier stated. Now I will just read some excerpts Mr. Chairman - "If we are not big enough, if we are not imaginative enough, if we are not daring enough to colonize Labrador, some one else will, and we will not deserve to own it." Unquote. Another quote is, "if Newfoundlanders

do not change this spirit, it will result in the loss of Labrador," he said. Unquote. Another quote is, "earlier the Premier said that others are joining in agreement with him that Labrador is the richest part of the Province. More and more Newfoundlanders are beginning to understand that this is the last remaining storehouse of undeveloped wealth on the North-American continent. More and more people are beginning to appreciate the prodigious importance of Labrador to the Province. I am deeply and profoundly convinced of the importance of Labrador to the Province as a whole." He went on to say that Labrador makes Newfoundland one of the five richest provinces of Canada. It has more natural wealth than the ^{three} Maritime Provinces combined. And Mr. Chairman, I would like this hon. House to pay special attention to the next quote. "I can foresee the day when Labrador will be represented by a dozen elected representatives taking their place proudly in the House, not necessarily representing a vast population, but representing a vast economy." I am elaborating on this quote - by virtue of the fact of the reaction which I got, and I was being quite moderate, I was about to say conservative, but I was being quite moderate when I made the statement that I felt, and I was not even aware that this statement existed at that time, I was being quite moderate, and I think I was asked, how many representatives did I feel it should have, and I said in order for it to carry out its rightful role in this House, it should have at least five. But here I have been outmatched by the hon. the Premier in 1966, where he said that we should have twelve. Well I am in complete and absolute agreement with the hon. the Premier. Maybe we should have twelve, and we would have more of an impact on this House in terms of some of the legislation, or some of the things that would ordinarily apply to Labrador. But when I stated that we should have, based on our economic contribution - we should have more than three - it was treated as a joke and as hogwash. Now the hon. the Premier went on to say that by creating the Department of Labrador Affairs, our hope is that thereby we will have taken a step, not the ultimate step, but a step in the direction of giving it recognition, not looking at

it as a source of dollars to build the Island of Newfoundland - that is the way to lose Labrador."

Now Mr. Chairman, essentially I was not aware of these statements during this debate on the creation of this Department of Labrador Affairs. But essentially that is what I have been saying in this House since I have come across the floor of this House. That Labrador wants recognition. Now during the creation of this department, all of these theories were stated and stressed, but what has happened since the creation of this department? I am afraid that the people of Labrador West and Labrador North and Labrador South - they have no faith left in the department as such -

MR. WINSOR: That is not so - you speak for your own district now.

MR. BURGESS: I am speaking for the people that I have spoken to all across Labrador.

MR. WINSOR: Well they were very much in the minority.

MR. BURGESS: And a lot of the people who were in attendance at this Labrador conference, and they have stated this to me. Maybe the hon. minister is talking to somebody else that I do not talk to, or vice versa.

MR. WINSOR: That is right. More than the hon. gentleman.

MR. BURGESS: Well I hope that is a fact, Sir. Maybe the department will have some kind of an impact. Now also Mr. Chairman, during the Labrador conference, the hon. the minister stated, and he can correct me if I am wrong, but this is in the minutes; he stated that the department had a representative stationed at Cartwright and that he made periodic visits to other areas along the coast.

MR. WINSOR: That is true. What is wrong with that?

MR. BURGESS: Well the representative in Cartwright - he took one trip along the coast in the Spring of 1968 to show Centennial films, and one in the summer of 1969 by coastal boat. These are the trips that the representative in Cartwright took along the Coast.

MR. WINSOR: That is not so. Where did you get your information?

MR. BURGESS: Well this is the information - if the hon. gentleman can prove

that I am not right in this, well then he will have ample opportunity to do it -

MR. WINSOR: What about a trip he made last week?

MR. BURGESS: This was since the Labrador conference.

MR. WINSOR: That was a year ago.

MR. BURGESS: There were statements made during the various conversations with the various ministers of Labrador Affairs, I believe the first minister of Labrador Affairs was Mr. Granger, then the hon. Charles Granger - he was the first minister, and then it became the hon. Dr. Rowe. And I gathered during various conversations that the representatives of the Department of Labrador Affairs also had a certain responsibility to the Department of Community and Social Development. But if they are representatives of the Department of Labrador Affairs in conjunction with the Community and Social Development department, well, if so, their duty and their work - they should be schooled and they should have a knowledge to be able to advise the coastal people on resettlement. But during the visits that I have made to various communities - in fact it is the Anglican ministers in Cartwright who have advised the people on these settlements. And the welfare officer in Fox Harbour - these are the people - they are not getting their information on resettlement from the representatives of the Department of Labrador Affairs. Now if these people are to be anyway functional at all, in order to adequately represent the department they should be thoroughly schooled in the knowledge of the other departments that affect the welfare and the living of the people along the coast. But in ninety-nine percent of the cases, this is not so. These people just do not have the information available to them, or they do have, during various discussions with these representatives also, Mr. Chairman, I have come to the conclusion, during conversation with them, that they have a title and a title only - because they do not have any authority. And what is the sense of having a title that does not carry any weight at all and that everything has to be channeled back anyway - they just cannot advise - they are not schooled enough to give advice. and they do not have the authority to make any kind of decisions about local decisions whatsoever. Now I am sure, based upon the statements made by the government officials during the creation of this department, that this was not the original

intention when the department was created. I am sure the intention was to do as I have just stated, the various quotes that I have made from the debate that occurred. But unfortunately this is not what has happened. Now what functions do we see - what is happening in the Department of Labrador Affairs? First of all, we have to look at it consistently year after year. As long as I have been in this House, Mr. Chairman, the Estimate for the Department of Labrador Affairs has only been - there has only been one other department that may have been, the Estimates may have been, lower and that has been, possibly, Legislative or one of those departments like that. But consistently the lowest Estimates of any department have been the Department of Labrador Affairs. And what do we see in the Department of Labrador Affairs? Particularly in this building as such?

You can go into the departments and this is certainly no discredit to the people who work within the department themselves - they are working in a manner or as hard as they possibly can, on what they are given to work with. These people are doing the best they can. But normally what you will see, when you go into that department Mr. Chairman, you go in and you will see them processing the subsidy that this Government paid, to the people of Labrador who travel on Eastern Provincial Airways. Now that is practically the only function that I have witnessed. There may be more, but they are very small. Now as I say, initially this is not what this department was designed for. I have been told by various people in Labrador, who have had occasion to approach the Department of Labrador Affairs on various items,

MR. BURGESS: they have told me that since the creation of this Department, at least before when they would approach the other departments, when there was no Department of Labrador Affairs, some of the other departmental officials would practically lean over backwards to assist them, to try and make them feel a part of the overall scene, but now everything is channelled through the Department of Labrador Affairs, and that is where it stops.

MR. WINSOR: They get good service.

MR. BURGESS: Well I wish the hon. minister could convince, if the hon. minister can convince the people of Labrador that they are getting good service, well then there is no problem at all.

MR. WINSOR: Right.

MR. BURGESS: But it is up to the hon. minister to convince them, and the only way that he will convince them is by providing that service.

MR. WINSOR: It is not convincing the people, it is trying to convince the member.

MR. BURGESS: The service he has been giving is good; because there is no service been given.

MR. WINSOR: Go away, talk a little sense. Do not try to make political hay.

MR. BURGESS: I just cannot understand why the hon. member from Labrador North why he consistently states or adopts the attitude that there are no problems in Labrador. I just cannot understand, for a man who is a representative of the people who is trying to defend the status quo - and the status quo is far from being good.

MR. WINSOR: There are problems everywhere. There will always be.

MR. BURGESS: Well they are certainly not been bugging about ^{it} in parts of Newfoundland.

MR. WINSOR: It is a part of our makeup to have problems.

MR. BURGESS: Now I was saying, Mr. Chairman, I was talking about the functions, what I see happening down there in this rebate. And recently just one more incident as far as I am concerned, that Labrador is certainly not -

MR. BURGESS: when this subsidy was announced in 1966, once again it was an election year, and the only reason why a subsidy was announced, Mr. Chairman, was because of the fact of the high cost per air mile of travel to the residents who wanted to leave. And I have stated it time after time after time in this House, that we are paying thirty-five to forty percent more per air mile than Air Canada charges for the equivalent mileage.

Now, okay, so this Government decided to subsidized the Newfoundland resident who is residing in Labrador now, who wanted to return to the Island. And at that time it was everybody who travels to the Island, he would chose the Eastern Provincial Airways would receive this subsidy, and it has since been reduced. But there are also other airlines operating into Labrador, Mr. Chairman. There is one particularly into Labrador West, Quebec Air, and there is no subsidy on Quebec Air, and they are essentially charging this thirty-five to forty percent per air mile also. Eastern Provincial Airways in not the only means of air transportation in and out of Labrador. Air Canada likewise, Mr. Chairman, they are charging substantially more for air travel into Labrador than they would for the equivalent air mile elsewhere in Canada.

Now recently, this was announced in 1966 that this air passenger subsidy was announced, and then it was subsequently reduced to just - businessmen could not avail of this.

AN HON. MEMBER: Inaudible.

MR. BURGESS: All right businessmen could not avail of it, so it was reduced in half and I think there was over \$100,000 saved on this aspect, as far as the Government was concerned, in that particular year. And then we had a statement from the hon. minister, quite recently, wherein he announced the establishment of a family plan on Eastern Provincial Airways. A family plan wherein the head of the family pays one hundred percent fare, and I assume he gets his twenty-five percent rebate and the first dependent pays seventy-five percent of the full fare, and children from twelve years of age to twenty-one pays fifty percent of the full fare, and from two years to eleven years pays thirty-three and one-third percent of the full fare.

MR. WINSOR: Mr. Chairman, would the hon. gentleman allow me - are you stating that that was an announcement that I made, the policy of the Labrador Affairs?

MR. BURGESS: A ministerial statement.

MR. WINSOR: Yes, it states there that is the policy of P.A., it has nothing to do with the subsidy.

MR. BURGESS: This was announced by the hon. minister in his statement.

MR. WINSOR: But read it, in its right context.

MR. BURGESS: This is the statement that was made.

MR. WINSOR: Read it in its right context and see what happens.

MR. BURGESS: Ministerial statement by Captain the hon. Earle W. Winsor, Minister of Labrador Affairs on the Labrador Air Subsidy Program 1970. Now does that say - that is the heading.

MR. WINSOR: Read on, read on. Read all of it.

MR. BURGESS: Would you like for me to read it all?

MR. WINSOR: Sure go ahead, why not?

MR. BURGESS: "When the policies for the introduction of the Labrador Air Subsidy Program was introduced it was designed primarily to encourage travel to and from Labrador and there has been a substantial degree of success".

MR. WINSOR: Right.

MR. BURGESS: Eastern Provincial Airways introduced recently a special family plan incentives, so that a family travels to and from , from Labrador and Newfoundland -

MR. WINSOR: Inaudible.

MR. BURGESS: When the policy for the introduction of the Labrador Air Subsidy Program was introduced it was designed primarily to encourage travel to and from Labrador.

MR. WINSOR: But that is not the statement you made a few seconds ago.

MR. BURGESS: Well you have just corrected it, it is essentially the same - the hon. minister is the one who made the statement, and if he feels that he should have not made the statement, maybe Eastern Provincial Airways

MR. BURGESS: should have made it.

MR. WINSOR: Why do you not state the correct statement? And do not be so evasive.

MR. BURGESS: The Government of Newfoundland and Labrador, to a Mr. Thomas Kelly, who is a resident of Labrador City for the past ten years. And this is from the Department of Labrador Affairs, when he applied for a subsidy for himself and his family.

"Dear Mr. Kelly:

"This will acknowledge receipt of your application for payment of the Labrador Air Passenger Subsidy on your Eastern Provincial Airways fare between the Island and Labrador on May 19th. 1970.

"We note that your wife's fare was subject to a twenty-five percent discount under the family plan. Under the revised Labrador Air Subsidy Program, the subsidy is not payable to any person who has received a comparable benefit or a reduced rate from Eastern Provincial Airways.

"Consequently, your wife is not eligible to receive air subsidy on her fare from Wabush to Gander on May 19th. "

MR. WINSOR: Where was she going from there?

MR. BURGESS: This was the extent of her travelling.

All it means, I do not know why this announcement was made, all it means that you take the twenty-five percent subsidy from this Government and calling it the family plan. I do not know what gain there was for the hon. minister to make this ministerial statement on behalf of Eastern Provincial Airways.

MR. WINSOR: I did not make it on behalf of Eastern Provincial Airways.

MR. BURGESS: We are told that it was transferred under the revised Labrador Air Subsidy Program, the subsidy is not payable to any person who has received a comparable benefit or a reduced rate from Eastern Provincial Airways.

So what it means that - this subsidy from the Government is being farther reduced now at this stage.

MR. WINSOR: That is right.

MR. BURGESS: Further reduced.

MR. WINSOR: That is right.

MR. BURGESS: Well I wonder when it is going to be taken off altogether, this is what I am waiting for.

MR. WINSOR: Not reduced to the people of Labrador though.

MR. BURGESS: But there are, and it also applied to the people, the Labrador residents. Now I believe I did ask the hon. minister this question on Orders of the Day, a couple of weeks ago, and I asked, for the purpose of the program, to define Labrador residents for the purpose of this program. And it has since been brought to my attention, and I am sure the hon. minister is well aware of it, it does not apply to the construction workers who are involved in the construction of homes or schools or apartment buildings or anything else in Labrador City-Wabush, and it also does not apply to the construction workers at Churchill Falls.

Now it can be said that Churchill Falls, that the companies are paying the air fares every three months, this is in the negotiated collective agreement between the companies and the unions there, that their way will be paid after three months, and a two-way fare after six months of employment in that area.

Now it can be logically said that the companies are paying it, and this is not being borne by the worker. But I respectfully submit, Sir, that it is being borne by the worker. Because this is a built-in negotiated part of the collective agreements and it represents x numbers of cents per hour to the worker, and if it was not put into an air subsidy or into the air fare, it would normally be applied on to the hourly rates of pay for the worker. And also there are a great many occasions when construction workers in Churchill Falls, for many number of reasons, for many reasons, they have occasion to leave, possibly before their three month service has been fulfilled or six month service has been fulfilled. And as a result they pay, thirty-five or forty percent more for each mile of air travel. And I do not think, when we talk about the development of

MR. BURGESS: Labrador and the encouragement, to encourage people to go to Labrador, to help develop, I do not think this is one way that you encourage them. I think it is exactly the opposite, that this is the way you discourage them. And, I think, it is time that representation, I have not heard from the Government, I have not heard from the minister maybe he has done it privately, maybe there has been private representations made to the Federal agency that sanctions rate structures. Maybe there has been private representation, Mr. Chairman. But I have not heard of any public representation that has been made by this Government to this agency to stop sanctioning a rate structure that is obviously discriminatory to the people of Labrador, to a section of Canada.

I am waiting for the day that this representation will be made, made openly and hard so that the people of Labrador will at least feel that somebody somewhere is looking after their welfare to some degree.

Now, Mr. Chairman, I do not think that this statement made by the minister on behalf of Eastern Provincial Airways was any great benefit to the residents of Labrador, than it was to the detriment of the construction workers who normally go to Labrador year after year and who would like to go back there, but who are discriminated against because there is only one way to travel in there and that is by air.

Now, Mr. Chairman, while I am on the question of air travel, I would like to bring up another point about Eastern Provincial Airways and the Federal agency who is responsible for designating the routes of various airlines. And this, Mr. Chairman, in order to make it clear I would like to read something that was sent by the Chamber of Commerce of Labrador West to the Chairman of the Canadian Transport Commission in Ottawa. And copies were sent to the hon. J. R. Smallwood, the House of Commons Standing Committee on Transportation, Mr. Ambross Peddle, the President of Eastern Provincial Airways and the President of Quebec Air.

And it deals essentially, Mr. Chairman, with the fact that Eastern Provincial Airways have increased their route. They have increased their route into the Maritimes and they have also increased their route from

MR BURGESS: St John's into Montreal, via Labrador. Now, Mr. Chairman, when Eastern Provincial Airways first decided that they would run their aircraft into Montreal, via Goose Bay-Churchill Falls- Labrador West, when they first decided they would send their aircraft into Montreal -

MR CHAIRMAN: Would the hon. gentleman like to call it 6:00 P.M.?

On motion that the Committee rise and report having passed Estimates, Headings XIII, Municipal Affairs and Housing, XIV, Fisheries, both with some amendments, report progress and ask leave to sit again on tomorrow, Mr. Speaker returned to the Chair.

On motion report received and adopted, committee ordered sit again on tomorrow:

MR CURTIS: I move, Mr. Speaker, that the remaining Orders of the Day do stand deferred and the House at its rising do adjourn until tomorrow, Friday, June 12, 1970, at 10:30 A.M.

On motion all remaining Orders of the Day do stand deferred:

On motion the House at its rising adjourned until tomorrow, Friday, June 12, 1970, at 10:30 A.M.