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**VERBATIM REPORT**

**TUESDAY, MARCH 3, 1970**

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

The House met at 3:00 p.m.

Mr. Speaker in the Chair.

HON. J. R. SMALLWOOD (Premier): Mr. Speaker, I rise to a point of personal privilege and that is for the purpose of making an explanation to the House of a statement I made in the debate yesterday in connection with the revelation made to the House of the fact that a committee of Cabinet had been appointed by me to negotiate the drafting of the oil refinery project with the promoters, the Shaheen Natural Resources Organization. Not only did I appoint that committee or subcommittee of Cabinet, but I suggested that when the House opened, they should be the ones to present it to the House and explain it and defend it and it was agreed in Cabinet that this should be done and so when the Bill was introduced in my name, it was in my name. I believe that the Bill was introduced into the House and given its second reading and on that occasion I announced that it had been agreed by Cabinet that the committee members should be the ones to present the explanation and defence of the Bill to the House. So it was on that occasion by Cabinet agreement without any breach of Cabinet secrecy or Cabinet solidarity but by Cabinet consent and agreement that I announced to the House that two or three of the hon. gentleman who had negotiated the draft agreement, and had presented it to the Cabinet should be the ones who would present it to the House and explain and defend it and it was thus on that occasion and in that way that I did announce that they were a committee of Cabinet appointed by me to negotiate the draft of the agreement and to bring it to Cabinet and to bring it to the House. It was certainly no breach of Cabinet secrecy or of Cabinet solidarity, because it was done with the knowledge and consent of the Cabinet and the knowledge and consent of the committee of Cabinet in question.

The three hon. gentleman, the then Minister of Justice, the present hon. member for Buri; the then Minister of Health, the present hon. member for St. John's West and the then Minister without Portfolio, the present hon. member for Humber East. They were the committee, together with the President of the Council, the present President of the Council and Minister of Justice. Although most of the active work was done, as already has been announced in this House by the three hon. members whose names I mentioned first. There was no breach of Cabinet secrecy.

and no breach of Cabinet solidarity.

MR. WELLS: The Premier is wrong in saying what he said last night.

MR. SMALLWOOD: In the present session of the House, it was the hon. gentleman who announced it. But two years ago, when the legislation was introduced, I announced that it was with the consent and knowledge of the Cabinet. Therefore, there is no breach.

MR. CROSBIE: The Premier was wrong last night.

MR. SMALLWOOD: Mr. Speaker, while I am on my feet, I should like to express a very cordial word of welcome to some fifty-four history students in Grade IX at St. Edward's School in Bell Island. These students are accompanied by their history teacher, Sister Alice Wilson. We are extremely happy to have these students with us. When you get thirty, forty or fifty students, I am always under the disadvantage that I can see only some of them. I imagine that some others are up in the gallery behind me. I cannot see. I am very happy to welcome them here to the People's House. I am sure all the hon. members are equally happy. I do not know anything we enjoy more each day, when these students come from various parts of our Province to visit us and sit in the galleries. I do not know anything that we enjoy more than their coming here. They do bring a breath of freshness - a breath of youth, which is very welcome in this Chamber of old men and in the eyes of the students, I would think that the youngest hon. member is an old man, twenty-six, twenty-seven or twenty-eight years of age will be looked upon as pretty well getting along in years. They have the breath of youth and beauty - especially beauty and intelligence and clean-minded idealism is a treat for the weary and jaded hon. members of the House.

I am especially interested to know that their history teacher is with them and to know that - I hear from the hon. minister who is the member for the district that the teacher, Sister Alice Wilson teaches history, perhaps exclusively or almost exclusively and I am delighted to know that in this school, St. Edward's at Bell Island, there is a teacher concentrating, specializing in the teaching of history. To tell you the truth, if I were to become a teacher tomorrow, I would be torn between wanting to be a teacher of history and wanting to be a teacher of one or two other subjects. Certainly history would be high on the list and especially if it were Newfoundland history. I do hope that the school people that

are here today, young women, young men will enjoy our session. I hope they will stay long enough to hear some oratory that is coming a little later on in the afternoon and in many years in a dim and distant future, they will be able to say, oh! yes, I was in the House of Assembly and I heard him speak myself and so I will have that in mind with the audience I had in the gallery, when I will be speaking later on in the day.

The Leader of the Opposition is not here. If he were I would hurl - I would hurl a challenge across the floor at him. The challenge I would throw at him would be to get up and disagree with me. I would dare him to disagree with me. I would dare him to disagree with me, when I say that we all welcome these students. We all think here that they are bright, intelligent and good looking and I would dare him to contradict me and for once at any rate the Leader of the Opposition would be getting up neatly and modestly agreeing with me and that would be great pleasure for me to have the Leader of the Opposition in full and perfect agreement with me.

However the Leader of the Opposition probably has the flu. I am surrounded, Mr. Speaker by weaklings. All around me on both sides of the House men are going off getting sick, getting the flu, going to bed, incapacitated. They are just a crowd of weaklings. They cannot take it. They do not seem to have the robust vigor of some of us other Newfoundlanders in this Chamber. Well we are perhaps tougher and you cannot kill us. So the Leader of the Opposition is a victim today and so I have no doubt that perhaps the hon. member representing the district that lies next door, next door to Bell Island; namely the great district of St. John's East (Extern). I have no doubt that he will be the one who will speak. I would hardly think that an outharbour man, that a bay man, that a bay nobby from Gander would speak today. I would think that it would be a towny, a nearby outharbour man from St. John's East (Extern). Anyway the House is waiting with bated breath to hear who is going to speak for the Opposition to agree with me, when I say that we welcome these students, everyone of us and we are glad that they are here today.

MR. HICKEY: Well, Mr. Speaker, it is not often we agree but the Premier is right today. I take much pleasure in behalf of my colleagues in welcoming the students from St. Edward's, along with their teacher, Sister Alice Wilson. We hope that they will have an enjoyable stay and as the Premier has already indicated

they are in for a rather interesting afternoon. I understand the Premier is going to continue his speech so they are in for a treat. I am not sure what kind of a treat that will be. I will have to let the students decide for themselves. I can agree with him too, when he says that you bring some fresh air to this Chamber. I do not think any of us on this side will object to that. We need some fresh air here from time to time. Indeed that air does get rather old and musty on occasions.

MR. SMALLWOOD: What about when hon. members sometimes happen to take three days off to get some fresh air outside?

MR. HICKEY: Mr. Speaker, when you are in the line of fire, it is a job, I admit to adjourn so any of us on this side might well come down with the flu. But, Mr. Speaker, the important thing is that we come down only with the flu. At least we can come back. However I do take much pride in associating myself with the remarks made by the hon. Premier.

HON. S. A. NEARY (Minister of Welfare): Mr. Speaker, as member for the district of Bell Island, may I add my own welcome to the sons and daughters of my good friends on Bell Island. Now, Mr. Speaker at first hand these young people can see in action the law makers responsible for so much legislation that has meant so much to every resident of what was once the second largest municipality in Newfoundland.

#### PRESENTING REPORTS OF STANDING AND SELECT COMMITTEES

HON. W. J. KEOUGH (Minister of Labour): Mr. Speaker, I beg leave to table the annual report of the Workmen's Compensation Board for the year ending December 31st., 1969.

HON. E. JONES (Minister of Finance): Mr. Speaker, section 32, subsection 2 of the Revenue and Audit Act, I table herewith the report of the Guaranteed Loans paid during the current year.

#### NOTICE OF MOTION

MR. HICKEY: Mr. Speaker, I would like to move the following resolution seconded by my colleague the hon. member for Gander:

"WHEREAS the hon. member for St. John's East (Extern) was suspended from this House on April 2nd., 1968, concerning a statement made by the hon. the Premier and

AND WHEREAS the rules of this House state that this type of language is unparliamentary;

AND WHEREAS the hon. the Premier used the same type of language in this hon. House on February 26, 1970 and was not penalized;

BE IT THEREFORE RESOLVED that you Honour direct the hon. the Premier to withdraw his remark, unqualified and failing this, that this House suspend the hon. the Premier for three sitting days."

I am not suggesting your Honour that his pay be cut.

MR. SPEAKER: It appears to me from reading this resolution and I thank the hon. member for giving me a copy of it in advance. It appears that from reading this resolution which has just been given notice of that this is simply - there are other reasons, but the one reason that I am going to give now as to why the resolution is not acceptable is the fact that this is simply a challenge of the ruling of the Chair of sometime ago. There was a ruling with which the hon. disagrees. The time to do that, if the Speaker's ruling is to be challenged is right there and then and not later in the same sitting or on the next day. For that one reason alone, this is not in order and also it is just reviving something on which the House has already made a decision several days ago. For that reason particularly, I cannot allow the resolution to go on the Order Paper - the notice of the resolution to go on the Order Paper.

ANSWERS TO QUESTIONS

MR. SMALLWOOD: Mr. Speaker, on the Order Paper of today Question No. 136, in the name of the hon. member for St. John's West addressed to me.

(1) Did the Premier inform Atlantic Brewing Company Limited that they had an exemption or concession granted by the Government exempting them from paying the profit of the Newfoundland and Labrador Liquor Commission on sales of beer as claimed by Atlantic Brewing Company Limited and as reported in Item 60 of the Report of the Auditor General to the House of Assembly for the financial year ended March 31st. 1969?

The answer Mr. Speaker is: No, the Premier did not so inform Atlantic Brewing Company. The Premier did inform the Atlantic Brewing Companies that they would be exempt, totally exempt from Newfoundland Government taxes for a period of two years from the commencement of their production. Certainly the profit made by the Liquor Board on beer would not be forgiven, would not be given up by the Liquor Board. (2) If any such exemption or concession was granted - and there is a reference in one by the way, to the report to the Auditor General to the House of Assembly. I read the report and I read the reference and I was a little surprised to say the least, a little surprised so say the very least, I was a little surprised that the Auditor General made no effort, or if he made any effort I had no knowledge of his having made any effort to contact me and confirm - allow me to confirm or otherwise, the allegation made by someone evidently. I was not approached by the Auditor General from beginning to end. (2) If any such exemption or concession was granted or purported to be granted by the Premier was such exemption or concession in writing or verbal only? - It was neither. (3) Was any Order-in-Council passed by the Executive Council granting Atlantic Brewing Company Limited any such exemption or concession? Not any such exemption or concession: No. The answer is no. A concession yes, but not such as suggested in this question.

HON. E. N. DAWE (Minister of Municipal Affairs): Mr. Speaker, in answer to question No. 129 on today's Order Paper, asked by the hon. member for St. John's West. The answer to the first part of the question is: yes. And approval is being given by the Lieutenant-Governor-in-Council, and that the following members will comprise members of the Board: Mr. Aliston Mercer, Mr. Harvey Thistle, Mr. Lloyd Adams, Mr. Harvey Walton, Mr. Arthur Snook, Mr. Reginald Gardner, Mr. Alex Reid. Mr. Aliston Mercer as chairman. And the answer to the second

part of the question. It will be taking appropriate action to incorporate Local Improvement District of Sunnyside.

HON. HAROLD STARKES (Minister of Highways): I have the answer to question No. 83 on the Order Paper of February 26 asked by the hon. member for Fortune. What is the total cost to date of the highway between Belleoram and Pool's Cove? The answer is \$1, 272,355. What is the total mileage constructed? Fifteen point six miles. (3) What was the cost of surveying the road? - \$94,658. (4) What surveyors were employed? - Willett Engineering and Surveying Company, \$9,711. The Department of Highways; \$13,475, and Provincial Planning Associates, \$71,472. (5) What contractors were employed, and how much was paid to each and for what mileage in each case? - The Department of Highways five miles at a cost of \$380,202. Curran & Briggs Limited - 10-6 miles, \$892,153. Has this Highway been completed? The answer is, yes: (7) What progress has been made on the extension of the road to link up with the Harbour Breton road being constructed to the Head of Bay d'Espoir? The answer is three miles have been completed. (8) Will this extension be completed in 1970? The answer is: Government policy in this respect will be announced in due course. I also have for tabling Mr. Speaker, the answer to question No. (8) of February 23.

HON. AIDEN MALONEY (Minister of Fisheries): Mr. Speaker, I have the answer to question (57) on the Order Paper of Tuesday February 24th, asked by the hon. the member for Burin. The answer to (a) of the Question is \$1,010,859. (b) \$576,864. Part two of the question: The losses to November 30, 1968 were paid in February, 1969 following receipt of audited financial statements. And losses to the 30th, November 1969 will be paid following receipt of audited statements and this is expected to be before the end of March, 1970. These are payments under statutory agreements.

#### ORDERS OF THE DAY

HON. W. R. CALLAHAN (Minister of Mines, Agriculture & Resources): Mr. Speaker, before the House proceeds to Motions perhaps I should report to the House, just before coming in the Chamber I had a report from my officials indicating perhaps new, perhaps-not new, oil spills in the ocean at three points off the Avalon Peninsula - and what appears to be rather severe damage to sea-birds.

Now Mr. Speaker, these reports are coming day in and day out now - any slight evidence that could be construed to indicate an oil spill or anything of that nature is being reported rather quickly by obviously concerned and



interested citizens. So I do not propose to continue informing the House in this way. But because of the widespread nature of the reports received during the past twenty-four hours, and because of the apparent implications of those three reports, I think it is proper the House should be informed at this point. On yesterday afternoon, the officials had reports from residents of the St. Shott's area who had picked up some two hundred (plus or minus) sea-birds, oil covered sea-birds, and immediately they were despatched to officials of the Provincial Wild Life Service, and the Federal Biologist who went to the area by aircraft - were unable to find any evidence of an oil slick.

Later in the afternoon the United States Naval Station at Argentina through reported to the R.C.M.P. to us that an oil slick had been sighted off Argentina. We diverted the aircraft to the Argentina area, and indeed discovered an oil slick about eight miles long, and averaging about one hundred yards wide, extending outward from the shore. It appeared that it might have originated from a shore insulation, and the R.C.M.P. are investigating that matter at our request.

This morning there was a further report from Branch, St. Mary's Bay, about seabirds being picked up, oil-covered seabirds, and we had sent officials to that area. And in addition Mr. Speaker, in respect of all three reports we have been in touch several times with the Federal Department of Transport and with the minister's office.

As I say Mr. Speaker, it may be that this is old oil from the spillage of a couple of weeks ago near St. Pierre, there is no way of knowing. But I think I can fairly say that every instance of what appears to be a damage resulting from an oil slick now is being reported, and so the House will not feel that we are perhaps not aware of the courtesy that should be extended the House by reporting these matters in the House, I wish simply to explain that some of these matters which will have currency in the press and reports which will be coming from time to time, because I think many people are concerned about this matter now, need not necessarily reflect the seriousness of the situation. If in our judgement, it appears a very serious situation occurs, or has occurred, I certainly will Mr. Speaker, bring it here and report in this way perhaps, or an answer to a question. But I think we can expect many many reports of this kind in the days and weeks ahead, and if these reports

find their way into the media which I think they will do - I think that is pretty well inevitable. But I did feel in this case because of the widespread nature of the reports and because of the possible damage, that it should be reported here, and I give the House the assurance Sir, that the matter is being thoroughly investigated, and that we are in fact keeping a very close eye on these matters - and continually informing the authorities, particularly the Federal authorities who appear to have responsibility and jurisdiction in the first instance.

MR. JOHN CROSBIE: Mr. Speaker, before proceeding to Orders of the Day, I would like to address a question to the hon. the President of the Council, who is the Government leader in the House - Has the hon. President of the Council anything to report to the Independent Liberal members for Humber East, Bonavista North, St. Barbe South, St. John's West, as to office accommodation for us on the ninth or tenth floors of the building here? Is such accommodation now being arranged? What progress is being made? Or are we to continue to be left with just the corridor to roam in? Is there any progress in the office accommodation?

MR. SMALLWOOD: Mr. Speaker, I suggest to Your Honour that the question is out of order. That the hon. member has the right only to ask a question at this stage that cannot be given notice of on the Order Paper, and secondly that it should be addressed to the Minister whose responsibility the matter is. For both reasons I would suggest that it is out of order.

MR. SPEAKER: There has been no reply taken of that.

MR. THOMAS HICKEY: Mr. Speaker, I would like to direct a question to the hon. the Minister of Social Services and Rehabilitation. Can he give the House any information with regards to the report of the burial of our welfare recipient in a non-Christian like fashion?

MR. SPEAKER: I think that question should go on the Order Paper as the urgency of it is not that great.

On motion of the President of the Council, A Bill, "An Act Further to Amend The Companies Act", read a first time, ordered read a second time on tomorrow.

On motion of the Hon. Minister of Mines, Agriculture and Resources, A Bill, "An Act Respecting Motorized Snow Vehicles," read a first time, ordered read a second time on tomorrow..

On motion of the Hon. Minister of Mines, Agriculture and Resources,

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A Bill, "An Act Further To Amend The Undeveloped Mineral Areas Act, " read a first time, ordered read a second time on tomorrow.

On motion of the President of the Council A Bill, "An Act Further To Amend The Summary Jurisdiction Act," read a first time, ordered read a second time on tomorrow.

On motion of the hon. the Minister of Labour - A Bill, "An Act to Repeal the Trade Union (Emergency Provisions) Act, 1959", read a first time, ordered read a second time on tomorrow.

On motion of the hon. the Minister of Provincial Affairs - A Bill, "An Act to Amend the Youth Administration Act, 1968", read a first time, ordered read a second time on tomorrow.

HON. J.R. SMALLWOOD (PREMIER): Mr. Speaker, with a heart overflowing with happiness, I am able to announce today, that the word is "Go" for the great refinery at Come-by-Chance, that all obstacles have been removed at last. I propose next week, God willing, to invite Mr. John Shaheen and his whole group to come to St. John's to meet with the Cabinet, the Caucus and the Legislature and soon thereafter, I hope to introduce Legislation into the House to make a slight amendment to the presently existing agreement which stands at the moment exactly as it was passed by the House two years ago.

I want to make another announcement, that in the third week of this present month of March, the forms will be commenced to be built for the foundation walls of the main mill building and the office building at Stephenville. In the third week of March, they will begin the building of the foundation wall forms.

On approximately the first of April, they will begin the pouring of concrete for those foundation walls with the arrival of the first ship at Stephenville from the United Kingdom carrying construction equipment and materials.

Incidentally, the steel is due to arrive the first of July.

Mr. Speaker, some 300,000 cu. yds. - 660,000 tons - of concrete will be needed for the foundations of the buildings and the machines in the buildings.

The pouring will commence around April 1, and be finished in early September. The steel which is due to arrive on the first ship - no, on a subsequent ship, around the first July, re-inforcing and structural steel will run to 7,500 tons. Other steel for the mill at Stephenville will run to another 500 tons.

The two buildings will be finished by the end of the present year, ready to receive the machinery. Indeed, some machinery will have been installed by the end of the present year. The big machine was started to

be built in November last by Wamsley in England and it will be ready by December of next year. It takes twenty to twenty-two months to build it. This machine, this main machine is 351 inches wide - 351 inches. This is one inch narrower than the biggest paper machine on earth. The big 'Moby Joe' in Grand Falls is 301 inches, compared with 351 inches. The machine itself - the main machine I am not talking of - is over 300 feet in length and it will be placed in the machine room which itself will be 700 ft. long, having to contain, of course, not only the main machine, but other machines connected with it.

Production of paper is now scheduled to commence in December of next year or January or February of the year after. At Lake Melville, by June 1, 400 men will be working for the project and during this coming summer, \$4.5 million worth of additional wood machinery will be landed at Melville, at Happy Valley.

Mr. Speaker, we were informed by the hon. the member for Humber East in this House a day or two ago that they have not even done the soil tests in Stephenville yet - that they have not even done the soil tests. No wonder ---

That is the information the hon. gentleman has. All they have done is burn oil and boughs and spend and spend and spend \$500,000.00 burning oil and boughs. Wasted \$500,000.00 burning oil and boughs. He dies hard. He dies hard. He is a die-hard all right. He cannot possibly be wrong. You might as well kill him as prove him wrong. He cannot be wrong. All he did was spend \$500,000.00 - half a million dollars burning boughs and oil to create a big smoke so that I would not be elected from Port au Port district.

Lindrigans received the half million dollars from Sir Robert McAlpine & Sons - the great English builders, who are always giving half million dollar gifts to firms to burn boughs and burn a bit of oil to make some black smoke to help out a Leadership Convention.

Mr. Speaker, the hon. gentleman's information is that the soil test - not even the soil testing is being done yet. Let me inform him soil tests were completed in September past by Techmont Limited - Techmont Limited, owned by the Crosbie family, in conjunction with ~~the~~ ~~the~~ Limited of Montreal.

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Mr. J.C. CROSBIE: Mr. Speaker, on a point of order, or information, is the Premier suggesting that I have anything to do with it?

MR. SMALLWOOD: It says the Crosbie family. I do not know what shareholders there are of the Crosbie family. The Crosbie family owned Techmont Ltd.

MR. CROSBIE: Well, Mr. Speaker, on a point of information, I have no shares in that company and no connection with it.

MR. SMALLWOOD: I did not suggest the hon. gentleman did. I am saying - I am informing the hon. gentleman's faithful follower, who cried bitter tears in the Leadership Convention. Tears streamed down his face. Yes, I saw them. When the hon. the member for St. John's West lost the Leadership contest, the hon. gentleman's tears streamed down his face and for his information, that is the one whose tears streamed down his face - I now inform him that he is wrong. Once again, he is wrong, when he says that they have not even done the soil tests yet. They finished the soil tests in September past and it was done by Techmont Limited of St. John's owned by the Crosbies or some of the Crosbies in conjunction with another firm of Montreal known as *Crosbie* Limited. So much for the accuracy of the hon. gentleman.

The hon. gentleman will find out to his cost. You will find out when I am good and ready to tell him. Well, he has told us about the election, so he should not ask me.

Now, Mr. Speaker, with the great oil refinery at Come-by-Chance, and the great paper mill at Stephenville, and another great paper mill - not so great, admittedly, 600 tons a day - three times as big as the Grand Falls paper mill when it was started; going up at Come-by-Chance. I say with these three great industrial projects going up, the Government of this Province, and therefore, the people of this Province, are going to be committed to a very large sum of money. The credit of the Province will be committed in a very large amount for those three great industrial projects. Not nearly as much, relatively, as we were committed to the great paper mill at Corner Brook, when we were on a note for \$10 million in 1923. That was a much larger sum of money having regard to the then

condition of Newfoundland and the amount of revenue, the earnings of the people, the population of the Province and everything else - much larger amount than the total in which we will be committed in Come-by-Chance and Stephenville.

But, nevertheless, in these three great projects, we will be committed for a very large sum of money and the Government has been giving thought for some considerable past to the best way we can go about exercising careful control over the spending of that money. The best way we can go about making sure that the mills and refinery are built according to plan - according to the best engineering plans, the best design, that the best material goes in them that they will be first-class jobs.

And we have not, yet, determined precisely what kind of organization we will set up. Will it be a department of the Government? Will the Department of Economic Development joining with the Department of Public Works, joining with the Department of Finance, joining with the Treasury Board, have a joint arrangement hiring staff - special staff of special qualification for the purpose, or will we set up a Crown Agency - a Crown Corporation that would engage adequate and competent staff to do the same thing, or would we engage --



MR. SMALLWOOD: Would we engage the services of some reputable engineering firm in England or in the United States to come and do it, as between these and other possibilities we have not yet made a decision. But we know that we have to make that decision, we know that we have to be most careful in controlling the spending of these huge sums of money for these great industrial projects. I want the House to be well aware Mr. Speaker, that we are well aware that we are very conscious of the immensity of the money involved, and the greatness of the responsibility that rests on our shoulders as the people's Government, handling the people's money.

Now Mr. Speaker, I want to make another announcement. In the Speech from the Throne there is an interesting statement about Labrador, as follows:-

Very important expansion of the iron ore producing industry in Western Labrador is among the attractive possibilities of our Province's immediate industrial future. There could be an extension of an iron ore development at Labrador City amounting to as much as 10 million tons of additional production of iron ore a year, giving employment to an additional 700 workers and involving an additional capital investment of something between \$100 million and \$200 million dollars.

Then the next sentence was significant. It says, "A somewhat similar development could possibly take place at a point not many miles removed from Labrador City, and this though not quite so large as the one that is possible at Labrador City, would involve the employment of many hundreds of other men - the production of many millions tons of iron ore and the involvement of a very large sum of fresh capital."

And in my speech here last week, I declared that the other iron ore development possible, that was mentioned in the Speech from the Throne was not Wabush. Hon. members then inferred from that statement of mine that it must be Julien Lake and I did not contradict that - but now Sir, I have a new announcement to make - an announcement of a great expansion of the iron ore development at City of Wabush which is quite near the Labrador City removed I think by a distance of some three miles or something of that order. Not only are we going to get a vast expansion in the iron ore development of Labrador City, involving an increase production of 10 million tons a year, but at City of Wabush another expansion from the present 6 million tons a year, to 9 and probably 10 million tons a year. If these happen it means that at three points there will be a great iron ore development and expansion.

First, at Labrador City running to 10 million tons a year. Second, at

City of Wabush running to 3 million tons a year, and third, at Julien Lake running to 7 million tons a year. Now that is a total of 20 million tons a year. 10 at Labrador City, 3 at City of Wabush and 7 at Julien Lake.

The increase

MR. WELLS: It is nothing more than a possibility at this stage

MR. SMALLWOOD: I say here today, what I am not able to say here today about Labrador City, I say here today about City of Wabush - 3 million certain, 4 million probable - probably going to happen. But 3 million certain, whatever happens there are going to be 3 million tons more involving 300 more jobs at City of Wabush.

Now Mr. Speaker, I should like to make another announcement. On the west coast of Newfoundland the great American Company known as Flintkote are presently quarrying and shipping 500,000 tons a year of gypsum rock. They are now stepping that up to 1,000,000 tons a year, and they are presently through Lundrigans, contractors, installing the equipment and paraphernalia needed to enable them to step the production up by 100 percent.

I wish to make another announcement Mr. Speaker,

HON. E.M. ROBERTS (Minister of Health): Is this the one for which the hon. gentleman has been waiting all night?

MR. SMALLWOOD: The announcement of the election will come later. I will keep the hon. gentleman on tender-hooks as long as I can.

Another announcement Mr. Speaker, one week from now Overland Surveys Limited of Calgary - Overland Surveys Limited of Calgary, Alberta, will finish their gravimetric - gravimetric (and if anyone wants to know how that is spelled I would not mind telling them, it is g-r-a-v-i - gravimetric, one word. survey) Overland Surveys Limited, of Calgary, will finish their gravimetric survey of 600 square miles of land to the north and to the south of Parsons Pond. The results of the gravimetric survey suggest powerfully the drilling of six holes this summer on that area, and this has been programmed, and they will average 6,500 feet depth - each hole.

This is drilling for oil, and the gravimetric survey of course is for oil. Two years ago, one hole was drilled there to 4,300 feet depth. I was there and had a look at it - saw it operating, it went through fourteen oil bearing strata, but it went down only 4,300 feet and although 4,300 feet is the deepest hole ever drilled on this island - it was not deep enough and the six new holes will go down more than 2,000 feet deeper into the earth, go down an average of 6,500 feet.

I want to give the House another piece of information Mr. Speaker, the present manpower at Churchill Falls. I get this report regularly upon my desk once a week I think, or once a fortnight by the Churchill Falls Labrador Power Corporation, and the latest figure I have which is for the 24th. of February shows the following:- Manual employees, Newfoundlanders 1,567, Quebecers 609, Newfoundlanders therefore made up 71.9 call it 72 percent of all the manual employees of the Churchill Falls project.

Non-manual employees, that is top administrative people - supervising and engineering personnel, project managers and contractors, the total Newfoundland force is 271, Newfoundlanders 271 - non-manual or 29 percent of the whole, of the non-manual whole. Adding them all up manual and non-manual the total field force - Newfoundlanders 59 percent. Since the 15th. of January past 637 people have been hired in Newfoundland, an additional 122 - besides that 122 jobs had to be given to persons outside this Province because they could not find people in Newfoundland that they say were qualified to fill those jobs. 637 employed, another 122 they tried to employ and could not get them because they said they could not find the men qualified to fill those particular jobs.

Mr. Speaker, in the Speech from the Throne reference is made to oil. And the announcement was made by His Honour that the Government were employing a distinguished lawyer in Canada to advise the Government - this Government of this Government's case, the validity, the strength or otherwise of this Government's case to have title to, control over, offshore mineral and oil rights off the shore of our Province. The Speech from the Throne said this " My Ministers notwithstanding the opinion of the Supreme Court of Canada, in the case of the Province of British Columbia, continue to believe in the soundness of our Province's claim to mineral rights lying off the shores of our Province. They have therefore engaged the services of a distinguished Canadian constitutional and legal authority to advise them on this matter which admittedly, is one of the greatest importance to Newfoundland both now and in the future."

Mr. Speaker, concessions have been granted to various companies to have the exclusive right to search for oil or natural gas over various acreages lying off the coast of this island, and also various acreages lying off the coast of Labrador. This Government gave some leases - the Canadian Government

gave some leases , some of the lessees have leases from both Governments, other lessees have them only from the Newfoundland Government, and still others have them only from the Canadian Government.

I would like for a moment to address myself merely to the situation as we find it today of the coast of Labrador alone - off the coast of Labrador concessions have been given to various companies to search for oil or gas 42 million acres of submarine land - land under the ocean; or 66,000 square miles. That of course is a huge area when one remembers that the island of Newfoundland is 42,000 square miles itself. - 66,000 square miles lie off the coast of Labrador, or 42 million acres.

The main concessions are to Tenneco of Texas, 32 million acres. And Triad - B.P., B.P. of course is British Petroleum and British petroleum is 49 percent owned by the Royal Navy. It has more.....

has more reserves of oil than any other country in the world. British Petroleum B.P.R. are the great British Company who have entered into the contract with Shaheen for the supply of crude oil for the refinery at Come-by-Chance. And Tirard and B.P. have joined in a joint effort, and they have eight million acres lying off the coast of Labrador.

Shannondoah, an American Company and other companies between them have other two million acres, plus we have the total of forty-two million acres.

Mr. Speaker, seismograph has been done out of the coast off Labrador and the work has given very promising indications, very promising indeed, of the presence of oil off the Coast of Labrador.

Let me take the case of Penico. Penico have agreed to pay to the Canadian Government, and if we can establish that property is ours, then that money will be paid to us. But, at the moment under the opinion of the Supreme Court of Canada in the British Columbia case, the Canadian Government are collecting it. In the first three years of the concession, Mr. Speaker, Penico are paying to the Canadian Government five cents an acre on thirty-two million acres. And then the second three years, they are paying fifteen cents an acres, on thirty-two million acres. And they have been given a twelve year lease, and in the last three years, the tenth, the eleventh, and twelveth years, they are to pay fifty cents an acre to the Canadian Government so that if they hold the entire concession for the twelve year period, they will pay to the Canadian Government \$80 million. Now that would be over and above any money Penico spent on drilling, or any another other geological work. They proposed to put a ship off the Coast of Labrador next year, they will not be ready to do it this year, and that ship will cost them \$50,000 a day to operate, \$350,000 a week, \$1.5 million a month to operate. And that would be over and above the amount they would pay the Canadian Government. I ought to say this, that the \$80 million they will pay to the Canadian Government, will be credited to them to go against taxes, they will be expected to pay to the Canadian Government. They will be credited with these payments.

I cite these facts, Mr. Speaker, to illustrate to this House, and I hope through the House to the public, one of the great possibilities, and I put it no higher, one of the great possibilities for future wealth for this Province. I say possibility, because in the first place, we have to establish whether we own these mineral and oil deposits. But, first we have to establish whether they are there, and that will not cost us anything, because of course, the mining companies, the oil

companies will determine that. Second, if the oil and natural gas are there then we have to establish that we own the property. Then thirdly, if we do own it, we will collect immense sums of revenue from it.

There has been a suggestion, Mr. Speaker, from people connected with Penico, that the oil they would find, they would bring ashore to dry land through a pipeline, that they would lay on the ocean floor. And that the pipeline would carry across Labrador to some place, say on the north shore of the Gulf of St. Lawrence. There is that suggestion of a great pipeline which would cost many, many hundreds of millions of dollars to build. But, although, no one seems to mind facing the prospect of spending vast sums of money where oil is concerned, because oil is evidently an enormously profitable commodity.

Now, Sir, in the last three years, absolutely astonishing progress has been made in finding ways and means of dealing with ice. Three years ago, was it not, or four years ago, Mr. Pickersgill was instrumental at my request, instrumental in sending an icebreaker in through the Hamilton Inlet and into Lake Melville, in the right of the season to see, if an icebreaker could get in through that area, with the enormously heavy ice there is there normally. She did not have to much trouble. But, Sir, since she went in there, great progress has been made in finding better ways to deal with ice. There was a time in our history, before the First World War, when Newfoundland was the owner of the world's biggest fleet of icebreaking steel ships. The Belleventure, the Bonaventure, the Adventure, who remembers other names? The Belleventure, the Bonaventure, the Adventure, that was three - were there others? And then there were others as well. But the Ventures numbered three, I think Harvey's owned them. They sold them to Russia during the First World War to do icebreaking duty in the north coast of Russia near Archangel and other great Russian seaports.

And, Sir, until recently the only way they could think of for an ice breaker to operate was to go ahead and with a rounded bow go upon to the ice, and by the sheer weight of the ship break the ice down. Break it down, it would back up again, and go up again on the ice and break down more, and then back-up and go ahead again, and break down more ice, and break it down continually breaking the ice down by the sheer weight of the ship. And rounding the bow to enable the ship to go upon to the ice. They now have turned that exactly around. They have reversed that idea. And they now go down under the ice, and lift the ice up like

a plough. They lift the ice up, they break it, they plough in the bow of the ship goes out under the ice and lift it up - what is the name of the bow?  
Axle Bow.

Now, Sir, this is a revolutionary new development. And I think, it is a fair statement of truth to say, that today to go into Lake Melville through the Hamilton Inlet, which is the great entrance, and into Lake Melville which widens out inside, to go in there at will thorough the winter, would present no great task for a modern icebreaker to perform. We must also, remember this, Mr. Speaker, Canada in recent weeks through her Parliament, through the lips of her foreign minister, Mr. Sharpe, and of her Prime Minister, Mr. Trudeau, Canada has been laying down her claim to the Northwest Passage. We know that the Manhattan was able to go down on that historic voyage and back only because Canada was able to have her accompanied by a great Canadian icebreaker. And, Sir, the thing that is doing more than anything else to establish Canada's claim to the Northwest Passage will be Canada's ability to develop icebreaking techniques for ships. And I think, we may assume that getting in and out of Lake Melville, is not going to be an insuperable task. This is something that can be done, if it cannot be done easily at the moment, it will be done easily presently, in a year, in two years. If, so what would then prevent the oil from being brought into land and refined right there in Labrador, in Lake Melville, in Sandwich Bay, in Alexis Bay, or whatever is the nearest appropriate harbour or bay. What then would stop that? One thing only, icebergs. Do you know, Mr. Speaker, as of this moment they have not found out anyway whereby a ship going along in the dark or in fog is able to detect the presence of an iceberg up ahead, soon enough to allow the ship to swerve away and dodge smashing into the iceberg? With all the electronic devices and gadgets and discoveries and inventions made up to the present time, they have not yet found away to enable a ship to detect the presence of an iceberg soon enough to enable the ship to escape a smashing into the berg.

I am proud and happy to say here today, that the engineering college of Memorial University under the brilliant Dean, Dr. Bruno, are now devoting their brains, large part and time of their brains, to that problem. It is peculiarly a Newfoundland problem. We know more about icebergs, in Newfoundland, than they do in any other part of this North American Continent. We have had more experience with icebergs, than anyone else has had. In fact, they have had only trifling experience compared with the experience we have had. We learned it the hard way. We learned it

the hard way. When the Englishmen came out here, in the early days of our history, they were green so far as icebergs were concerned. They knew nothing about icebergs, they knew nothing about the habits of icebergs. They knew nothing about the dangers of icebergs. They did not know anything about icebergs. How could they? What chance had they ever had to learn anything about icebergs? But, they learned it here, Sir. And hundreds and tens of hundreds of lives were snuffed out here on our coast by men learning about icebergs. God knows how many ships went to the bottom, and how many lives were snuffed out in the hundreds of years it took for our people to acquire the lure, the lure the culture of icebergs. So we have grown up for nearly five hundred years on this Island, shipmates with icebergs. And it is very appropriate, I feel, that our own college of engineering should be the one college of engineering in the world now, except possibly in the Soviet Union, and I would imagine they would have very good reason to study the subject over there as well. Now giving great study and attention, to the question of detecting icebergs. And one can only hope that this will happen.



MR. WINSOR: I think at this point I should give an explanation with my experience of icebergs. I think the Hon. the Premier might be a little confused between "icebergs" and "growlers." There is no difficulty Sir, in detecting icebergs. The radar is capable of doing that and we have used it for many years. It is the growler I think you might be a little confused in.

MR. SMALLWOOD: Yes. I do hope that the hon. gentleman the Minister of Labrador Affairs who knows the coast of Labrador better than any one else in this Chamber. I hope he will favour us with some remarks on the address in Reply, and give us some sound practical information about it.

Sir, I have mentioned oil, possibility of oil and natural gas off the coast of Labrador but of course the prospects off the Island of Newfoundland are at least, to say the least just as good, if not better, and once we can get settled the question of our title, then Newfoundland's economic future should be vastly improved, vastly improved indeed by the presence of that great wealth lying just off our shore.

Mr. Speaker, last night or yesterday afternoon I referred to the loss of population in the nearby province of Nova Scotia. Today I am able to give the actual figures. In 1968 Mr. Speaker, 41,000 Nova Scotians left their province. In 1967 39,730 now we have not got the figure for 1969, but if it was about the same as 67 and 68 then in 1969 another 40 odd thousand would have left Nova Scotia making a total for three years of 120,000 persons.

So, Mr. Speaker, when I say as I say ad nauseam. It must turn people's stomach to get so fed up hearing me say it. When I say that Newfoundland could be washed down the drain and we will be if we do not watch ourselves. I am only speaking the simple truth. The pressure that is on Newfoundland and Nova Scotia and Prince Edward Island and New Brunswick. The pressure of population, the pressure of our people looking for jobs, is irresistible. The race between population and jobs, the population going up the jobs not keeping pace. The pressure of population looking for work looking for jobs could easily, all too easily start of stampede out of this Province. That is what I mean by washing Newfoundland down the drain.

MR. COLLINS: Those figures that you just quoted from Nova Scotia, it seems to me that establishing how many people might leave Nova Scotia, would present quite a problem because they can leave Nova Scotia with greater ease than ~~we~~ we can leave Newfoundland. We were told here last year that the last session that it was very difficult to determine how many people were leaving Newfoundland. The Hon.

Minister of Health he said at that time that an effort was to be made to try and determine how many people were leaving via Port aux Basques, how many were leaving via airlines from St. John's and Gander. I wonder has any work been done on this can the Premier indicate how many people might be leaving Newfoundland yearly.

MR. SMALLWOOD: Yes, Mr. Speaker I have already done it. I have already told in this House, given the figures of the numbers that were leaving Newfoundland I have done that. In the budget speech, the last budget speech the House was told of the numbers of persons who in the previous 15 years had left Newfoundland, and the number each year for the last 15 years. It is spelled out clearly in the budget speech. I had, not an estimate, it was not exactly it was a precise figure. There was a tremendous amount of work done and the same kind of work is done in each individual province. The first duty of the Government of a Province is to know how many people there are, how many are coming in how many are going out, how the population is growing or declining. How can you plan ahead for schools? How can you plan ahead for anything if you do not know how many people you have and what their ages are? The age grouping of your people, how many young people, how many children coming that will be needing school accommodation five years, eight years, ten years, fifteen years from now, how can you plan anything if you do not know first of all the numbers of your population? I have not got the figures here with me at the moment and I am not sure that the figures have been compiled for last year yet. It may be another month or two before any one has the figure compiled. But we have the figures for each year before last year running back for some fifteen years. The hon. gentleman will get the budget and he will find it right there, spelled out in the budget, in the budget speech.

MR. COLLINS: That was not one of the sixteen words.

MR. SMALLWOOD: That was not one of the sixteen words, no, that was among the other words. So we could be washed down the drain it is a very sad and shocking and a frightening thing Mr. Speaker. It is frightening. It is utterly frightening to think of the pressure there is down here to drive people out of the four Atlantic Provinces and it is even more frightening to think of this magnetic attraction there is in Upper Canada in Ontario who attract people up there from down here, Down here the sheer wait of economic conditions, the sheer wait of unemployment the sheer wait of lack of jobs, the sheer wait of lack of opportunity down here driving, tending to drive them out and up in Ontario with no unemployment with things booming, with inflation, right left and centre attracting them up there If you stop to think enough about it you will end up in utter despair. Certainly You will not have any trouble understanding the danger in which this Province and

other eastern seaboard provinces stand in that matter.

Mr. Speaker, I want to pass on, I want to make one brief observation about the Auditor General's Report. It was tabled here in the House the other day and I read it as I sat here listening to the hon. gentleman speaking, I read it through and it seemed to be one of the mildest reports, Annual Reports of an Auditor General that I have seen for a good many years extremely mild, very very mild, And as the former minister of Finance whose accounts were dealt with in the Auditor General's Report because the whole period covered in the report was his period as Minister of Finance. He very rightly said from his place here yesterday in his speech yesterday. The hon. member for Fortune Bay who was the Minister of Finance, being criticized here and there little bits not too much by the Auditor General. He very rightly said that it was grossly exaggerated. The comment in the papers and so on.

That any knowledgeable person, and Mr. Speaker remember that you are always always the victim of ignorance. All of us were the victims of ignorance. That is ignorance, I do not mean ignorance in the colloquial sense of the word that you are an ignoramus. If I call a man an ignoramus, I mean he is ignorant, and by calling him ignorant I mean he lacks information. He is ignorant of certain facts. Ignorant has come to have another meaning which is a sort of a term of abuse, you ignoramus, meaning you dirty low clown or something like that. But the word ignoramus means lacking information. Ignorant of certain information. Public men are always the victims of ignorance of that kind. Someone who has never read for instance an auditor general's report in his life and he reads this one. His hair stands up. He is frightened to death his blood runs cold. But let anybody take annual reports of auditor's general running back for twenty-five years, fifty years, Take the report of the Auditor General in Nova Scotia in any province of Canada., Take the Auditor General's Report to the Parliament of Canada, to the Canadian Parliament, just read the Auditor General's Report and having done that anyone reading this report would be a little surprised at its mildness. And Mr. Speaker, I will have other opportunities in this present session to talk about the Auditor General's Report and more important the Minister of Finance will have ample opportunity to discuss it and the House will have lots of opportunity, anyone who wishes to join in it will have ample opportunity to discuss anything that is in the report of the Auditor General. But I want to say just one thing. This Government has an accounting system, a bunch of book-

keepers. chartered accountants, certified public accountants, we have twenty-five of them down there in the Department of Finance. Masters of Commerce, Bachelors of Commerce, Masters of Business Administration with their degrees we have twenty-five or twenty six men in the Department of Finance today with their various degrees in accounting, accountancy and business administration, some 25 against 3. We had three there, three or four years ago, we have about 25 now. thoroughly qualified accountants, and business executives, and financial executives. Twenty-five of them with their degrees compared with three of them, three or four years ago. Twenty-five it is an enormous increase in the staff of highly qualified men. And in the course of a year Sir. they enter up in the accounts half a million separate individual entries. Just think of that, half a million separate transactions entered into the accounts, entered in the account books. Five hundred thousand entries a year involving three quarters of a billion dollars, money in money out. Seven hundred million dollars a year, you take in three hundred and fifty million every bit of that is entered into the accounts. You pay out the same money three hundred and fifty million every bit of it is entered in the accounts, half a million entries three quarters of a billion dollars. Now Mr. Speaker, give me a minister of Finance who is perfect and give me a deputy-minister and controller who is perfect and give me an associate deputy-minister of finance who is perfect and give me twenty-five chartered accountants and masters of business and bachelors of business and commerce all of them perfect and then give me fifteen or twenty other clerks and machine operators who operate accounting machines. All perfect.

Give me a perfect department of finance and you would not need an auditor general. His report then would consist of or could consist of one sentence. "I have audited everything and I find everything perfect." That is what his report would be. But instead of that Sir, the Auditor General with a staff never big enough I never heard or read in my life of any auditor general on the earth never one, never in my life never heard or read of any auditor general who is satisfied with the size of his staff. Never, they always want more staff. But give them a reasonably adequate staff and they will spend a year going over these half million accounts, checking them, checking them, checking them. A miracle of miracles they discover six, eight, ten, twenty errors out of the half million. And these are the things that are reported in the auditor general's report. The poor naive ignoramus with his hair standing straight up and only half reading the criticism only half reading it, and not being able to compare it with anything else, thinks that he has hit upon a great scandal. Thus is the reputation of public men made and unmade.

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As I say we will have lots of opportunity in this session to go much more thoroughly into the annual report of the Auditor General and to discuss any particular aspect that needs to be discussed . Certainly there will be lots of opportunity.

Mr. Speaker,

Mr. Speaker, one of the greatest friends I ever had in my life, was Sir William Coaker. The first book I ever wrote was a small book on the life of Sir William Coaker. I was living in London and I wrote this book in three days and three nights - first book, "Coaker of Newfoundland". It was published by a publishing firm in London and it was illustrated with a picture of Sir William Coaker and the picture was drawn with pen and ink by the greatest artist of his kind in England at that time - J.F. Horadin. J.F. Horadin illustrated H.G. Wells's "Outline of History" and he illustrated J.F. Horadin's "Mathematics for the Millions". J.F. Horadin - he drew this illustration for my book; a picture of Sir William Coaker which is frontispiece on the cover of the dust jacket, "Coaker of Newfoundland".

I worshipped that man. My admiration for him was boundless. There were no bounds to it. My respect for him, my admiration for him and my regard for Coaker were without limit. I regarded him and I now regard as one of the greatest sons of this Island that we have ever produced in 500 years.

He was the first great leader of the working class in Newfoundland. He was the first great leader of the fishermen. He was an elemental force in Newfoundland - a very great public figure - Sir William Coaker.

And now, I pay that tribute to him as I touch on my next topic in these remarks today.

I remember so well, so well I remember it because, Mr. Speaker, I was a bit precocious. I began at a very early age to take enormous interest in public affairs and I remember well the late Sir Brian Dunfield - not then Sir Brian but Mr. Dunfield - being commissioned by Mr. Coaker, as he was then, the Minister of Marine and Fisheries under the Premiership of Sir Richard Squires, being called in by Mr. Coaker to draft a scheme which never came into full fruition until a month or two from now. And that was 1919.

What I am going to talk about now, started in 1919. Sir William Coaker was elected on November 3. The Government were elected - the House of Assembly were elected on November 3, 1919. And before the House of Assembly met under the War Measures Act under the authority of the War Measures Act which was still on the Statutes Books, though the war was over, brought in

the famous fishery regulations, drafted by Mr. Brian Dunfield. And the six largest fish companies on Water Street, the big six, the super six, backed it and the Government put it in effect.

What were they for, Mr. Speaker? Now, I will tell you what they were for. They were to deal with two situations. Either one of them desperate. One more desperate than the other. The desperate situation was this: that for generations before then - up to then, 1919 - for long generations, the practice was this; you were a fish merchant, you bought fish from the fishermen, you packed it, you loaded the schooner, she sailed across to Lisbon or Portugal or Oporto or Alicante or Naples or Piraeus or some seaport along the Mediterranean. Unsold - there was two or three or four thousand quintals of fish packed on in the hold of the sailing vessel that sailed across the Atlantic. She would stop at Gibraltar and get some orders and then go on to the seaport where she was supposed to go. She would land at that seaport with the fish unsold. The fish brokers would have a brokery. You had an exporter, you had a broker. You would wire your broker. He knew the schooner was coming. The fish was unsold. His job was to sell it and one broker would compete with another broker.

One shipper from Newfoundland would compete with all other shippers from Newfoundland and the fish went over there unsold. On consignment - it was consigned, sent over on spec - hoping they would sell it, hoping a broker would find someone to buy it.

The fish was a semi-perishable article in a hot climate. It got in Oporto or Alicante or Málaga or Naples or some other hot seaport - a semi-perishable article unsold in the hold of a schooner, in the hands of a broker, who did not have a nickel in it, and who would make his money fast if he could sell it fast and would sell it fast if he could sell it cheap. And every broker in the same position all competing with each other and all competing to get rid, to get rid, not to sell, but to get rid of these schooner loads of Newfoundland salt cod.

That was savage, Mr. Speaker. It was commonplace - the tobacco trades of the United States, all the tobacco growers were in the same position, the fruit growers, the citrus fruit growers of California, all the primary producers of North America were in the same position. Cutthroat competition.

Selling on consignment. No such thing as merchandise.

But the greatest victims of all, were our Newfoundland fishermen. And Coaker said - he began saying about 1912 and '13 and '14 and '15 and '16 and 1917 and 1918 and it was not until 1919 that he was able to get some action by bringing in the fishery regulations, which said this: no one ships a cod's tail out of Newfoundland, no one but no one until first he gets a license from the Minister of Fisheries and he will give a license only if the fish is sold, grade after grade after grade for a certain price after price after price. Prices in accordance with the different grades.

The Portuguese market, the Spanish market, the Italian market, the Greek market and the market of the - Malta - Malta ton-cods. All that - well, it was mainly over there, on this side of the Atlantic the Brazil market disappeared anyway. They did not have any dollars. Disappeared right off the face of the earth.

The price had to be set. The dates of sailing had to be set. It was an attempt, the first one in history, to regulate the sails, the dates of shipping, the amounts of shipping, the prices to be asked - all set by these fishery regulations. The first time in history that salt codfish was attempted to be sold in a regular fashion - co-operative marketing in the control of the Government.

Mr. Speaker, there are not many left around today who will remember the savage battle for three years; for three years the House of Assembly rang, it rang - I sat through every hour of it as a reporter sitting in a press gallery. Every hour of it for three years - the ablest men we have ever had in Opposition when we really had an Opposition, when we really had able men in Opposition. There was an Opposition. Sir Michael Cashin, Sir John Crosbie, Colonel Sullivan, W.J. Higgins, W.J. Walsh. They - for three years, they battled the fishery regulations and all Newfoundland was in an uproar for three years and they were smashed. They were smashed to smithereens. And they had to be ended, and they were ended. Years and years and years passed before finally, the merchants themselves having had a taste for awhile of controlled shipments, formed themselves into a Newfoundland salt codfish association.



And then, that did not work too well, but it worked a little bit and then years after that again, they brought in NAFEL - Newfoundland Associated Fish Exporters Limited - a co-operative of fish merchants. I think you had to pay \$10,000.00 to join it. Well, that ruled out most fishermen. I would say the great majority of the fishermen were squeezed out. A very successful way of squeezing out the common jack in the fishing industry - the people who owned the industry. The merchants do not own the fish industry. They never did. They never will. The fish industry belongs to the fishermen and the merchants, at best, are only servants of the fishermen.

Now, they do not look upon themselves as servants. They never did. They have always looked upon themselves as masters and the fishermen were the servants, but the truth is that the masters, the true masters of the fishery are fishermen. They always were. There could be no fishery without them.

All the money on earth, all the gold in the vaults of the Bank of England or Fort Worth would not haul a cod out of the ocean. That has to be done by men - human men.

And the merchants formed their own co-op called NAFEL. Thanks be to God they did! I was angry with them more than once before I became Premier, after I became Premier, again and again I was angry with them. I was sore with them but what I was sore with, was that it was just a merchants' co-op. And I wanted it to be a fisherman's co-op or at any rate, a co-op of merchants and fishermen, each playing his proper part in the co-op.

But, at any rate, it was a great advance over what had ever been before. So, Mr. Speaker, I have not gone through that as a journalist, as an observer, every inch of it, every hour of it - having gone through it myself, I was well able in 1962, to call a great conference in this building on September 24, 1964.

The conference was a conference of fishermen and fish buyers and fish packers and fish exporters, and fish marketers in the markets and officials, ministers and officials from this Government, from the Nova Scotia Government, from the New Brunswick Government, from the Prince Edward Island Government, from the Quebec Government, and from the Government of Canada. We had them all here. We had them here from Jamaica, from Portugal, from Spain, from England. We had them here.

We had a conference that lasted for three days downstairs in the Sir Robert Bond Auditorium. Here is the verbatim record of every word spoken in that conference. Here it is. Every word that was spoken for the three days is there. Verbatim. Word for word. It is there. It starts off with the Chairman, the late hon. John T. Cheeseman, who was then our Minister of Fisheries, opening the conference and introducing me and I am making the opening speech - the keynote speech.

And in my mind as I made that speech and as I looked over that great audience, in my mind, very much, was the memory of Sir William Coaker.

After I had suggested in my speech, that the conference should wind up in the third day by nominating people that the Government would be happy to appoint, they would nominate and the Government would appoint people to serve on a special fishery commission, after doing that, I discussed the kind of work that the Government would want that commission to do.

MR. SMALLWOOD: is here, right here. And the words I used were these, these are the exact words; but what I would like is for that Commission to buckle down, really buckle down hard to it, and under all these headings put together, the latest and the best and what seems to be the soundest kind of a program for Fishery Development. Now where? Fishery Development, where? Newfoundland? Yes, of course Newfoundland is a big fishing province, one in five of our people directly getting their living out of it.

But not only Newfoundland. If this Commission could come up with a report and a series of recommendations sound enough and sensible enough to be applied anywhere in Canada, and everywhere in Canada - wherever the shoe fitted. Then what the Commission would be producing would be a charter of Fishery progress for Newfoundland.

Now of course it might not be a report, and the recommendations might not be such that they could just fit every province exactly, in which case naturally there would have to be changes here, and changes there, for this province or that province or the other province - because frankly what I have in the back of my mind is this, and it is out now in the front of my mind. We should go, I said, to the Parliament of Canada. Newfoundland should go - the fishing industry - I would like to see other provinces hold similar conferences and go with a great program of Fisheries Development. Because, mark my words, you cannot have Fisheries Development without its costing a lot of money. It cannot be done.

You cannot have agricultural development, you cannot have railroad development. You cannot have any big development without its costing a lot of money. Many millions of dollars - many millions. Now the Newfoundland Government will, I do not need to say it, <sup>go</sup> on as we have gone on - pouring a lot of money into the Fisheries. But we have not got enough to pour in.

Then Sir, after developing that thought that the Fisheries problems vary from one province to another, I went on to say finally and here I quote myself; "it would be foolish, it would be silly to expect the Parliament or the Government of Canada to pick out certain provinces and favour them, make little favourites of them - they are not going to do that. If you have a great Fisheries Development program, it has to be a program that can be applied in this or that or the other province, according as it may fit." Now that was keynote. In other words Mr. Speaker, where we had been making the stupid mistake

and it was stupid, of thinking we could go to the Parliament of Canada, and get Canada to do something for the fisheries of Newfoundland, just Newfoundland, only Newfoundland - something special for Newfoundland - not for Nova Scotia, not for New Brunswick, not for P.E.I. not for Quebec, but just for Newfoundland, where we had been stupidly assuming that we could get Ottawa to do that - now for the first time, I came forward in 1964 at the great Fisheries Conference downstairs with the idea that the sensible thing for us to do, was to go to Ottawa, and ask Ottawa to bring in a program for the whole fishing industry of the whole nation.

Then they would not be playing favourites - then they would not be making chalk of one and cheese of the other. Sir, on the last day of the Conference they did suggest the names of some twenty or thirty prominent men, merchants, fishermen, deep-sea fishermen, in-shore fishermen, Labrador fishermen, representatives of the Fishermen's Federation, officers of the Federation. And we appointed them - the Government appointed them. That Commission sat. I think I can tell you who they were. The Commission we appointed had an executive, and then they had the rest of the members.

P. J. Antle, Captain Max Burry, Captain Guy Earle, Robert Haines from the S.U.F. - F.A.J. Lawes, managing director of NAFEL, Arthur H. Monroe, Frank Moores, the present Tory M.P. in Ottawa, E. A. Snow, managing director of Bay Roberts Fisheries. One, two, three, four, five, six, seven, eight of an executive. The rest of the members were - D. R. Abbott, then the President of the Fishermen's Federation, Wilfred Buffett from Grand Bank, Rueben Cassila, fisherman from Pouch Cove, Mercer Davis, fisherman from Cartwright, Richard Glenn, fisherman from West St. Modeste, Harold Goodridge, Tors Cove Trading, James C. Grieve, director of Bowrings, Harold Johnson, a fisherman from Little Catalina, Gordon Mcfflin from Catalina, John Molloy, fisherman from St. Shott's, Glen Newman, a fish plant operator at Quidd Vidi, Con O'Brien, Witless Bay - fish plant operator. Mrs. Penney, President of John Penney & Sons, James Pittman, a fisherman from Rocky Harbour, Bonne Bay, Andrew Short, a fisherman from Harbour Grace, Frank Spencer, Booth Fisheries, Fortune; John Sullivan, a fisherman of Calvert, and Henry Taylor, a fisherman of Moreton's Harbour. And the secretary of the Commission was Colin Storey.

We appointed the Commission and they went to work, and on October 30, they issued their first report and this is it. On the 30 of October, but

this was an interim report, a sort of a first installment. Then on January 19, 1962 - The Commission met as I said September 24, 1962, October 30, 1962 - the interim report, and the main report January 19, 1963. Report Number 2.

And Mr. Speaker, I in my speeches at the Conference suggested, just copying Sir William Coaker, that is all I was doing. Not original with me. I was able to do it, because I had known Coaker so well. I was so familiar with his ideas. I knew how good the ideas were, so I was able to suggest that what we had to have was a great marketing board, similar to the wheat marketing board of the Western Prairie Province.

So it did the Commission. Then the next great step we took was this. We brought in, and I did a revolutionary thing and a daring thing, the Prime Minister of that time was Mr. Diefenbaker. He and I did not get on too well together, publicly - no. There was a rumour around at the time that he and I did not see eye to eye too well, nevertheless, I did bring two men into Newfoundland at that time, who were from the West, and who were Mr. Diefenbaker's speech writers. They were the men who travelled around with Mr. Diefenbaker writing his speeches, that Mr. Diefenbaker would deliver.

Hedland and Menzies - two of the most brilliant minds in Canada. They have since formed a big firm and that firm was bought out the other day by Acres was it - Acres had just bought out the Hedland, Menzies firm.

But I telephoned these two men and I said we have a great task to perform in Newfoundland, and I know you are brilliant the two of you, and I know also that you know more about farmers and farmer's problems in Western Canada, than perhaps any other men in Canada. Now would you come down and get interested in the problems of the Fisheries, bringing with you here, your knowledge of what the farmers have done, and what the Parliament of Canada and the Government have done to Canada's farmers. Bring that knowledge with you, and apply it here to our fishermen's problems.

How do the Government of Canada and how do the Parliament of Canada handle the farmer's problems. How have they handled those problems for ten, twenty, thirty years past? And knowing these techniques and cures and solutions, will you please come down and try to work out the same kinds, the same types of solution for our fishing province. They came Sir, and here is their report. And this is January 1963 as well, and in this they recommended the same thing, a salt codfish marketing board. Coaker must have been smiling benignly down

from heaven as he saw his own ideas step by step by step being carried out by his friend and follower, Joey.

The next step Sir, was this. In December 1963, the same year now, the year after our big Conference, Hedland and Menzies of Lombard Avenue, Winnipeg, Manitoba, presented a second report which was written by them, but written as "I" like a Budget Speech. This says "I". And the "I" was Joey. It is written in the first person "I say this, and I say, and I say the other", and the "I" was meant to be the Premier. But actually it was written by Hedland and Menzies. I did not even write sixteen words, not even sixteen words of this famous report.

So I am not the author of it - I adopted it, and I made it mine. And I presented it to the Government of Canada, again advocating the salt codfish marketing board for the fishing industry of this Province.

Now you see Mr. Speaker, the documents are beginning to pile up. And finally, the big report of all. I went with this to Ottawa, personally, I went up to present it myself with my own hands. When I got up there, the Government of Mr. Diefenbaker was falling apart. They were falling apart at the seams. Yes we look like it do we <sup>not</sup> Do we not look like a Government that is falling apart? Do not the Opposition look like they are about to take over? Now look at them, look at them. They are the crowd about to take over Newfoundland, with this great sweeping popular movement that they are leading all around our Province. There they are the crowd - Oh, do not make me laugh.

Mr. Speaker, the Government were falling apart, and I had a meeting in the office of Mr. (the teacher from the West) Hamilton - Alvin Hamilton, a man, one minister in the Government of Canada, in the Diefenbaker Government, for whom I had a lot of respect, and I still have. I presented this to him, and to the Minister of Fisheries, the man from P.E.I. Mr. McLean, and Mr. W.J. Browne was present. And I went in and I presented the report, this report to them. Now I felt you know, really Mr. Speaker, I felt that I was sort of not casting pearls before swine, because they were not swine, and these were not pearls. But I did feel that it was love's labour lost - the Government were falling apart, and they did shortly fall apart, one minister after the other left them. So while I was in Ottawa, I went and had a long talk with Mr. Pearson

So, while I was in Ottawa I went and had a long talk with Mr. Pearson. He was the leader of the Opposition. I had a long talk with Mr. Pickersgill and then the three of us had a talk together. I said, "look, Mr. Pearson, there are not as many fishermen in Canada, as there are wheat growers. That is a fact." But I said, "so what? Are not fishermen in Canada entitled to treatment the same exactly in principle, in principle as the farmers are entitled to get. Not as much, but in principle. Are not the fishermen entitled to the same consideration as farmers or miners or railroaders or any other classification of workers in Canada." He said, "yes, Joe, of course they are." I said, "all right, down through the years as Hedland and Menzies describe, every main problem of the farmers has been taken care of. What are the main problems of farmers? Shortage of capital, crop failure, the need to rehabilitate their farms, damage from hail or frost. In other words, acts of God or shortage of cash and then again marketing. The problem of marketing their wheat and year after year after year for thirty years, the Parliament of Canada under the different governments had brought in laws to take care of that problem, of the other problem and of this problem, of another problem. One by one by one by one great schemes, great programs were brought in to take care of the problems of the farmers."

I said, "if it is right, Mr. Pearson to have farmers helped and protected, when they have a crop failure, is it not equally right for fishermen to be helped and protected, when they have a catch failure? If the working of the laws of God will end up in farmers not getting crops through the working of nature and fishermen end up through the working of nature in not getting a catch. It is a crop failure. It is a catch failure and if you treat the farmers generously and help them because they had a crop failure, are you not willing to do the same thing. Is not Canada willing to do the same thing for the fishery?"

He said, "Joe, I cannot think of any argument against it." So I went through the main points of the Hedland, and Menzies written report, which I presented in my name. He agreed. Well I said, "all right, sir, all right, what we want, therefore, is a great national fisheries policy, a great national Canadian all Canada, all provinces, a national fisheries policy. Not just a policy for Newfoundland. That makes us beggars. That makes us ask you, demand that you Ottawa shall make chalk of one and cheese of another. We do not want to be put

in a special class by ourselves. That makes us beggars. So we do not want a Newfoundland fishery program. We want an all Canada fishery program. One for the nation, make it national." Well he said, "yes, I must say that sounds reasonable." I said, "the beginning of it should be the holding of a great national conference in Ottawa."

He wrote me a letter. I came back with that letter in my pocket and I published it full page in the Evening Telegram, full page. I published that letter. And the conference was held, this great national fisheries conference was held in Ottawa and all the fishing provinces of Canada - in fact all of the provinces, all ten of them were there and this was my - as the one who started the ball rolling, this is what I said at that conference, Mr. Speaker: "The convening of this conference is the culmination of long and fervent hope for Newfoundland. A year ago the Government of Newfoundland made a presentation to the Government of Canada - a presentation that was titled 'national fisheries development.' In that presentation, we talked of a national fisheries policy as distinct from a Newfoundland fisheries policy. We are still talking about a national policy and we still visualize the Regional and the Provincial Fisheries Programs to be developed within the framework of national policy as integral parts of a broad, national, all Canada, coast to coast fisheries development program. We are not talking about a policy conceived as a system of Welfare payments and handout programs. We are talking about policy designed to achieve far-reaching development and investment programs that will enable our Canadian fishermen, whether they be in Newfoundland or Quebec, in Manitoba or British Columbia, our Canadian fishermen to make a descent living from the harvesting of the rich resources of the sea, the lakes and the rivers of our land. This is what we ask for Newfoundland. This is what we ask for Canada. We do not have it today. Today the position of the fishermen is prejudiced by risk and uncertainty in terms of both price and production, and so on and so on.

That is why all of us are here today. That is what we must concentrate upon over the next five days. If we agree merely to increase social and Welfare payments to the fishermen, we shall have failed. If we agree merely to construct a few more facilities such as: processing, storage plants and bait stations, we shall



have failed. But we can succeed. We can succeed by building new health into a potentially rich industry by making those policy breakthroughs, which will result in new opportunities and new hope for the fishermen of Canada. I went on and on."

Then I read them the letter. Before I read the letter, I said this: "the National Agricultural Policy is a charter for agricultural development across Canada. Its objective is the prosperity of Canada's farmers. Its techniques are to achieve the maximum productivity of the nation's farm resources, the best possible quality of production, the maximum expansion of markets. Its specific measures include price support and price stabilization, various forms of yield and income insurance, massive infusions of credit, the establishment of marketing agencies and of export credits, market expansion, quality, maintenance and control, transportation assistance, agricultural research and not infrequent special extension of forms of aid such as: cash advances, acreage payments, land use mapping and conservation and resource reclamation, through the Prairie Farm Rehabilitation Act, the Maritime Marshland Reclamation Act and the Agricultural Rehabilitation and Development Act."

Now equivalent development measures are to be made available to the fisheries in accordance with an undertaking given by Canada's Prime Minister. Now by this time, Mr. Pearson was Prime Minister you see. He had become Prime Minister in the meantime. A year ago the Government of Newfoundland presented its brief to the Government of Canada on national fisheries development and in response I received a promise from the Right hon. L. B. Pearson that the fishermen would receive treatment comparable to the farmers of Canada. Here is what the Prime Minister, Mr. Pearson wrote. Now, Mr. Speaker, here this letter.

February 13, 1963

Dear Mr. Smallwood:- "I am grateful to you for giving me a copy of the presentation of the Government of Newfoundland to the Government of Canada on national fisheries development and for the opportunity as leader of the Liberal party to express my attitude to these proposals for a national fishery policy." (Now listen to this). "While during an election campaign, I could not possibly secure the expert advice I would require to make a judgment in detail of the various proposals, your approach to a national fishery policy is right in line with the declared policy of the National Liberal Party to take parallel action for the welfare of

farmers and fishermen." Parallel action and with the objective set forth in my speech of February 11 quote, "to ensure the farmers and the fishermen of all Canada their fair share of the national income and opportunities for a better life."

"I have no hesitation, therefore, (he went on to say) in undertaking, if I become Prime Minister after April 8 to submit the Newfoundland proposals to the Department of Fisheries and other agencies of Government concerned for immediate examination and report to be followed promptly by the calling of a Federal-Provincial Fisheries Conference to work out a Federal-Provincial Program for Fishery Development to be founded on the principle that national action for fisheries should parallel the action already being taken and action to be taken for agriculture."

Yours sincerely,

L. B. Pearson.

Now that was a historic declaration by the leader of the Liberal party who became Prime Minister a few weeks after that; namely that what Canada does for her farmers must be paralleled by what she does for her fishermen. That if there is crop failure insurance for the farmers, there should be crop failure insurance for the fishermen. If there are massive infusions of capital for the farmers, there should be massive infusions for the fishermen and so on and so on. The difference being only this, difference of size. There are far more farmers than there are fishermen. Therefore, when you put money out, you put more out for farmers than you put out for fishermen. What you do for farmers you do for fishermen. But you do it on a bigger scale for farmers, because there are more of them.

Now the big thing of all in this report, page thirty-two is this, Mr. Speaker, "marketing and price stabilization, (1) Newfoundland's first need is the creation of a national marketing agency for salt fish that would result in orderly marketing and the establishment of the principle of forward pricing. That is naming the price early in the season. The fishermen knowing before he goes fishing what price he is going to get. The creation, it says, of a national

marketing agency for salt fish that would result in orderly marketing and the establishment of the principle of forward pricing. The establishment of such an agency for salt fish marketing in the Atlantic Region, an agency that could do for the salt cod producer what the Canadian Wheat Board has done for the prairie farmer would be of benefit to the producer, the processor and the fishing industry. It would tend to stabilize prices received by fishermen, reduce the market risks of processors and handlers and achieve the orderly delivery of a quality product to export markets. The benefits of such a board would, of course, be available to any other Atlantic Province which wished to take advantage of the services and protection it would advise." It went on and on spelling out the idea of a salt cod fish marketing board that would be national, national, not just the Government of Newfoundland, but the Government of Canada, a national marketing board with the strength and the money and the prestige and the organization of the Canadian Government put squarely back of it as they are now back of the Wheat Board.

Not a weak, puny, board, backed only by the Government of this small Province, but rather a board backed by the might and the strength and the money of the Government of our great nation, a national marketing board for salt cod. I spelled it out, Mr. Speaker, in 1962. I spelled it out in 1963. I spelled it out in 1964. I came in our House of Assembly and I spoke for five days on the fisheries. I made the longest speech in the history of the House of Assembly for long more than a 100 years. It was all about fish and I am the one they sometimes accuse of not being interested in the fisheries. No, I am not interested in the fisheries. That is why I talk about it, because I am not interested in it. That is why I have for these long years advocated the setting up of a great salt codfish marketing board. That is why I advocated it. That is why I demanded it. That is why I have taken one action after the other, every action that you could think of, I took. If there was any action I failed to take to bring up this reform was because I could not think of it. Anyone I did think of, I did.

and I did persuade the Government of Canada, I did persuade the Prime Minister, Mr. Pearson and the essential members of his cabinet. And in that cabinet, Mr. Pickersgill who was an extremely influential cabinet minister, Mr. Pickersgill did everything in his resourceful power, and a very resourceful and ingenious mind he has indeed to get the Canadian Government to do it. He did not succeed, Mr. Speaker, I did not succeed, none of us succeeded. We were blocked. Why were we blocked? We were blocked. We were stopped in our tracks, because another province, bigger than we, not far from us, a nearby province did not want it. There merchants did not want it. They did not want it. They were opposed to it, and they had enough influence to block it, and they did block it. But, Sir, the time came - now they came down here, all those merchants from Nova Scotia came down here to St. John's, they came in to see me, they came over to my home, and we talked until one or two o'clock in the morning. And we talked, and we talked, and we talked, and we won over about half of those Nova Scotia merchants. We won them over, about half of them. But, some of the more powerful ones, still said no. And gradually, Sir, one by one we converted them. One by one, but it took ever since 1962, and this is now 1970. And we never stopped in those eight years. We have never stopped. And finally, we have success. And the Speech from the Throne refers to it, in these words; " Mr. Speaker and members of the Honourable House of Assembly was with deep satisfaction, that my Government welcomed the decision of the Government of Canada to introduce legislation into Parliament to provide a great reform in the salt cod fish industry. The organization of a marketing board has been advocated for many years by my ministers. And in June of 1964 they asked your House to adopt legislation to provide for the creation of the marketing board insofar as your House had the constitutional competence to do so. This legislation was enacted, and has reposed in statutes of this province, since 1964, that is where my hon. friend was thinking of 1964, was the year we brought this legislation into the House. It was 1964 awaiting only the enactment of Federal legislation to give it legal effect. My ministers share fully the competence felt by the fishermen in the prospect of better prices and conditions in the salt cod fishery industry this year, than in the future."

Now, Sir, after all this work had been done, and after we had brought Hedlin and Menceys down here, and after I had taken the report to the Canadian Government, that were falling apart at that moment, and after I had got the promise from Mr. Pearson, and after the great national fisheries conference was held in Ottawa then I brought legislation into this Chamber, in 1964 after two years of solid

efforts, we brought the legislation in, I think, I introduced it, I am not sure. The Minister of Fisheries at the time, was the late John T. Cheeseman. I think, he was the Minister of Fisheries, was he not? The present member for Trinity North was the Minister of Fisheries, in that case I expect my hon. friend introduced it, as minister. Well did I introduce it? Well, I introduced it. But, the hon. member who was then the Minister of Fisheries spoke a long speech, and a great speech it was, I remember it well on this great topic. And the late John Cheeseman spoke on it. And many men spoke on both sides of the House, and everyone agreed. There was no disagreement. It was unanimous. The entire House Tories and Liberals, all voted for it. We favoured it strongly and it went on the statute books, and it is the Law of Newfoundland today. An Act, an Law, to set up a salt cod fish marketing board. Now we passed ours in 1964. Nova Scotia must pass theirs now in 1970. And New Brunswick will pass theirs in 1970. And P.E.I. will pass theirs in 1970, but we were ready ever since 1964. And then we have people with the gall to get up and say, that this Government can take no credit at all - no credit it was six loud Tory Opposition members in the House of Commons, who should get the credit for it. Of course, that is going on all the time. You know what they remind me of, Mr. Speaker, I remember over on Bell Island years ago, I was organizing the mine workers in a very strong union. And after a great many nights in the Union Hall, we sat around, we got yarning, and there was Jack Kent, and Mike O'Neil, and there was - I forget them now, we sat around and got talking, and swapping stories and yarns and they told me about one man, who worked on the surface. He was a labourer. And when the whistle would go, they described it for me, they showed me how it was, if he was digging with a pick axe, a pick axe like this, and when the pick was up like that, if the whistle went he would just let his hands go, and the pick fell and he was half way home, before the pick axe struck the ground. Well, the Tories in Ottawa are just like that. They hear of this, or they hear of that, they talked to this minister, or this deputy minister or this clerk in a department, and they get word of something, and before - look, the man still has his mouth opened speaking to them when the Tory is on the phone calling the radio stations in St. John's, or Corner Brook as the case might be. They are calling the radio stations and announcing the great news. And I suppose, I do not know, if it is so, but I would imagine that a large proportion of those who hear this on the radio thinks that it was those Tory members who did it, and the radio stations fall for it. They all fall for it. All they do is hold on, wait a minute wait a minute, Mr. McGrath, hold it, wait until I turn on the machine and tape his

voice. And the next thing you hear a voice coming over the air, Mr. McGrath, Mr. Carter, Mr. Lundrigan, and so on, and they making these announcements. My God, they must be running Canada. They are up there in Ottawa, they are running the whole show. You never hear a word from anyone, but those Tory Opposition, and their opposition, Mr. Speaker, they are as powerless as church mice. But, the only announcement that was ever made -

AN HON. MEMBER: Not fair.

MR. SMALLWOOD: Not fair. They are very powerful.

AN HON. MEMBER: Inaudible.

MR. SMALLWOOD: I will conceive that, they are more powerful than church mice. Yes, they are as powerful as cathedral mice. Not church mice, cathedral mice.

AN HON. MEMBER: That will never get the hon. the Premier anywhere.

MR. SMALLWOOD: That will never get the hon. Premier what? anywhere. Well, it depends on where the hon. Premier wants to get. The only thing the hon. Premier ever wanted in Newfoundland from the people, was to be elected Premier, that is all he ever wanted. I never asked the Newfoundland people to do anything for me except, to elect me Premier, and I did that six times, and you know what happened on the six times, they did it. Six times, they elected me Premier, and that is all I ever wanted them to do. I never asked them to do anything else, except elect me Premier. I am modest, I mean I really do not want very much, I am something like Eartha Kitts. She did not want anything, except a few pink coats, and a few Rolls Royces, you know she did not want anything, and I do not want anything except for the Newfoundland people to elect me as Premier. And six times, I have asked. And I know someone else who would like to have the same thing. I know a couple over there, that would like - I know three at least over there who would also like to have the Newfoundland people do the same thing for them. The only trouble is,

MR. J. C. CROSBIE: They are going to do it.

MR. SMALLWOOD: All three of them are all going to be elected. You are not going to have a dual candidacy now, you are you to have a trio candidacy.

MR. CROSBIE: A triumph candidacy.

MR. SMALLWOOD: A trial candidacy. A trinity, A tricotic of candidates.

One tory, one ex-liberal, and one renegade.

MR. CROSBIE: And one Independent Liberal.

MR. SMALLWOOD: Independent.

MR. CROSBIE: Inaudible.

MR. SMALLWOOD: Yes, I found that out in the Convention.

MR. CROSBIE: Yes, forty percent of the people voted for the delegates.

MR. SMALLWOOD: Much more higher -

MR. CROSBIE: It never happened in political history before.

MR. SMALLWOOD: No, but, the trouble is - the trouble with that statement is that it is not true. Because, the forty percent were not all liberals. The forty percent were not all liberals. Nearly half of them were Tories. Nearly half of them were Tories. Nearly half of them were Tories recruited especially in certain parts of the Province to come in as the quick easy and cheap, a mere buck, just a buck, just a dollar, a cheap quick easy way to get at Joey. And what good faithful Tory would not do that. I mean sure any good Tory would do that, would he not? I mean any Tory would help his party, that much, would he not? Just a paltry dollar. A paltry buck, and you get your card and go in and vote, and elect your delegates. And get them into the convention. Surely that is the quickest, and easiest way to get Joey, is it not? Why wait for a general election? Why wait for a general election? If you do wait for a general election, you will probably lose again, that little so and so, he always wins. But, let us get him in the convention. Let us get him there. That accounts for a large part of that forty percent.

It would have been the fairest kind of a convention ever held, if he had won. It would be the most democratic convention ever held, if he had won. Everything would have been honkey dorey. There would not be anything wrong with it at all, Mr. Speaker, if he had won. But, you know what happened? He did not win. You hear.

MR. CROSBIE: Who did?

MR. SMALLWOOD: Who did?

MR. CROSBIE: Yes.

MR. SMALLWOOD: Newfoundland did. The Liberal Party did. I did.

MR. CROSBIE: It is a shame. It is a shame.

MR. SMALLWOOD: It is a shame, is it not? What a shame.

MR. CROSBIE: The hon. gentleman is going to find out what a shame it is too.

MR. SMALLWOOD: Yes.

MR. T. ALEX HICKMAN: I presume, Mr. Speaker, this comes under the solemnization of marriages? ..... speech from the Throne.

MR. SMALLWOOD: The hon. gentleman is a dead duck politically.

MR. CROSBIE: Quack, quack, quack.

MR. SMALLWOOD: Right, a dead duck. Politically, a dead duck.

MR. CROSBIE: Come in duck hunting in St. John's West.

MR. SMALLWOOD: He is politically a dead duck.

AN HON. MEMBER: Inaudible.

MR. SMALLWOOD: Well, I could relate it, but I will not. It would be too personal. I could relate it, I could talk about the fishery regulation.

MR. HICKMAN: Do not ever talk about the south coast. Do not ever talk about the south coast.

MR. SMALLWOOD: And how they failed. And why they failed. I did it on the south coast, I went up the southwest coast and held meetings in every town as far as Grand Bank, St. Lawrence, Lamaline, Marystown, Point au Gaul, right around to Grand Bank I held meetings for the F.P.U. for Coaker:, right in the midst of the fishery regulation. And I met the fishermen and they were deeply impressed, Coaker: thought I was crazy to risk it, I said, I will go up there Sir William, and I will tell them the story of the fishery regulations. And I will tell them what you are trying to accomplish. And I will tell them what fishery regulations are meant for, what they are trying to do. That they are trying to do something for the fishermen. And I did. And I held meeting after meeting, after meeting up there and I made friends on that visit. It must have been 1920 or 21, I met friends that became life long friends up there. And there are a few of them still up there. One I remember well, is Fred Budgen. W.F. N. Budgen lived over Epwart. Another man who is also a personal friend of mind, opposed me when I advocated Confederation,



MR. SMALLWOOD: Up at Point au Gaul across from Lamaline, he has been a navy man

MR. HICKMAN: Henry Tulk

MR. SMALLWOOD: Henry Tulk, Henry was a great friend of mine, a great old F.P.U. man, a great Coaker man, a war veteran in the Royal Navy in the first War - but to my amazement and surprise he opposed Confederation and I believe he turned Tory.

MR. HICKMAN: Then he died

MR. SMALLWOOD: And then he died

MR. HICKMAN: I have heard some of the older people talk about what they went through under the fisheries regulations, the old fishermen of Lamaline - still there. It is not a pleasant memory

MR. SMALLWOOD: The noblest effort made in our history to up-lift the fishermen was the great attempt of Sir William Coaker, and the fishery regulations

MR. HICKMAN: It was abused

MR. SMALLWOOD: It was ahead of it's time - it was way ahead of it's time. After they were all gone people suddenly sat back when the hatred died down the bigotry and the prejudice and the hatred and the intolerance - when they finally cooled down, and it was not a roaring flame any more in Newfoundland, and people began to recover their sanity - people began to say -

Over in Portugal the Government have set up a "consortia" to control the imports of every cod's tail that comes into Portugal. In Spain they have set up another the "Gremiou" or was the "Gremiou" in Italy?

MR. HICKMAN: The "Gremiou" was Portugal

MR. SMALLWOOD: The "Gremiou" was Portugal, "Consortio" was Spain, what did they have in Italy? What was it called in Italy? In every importing country the Government of the country had set up a tight organization to put the most rigid control on the imports into their country - and here was Newfoundland that had made an heroic attempt to control the exports so that a Government controlled export body in Newfoundland would ship fish to a Government controlled body importing fish in Spain, or Portugal or Italy or Greece. The moment you organized the importation of a commodity into a country, at that moment it becomes absolutely a matter of life and death that the exporting country should be similarly organized.

When they smashed the fishery regulations here in Newfoundland, and the hatred died down, and the bigotry, and the passion died down two or three years after that - when you could mention fishery regulations without

some men getting apoplexy - without some men throwing a fit, after two or three or four years it began to dawn on people in Newfoundland - maybe Coaker was right. What kind of a condition are we in now? You have now a bunch of independent fish exporters who hate each other, who knife each other, who cut each others throats, competing with each other in markets that are tightly controlled by the importers.

I do not know if I ever told the story of the famous meeting on Water Street, in the Board of Trade, where the merchants met - the exporters met in a private meeting to fix on certain minimum prices. They would all agree that they would demand and get - and they would not ship below those prices to the various markets, and they agreed on it. Now to make it binding they put a fine, anyone who would break that would pay \$1,000. and \$1,000. used to be a lot of money in 1921-2-3-4, it was a lot of money - a fine of \$1,000.

And the story of the man slipping out of the meeting to go apparently to the toilet, at any rate he came back into the room buttoning up, so it looked really like he had been in the toilet, he had not been hear the toilet, he had gone to the phone to phone his office and tell them to cable so and so - that was his broker in this market, that market, and the other market offering the fish for five shillings less than the price agreed on in the meeting. Glad to sell it for five shillings less because he would sell it - he would get ahead of all the others - he would make a sale and he sold the fish, and down would come the price because, if he sold it for five shillings less, no one else could get that five shillings they had to sell it for the same five shillings less. He paid his \$1,000. fine, but he had made the sale, and he had got over the others.

Dishonesty of course, dishonourable, of course it was dishonourable. It was contemptedly dishonourable, it was despicably dishonest and dishonourable, of course it was. And the real victims Mr. Speaker, were not the merchants although some of them suffered savagely. I knew a fish merchant well, he and I became close, personal, intimate friends. He was unemployed - I was unemployed, and we were both Liberals, we both disliked the Government in power - they were Tories, and we met - oh hundreds of days we met and I knew the story of his life. He was worth \$500,000. cash. Half a million in cash and that was an awful lot of money in the 20's. When I knew him he was unemployed. I met him one morning "hello" I said, "how are you," and I was sort of proud to know this big built, handsome looking, man who had been one of the famous merchants. I am sort of proud that I knew him. To me ~~was~~<sup>it</sup> was 771

a fascinating experience to hear the life story of this man - of this transaction, going to this market, going to that market - you know, selling this ship load, selling that ship load, buying this vessel, selling that vessel - a man who had been up to his very neck in the salt sodfish trade and was worth half a million.

I met him this morning, I said "hello, how are you?" he said "do you want to know?" I looked a little surprised and I said "well yes" "do you want to know how I am?" I said "yes sure" "well" he said "I have just gotten orders to get out of my house" I said "what do you mean?" He said "the landlord ordered me out, my furniture is going to be stuck out on the sidewalk today." So I took him to a man who paid his rent, I did not have it to give him, and I took him to the man, I took him to Sir Richard Squires in fact - and Sir Richard Squires gave him enough money to pay his rent, which was about eight dollars a month in those days in St. John's. It was not one of the best houses in the city, and he was paying eight dollars a month or nine dollars month rent or some pitiful little amount of rent, and he could not afford it and Sir Richard gave him enough money to pay his rent for three months.

That man lost every last cent he owned on this earth. He never went on relief, but he came pretty close to it, he was "Paddy Keefe" to it, as they say. And merchant after merchant after merchant after merchant in Newfoundland lost his shirt and his drawers and everything he owned on the earth, stripped naked, merchant after merchant after merchant. So it is not only the merchants who were hurt by that system, it was not only the fishermen who were hurt but the merchants as well. The merchants were their own worst enemies but worst than that, Mr. Speaker, they were the fishermen's enemies, without even meaning to be, without intending to be enemies of the fishermen - they were the fishermen's worst enemy except for one. The worst enemy the fishermen had were the fishermen and the worst enemies the merchants had were not the fishermen, they were the merchants. Each was his own worst enemy and both were caught up, entangled in a completely hopeless system, a system that had no hope in it. It had in it only the seeds of destruction and poverty. It could not succeed, it was doomed to fail. Oh! a merchant would make it into the clearing now and he would be stripped next year. A merchant, a fisherman might do very well for one year and even two years running and then for the next three years he was on relief. They were all victims, merchants

and fishermen. They were all victims of the same, not vicious system (I have often heard it called vicious, I think, but it was not so much a vicious system as it a stupid one, stupid, just as stupid. They say that God can forgive every sin but the sin of stupidity - and believe me, Mr. Speaker, you can lead a horse or a cow or a pig, as I have done so often, hundreds of thousands of pigs I looked at them, studied them and watched them - and I am going to tell you that pigs are not as stupid as you might think they are. Lots of animals are stupid and some are not quite so stupid but a human being that is stupid) and Newfoundland has suffered from that human stupidity, nowhere more than in the salt cod trade of this Island because, you see, it is so obvious. I remember writing in the "Fisherman's Advocate" in 1921. I was living in New York and I used to write and send pieces back to the "Fisherman's Advocate" and I said this: I said; (and I was writing as though it were a news report of the biggest meeting ever held in Newfoundland. It was so big that there were no ten halls put together that would be big enough to hold them. So they had to pick a big open space, somewhere on the Avalon Peninsula, and the thirty thousand fishermen of Newfoundland all came to that meeting. The entire fishing population of the country, the country of Newfoundland came to that great, big meeting of fishermen. And all the merchants came there as well - so it was a vast meeting of fishermen and merchants, and there were several speeches made, but finally one very well spoken fisherman summed up the situation for everyone. He said this (and I wrote his speech - I wrote the whole piece, his speech was this ) "Now" he said " fellow fishermen and new merchants, we are met here today because we have a mission to - a commission to give you merchants."

We are busy men, us fishermen. We have to build boats and equipment and go out fishing and we are out there before dawn and we get back at two or three o'clock in the day, and by the time we get our fish put away, we have all we can do to get a few winks of sleep and we are up again at two o'clock the next morning and we are at it hammer and tongs throughout the fishing season.

We are the busiest men in the country throughout the fishing season and to tell you the truth, you merchants, we have to admit it to you, we have not got time to take in our fish. By the time we catch it and bring it ashore and wash it and split it and wash it and salt it and make it - we have not got any time left.

So, we are now commissioning you to act as our agents - to receive the dry fish from us, to sort it out, to weigh it, to sort it, to cut it, to pack it, to ship it, market it and bring the money back and hand it over to us - less your own expenses and a profit for yourselves.

We, hereby, at this great meeting of all the fishermen of Newfoundland do now appoint you merchants, to be our agents to do that part of the fishing trade that we have not got time to do.

And then, I had a footnote explaining for the readers of the Advocate that this was all imaginary. There had not been any such great meeting at all. It had not been held, but the fact is, I said--went on to say, that it is just as though that great meeting had been held. There is the implied contract. The fishermen produce the fish. They must do their best. They must be good fishermen. They must be good producers. They must be good fish makers. They must do their part; faithfully, honestly, - do it efficiently, do it well.

And the merchants must do their part and their part is so to handle the fish, so to pack, so to organize the quality of it, so to ship it, so to market it as to bring back the maximum yield in money so that the fishermen who have nothing else to live on except the money that those merchants can bring back into Newfoundland from Oporto, from Portugal, Spain, Italy, Greece, Malta, the West Indies, Brazil, the money they can bring back into Newfoundland is what little children have to live on and they have nothing else to live on except that Brazil money.

It went on to say all that in that article - that this was not a legal contract made. It was a contract that in very nature, in the nature of life, could be inferred, though it had never been stated, had never been put in writing.

And this is the stupidity of our story for hundreds of years in Newfoundland. Our merchant class, maybe it might have been fine estimable gentlemen. Some of them were men of culture. Many of them were good fine Christian gentlemen, but stupid. Stupid, Mr. Speaker. Stupid. Too stupid to get in out of the wet. Too stupid even to co-operate. Too stupid even to loot the fishermen - to agree to loot them. They tried to loot them stupidly and inefficiently and only succeeded in looting themselves, and each other. If that was not stupid, there never was anything stupid in all our unfortunate history in Newfoundland.

This is why it such a proud moment for me here today, to be dealing with this great topic. It is not as great a topic as it was twenty years ago. It is not as great a topic as it was thirty years ago. Today, when you take all the fishermen of our whole Province; count them up and compare them in number with the other workers of our Province. They are not like they were fifty years ago. Fifty years ago, I suppose, the fishermen of Newfoundland made up eighty percent of the population.

Say, in the year 1900 - 1910, the fishermen of this country, as we were, were probably eighty percent of the entire population. They dropped to seventy and to sixty. At the coming of Confederation, twenty-one years ago, the fishermen of Newfoundland did not amount to more than twenty percent of the whole population of Newfoundland.

Today, they are much less than that. But, Sir, because the fishery is the great historic industry of Newfoundland for nearly 500 years. Because the fishermen we have got are so far-flung, they are far more important than their numbers.

You take the fisheries out of Labrador North and Labrador South, pray tell me, could those districts survive? Take the fishery out of Labrador, no. There is not a man able to make one dollar at fishing in

Labrador North. Would it make a bad difference to that district? North of Goose Bay.

What about Labrador South? It would be the end of the district. What about White Bay North? Even with the fishery, it is hard to live. Without the fishery, they would die. They would have to leave.

What about White Bay South? Without the mines, that district would die if it lost its fishery.

What about Green Bay? Can Green Bay survive without the fisheries? Fisheries and mines - mines have become important there as they have in White Bay South. God grant more mines, and mills and factories and other things besides the fishery. But, even with them in White Bay South, you have got to have the fisheries and Green Bay and Lewisporte District.

What about Lewisporte District? What about Twillingate District? Can it live without the fisheries? Can Fogo District live without the fisheries? Can Fogo live without the fisheries?

MR. SMALLWOOD: If we had another mill, yes. Bonavista North can it live without the fisheries? Can Bonavista South live without them? Can Trinity North live without the fisheries? can not do it, can not live without the fisheries? What about Trinity South, can they live without the fisheries?

MR. STRICKLAND: Die without them.

MR. SMALLWOOD: Die without them, what about Bay de Verde District I know the answer the hon. member is not here at the moment? What about Port de Grave District can it live without the fisheries?

MR. DAVE: Could but not too well.

MR. SMALLWOOD: What about Ferryland District live without the fisheries? St. Mary's District, without the fisheries? Placentia East can it live without the fisheries?

MR. FRECKER: Much less now than it could years ago.

MR. SMALLWOOD: What about Placentia West, can it live without the fisheries?

Can Burin District live without the fisheries? Can it, can Burin District? Can Fortune Bay live without them? Hermitage Bay would come a little closer to it but it could not even think of living without the fisheries. Can Burgeo & LaPoile live without them? St. George's District depends a bit less than most districts Can Port au Port district live without the fisheries? Port au Port, half the population. Can St. Barbe North & South do without the fisheries? Alright still they only make up ten or twelve per cent I think it is of the workers of this Province. But they are so far-flung. They are spread over such an enormous part geographically, of our Province, that Newfoundland will die without the fisheries.

So, you never waste a moment in this House if you spend hours or days talking about the fisheries. You never waste one moment of that unless you talk damnable nonsense. And I have tried throughout my life never to talk damnable nonsense about the fisheries of this island whose historical importance would be impossible to exaggerate. That is why I can come in here today if there is a life hereafter. If Sir William Coaker can look down at us I do not know if he can, I know if he can he is, I guarantee you that. I guarantee one thing that if he is able to then he is looking down here and listening to us here today.

AN HON. MEMBER: Not far away as he thought he was - -

MR. SMALLWOOD: I do not know where he is. I do not know. Do you know? I do not know. I frankly do not know. But I say, if he is if there is a hereafter, and if those in the hereafter now can look down at us now and I am sure that Coaker is looking down and listening to this debate here in this House and as he looks around Newfoundland and sees the changes and the improvements. Mr. Speaker, I do not know



what I would not give if Sir Michael Cashin could come back and Sir John Crosbie and Colonel Sullivan , and W.W.Halfyard and Dick Hibbs, Sir Richard Squires, if they could all come back now and take a look at Newfoundland. My God, I would like to hear them, I would like to hear your father. If you were talking to Nath Andrews the Ron. Nath Andrews I would like to hear those men, the great giants of our legislature.

MR.CROSBIE: You would need some ---

MR.SMALLWOOD: Yes you would need that, you would need rust proof dogirons too. I would like to hear the comments of those men if they could come back, men that died 20 or 25 years ago come back here now and see what is to be seen in Newfoundland. Then they to get together not knowing anyone was listening and I would like to be the one listening. I would like to listen in, eavesdrop on them to be a quoin and eavesdropper I would love to be listening, and get their impression of what has happened here..

Well, I even like to hear some stupid merchants talking about it. I would like to hear them too. I would like to hear anyone. And merchants could have been terribly stupid and many of them were but probably only stupid perhaps in fishery matters. That was the amazing thing about it that men intelligent men as I said fine decent Christian gentlemen could be so stupid when it came to the fish business. But this does not mean they were stupid in everything they could have been very bright and intelligent men and I would love to have the chance to listen to them. Mr. Speaker, perhaps I am a third away through my speech or may be getting up toward half. I have great fun because I understand I am to be followed by someone and I do not want people to be pushing me, because people who have tried to push me before you know what happened to them. I am just determined that I am not going to be pushed now anymore that I was last October or November. I am just not going to be pushed. So I ask Your Honour to call it six o'clock so we can resume at 8.p.m.

MR.SPEAKER: It being now 6.p.m. I do now leave the Chair until 8.p.m.



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**VERBATIM REPORT**

**TUESDAY, MARCH 3, 1970**

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

The House resumed at 8 P.M.

MR. SMALLWOOD: I would like to invite the attention of the House to the tremendous effect that the Bay d'Espoir power project has had on the use of electric energy in this Island. The consumption of electricity increased by only twenty-three percent in the ten years before Bay d'Espoir, in the whole Province, twenty-three percent. The national average for Canada in that same period was one hundred percent - in the ten years Mr. Speaker, during which in Canada as a whole, the consumption of power increased a hundred percent - it increased here in this Province only quarter of that, a little less than quarter, twenty-three percent. That is the ten years before Bay d'Espoir was started.

The consumption of power in Newfoundland went up by sixty-six percent during the five year period, from 1965 to 1969. The national all Canada consumption increased in the same period, forty-five percent. We have just reversed it you see. In the ten years before Bay d'Espoir was started, for ten years, a whole decade, the consumption of power in Newfoundland increased only twenty-three percent. During this same period when across Canada, it went up a hundred percent.

Now take the next five years that followed after that. Across Canada it increased forty-five percent, but in Newfoundland sixty-six percent. The increase in the consumption of power last year in this Province - the increase last year was just under twenty percent, in one year, over the previous year. And that was nearly three times the average of the whole of Canada, which was seven percent, ours was twenty.

Last year the Bay d'Espoir development furnished thirty-nine percent of all our Province's requirements. Well not all the Province's requirements, but the requirements of the insular, the Island part of our Province. Thirty-nine percent of all the power on this Island consumed last year came from Bay d'Espoir, and the year before, it was thirty-three percent, and the year before, it was twenty-six percent. That was the first year of Bay d'Espoir. And it is estimated that next year 1971, Bay d'Espoir will be supplying one-half of all their power being consumed on this Island - which of course Mr. Speaker, points very unmistakably indeed to the increasing importance of the Bay d'Espoir development in meeting our Province's demands - growing demands for electricity. This is one of the most encouraging things

I have ever said in my life, or ever read in my life, ever knew in my life as a Newfoundlander. As a Newfoundlander I am bursting with pride, bursting with pride - to think that we should be leading the whole nation in the rapid increase in the consumption of electric power. I do not know very many measurements, very many yardsticks you can find to show the material, the economic progress of the Province. Even though the capacity of the Bay d'Espoir development went to half a million horsepower a fortnight ago on the fifteenth of February when the fifth unit went into operation - to half a million horsepower, a fortnight ago. It will go to six hundred thousand horsepower a fortnight from now, when the sixth unit starts up.

So you see Mr. Speaker, it is utter nonsense to talk about their being surplus power on this Island, utter nonsense, sheer nonsense. The fact is that we are barely keeping ahead, barely keeping ahead of the fast-growing consumption, rate of consumption of power, and it is not going to be until 1971 that there is likely to be an easing of the situation. I hope there will not be any easing then. I hope that industry starting up in our Province will shoot higher than ever the need for more electricity, because the consumption of power, whether it is hydro-power, or thermo-power, or atomic power, or power generated by gas, natural gas or crude oil, or any kind of power. The consumption of power is an excellent measure of industrial growth. You cannot imagine industrial growth, not based on power. You can imagine I agree economic growth - you can have very fine economic growth, you can have prosperous fisheries without consuming very much power. You could indeed.

You could have cottage industries that would use virtually no power, you could. It is possible to have labour intensive industries that would employ large numbers of people and virtually no power. I will never forget in Wetzlar in West Germany, going in with one of my colleagues into the Ernest Leitz plant, Leica cameras. Yes, the President of the Council, the Minister of Justice was with me. Wetzlar in West Germany, the home of Leica Camera, produced by a firm of Ernest Leitz. And I went in - I was negotiating with them, trying to bring them to Canada, bring them to Newfoundland. I succeeded brilliantly - I did bring them to Canada, but the clowns went to another Province - I oversold them. I sold them beautifully on the idea of their coming to Canada, what a magnificent nation Canada was. And they did.

They came to Canada, and they went to Ontario. And I think I should have sent a bill to the Government of Ontario for the expenses of my trip to Germany - that trip. I went into that great plant Mr. Speaker, and I forget how many thousands of people there were working there making the Leica cameras. They were there in thousands in that vast establishment, and I do not suppose they used as much electricity as this building does. That was an industry that was labour intensive, labour heavy and power light. And there are industries like that. In the textile industry for instance, you see lots of people employed, they are labour heavy, labour intensive and power light. They do not chew up very much power.

Unfortunately man in North America and largely too, in Europe, in fact everywhere in the world except in southeast Asia, and perhaps India and China, and much of South America, and nearly all of Africa, except in such places I say certainly in our Western hemisphere, Western civilization, man is turning increasingly away, right here around here, I am not arguing that - I am stating a fact, man is turning increasingly away from the simple kind of industry where people count a lot, and machines do not matter. They are turning away from that toward the kind of industry where machines are everything, and men are nothing. Where the more you can do without people, the more pleasure you get out of it.

Mr. Speaker, to show you how much that is the truth, how true that is, I am informed by the management of Bowater's Mill in Corner Brook - no - before I tell you what they told me, let me say something else. It is not fifteen years ago in this Province, when there were 20,000 Newfoundlanders, mostly fishermen, drawn from the entire northeast coast from Fortune Bay, and the West Coast of course. There were 20,000 Newfoundlanders who got a living, or part of a living - they earned part of a living at any rate in the bush, in the logging industry - the pulp woods industry. 20,000 men. That number fell steadily with the introduction of the power saw, and the introduction of mechanized equipment, machinery, tree gathering, tree harvesting machinery. That number fell from 20,000 to 15,000, and from 15,000 to 10,000. And from 10,000 down now, to about 6,000 in the entire Province of Newfoundland.

From 20,000 to 6,000 in less than fifteen years. Now let me tell the House what the management of Bowaters have told me. They tell me that they are headed straight as a die, one of the great paper mills of the world producing 1300 tons of paper a day, heading straight as a nail for a labour

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for a labour force to gather wood, to harvest their pulpwood of 600 men straight as a narrow. There are two things causing that. One is the natural normal, north american western capitalistic instinct, to save costs, it is a balance sheet point of view. A group of people

~~group of people~~ get together. They buy shares. They put up their money. They start a company. Once a year, they call in their auditors to add up the money they have taken in, in the year and the money they have paid out in the year and to see how much profit they have made.

What is the value sheet like? What is the profit and loss account like? That is the only reason they started the company in the first place. There is no sentiment about it - no patriotism, no emotion. Great wish to make money and in operating the company after this started. No sentiment motivates them except that of making money. And the more they make, the happier they are. The less taxes they pay, the happier they are. The more taxes they pay, the more furious they are, because they are in it to make a dollar - a fast dollar, as many dollars as it is humanly possible for them to make.

That is the profit motive. It is the only motive they have. That is our profit system, Mr. Speaker. Our free enterprise profit system. You like it. You do not like it. You approve it. You disapprove it. You do as you like. I am merely describing it. I am describing the system that alone is a powerful almost irresistible drive to cut down on the costs of producing paper by having ever fewer and fewer men in the mill, in the bush, or anywhere in between the two.

This is normal. Do not get indignant about it. Do not get emotional about it. If you have the private enterprise system, that is the price you pay. The alternative is communism and I do not see any other alternative very honestly. I have looked at every possible alternative in between and I see nothing in between the two that you could waste any time with.

So, we are a private enterprise, capitalist, balance sheet, profit making economy. That is the kind of civilization we have. That is what we live under.

That is one thing that drives it and the other thing that drives it is the fierce competition that there is and there must be, between the paper mills to get markets, to make profits and - well, that all part of the one. That is one thing.

And the other thing is this, Mr. Speaker - the other thing is this. When I heard it, I could not believe it. I rejected it promptly from my mind. I dismissed it. I said, "No, I do not believe it." I do not believe it. I do not believe it. I do not think that we have reached that point in Newfoundland. I just refused to believe it. This namely - they can no longer get men. They can no longer get enough men. They cannot find the men. The men do not turn up. Cannot get them. Cannot persuade them. Cannot coax them. Cannot get them and do not get them. They are not getting the men to produce the pulpwood.

Twenty, twenty-five, thirty, thirty-five, maybe forty dollars a day, I would say from twenty dollars to forty dollars a day. Cannot them. Have not got enough men. Cannot get enough men. Are not getting enough men. There is a shortage of men for the lumber woods, the pulpwoods industry of this Province today.

It is incredible. It is unbelievable but you put it in your pipe and you smoke it. There it is. That is it. That is the way it is, Mr. Speaker. And if that is not a terribly powerful and irresistible force driving the paper companies to automation, what do you want? What kind of force could you get?

And yet, the fact is, the fact is that this, as in so many other directions, is an example of how our Western civilization, our North American civilization especially, is turning away from every kind of industry except heavily automated, mechanised, push button operations, consuming vast quantities of electricity, using and needing ever fewer and fewer men.

One of the great yardsticks to measure that is the consumption of electricity.

I say again, that the fact is that we are barely keeping ahead of the rapidly increasing load growth and it will not be until next year that there is likely to be an easing in that situation. On Wednesday, February 24, a week or so ago, a peak load was recorded that Bay D'Espoir plant of 410,000 h.p. and it is obviously, therefore, that if the fifth unit had not been commissioned only days before, it would have been necessary to apply a load restriction on the customers, that would be served out of Bay D'Espoir power.

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if that 100,000 had not come on stream.

Part of the reason, of course, for this unusually heavy load at this time of year was the temporary shutdown of one of the major generating units of the Bowater Power Company.

I said here in the House the other day that the power plant at Deer Lake of the Bowater Company had collapsed. The production had come to a stop. By opening the building of the generator's collapse, I mean the production of power suddenly collapsed in that power house.

AN HON. MEMBER: All the power?

MR. SMALLWOOD: Not all of it, no. With the result that if they were not able to replace that power, that loss of power generation in Deer Lake, the mill would have had to close and half - more than half - two-thirds of Corner Brook would have been closed down and forced to close. You cannot operate a modern industrial community without power - a steady supply of power.

So, I announced that and I said, fortunately Bay D'Espoir was able to turn 30,000 h.p. and take the place of the lost power and keep the mill going, keep the town going.

One radio station, or was it the newspaper, reported that I had said that some years ago there was a power failure in -- it happened days ago. It happened about three days before I told it here in the House, but the way I was quoted was that the Premier said that some years ago there had been this failure. Well, it happened just days ago. I do not think it was more than a week ago at this moment, is it? About a week ago it happened. I do not know if they have the power restored, but pending the restoration of it, Bay D'Espoir was able to switch 30,000 h.p. over to them.

These are just the details. These are just the details of something that may happen at anytime. Anytime it may happen that you are down 30,000, 40,000, 50,000 h.p. It can happen/<sup>at</sup> anytime. It happened since the situation developed in the power house at Deer Lake leaving them out - losing them 30,000 h.p., which the Power Commission were able to supply. Since that happened, thirty, forty towers collapsed with their power cables under the weight of an incredible and an unprecedented weight of ice that formed on them and they just collapsed like paper, and power, right now, <sup>that</sup> should be coming in to St. John's, is not coming in because there is no transmission.

There are no cables, no wires to bring the -- you cannot put it in your pocket or wrap it up in a paper bag and send it in and if the means of getting it in collapses, you do not get it.

When the big, new power house comes on stream early in the coming year, out here at Duffs near Seal Cove near Holyrood. Then, if the power -- if anything happens to the transmission line, which could happen again, coming around the narrow isthmus of Avalon, that long narrow isthmus that connects the Avalon Peninsula to the bulk of Newfoundland, if that collapses again as it has done now, you will just get that much more power. You would supply all our needs here from the plant at Seal Cove. You would just pour that into the grid.

The sixth unit at Bay D'Espoir, which is to be in operation within another month, less than a month, is absolutely essential in view of present peak requirements. This unit will ensure adequate service for all customers of the Newfoundland and Labrador Power Commission until early 1971, at which time I say the first unit of the 400,000 h.p. thermal generating plant at Holyrood comes into service.

Mr. Speaker, I want to say this: the hon. the member for Humber East, declared in his speech here, the other day, that the Government had advertised all around the world power for sale at 2.5 mills -- 2.5 tenths of a cent kilowatt-hour for heavy industrial purposes.

Now, we have spent quite a bit of money advertising. We advertise in six newspapers in Japan and six newspapers in Italy and six newspapers in France, six newspapers in Germany, six newspapers in England and six across Canada and six in the United States -- the greatest newspapers, I suppose, of the world.

We advertise power for sale, but not at 2.5 mills. It was three mills. There is a fair difference. Right is right, and wrong is wrong.

AN HON. MEMBER: It still cost \$6 million.

MR. SMALLWOOD: Never mind what it cost. The hon. gentleman must not crawl out of inaccuracy that way. All right, so he was wrong. So that is it -- that is simple. That is understood now. That is agreed. He was wrong. Okey, he was wrong. When I am wrong, I always admit it, and do not try to crawl out of it.

AN HON. MEMBER: I have not heard yet.

MR. SMALLWOOD: That is right. That is so right. It is so rarely necessary. So very rarely necessary. So very, very rarely necessary. 'Thrice armed he who hath his quarrel just' and who knows what he is talking about, and who does his homework - who does his homework - who knows what he is talking about, who has his facts at his fingertips and has a good memory and is not a loafer. A man who works --

MR. CROSBIE: Who is a civil servant.

MR. SMALLWOOD: Who is himself a civil servant. Does the Speaker think there is anyone in the Civil Service who works as hard I do? I would like to know who it is. He will get promoted pretty fast.

Now, Mr. Speaker, let me say this, too, about this two and a half mills. There is only one customer at this moment in this Province who is getting power for two and a half mills. Only one. Other customers, big customers, big consumers, big industrial establishments are paying five mills - twice as much as that and up between five and six mills kilowatt-hour.

Mr. Speaker, in the Budget Speech last year, there was spelled out at great length, considerable length, the Government policy with regard to power - with regard to using power as an enticement, as one of the number of enticements to industries to move into this Province. It was spelled out in great detail; with great care. It aroused-- one aspect of it aroused considerable amusement. You know, the kind of amusement that some hicks, that some yokels who giggle and chuckle among themselves about something they do not understand.

AN HON. MEMBER: From the outports.

MR. SMALLWOOD: Not from the outports. There was a lot of giggling and fun about the use in the Budget Speech - the use of the term 'multiplier jobs'. Maybe if it sounded funny to some people if they had not read it before, heard it before, were not familiar with it - if they did not know that throughout the whole field of economics the term is commonplace as almost any other word or term, that it refers to the fact that when one industrial job is established, one job in a country such as the United States, the multiplier effect is to create six other jobs. It is almost --

It is almost incredible. It is almost incredible that in a nation of 210 million people, for every industrial job there is in that great nation, there are six other jobs, that would not be there, if that one job were not there. The multiplier is six to one. Now the reason you have it six to one is only this, that you get it in a highly sophisticated industrial economy, highly sophisticated and by that I mean this: If that one industrial job is wonderfully productive, not because that one man that is in that one job is himself personally so marvelously productive, but he with the help of the economy around him, the plant, the machinery, the sophisticated productive capacity of the plant. That one man also with personal training as a technician or what have you, the combination of the two gives you such a productivity that it is able to support six other persons and support them well, teachers, doctors, actors, clergymen, lawyers, engineers, architects, beauty parlors, politicians, every type and kind of persons. The hon. gentleman is amused. He would be less easily amused when polling takes place in St. Barbe South. He will be laughing on the other side of his face. I dragged him in by his shirt tails or he held on to my coat tails and I dragged him. I had to go around the district and campaign for him. I had to go here, there and campaign for him and I dragged him in.

MR. SPEAKER: Order please. I said the other night, when I called order and an interruption was continued, I would deal with it in accordance with the rules of the House. I will issue that again. I am not going to continue for the balance of this evening by having interruptions. Any person speaking has a right to be heard in silence. Now there will be no more interruptions for the balance of this sitting or I will deal with it in accordance with the rules.

Now the Chair will be obeyed or else.

MR. SMALLWOOD: Mr. Speaker, I can say only, your Honour does not need me to say it, but I say it anyway that I concur completely, agree completely, but I want to add at the same time that I do not need, in this particular respect, the protection of the Chair though it is your Honour's duty, of course to give me that protection. I am well able to take care of the gentleman in question, the hon. gentleman. I took care of him in the last election. I got him elected. I brought him in here. I got him in. I managed to get him in the House. I do not think I will do it again. I think I will let him go out next time. I will try to bring somebody else in in his place. This has happened many a time in the past.

Many a time in the past somebody found out how he got in here. He fooled himself, not like the hon. member for Humber East, he made his open confession in this House. He said, "I would like to think that I got elected on my own sweet personality, but I would be fooling myself and everyone else. I got elected because I followed the Premier and he got me in." He admitted that and he confirmed it here the other day. That is right. He does not deny it.

The hon. gentleman from ST. Barbe South is not quite so candid.

MR. MYRDEN: Mr. Speaker, may I ask...

MR. SMALLWOOD: No, Mr. Speaker, the hon. gentleman cannot make a speech. He will have his opportunity to make his speech and I will sit and listen to it with intense interest. I will be so profoundly interested to hear that speech. I will not be interested in hearing the speech as I will be in reading the poll, when it is declared in Saint Barbe South. That is what will interest me. Where was I? Where?

AN HON. MEMBER: Ducking hunting.

MR. SMALLWOOD: Dead ducks? I can see a lot of dead ducks politically speaking. I can see a lot of dead ducks. I was talking about the mutlipler and there was a lot of giggling and amusement. People had not heard of it before.

Now, Sir, in a very sophisticated economy which is highly industrialized and scientific and sophisticated and automated - in an economy where they hear of another machine a bit faster, out goes this one and in comes the new one and a continual upgrading of the productive capacity in that kind of an economy, one industrial job can support six others. When you come to a place such as Newfoundland, where unbalanced our economy is not, anything but sophisticated - you have a different situation. I would say that in the Province of Newfoundland we have an economy so unsophisticated, so simple that we are lucky to have one to one. Now actually I believe myself it is one and a half to one. Our labour force is 147,000 altogether of whom at the moment 12,000 or 15,000 are out of work. If you were to take the basic industries of our Province and count up the labour force in them, you would find, if you subtracted them from the total of 147,000 that it works out at about one and a half to one. Now in Corner Brook, it is three and a half to one. For every industrial job in the city of Corner Brook, there are three and half other jobs; clerks in the shops,

officers, civic workers, municipal employees, barbers, taxi drivers, truck drivers, doctors, teachers, what ever you can - count them all up. The three and half jobs for every one industrial job. That is pretty good. That is the best in our Province. There is nothing the equal of that anywhere else in Newfoundland.

In Corner Brook it is two and a half.. Do you hear the patriotism, Mr. Speaker? Do you hear the patriotism oozing out? There is the great comprehensive love that is able to take in the entire Province, you see. That hon. gentleman is able to spread his arms and encompass all Newfoundland and Labrador. He does not limit his love to Corner Brook. He does not see just Corner Brook. Oh, no! Oh, no!

MR. WELLS: Somebody has to look after it, the Government cannot see off the Avalon.

MR. SMALLWOOD: In Grand Falls it is two and a half to one. For every industrial job in Grand Falls there are two and a half other jobs. In Buchans it is three quarters of one to one. They do not even have one for one. It is three quarters of one to one. I infer from these three examples this: that the more you have industry on the seacoast, in a seaport, the more, the bigger the multiplier and the more interior your town is and the more remote the smaller the multiplier; for instance, Grand Falls is a fine big industrial town, a magnificent town, one of the most beautiful in all Canada, one of the happiest, one of the best in the entire nation of Canada. Yet they only have two and a half compared with Corner Brook's three and a half. I think because they are more remote. Now you go even more remotely into the very heart of the Island, into Buchans and it is not even one to one. I believe that for the whole Province of Newfoundland, it would work out at something like one to one or one and a half to one. Until we get an economy that is more, ever more and more industrialized and less and less - what is the opposite of industrialized? Ruralized? No, well let us say the opposite of intensive, sophisticated economy is <sup>an</sup> simple rudimentary, rather primitive one. The extractive industries, mostly the extractive industries, extracting fish out of the water, extracting trees out of the forest, extracting minerals out of the earth - the extractive industries as

distinct from the processing or fabricating industries.

What we have got to aim at in Newfoundland, whether we like it or not, if we want to survive, if we want to grow, if we want to be viable, if we want not to be washed down the economic drain; what we must aim for in Newfoundland is not a crowd of happy peasants dancing around the Maypole. Not that I have anything against happy peasants dancing around Maypoles. I have nothing against that. I am entranced by it. I remember driving 150 miles in a car with the Lord Bishop of Newfoundland that was, Bishop Meaden. Bishop Meaden was an outharbour man. He was a bay man, like myself and he had lived most of his life in the bays teaching, as a young Priest, then as secretary of the diocese and senate and finally as Bishop of Newfoundland. He knew the outports well. I said, as we drove along in the car. We drove through one settlement after the other and I said, "my Lord, there is something deep down in me that makes me love our simple, nice, pleasant, modest, life that we have in our Newfoundland outports." He said, "yes Mr. Premier, I know just what you mean. I think that any Newfoundlander who knows Newfoundland well must have the same feeling, the same emotion." I said, "my Lord, I sometimes have a feeling of deep guilt to have been responsible to some extent for changing all that. I said every time we build a mile of road, every time we open up a new settlement and we have brought roads to 600 settlements on this Island that did not have them before. Every time we build a road and open up a settlement to the road network, that so not only can the people in that settlement get out, but people from outside can get in and can get in and bring with them some of their smart aleck, superficial ways and viewpoints and outlook on life." I said, "it so often happens that just as native peoples in the tropics or in the Arctic, native peoples who have never had much to do with people from the so called civilized parts of the world are hit by a disease that kills them. They have not built up an immunity to it. They fall quick, early victims to the diseases of the white man, if it is among coloured races in Africa say, meeting with these white

in with these white people for the first time, the diseases of the white men. It might be a small simple thing of no importance to the white men, the coloured man gets it, when he meets the white men for the first time, and he dies of it. And similarly people in the Arctic. So I said My Lord, in much the same way surely, if you have a nice little Newfoundland settlement that has been there for two hundred years, or three and life has gone along in the way it has gone quietly, modestly, the people are civil with being servile, touch their hat to you, touch their cap to you, good day, Sir, and not afraid or ashamed to say, Sir. Then suddenly a road is opened up, the cars wis by, the cars wis in, all kinds of people come in with their gags and their wise cracks, and their shallow and superficial outlook on life. He said, I often wonder, especially among the younger people in those settlements newly opened up, I wonder do they just imbibe the shallow and contemptible, the superficial aspects that are brought in, do they fail to see what depts there maybe, if there is any, in those who come in with those superficialities. He said, well, Mr. Premier, it is a big question. I do not suppose you could have left Newfoundland without roads, I suppose they have to be built. I said, I suppose My Lord. He said, you will have to build them, if you did not build them, someone else would to build them. They have to be built. I said, I suppose so. But, I said, as long as I live, I will wonder, I will wonder as long as I live, what have I done? What have I done to link up 600 little outharbours, little coves, little settlements, with little hamlets, link them up to the network of roads to the whole Province. But, Mr. Speaker, when you have expressed your doubts you soon lose the doubts, you soon realize that realistically you had no choice, it had to be done. It had to be done. People are not going - look, even after you have built the roads you may delay their leaving those places, you may delay their departure for a year or five, or eight or ten. Because even after you have built them, you are still not going to hold them there. And so it seems to me, to be entirely inevitable, completely inevitable, Mr. Speaker, completely, unavoidable, ineventable, irrefragability, cannot get away from it. You can bash your head against it, you can rebel in your spirit against it. But you come back to the hard brutal, savage fact, that our people in Newfoundland are not going to stay in the small settlements. They are not. You cannot force them. There is no way to force them without turning Newfoundland into a slave camp. So we either industrialize, Mr. Speaker, or we die. It is not now, as I thought, it was twenty years ago, develop or perish. Meaning, as I did twenty years ago, develop or perish, what do you mean develop or perish? You mean building roads, building



schools, building hospitals, building electric light, in place of the kerosene oil lamps, building water and sewer systems, and building industries. Develop or perish. That is no longer enough. Now it is industrialized or perish. And that is not enough: either, there is something else, just as important as all of it.

You see the curse of Confederation, if there is such a thing, is this: here you have a little Island with 380,000 souls in it, or 370,000 souls that suddenly becomes a Canadian Province. And these people in Newfoundland had, you might say an unreasonable, and unreasoning love of this Island. Foolish if you like, silly, stupid, no justification for it. But we had it. Everyone of us. We had it. Rightly or wrongly we had it, justified or unjustified, it was in us. Here suddenly overnight we become Canadians. And suddenly overnight in becoming Canadians, the whole psychology of all of us changes overnight, overnight. What we were more or less willing to put up within reason, now appears to us to be quite unacceptable now. And we have something we can compare ourselves with, we have the rest of Canada. It seems like a pretty fair comparison because we are Canadians, we are a part of Canada. So it seems pretty reasonable to compare us with the rest of our nation. And the comparison, Mr. Speaker, was odious. It was odious. And it has grown more odious every since, because notwithstanding the staggering progress we have made compared with what we were twenty years ago. One miracle after the other of improvement, of progress, notwithstanding that, today twenty-one years after Confederation, as we compare ourselves with the parts of Canada that we know best, say Ontario, the comparison is more than odious. It is intolerable. And do you think, you are going to keep our people living in the lovely little quaint little hamlets and coves all around this Province? Do you think you are going to do it? You are not. You are not.

Now go a step further - do you think you are going to keep them here in Newfoundland? Let alone in the little small parts of Newfoundland. Do you think you will keep them anywhere in Newfoundland? I do not know. How can I know, I am not a prophet or a son of a prophet. I have not got second sight. I am not a seer. So I do not know. I can only guess. And I can do this, and we can all do this, without knowing whether we will succeed or fail in the end, without knowing that, there is no knowing that, strive with might and may, to make this Province a place that will hold her people. Now how do you do that?

Mr. Speaker, you do it in the first place by developing the Province. Develop or perish, you see. You do it by building roads, and schools, and hospitals,

and water and sewer systems, and municipal services, and paving, and rural electrification. You do it by bringing industries in to give people a chance to make a living. That is elementary, that is the A.B.C. of it. That is not even the A.B.C. that is just the A. of the A.B.C. We are Canadians, are we not? There is no unemployment in Ontario, three percent. There never was a moment, except during the peak of the war in the United States when there was so few as three percent unemployed. Never known in American history. Three percent of any given moment in the year, in the United States, even in the most bursting boom of all times, at that moment there was three percent unemployed. Because of that many sick, that many changing jobs, that many got fed up with the job they had, and gave it up and decided to wait a month or two before going off to get another job. There are all kinds of things that result in at least three percent being unemployed. That is what you have today in Ontario. That is our country that is you know, Ontario - Ontario is our country. It is part of our Canada. So the Newfoundlander today can get a job. He may not get it here, but he will get it somewhere. He will get a job. So you put roads here, and schools, and hospitals, and rural electrification, and the water and sewer systems. You build five thousand miles of roads in twenty-one years. You build a thousand new schools in the same twenty-one years. You build a university, you build twelve beautiful trade schools. You build a great Technical College. You build a great Fisheries College. Sure, you build a lot of new hospitals. Wonderful. What have you done? You have gone up to your neck in debt. And what have you done? You have just given people what they have taken for granted. You will get in the hosannas. Thanks be to God, we have got these hospitals. Thanks be to God, we have got these roads. May God we praise, because we got this - do you hear that, Mr. Speaker? I do not know, what you hear is, the employees in them want more pay. And rightly so. And if you get industries, and they get jobs, so what. So what, Mr. Speaker. Is that something to get excited about in the second half of the twentieth century? You got a job, so you got a job. So you got a job, that is all you have got is a job. That is all you have got, you have got a hospital if you get sick. You got a road to drive over. You have got water and sewerage. You do not have to go out in the outhouse. So what, what have you got when you have got that? And I thought, when Harold MacMillian, as Prime Minister of England travelled down into Africa and he made the famous speech, "the winds of change that are blowing across Africa, across

Africa, Mr. Speaker. Africa, the winds have changed. What have we had blowing here on this Island? The winds have changed.

And so I say, that is no longer develop or perish, it is industrialize or perish, and that is not enough. Because even if you do that, if you succeed, if we get a great industrial complex at Come-by-Chance, and another great one at Stephenville, and a number of others and you reach the point where you can keep your unemployment down to five or six percent. Suppose you reach that. Where are you then? You can get that anywhere across Canada, almost. Where are you when you accomplish that? You think, you may say now, "Lord let us thine servant depart in peace." A miracle has happened, a miracle of miracles, now in Newfoundland is almost up to Nova Scotia. Do you think that is enough? No, Sir. No, Sir. Because, Sir, we are now raising a new generation. Sixty-seven thousand young Newfoundlanders, male and female, are going to pour out of the high schools, 67,000. Five thousand this year, fifty-five hundred next year, fifty-nine hundred the year after, sixty-four hundred the year after, sixty-seven hundred the year after, seven thousand, seventy-three hundred, seventy-five hundred, seventy-seven hundred, sixty-seven thousand are going to pour out of our high schools with grade XI, in the next ten years. Fifteen thousand are going to pour out of our university in the next ten years, this year there will be a 1050, next year 1155, 1270, 1395, 1536, 1600, 1694, 1778, 1867, 1960, from the Vocational and Technical Schools. Another 36,000 from the upgrading schools, in Bell Island and Stephenville, Happy Valley and Carbonear. Another 16,000 - so you see, Mr. Speaker, what you are doing in Newfoundland now, is this - you are raising a new race of men and women who know nothing at all of hard times. Know nothing. Never heard of it. A few old white bewhiskered Newfoundlanders might talk about the hard times. I am talking about a race of people to whom the name 'Churchill' does not mean anything any more.

I am talking about a race of people to whom World War II is ancient history. In whose minds the Wars of the Roses and World War II are all telescoped together it is just all past history. I am talking about a new race of Newfoundlanders we are raising in this Province at staggering cost. God in Heaven the cost! It is \$82 million this year. And there will be much more next and an awful lot more than that the year after next. Before you know it it will be a \$100 millions a year. for education, at a staggering cost we are raising up a generation of Newfoundlanders no different remember from those in Ontario, or Nova Scotia, or Manitoba, no different they are the same race. In a sense they are not Newfoundlanders they are Canadians. In a sense, I say, in a limited sense of the word. Please note, - I make the qualification - they are Newfoundlanders of course they are and they love Newfoundland.

But, Sir, they are a new race of Newfoundlanders. I saw a television show within the past year and my first reaction was to get very angry, very very angry over it when I saw on the CBC television five or six or seven or eight young Newfoundland students at Memorial University, when I thought of the sacrifices we have made in Newfoundland to create that University the staggering millions that we have had to pour into it to build the buildings and campus and to keep the University going, why this year, we will spend this year four times as much on the University this year as we spent on all education in the entire Province the first year of Confederation. We are spending four times that much this year on the University alone. And I saw those eight or ten young men students of the University being interviewed on CBC and nearly all of them said, quite unconcernedly, "Oh what are you going to do when you graduate?" Oh, I am going off to Ontario. What are you going to do when you graduate? Oh I am going off somewhere to New York. What are you going to do? What are you going to do? What are you going to do? I am going, going, going, and I do not think there was one of them who said I am staying in Newfoundland. And my first reaction was to be very angry. God in Heaven is there no gratitude to Newfoundland, Is there no gratitude to Newfoundland that gave them birth? That gave them the education, do they not feel any sense of gratitude to their Island Home? I quickly got over that feeling of anger because my commonsense came to the rescue I said stop this nonsense they are not Newfoundlanders they are young men. They are young men they are not befuddled old fuddy-duzzies, fuddy-duzzies who are just emotional and sentimental about Newfoundland. They are young scholars. They are young students. Sure they will stay in Newfoundland if they can do better here than they can do anywhere else. They will stay here. If they can not they will not. So, Mr. Speaker, it is not enough now

anymore to industrialize. You have got to do something else. You have got to make this Province an exciting place. Exciting. But first you have got to do something else, even more important from the standpoint of time. You have got somehow to imbue the minds of hearts of our young generation growing up with faith in Newfoundland. If they do not have that, you know, nothing is going to keep them here, but nothing. First, you must, imperil them, induce them, persuade them and convince them, that this is the Province with a future. If they do not have that they have got nothing. And having done that you then got to do this, or do it simultaneously may be one of the ways of doing it is to do this, may be this comes first, before any attempt at persuasion, at propaganda, at talk, at speeches, before that make this Province a place that is exciting, attractive, interesting, challenging make this Province a place where a young man who has become educated at great expense on the part of his parents, or on the part of the Newfoundland people through the Government.

Where a young man who is educated, cultured, and a bit scholarly, a place that he can respect, a place in which he can have confidence and a place in which his talents his special and particular talents and ability will have an outlet. A place where he can use it a place that needs him and needs his talents. If you do not give him that kind of a place why should he stay here Mr. Speaker, why should he stay here what reason is he going to have? Not having the old-fashioned reasons that most of us had down through our lives, not having those reasons what reasons has he got to stay here? If he is not persuaded by the facts by the inescapable facts and a little imagination perhaps this is going to be a grand place to live in, to work in, to earn a living in, to get married in, to raise a family in, to have children in, a place where the children will have a decent life and a decent chance.

Without that why should he stay in Newfoundland? now that he is a Canadian. Now that he is an educated young man. Now that he is a bit of a scholar, now that he is sophisticated, now that the barriers have been let down and the borders have been pushed back. Why, why should he stay in Newfoundland? And yet, I say to you Mr. Speaker, if they leave they are dead. We are dead. For ten years you just drain this Province of the brightest young people the smartest, the brainiest, the most, the best educated, the most educated, the most ambitious, just drain Newfoundland for ten years of 10,000 or 15,000 a year, of its brightest brains that cost probably \$20,000 each to educate. Not only to educate in school but from the time a baby is born in Newfoundland and all the medical bills are taken care of and that baby is finally weaned and is able to toddle until he goes in school and

comes out of University at 18 or 20 years of age, that has cost this Province \$20,000 probably much more. Now \$20,000, let 10,000 a year go out and 10,000 x \$20,000 is how much money? \$200 million a year. From \$2 million it goes to \$20 million and from that it goes to \$200 million and if I had just said \$200 million which I knew, if I had said that and had not asked the House to work it out for me the \$200 million would be heard and in one ear and out the other.

Let us start losing young students from the University and the educated young men and women of Newfoundland at the rate of 10,000 a year and it will cost this Province \$200 millions a year. That is what it will cost us in money. It will cost us much more than that. That is just the money we have spent on them, that money is spent. But what we will lose is much more serious, we will lose their brains. We will lose will lose their knowledge. We will lose their energy. We will lose their enthusiasm. We will lose their idealism, We will lose their ambition. The loss will be deadly. It would be death. Newfoundland would be dead if she lost her bright, intelligent and educated young people. How do you keep them? Jobs of course, jobs, jobs, that is elementary, that is the first downstroke of the "A". Jobs, of course, jobs. They are not going to stay if they can not get jobs. That is elementary. But besides that you have got to give them an exciting Province. And how do you think you are going to do that? With caution? With prudence? with conservatism with a small "c"? I am not talking politics now.

Is that how you are going to make this an exciting Province? I fear not. This Province more than any other in Canada, because we are at the end of the line, because we are stuck out in the Atlantic Ocean - somebody called us a big wharf, stuck out attached to the continent, a big wharf, a big pier stuck out on the corner of the continent - jutting out into the Atlantic. Because we are an island, because we are at the end of the line because here tonight here in this Chamber, we are halfway between London and Winnipeg. And when you are in Winnipeg where are you? You are at the gateway to the West, Gateway to the West. We are halfway between London England and the gateway to the Canadian West, Winnipeg. We are halfway here tonight between Warsaw and Vancouver. Warsaw is many miles the other side of the Iron Curtain. Because we are at the end of the line, we are an island jutting out in the Atlantic Ocean because of that, we dare not, I say, we dare not, be conservative, be cautious, be prudent, we dare not. That is death, That is destruction, that is the end, that washes us down the drain. More than any Province in Canada we have got to be daring, imaginative, daring and bold and imaginative, willing to take a chance, willing to gamble, not only willing but eager and anxious, to gamble. Oh we are dead, we are

dead ducks. We are dead as a people, and as a Province.

What a challenge Mr. Speaker, as we enter the third decade of our lives, as Canadians. What a challenge? Who had the imagination 21 years ago to imagine that 20 years, 21 years after Confederation came, the whole idea of Confederation would fall into peril in Newfoundland? For Newfoundland, not for the people in Newfoundland, because if every last living person on this island were to up stakes now and beat it off for Ontario. They would still be alive, they would still be people.

HON. J. R. SMALLWOOD (Premier): still be people. Newfoundland would just be moose pasture and a few caribou - so it would not be death for the Newfoundland people, where there are others there they would be but for this Province - for this island - for this part of Canada it would be death, it would be the end.

Who would have dreamed twenty-one years ago that after twenty-one years of Confederation with all its miracles, of advancement, miracles of expansion, miracles of improvement, miracles of progress - who would have imagined that - that would be the first outcome. We spent twenty-one years and \$1 billion, more than \$1 billion, we spent in twenty-one years, we have - we will have spent about three to four thousand million dollars - between three and five billions of Federal money and Provincial money to up-grade this Province - and that the only net result of it all is that we have now reached the point - the turning point for we will be a valuable Province or we will go down the drain.

Who would have thought that? Who would have imagined it? I do not think anyone on earth - I do not think anyone alive, although I will remember this - Mr. Albert P. Perlin who used to write in the Daily News then, as he still does I think under the heading (no he used to then be called "Wayfarer" I think he changed the name to observer?)

SOME HON. MEMBERS: No he is still "Wayfarer"

MR. SMALLWOOD: He is still "Wayfarer" right "Wayfarer." Now he was the intellectual fountain of the Anti-Confederate cause in Newfoundland - the Anti-Confederates never found on solitary argument to use against Confederation except what he gave them in his column. A brilliant minded man who wrote, and I say with absolute sincerity, he meant every word he said that came out of his heart through his brain. He said in effect, he did not use these words, he said in effect that Confederation would be the death of Newfoundland. Now I read every word that Albert Perlin wrote - I recognized in Albert Perlin a great Newfoundlander, a thoughtful one, a highly educated one, a deep thinker, and an honest man, and I read every word - every word that he wrote and when he wrote that theme the first time my heart sank because, the same fear was in my heart before ever he wrote it. And I shrank from that fear - You know over night - over night, today the railway is running across this island, run by the Newfoundland Government. At midnight tonight the Newfoundland Government steps out - the Canadian Government steps in - takes over the ownership of the Railway and puts the great C.N.R. into run it.



The fares are cut in half. The freights are cut I think in half.

Today a Newfoundlander lands in Sydney or in Montreal, the customs make him open up his baggage, produce his X-ray plate to show he is not T.B. the immigration people examine him - but tomorrow he can go anywhere he likes on the railway at half-fare, anywhere in Canada he is a Canadian and the terrible danger, the ghastly danger that faced Newfoundland was that alright, alright, O.K. so we are Canadians, so O.K. we will go where the most benefits are, where the greatest advantages are to be found - off we are for Toronto. There was the peril, there was the danger. And that is why Mr. Speaker, that is why if the House wants to know - that is why I coined that phrase. Not a very original phrase, no great originality about it, but it did sum up my feelings "develop or perish."

Our population now is about 160,000 more than it was the day I became Premier. 160,000; it could have been 160,000 fewer. Instead of going up to 515,000, it could have gone back to one quarter of a million. This could have happened and it can still happen. This is the point I am trying to make tonight - it can still happen that the tide will turn. Our birth rate is dropping slightly, we have the highest birth rate in North America and we have the lowest death rate. The death rate I think will stay low - but the birth rate will cease to be quite as high as it is thanks to the pill maybe - maybe thanks to the pill, maybe due to other causes, maybe age distribution of our present population - but the real key is not births and deaths. The real key, the answer to our question is to be found in emigration - out migration - our people pulling up stakes and going out of Newfoundland. There is our danger, there is the peril. How are we going to stop it?

Jay Parker, Mr. Jay Parker, looked over the scene, an honest, and a decent and a sincere young Newfoundlander, he looked over the scene - he could see no answer. He says "there are more people than there are jobs so for the next three years if 50,000 Newfoundlanders go out let them be financed to go out, that is 150,000, that brings our population back to 380, back to what it was on the day we became a Province."

Mr. Speaker, I take my hat off to Mr. Parker for being a decent, and a sincere young Newfoundlander, and a thoughtful one too - but he did not think quite enough, he did not go quite far enough. You see you cannot have unless you put in a dictatorship, if you require every Newfoundlander to have a permit to move out of Newfoundland, and you give or withhold the permit, and

if you do not give him one he cannot go, if you could that which is absolute dictatorship maybe yes, but without that you cannot have controlled emigration, controlled out migration, you cannot control it. The very fact that you were paying the cost or assisting 150,000 to move out, that fact would spell the death of Newfoundland because, it would not stop with the 150,000. You cannot have controlled emigration - you can have controlled immigration. You can easily control the number that come in but you cannot control the number that go out. If the stampede starts either officially or unofficially - paid or free - a stampede is a stampede.

Mathematically you can say we have 515,000 people, we have a labour force of 147,000, we have 15,000 members of that labour force with no jobs so if we pull up 150,000 men, women and children - four into 150,000 is so many thousand families, we will pull up that number of families and put them out. Those who want to go - they form a queue, they form a line on the left, we take them in turn, and you want to go, how many do you have in family? Four children, and your wife and yourself - yes and my old mother - yes - and my father - yes - we all want to go. So much each, here is your cheque - go. Next, and you take them in turn and you ship them out. One year later, if there is not a stampede that follows after them, even if you can assume that - the very births that have taken place starts your problem all over again. What do you do, every twenty years pick 150,000 and ship them out as though they were cattle? You cannot do that - you cannot do that, you cannot have controlled emigration. And that is no answer anyhow, it is not the solution.

You can get the population of Newfoundland down to a point where Newfoundland ceases to be viable. I remember talking with the Duke of Edinburgh. The Queen and he stopped at Gander on the way down to Jamaica there two or three years ago, it was my pleasant duty to go and greet them - the Governor and I went to Gander and greeted them. They got off the plane we met them, we walked into the terminal, and in the main concourse of the terminal at Gander the place was alive with - there must have been thousands of children. I am sure they must have come from places besides Gander. Maybe from miles around. The Governor walked along with the Queen, and I walked behind with the Prince - Prince Phillip. And I was so proud, I was so proud. I was terribly proud. Thousands and they screaming, marvelous, really wonderful, I was so proud. And when as we got sort of out of that vast crowd of youngsters I said to him " that wonderful, was that not really wonderful -

does not that do your heart good?" He said " Premier " well now the Prince Phillip is a student, he is a scholar, he is a remarkable man. I have had many long talks with him, and I know that he is a remarkable man. He is a man who is able to take his place, a man's place anywhere in this world in any light. He has gone and talked to the great learned societies and they respected him because, what he said was worth hearing. He is a thoughtful man, and one of his thoughts is that there are too many people in the world. Perhaps though there are.

I remember how impressed I was when I heard around 1920 that the world's population was 2 billions - 2,000 millions people. Do you know what it is now? It is between three and four billions. It is frightening and he has done a lot of thinking and reading and studying about that subject. The growing population of the earth, and the ability of the world to support it's population and he has his doubts. Many people have their doubts about whether or not the world is going to be able to feed - to feed mankind. So he made the remark " well I do not know " he said, " Premier, the more people I see the more frightened I become of the future." And I said " well Sir, maybe yes, maybe. But here in Newfoundland we are only 500,000 people, and the reason we need more people is that we need another 500,000 or 250,000 to start with and then another 250,000 to make us 1 million people." and he said " why?" I said " Because we are not an economic unit, we are really not viable, we need more people." I said " if only as customers for our industry" " ah yes " he said " I can see that - I see that," and he agreed. He was smart enough and clever enough to see at once - that a unit of people can be too small, it can be too small a unit to be viable - to be self supporting or if not self supporting, to be at least <sup>to</sup> a respectable degree self supporting. It can be too small a unit.

If we had one million souls here, I know of fifty or one hundred small factories that could start because they would have one million customers, or at least one million potential customers. It is so easy is it not to govern Newfoundland? So easy? No real problems, just get your priorities right that is all you have to do. Just straighten out your priorities and reform your civil service, that is all. That is all you have to do - there is really nothing to it Mr. Speaker, you know running Newfoundland - simple easy place to run. Nothing mysterious about it, anybody can do it - anybody.

I do not suppose there is a tougher job anywhere in Canada than the job of governing this Province of Newfoundland, that is if you take it

seriously. It is really on your conscience, and if you have a mind, and if you have a heart. As I say, in God's name I just cannot stand it, I cannot stand it, I cannot stand the thought of 500 years, five centuries just down the drain - I cannot stand it. - it can happen, it can happen and cease to be even a memory. That can happen and the people do not see it. You cannot persuade them, you cannot convince them, they will not see it, they do not have the imagination, they do not have the knowledge, they have not the information, they have not the facts, they think it is easy. It is all nonsense you are talking, a lot of foolishness, a lot of emotion, just womanish emotion, a lot of nonsense, a lot of foolish sentiment.

Well.....

MR. SMALLWOOD: Well I do not think you will find many people in Newfoundland of fifty and over who would not share that sentiment, I do not think you would find many. I do not think you would. Not that we would produce a wonderful culture or anything like that. You have not - so little, so very little. Maybe because the best of us usually left - we went down into the United States and built Newfoundland's biggest City, Boston, far bigger than St. John's, far more Newfoundlander's there. 40,000 Newfoundlanders in Toronto tonight. 500,000 in Newfoundland, 1.5million out of Newfoundland. How could we grow? How could we become great? We have not developed any great culture. Most of the artists and writers and musicians we have produced are gone. There was not a field here for them.

The writers, the authors, the actors, the journalists, the artists, most of them are gone - left the Island, left - you do not develop a culture that way. Thanks be to God, we are bringing some back to the Island. Up to the University, we are developing a culture which may not be a Newfoundland culture, but it is a culture, such as it is. I wonder about it sometimes - I cannot enthuse to tell you the honest truth, I cannot really enthuse about it. But it is culture, it is learning - it is scholarship, and scholarship has no boundaries, no national boundaries. Culture has, scholarship has not, science has not. There are no national boundaries to learning, to scholarship. And once you start to University, there is no end, you cannot predict the end.

I happen Mr. Speaker, to be one who believes that perhaps the hope of man is to be seen in the Universities of the world. I believe that. In the market place, in the rush and fear of making money and getting rich - in the balance sheet civilization, in the capital as grab as grab can civilization, surely to God there must be some oasis dotted about the world, where men can meet, not giving a damn about this Government, or that Government - not giving a damn about this company or that company - not giving a damn about this industry or that industry. Just devoted to independent thinking. Take that away from the world and what do you have left?

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So perhaps once we put our hand to the plow and decided... have a University in Newfoundland, we could not confine it to Newfoundland culture, or Newfoundland learning if there is such a thing as Newfoundland learning. We had to bring them in from all around the world - they have them up there now five, six hundred men and women brought from all points of the compass to St.

John's. They are up there, and they have six thousand of our young Newfoundland people up there. And to those 6,000 young Newfoundlanders, Mr. Speaker, to those young Newfoundlanders - every one of the them is a Gamaliel. And they crouch at the feet of the Gamaliels. And the Gamaliels are not interested in Newfoundland, they are just interested in scholarships, in independent thinking. Good thing, excellent thing, excellent, excellent. Our people around Newfoundland, many of them are growing a bit suspicious of the University. They are. There is a distinct popular suspicion circulating about our Province about our University. It is a great pity - it is so - it is a fact. It is a fact, and the reason I think it is a fact I understand better than most. I myself as a Newfoundlander, an old-fashioned Newfoundlander, no great scholar - no scholar, but just an old fashioned Newfoundlander emotional and sentimental about Newfoundland, God knows why. God knows why. Do I have to explain it? Does not every Newfoundlander know what I mean?

Every Newfoundlander knows what I mean. I can understand the feeling of many Newfoundlanders that up there at the University you have a center which is sort of geographically in Newfoundland, but otherwise is not in Newfoundland at all. It might as well be in Calcutta, or in Tokyo, or in Mexico City, or in Ottawa - or in Washington. And what people do not understand is that that is as it should be. A seat of learning is a seat of learning. Learning has no boundaries, no national boundaries. Free and independent thinking is the all and the end-all of life. It is stagnation without it, and you do not get too much of it in the counting rooms, in the merchant offices, and in the buyers and sellers of goods, that they are one percent profit - you know buy for a dollar and sell for two dollars. You do not get too much independent detached objective, independent thinking for men whose only interest in life is to grab dollars, grab as grab can, get rich quick, get rich honestly - if you can, but get rich.

There you do not get too much basic or original or independent thinking, you get very little of it in fact. And man must, and Newfoundland must although it is a fearful burden financially - Newfoundland must either provide her own University or let her young men go away to University, as they always did in the past. And one thing that encourages me is this - it is in the "Evening Telegram" of February 6 - last month. Memorial survey reveals

brain drain not alarming. That is very encouraging that it. It says, and I quote exactly "the overwhelmingly majority of 1,969 graduates of Memorial University are working in Newfoundland, or continuing studies at Memorial or other universities. G. V. Woodland, Director of Information and Alumni Affairs of M.U.N. says in a release. Let me repeat that: "The overwhelmingly majority of 1,969 graduates of Memorial University are working in Newfoundland, or else continuing studies at Memorial or other Universities". Mr. Woodland was commenting on recurring statements suggesting that most graduates of the University leave the Province once they have earned degrees. Quote "These statements appeared to have no basis in fact", unquote, Mr. Woodland said. Quote: "Our survey indicates the brain drain is not of alarming proportion", then he goes on to say this: "Of 831 students receiving degrees and diplomas, in the '69 class - 708 out of 831 have been tracked down the past two weeks. Of the number whose addresses are known to the University's Alumni office - forty-one are working on a full-time basis outside Newfoundland. Forty-one of 708, an additional 100 are continuing their education elsewhere. These are mostly engineering students, fifty-five of which are attending Nova Scotia Tech. at Halifax. An effort is being made to locate the 123 graduates whose addresses are not known", Mr. Woodland said.

The Alumni office is compiling a current listing of all university graduates' addresses. Very shortly we will be able to determine the extent of the loss of Memorial graduates to Newfoundland since 1949 - thanks be to God. Thanks be to God, that we did not lose any more, and pray God that it will stay that way - that we will lose even fewer. Although I have to agree, I have to agree with Lord Taylor when he makes a very common sense observation, that if our University is supported partly by the Government of our nation, then Canada as Canada has a right to expect to get some of these graduates to serve Canada in places other than just Newfoundland herself.

Mr. Speaker, I would like to turn for a moment to another topic. By the way, just in passing, I thought the House might be interested to hear this. There was a strike in Labrador City and Wabush - no there was not strike in Wabush was there? No just Labrador City - I asked our Director of Economic Services to get me his estimate of what the strike cost the treasury of this Province - the Newfoundland Government. The loss of wages was \$3 million less unemployment insurance of \$500,000 - gave a net loss of \$2.5 million. The total income lost multiplied by the income multiplier, that is \$2.5 million

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times two - \$5 million. The loss of provincial taxes - fifteen percent of aggregate income, that is fifteen percent of \$5 million is \$750,000. Add loss of mining taxes and royalties \$500,000 - add additional subsidies paid on air travel \$40,000 which leaves a little over 1.25 million. Just think of that. \$1,290,000. By the way the House may be interested in that fifteen percent.

Our Economics Department estimate that there comes into the Treasury fifteen cents of every dollar the Newfoundland people earn. Fifteen percent of all the wages and salaries paid in Newfoundland find their way back into the Newfoundland Treasury - the Treasury of our Province. Fifteen cents of every dollar. And that is how we can estimate, partly estimate of what benefit we get as distinct from the losses, what gains or benefits we get from an industry.

We find out what number of persons will be employed in the industry, what wages they will get, and the average is fifteen percent of their wages will find their way back into the Treasury, so that is one benefit we get from every industry that starts - we get fifteen percent of their wages, coming back into the Treasury. And in the case of the strike in Labrador last summer - that was in the present year, the present financial year. The strike was after the 1st. of April was it not. The strike occurred in the present - its presently existing financial year, and our Treasury lost \$1,290,000 through that strike in Labrador last summer.

Mr. Speaker, I would like to give the House another bit of information. I have a statement here from Mr. Kral, the senior Vice-President of the company running the Holiday Inns in Newfoundland. For the period end<sup>ing</sup> March 31st. 1970 they expect their gross income for the four Holiday Inns in the Province - the four of them, their gross income to amount to \$3,616,000, with expenditures of \$2,816,000, leaving a net income in that fiscal period of \$800,000.

The number of employees in them three hundred and forty-three. Now for the fiscal period ending March 31st. 1971 - that is the year starting April 1st. next, next month - for that year the gross income they expect to be \$3,996,000, call it roughly \$4,000,000, with expenditures of \$3 million, producing a net income of \$991,000 rounded out at a million dollars.

It was previously mentioned these figures were prepared by our Budget department, the senior Vice-President in conjunction with our financial analyst and accountants on a conservative basis - having regard for past performances, and it is our opinion that these projections provide a fair forecast

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for the fiscal periods ending March 31, 1970 and March 31, 1971. Then Mr. Speaker there is a tax breakdown of these figures. I thought the House would like to hear, because we built those hotels with public money, and gave the management of them over to Holiday Inns with the right to buy them by paying off the debts, the same as we did with the shipyard in Marystown, the same as we did with the big fish plant in Marystown - the same as we did with the Feed Mill in Manuels out here. The same as we are doing with

with the oil refinery in Come-by-Chance. We built these big hotels because we knew that Newfoundland had to have hotels - had to have them. Things were needed worse admittedly, but among the things we needed badly were those hotels and we built them and got excellent people to run them and we do believe that before too long, these hotels will be paying and costing the Newfoundland Government nothing, but in the meantime, we have them and we are very glad that we have got them.

MR. CROSBIE: — the net figures that the hon. the Premier mentioned that-- These are not net after meeting the principal interest payments are they?

MR. SMALLWOOD: No, they are not. That is no operating account.

MR. CROSBIE: Principal and interest payments?

MR. SMALLWOOD: I have not got them here, no.

Here is another figure I asked our Department of Finance to prepare for me and I pass it on to the House.

When I was in Ottawa the other day, attending the private meeting of the eleven Premiers of Canada, to discuss the question of inflation, I took with me these figures thinking that they would impress them, interest them and impress them.

Newfoundland as a Canadian Province, is caring<sup>a</sup> foreign exchange, primarily of course, American dollars. An extremely important thing for Canada - Canada's foreign trade.

Mr. Speaker, for the year 1968 - we have not got it for 1969, but for the year 1968, the Province of Newfoundland earned for Canada, the following amounts of foreign exchange for the year:

Mineral exports - \$185 million. All the minerals were not exported to the United States, you see. This is American exchange. American dollars earned by this Province for Canada. They got back into Canada for the minerals we exported, \$185 million.

Forestry products. That would be mostly paper, of course - \$75 million.

Fishery products. That would be mostly, of course, frozen filets of fish - \$49 million.

Other exports - \$1.100 million and earnings from foreign military establishments in our Province, dollar earnings, American dollar earnings, and American dollar, tourist's dollars - American tourist dollars- \$19.25 million, making a total for the year of rounding it out, now, \$330 million.

American dollars which is a magnificent contribution that Newfoundland has made to Canada's foreign exchange situation and I was very proud to be able to give that information to the conference.

MR. WELLS: --figures for say, a comparable Province like Nova Scotia?

MR. SMALLWOOD: No, I have not, but when I said that I thought we were earning more American dollars in this Province than in Nova Scotia, New Brunswick and P.E.I. combined, there was no violent outcry of denial from them. I think it is very probably the case that we are earning more per capita, probably more than Alberta with all her exports, or Ontario with her paper exports and mineral exports or Quebec with her mineral and paper exports. Probably per capita. There are only half a million souls here, you see.

We are a big earner of American dollars in this Province and I was very proud to say that, because I do not want our Nation, even the heads and the other Premiers to think that we are a crowd of beggars down here, a crowd of paupers. God knows we have benefitted wonderfully from Confederation but we make out contributions to the Canadian economy. It is true we take more out of it than we put in it, but the difference is not as great as most people think, on the mainland of Canada.

I am afraid there are too many people across Canada look upon Newfoundland as a place that Canada had to take over to keep us from starving. A crowd of poor people down there on that poor rock that they had to take over.

Well, they did take us over in a certain sense of the word, but it would be completely false to paint a picture of our having being taken over you know, as a crowd of paupers.

Mr. Speaker, I want to say a word about something that I consider to be terribly important. In Ottawa, Senator Keith Davie, is Chairman of a senate committee looking into the press of Canada, the newspapers of Canada. Just taking a good hard look at him. He has brought editors in from all across Canada, and publishers in, and they have been examined and questioned and cross-examined by members of the commission - the senate commission.

They brought up the Halifax Herald and I worked on the Halifax Herald. The first newspaper I ever worked on when I left Newfoundland the first time and who should be brought in there, but Mr. Dennis, to be questioned

and examined by the senate commission on the Halifax Herald and the evening edition, the Mail Star.

Now, it was brought out that these two newspapers blanket Nova Scotia. They have a tremendous circulation. They are the two great newspapers of that great Province, Nova Scotia. The two daily newspapers in Halifax, it says, reserved the right to criticise any public policy but, refrained from publishing editorial criticism just to be critical, the special senate committee on mass media was told Friday.

The committee quizzed representatives of the newspapers at length about why the Morning Chronicle Herald and the Evening Mail Star had not commented editorially about certain public issues.

I would like the House to listen very intently to what I am going to read because it has a terrific bearing on Newfoundland.

The committee quizzed representatives of the newspapers at length about why the Morning Chronicle Herald and the Evening Mail Star had not commented editorially about certain public issues. Committee members cited reports to the effect that the two newspapers do not criticise the Nova Scotia Government. The two newspapers are owned by the Halifax Herald Limited which is held sixty-five percent by publisher Graham Dennis, twenty-five percent by his sister and ten percent by L.F. Daley, company solicitor and vice-president, the committee was told.

Lawyer Eves Fortier, for the committee, said that research has shown that the Halifax Dailies had never taken an editorial stand on the Provincial Government's handling of the heavy water plant in Glace Bay nor had the newspapers directly endorsed a political candidate. Mr. Daley said the newspapers regarded the - no, that is another matter.

Mr. Fortier said, well I do not mind so that I will not be accused of suppression, there was a reference to Pope Paul's pronouncements against birth control. That does not concern us.

Mr. Fortier said a great many Canadian newspapers had commented, the Halifax newspapers had commented during the Canadian flag debate and was not that also a matter of personal conscience.

Mr. Daley said religious matters touched people more deeply and so I thought I would pass that over.

On the subject of not endorsing political candidates, Mr. Dennis said, Nova Scotia is a small Province. Just follow this. They are three-quarters of a million, We are half a million. On the subject of not endorsing political candidates, Mr. Dennis said Nova Scotia is a small Province. The newspapers take pains to make sure political parties get equal news coverage.

Discussing the heavy water plant, a Nova Scotia Crown Corporation in which technical troubles have delayed production; that is putting it mildly to say the very least. That is a very mild and modest way of describing one of the most appalling and unfortunate messes, I suppose in all Canada's history. Mr. Dennis said it is a thorny problem in which the credit of Nova Scotia could <sup>be</sup> jeopardized.

I want to repeat that. Discussing the heavy water plant, a Nova Scotia Crown Corporation in which technical troubles have delayed production, Mr. Dennis said it is a thorny problem in which the credit of Nova Scotia could be jeopardized.

The newspapers try not to aggravate the situation. Mr. Fortier observed that in his written submission, Mr. Dennis had said, his newspapers tried to mold public opinion through editorials. He said there was apparently no attempt to mold opinion about the heavy water plant project.

Mr. Dennis said the position of the newspapers is to await events and see whether a solution to the heavy water project can be worked out. Now, it has been there for five years. It was to cost \$40 million. It was to be finished two years ago. It has already cost \$106 million. They have got to get another \$35 million and it will cost \$141 million and be eight years - it will be four years late in starting. It will employ 200 persons and it will lose money in millions to operate it, and it will not make the product it started <sup>out</sup> to make. They will do it about one-third and then it has go through two other processes in other factories altogether outside Nova Scotia - to the United States.

Mr. Dennis had said his newspapers tried to mold public opinion through editorials. Mr. Dennis said the position of the newspapers is to await events and see whether a solution to the heavy water project can be worked

out.

Mr. Daley said the newspapers were too willing to acknowledge that the heavy water project is a failure - were not willing. Also, he said extremely technical issues are involved. Until a decision is made about the project's future, he did not think the newspapers could contribute anything. They did not wish to engage in criticism for criticism's sake.

If the newspapers had failed at all, Mr. Daley added, it was not criticising the fact that it is taking a long time for a decision about the plant's future to be reached.

Mr. Dennis said, that if there had been a need for criticism, the newspapers would have criticised it.

Mr. Daley said the newspapers support the Government in power as long as they think the Government is doing good but the right to criticise is in reserve.

Now, Mr. Speaker,

What I want to bring to the attention of this House is this: all through his testimony, this is from the Halifax Chronicle of January 24th. "All through his testimony, their testimony, Mr. Denuis the principal owner and Mr. Daley a minority owner kept making the point that they did not want to publish anything in the two Halifax papers that might hurt Nova Scotia's credit." I asked the House this simple question. Is that good? Is that good public policy? Is that in the public interest? Suppose that same policy were followed in Newfoundland, would Newfoundland have been given the terrible name it has been given in recent years? If we had had, if this Government had had the heavy water plant and had that utterly, appalling, that utterly ghastly industrial and financial mess on its hands, because remember, Mr. Speaker, that the Nova Scotia Government tried to get Ottawa to give them the \$35 million to finish the plant so they could employ the 200 men and make the 400 tons a year and lose millions of dollars in doing it. The Canadian Government said, "no." Now what the Nova Scotia Government has to decide is will they let the \$106 million go. Just forget, wipe it out, write it off the \$106 millions or will they try to find the \$35 million somehow otherwise than getting it from the Canadian Government? Will they go out and borrow the \$35 million? You pity them from your heart because you know that what the Premier and Cabinet of Nova Scotia were trying to do was to create industry for Nova Scotia.

As I pointed out here in the House today, they have lost 30,000 of their people in two years, 80,000 Nova Scotians have left Nova Scotia, at the rate of forty odd thousand a year, and not counting what they lost in 1969 because the figures are not available for 1969. That might bring it up to well over 100,000 of their population lost in three years and they like us are fighting a desperate battle to try and keep their people there, to try to create industry, to try to create jobs and they have taken some desperate chances, some desperate gambling chances. But, Sir, Nova Scotia did that and the Nova Scotia newspapers feel that in fair play and justice to Nova Scotia to protect Nova Scotia's name and Nova Scotia's credit, it was their public duty not to be harping on it, not to be talking about it and they did not and they had not uttered one word of criticism of the Nova Scotia Government. Now I ask what would the position have been, if this Government had succeeded in getting the heavy water plant and I now

thank God that we did not, that we failed. I tried hard enough. I tried hard enough. It was between Nova Scotia and Newfoundland where that heavy water plant would go. Suppose I had been, in this Government, in this Province unlucky enough to win and get the heavy water plant and the same thing exactly happened to us as has happened to Nova Scotia - what would the newspapers have done to me? What would the columnists have done to me? What would have been my faith; if exactly the same thing had happened here as happened in Nova Scotia. If the same thing had happened here, as happened to the Claritone Plant, where the Nova Scotia Government have lost \$14 million. I do not blame them. I do not blame them. I do not blame - I cannot find it in my heart to blame them. A Premier or a Government of either these provinces that takes deperate chances may win, may lose, may succeed, may fail, but they take these chances, because Nova Scotia faces the same danger we do, so does New Brunswick and so does Prince Edward Island.

I know, Mr. Speaker, that before the DREE plan, beginning with the FRED plan moved into Prince Edward Island, I know that Prince Edward Island was about ready officially to throw in the sponge. I know that. I know what I am talking about. Officially, ready to throw in the sponge. I know it has not been announced. I know that. I am well aware of that. I read the papers. I listen to the radio. Not by the conservation, no. I know that other provinces - I know that the province of Saskatchewan is in a terrible situation, quite terrible and I know that the province of Quebec is in a bad way. Now they are going to have an election and they will not <sup>be</sup> too much talk<sup>ing</sup> about it in an election year. There will not be too much talk about it. The province of Quebec which has striven desperately to develop itself. There are only three provinces of the ten, Mr. Speaker. There are only three provinces of Canada's ten that are really booming; British Columbia, Alberta, Ontario. Seven of them are scraping along, scratching along. Some of them making out fairly well. Most of them grinding their teeth, and waiting for DREE to get in, get going, get cracking in a big way with big money and to make the difference.

But, no sir, according to some newspapers and some other sources in this Province, there is one province in Canada that is in a mess according to the



Opposition, a financial mess Newfoundland is in. She is not! She is not!  
Newfoundland is not! We are not in trouble! We are paying our way and  
balancing our budget. Oh! ho! Oh! ho! Oh! ho! ho! ho! ho! ho! Five ho's.

MR. CROSBIE: \$ 1 million deficit in the budget.

MR. SMALLWOOD: Yes! Yes! Yes! Yes, the expert, the expert now. The expert  
now. Mr. Speaker, I will not allow myself to be drawn into a discussion at this  
moment, when the debate comes on the budget will be the time to do it and  
I will be ready.

MR. WELLS: The truth hurts.

MR. SMALLWOOD: Truth. The truth and the hon. gentleman are occasional  
acquaintances. They frequently meet.

I will not be drawn into a budget speech type of debate and if the  
hon. gentleman wants certain information, I will give it at the right moment  
for instance, the budget record of every government in Canada, the ten of  
them showing that everyone of them without a single, solitary exception has  
had a deficit every year for the last twenty years. If the hon. gentleman  
counts his deficit, current account and capital account, put it altogether  
and if you do not take in enough revenue to meet all your expenses, all ordinary  
expenses of running the Province and all you are going to borrow to build new  
things, lump it altogether and if you do not take in enough tax revenue for that  
and other revenue for that, without borrowing, you have a deficit. If that  
is the definition of deficit, then every province in Canada for countless  
years back has had a deficit.

MR. WELLS: We have had deficits on current accounts alone.

MR. SMALLWOOD: None. We had one. We had one. In the budget speech debate  
is the time to discuss that and we will discuss it and we are well able to  
do it. Well able to do it. Newfoundland, Sir, in the ordinary budgetary  
position is not too badly off. Where Newfoundland is badly off is in the  
economic position. Now we are badly off in that we have probably the highest  
proportion of unemployed persons of Canada's provinces. We probably have  
twelve, fifteen percent of our work force without jobs at this moment. Now,  
this summer and fall, we will have one of the lowest percentages, I think, in  
Canada. Unfortunately that is seasonal. That will be largely construction work,

construction of roads, of schools, of factories, of big wharves, of a great oil refinery, of two paper mills, at Churchill Falls, There will be a lot of employment this year so as to reduce among the lowest Province in Canada, I hope and I believe the percentage of unemployment. That is temporary. That is seasonal. That is not enough. It is not enough. It is not enduring. It is not permanent. You cannot run a province. You will not hold your people in a province that is busy for five months a year and idle for seven, largely idle. A large proportion of the people just drawing down unemployment insurance. That is not the way for a province to grow. That is our task. That is the terrific task before the people and the Government of this Province.

Mr. Speaker, I have to make a decision now about this speech I am making. I have now been speaking nine hours in this present speech and I am about one-third through on what I want to say. But the decision I have to make is, will I go on and say the other two-thirds and spend tomorrow and the next day? Unfortunately on Thursday, I have to go to Corner Brook to speak I think to the Rotary Club and I might not get back in time to resume. Tomorrow is private members' day. Will I go on now until 11:00 p.m. and postpone the debate until Thursday, taking a chance that I will come back from Corner Brook in time. I have to make up my mind on that. I have not finished saying the things I want to say that are in my heart to say, that need to be said. I am fresh. I am fresh as a daisy. I am not tired, no weariness, either mentally or physically, in perfect fit condition. I am just as fit and fresh as anyone in the House here tonight, probably more so. Some of them may be just tired listening, and I am not tired talking. I am not tired talking. For some I know harder nine hours. It took place in the stadium. It was a much harder nine hours than any nine hours here in this House could possibly be. That was torture for some.

Mr. Speaker, I will not be shoved out. I was going out happily, joyfully going out to start a new career, travelling reporter. I love reporting and I love travelling and the combination is pretty irresistible, travelling reporter. Under a magnificent offer to go anywhere I like in the world, well paid, exciting, entrancing work that I am well able to do, that I well know how to do. I was looking forward to it, when suddenly someone decided to boot me out. You know I was unreasonable enough to think that I had earned the right in the work I had done in this Province, that I had earned the right not to be booted out, unreasonably

you know, a sort of eccentric, a sort of peculiar makeup - I just decided that I had earned the right in Newfoundland not to be booted out, and when someone decided...

MR. CROSBIE: Will the Premier permit a question?

MR. SMALLWOOD: Yes sure.

MR. CROSBIE: Was he forced to announce his pending retirement at Grand Falls in September, 1968? Was someone twisting his arm then?

MR. SMALLWOOD: No, nobody twisted my arm. I do not allow people to twist my arm or boot me out either. I do not allow anyone to boot

anyone can boot me out. I refuse to allow anyone, I do not think there is anyone clever enough to boot me out. I do not think there is anyone brainy enough to boot me out. I do not think there is anyone smart enough politically, or otherwise to boot me out. I do not think there is anyone capable of booting me out, except the Newfoundland people. Ha, Ha, they are all surprised. Surprised, surprised. I was determined not to be booted out. And I was right. I was not. And I am not going to be. If there is going to any booting done, I will not be on the end of the boot, I will be on the right end of the boot, not the wrong end. Oh! one day I will have a story to tell. What a story I will have to tell one day. What a story. The hon. gentleman, will have no story to tell. Just a story of endless frustration. Frustration, deceit and embitterment. That is all. That is all. That is all. That is all. Because there is one cement they have on that side over there,

MR. J. C. CROSBIE: They are all against us.

MR. SMALLWOOD: That is all. That is it. That is the only cement that keeps them together. That gives them the only thing they have in common, they may despise each other. They may mistrust each other. They may be jealous of each other. They may be afraid to turn their back, or even side ways to each other. But, they have one thing in common, they do not like Joe. Yes, I know they love me. And if I were loved a little more like that, I would be dead. A little more of that kind of love, and I would be finished.

Mr. Speaker, we are being joined by some members of the House.

MR. SPEAKER: I have to say that the visitors to the gallery should not participate in anyway, that is visible or audible to the Chair. But, I have certain feelings about the - it is almost an impossibility, the way the debate is going at the moment for an ordinary person not to join in. They are not supposed to do it, and I have to warn them as such. But, the House co-operates so that the members in the galleries will not be forced to participate.

MR. SMALLWOOD: You think, Mr. Speaker, I am such a model of good behaviour in this House, that when I am rudely interrupted by "would be wits, and humorists, that it becomes terribly laughable. <sup>But</sup> nevertheless, as his Honour has said, strangers in the galleries are to be seen and not heard. Like you know, my mother used to tell me when I was a little boy, you are to be seen and not heard. And visitors who have not been elected to this House, are only to be seen and they look and they listen, and they are warned not to be seen or heard - not to be heard just seen.

So what I think I will do is clue it up. Yes, I think I will clue it up. I will have other opportunities. I will have other opportunities and I have never been backward in seizing these in this House. One thing I ought to say though, and I have a note here, I should say it, we hear it said by opposition members from time to time, all down through the twenty-one years of Confederation, that the money spent on this building or that building or the other building is wasted. Let me remind them that never was there a building erected in Newfoundland by any Government for a hundred years that was not denounced. When Bond built the great Court House Building on Water Street, which was an magnificent structure in its day, the present Court House Building on Water Street, the denunciations of Bond were heard from one end of the Island to the other. When the Colonial Building was built, every public building that was erected in Newfoundland was denounced as a waste of money - they denounced the building of the Museum Building on the site of the Old Aphelion. They denounced the building of Confederation Building. They denounced the building of the Arts and Culture Centre. And they are denouncing the building of the Arts and Culture Centre in Grand Falls and Gander and Grand Bank. They denounced the building of the Sir Richard Squires Building in Corner Brook. They denounced the building of the New Government Structure, a public building at Grand Falls. Never was there a building erected in Newfoundland by any Government, the money for which they always pointed out should have been spent on welfare or on some other very worthy cause. And I suggest, Mr. Speaker, that it will always be so, that always as long as you have oppositions, and God Bless them, let us hope, we always will. Always oppositions will find other ways to spend the money that the Government indeed did spend on this, that or the other buildings.

I now hear a lot of criticism of the Government for having built the University.

I want to pose a serious problem to the hon. members opposite. A pretty serious problem for them, all ten of them. As I say, the one thing that they have in common is their dislike for me, the distaste they feel for me. It is extraordinary no one else does, but they do. Nonsense. It is this one thing held in common by them that keeps them together, and if necessary this same dislike they have in common for me, they bring them together in one party. I would like to be able to attend the Convention that is going to elect the Leader of that Party. I will try to get a job as a reporter to go in and cover it, just to see it. And if not, of course, I will follow it on T.V, when they come to choose a Leader. 821

If necessary, the only way they can achieve putting me down, is to get together in one party, they will do that. They will do it.

AN HON. MEMBER: For what good will that do?

MR. SMALLWOOD: For the good of themselves. Lincoln was assassinated by a man who did it for the good of American, do you remember? He assassinated Lincoln for the good of America. Every assassin:always does it for some great and patriotic and worthy motive. Robert Kennedy was shot for patriotic motive. A good fine motive, he was doing a good thing to shoot Robert Kennedy. And I have no doubt that the man, who murdered John F. Kennedy, set himself to be a real patriot. He did that for America's sake. So the hon. gentleman opposite, if it is necessary, if this is the only way, they can see, that might give them a chance to get rid of me, they will come together in one party. Now there will be some bloody scenes when they will try to see who will be the leader. But, nevertheless they will come together and they will form a party. But, Sir, here is - look, if I were the hon. gentleman's Leader, by now I think I would have assassinated the hon. gentleman. And do not think, Mr. Speaker, the smile on his face shows that I hit the nail right on the head. Right on the head, because he will not stand the hon. gentleman much longer. He will not, believe me. Oh! I am a Leader and I know why? I know why.

Now here is the serious problem, Mr. Speaker, I pose for them. The only thing that brought them together, the only thing that keeps them together, the only thing that will keep them together is there common dislike for me. Now here is the serious problem. Suppose I die, suppose I drop dead, suppose I resign, suppose anything, that I cease to be the cement, to hold them together. What then? Where does that leave them? Utter chaos. The only thing they got in common is their dislike for me. So their very lives depend on me. Their fortunes, their future, their strength, their unity depend entirely on me.

AN HON. MEMBER: On who?

MR. SMALLWOOD: On me. Yes, on me. If I die, they will be at each others throat, so fast, Mr. Speaker, a donnybrook would look like a Sunday School Party, A Sunday School period. It is true. It is true. You see they may indeed dislike me, but they dislike each other more. They may mistrust each other, but not as they mistrust me. They may be jealous of each other, but not as jealous as they are of me. And I am therefore, the linchpin. The linchpin of the opposition. The one cementing element that can keep them together.

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MR. C. WELLS: I am not a Tory, I am a Liberal.

MR. SMALLWOOD: Yeh! A Liberal who fights the Liberal Government.

God save us from that kind of Liberal. The Liberals that fight the Liberal Government.

MR. C. WELLS: I do not have to bow down to him.

MR. SMALLWOOD: Bow down, if supporting a Government is bowing down.

MR. C. WELLS: That is right.

MR. SMALLWOOD: If supporting a Government is bowing down, he can never support a Government. He can always be Independent. Independent and in Opposition, he can always be Independent and in Opposition, because supporting a Government is bowing down, and this he will never do. The great independent.

MR. WELLS: Not in other independent democracy. Not quite so here.

MR. SMALLWOOD: I have never since I have become Premier and for about three years before I became Premier, that is now twenty-one and three are twenty-four years, the best part of a quarter of a century, not once have I been without some crackies snapping at my heels. Never have I been without a lot of crackies, snapping at my heels. I must say honestly, I would almost miss them, if they went away.

AN. HON. MEMBER: Inaudible.

MR. SMALLWOOD: That is right, I offer no coat tails to the hon. gentleman. The hon. gentleman's delicate language is very admirable, you are darn right. I have grown accustomed to these crackies. I would almost miss them, if they went. But one day, they will go. After I am gone. Not before I go. As long as I am here the crackies will be there, barking and snapping. They will always be there as long as I am here. But one day they will go, because I will go. They will not go before I do, I will go first, and then the crackies will go. Then, then, then, Mr. Speaker, possibly, when I go, and the crackies go, then possibly the value of some of these works of mine, in these twenty-five or twenty-eight years after I am gone, will be seen. I am not quite twenty-one yet, add say five years, that will be twenty-six, and three before I became Premier will be twenty-eight years, say after twenty-eight years, I go, and the crackies go, then when the barking and the snapping and the snarling of the crackies dies away into silence, and they die away, and they disappear, and I am gone, and the crackies are gone, then a lot of people perhaps, will begin to say, you know he was not all bad, he was not all wrong,

MR. WELLS: It is hard to believe.

MR. SMALLWOOD: No, it is hard. The hon. gentleman does not believe that about anybody. And I warn his Hon. Leader beware of him, beware of him.

MR. WELLS: Inaudible.

MR. SMALLWOOD: Well, I believe that - the hon. gentleman is his own Leader. No, the hon. gentleman is his own leader. That hon. gentleman is a scalp hanger on his belt. That is what the hon. gentleman is, he likes collecting scalps to hang them in his belt. That is what he likes. And I know the next scalp his is going to get, not far from where he is sitting now, that will be the next scalp he will be after.



MR. SMALLWOOD: That will be the next scalp he will be after. Crossing the House - the hon. gentleman who made that remark should never make that remark about crossing the House, because it reminds people - brings it fresh to their memory that he has crossed the House three times. Three times. Three times -

MR. SPEAKER: Order please! I would like to remind all hon. members of the House that words uttered in this very dignified debate is recorded in Hansard, and I hope that their behaviour be governed what they will be reading in a year's time, or five years time, or what other people will be reading. I think that if they would remember that for a few minutes, it possibly would add to the dignity and to the decorum of the House.

MR. SMALLWOOD: Yes, the hon. gentleman from Humber East Mr. Speaker, who is so insistant upon maintaining the dignity of the House, fully agrees with Your Honour, and Your Honour must be relieved to know that. It must be very reassuring to Your Honour.

Mr. Speaker, the hon. gentleman who is the member for St. John's West made an unfortunate remark there a moment ago about crossing the floor. Not crossing the bar, but the floor. And every time he speaks of crossing the floor, I am reminded of the fact that he has established one record in the history of Parliamentary government in Newfoundland. It has never been equalled by any other. He has crossed the floor three times in two years. Averaging that more than once a year. He has been in the House three years, and he has crossed the floor three times.

AN HON. MEMBER: We should get him a pair of roller skates -

MR. SMALLWOOD: I have never heard the like of that record before - that is a completely new record. Three times he has crossed the floor in three years, averaging once a year he has crossed the floor. He cannot seem to make up his mind. Mr. Speaker, the hon. gentleman has made more political blunders, I think than any man in Newfoundland's history has ever managed to commit in so short a period of time. He has committed in three years, more blunders than most politicians manage to commit in all their lives.

Let me give the House some examples of these blunders. Number one, in the midst of an election, a general election, he crossed the floor. Number two; he picked the wrong issue on which to cross the floor. Number three: he recrossed the floor so he could run for the leadership of the Liberal Party. Number four: he lost the leadership of the Liberal Party, and he recrossed the floor again. All for the sake of Newfoundland. All for the sake of the good

of Newfoundland. He was not thinking of himself at all. He put self down, he put it behind, he just devoted himself exclusively to the good and welfare of Newfoundland which he identifies with his own good and welfare. What is good for General Motors, is good for the United States. What is good for so and so, is good for Newfoundland. Three times across the floor. Three times.

This will I doubt, I doubt this will ever be equalled. I do not think it will ever be equalled in the political history of Newfoundland. It is incredible, it is past believing, but when of course I am wasting breath, because the hon. gentleman politically speaking, he is a dead duck. Dead duck.

On the other side of the House, on the other side of the House, there are one, two, three, four hon. members who will never run again for any seat. Four, that will never run. The fifth, if he dares to run in the district that he presently represents will be defeated so ignominiously that he will be ashamed to go out on the street to be seen. But three of them, three of them - I am not speaking of the hon. gentleman - three of them will not even run. The fourth I think will lose his nerve at the last minute, maybe not the last minute. He will lose his nerve, and not run. But if he does run, he will have to run somewhere other than the district in which he is now the member.

The people of Newfoundland, whatever they are, or are not. The people of Newfoundland are very fair-minded. They are very fair-minded. These crackies that keep barking at my heels, you see, I said as long - until I go, these crackies will be barking at my heels. Bite? That reminds me - about bite. Sir Robert Bond, the great Liberal Premier was speaking in the House of Assembly once, when someone on the other side of the House kept snapping at his heels that way, and finally Sir Robert got annoyed. He ignored it as long as he could with contempt, with silent contempt. But finally he got annoyed, and he said, Mr. Speaker, the hon. gentleman reminds me of the story of Sandy the Scot. Sandy was an ardent fisherman, and he was up in the Highlands beside his favourite stream fishing for trout, wearing his kilts. And he was fishing and paying all his attention to the trout, and to the business of fishing. But the mosquitos were numerous, and he (wearing a kilt) he was really not too well protected against the onslaughts and the bites of the mosquitos.

So he would chance hands and he would slap - then he would try it again, and then he would slap - and he kept this up trying to keep his attention on his trout, but these mosquitos would keep biting him, and keep

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biting him, and finally he said, Mr. Speaker - and as Sir Robert Bond said this, he suited the action to the words - he said finally Mr. Speaker, Sandy lost his patience and turned back on and as he said this, Sir Robert turned back on to his tormenter across and he hauled up his kilt and he said, "bite you little buggers, bite".

MR. SMALLWOOD: That was - the snapping at the heels is still going on. This is the mosquito biting again.

Mr. Speaker, we are twenty-one years old, we will be shortly. We have put in twenty years, and are now starting our third decade as a Canadian Province, and as Canadians. What lies before us? Not just ten years more of this sort of thing, there has to be something better than that. We have laid a foundation, it is not the best foundation but it is a foundation. It is not the best one in Canada, but it is the best one that we ever had in Newfoundland. We never had a foundation as good as the one we have now. We spent billions to do it - billions, literally thousands of millions of dollars.

Schools, 1,000 new ones, the university, best fisheries college in the western world, fine technical college, one dozen magnificent trade schools, these upgrading schools - four of them. We now have 150,000 students. We have 7,000 teachers. We are better educated than we ever were in all our lives, in 500 years. We have built 5,000 miles of roads since Confederation. We have paved 1,200 miles of roads. We have built hospitals all over the Province - we spent \$80 - \$90 - \$100 millions to build new hospitals. It is costing us forty odd millions a year to run them. Our health is better than it has been in 500 years. We are healthier today, a healthier people than we ever were - ever were - ever. We are better clothed than we ever were. We are better housed than we ever were. We are better fed than we ever were. We are better educated than we ever were. We are more informed than we ever were. We are more alert in mind than we ever were.

Supremely we have done this - the thing about which I told tonight of my conversations with the late Lord Bishop Of Newfoundland - Bishop Meaden. We have smashed and destroyed the ancient curse that hung over our island - the curse of isolation. We have smashed it, we have killed it, we have slaughtered it, we have destroyed it. We now have in this Province more athletic and recreational facilities than we ever dreamed of. We have literally thousands of young boys, young Newfoundlanders playing hockey, we have stadia, skating rinks dotted about our Province. We have arts and culture centres going up throughout our Province. In almost every way you can think of, we are better off than we were twenty-one years ago. Incomparably better off, incomparably, beyond comparison - it is ridiculous to compare the Newfoundland of 1970 with the Newfoundland of 1950 - 1949. It is incomparable - beyond all comparison better off than we were, and we

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are in greater danger today than we were twenty-one years ago.

We are in greater danger as a people and as a Province than we were at the first day of Confederation. Because, everything that has happened since Confederation constitutes the danger. Our tastes have risen, our expectations have risen, our wishes have risen, our ambitions have risen, and can we satisfy them? That is the great problem. I believe Mr. Speaker, being an optimist, and to some considerable extent a realist, that is to say a realist in the sense that I know the realities, I recognize them and I do not try to blink them out of sight. Being an optimist and at the same time a realist I believe on the basis of the information I have - on the basis of what I know about the facts of Newfoundland - I believe that we can have a good future. We never can have a good future in Newfoundland without taking great chances. I do believe in Newfoundland that one person is going to play a great part in realizing that great future and that is the Minister for Community and Social Development. By himself he would be as helpless as a little child, but with the help of this Government, all his colleagues in the Government, active, cordial, ardent, enthusiastic help of all <sup>his</sup> colleagues in the Cabinet, and more important than that with the ardent, enthusiastic help of the Government of Canada. With a few dollars here and there, say, \$40 - \$50 - \$60 millions a year he can be the most important man in this Province.

In realizing the greatness that is possible here in Newfoundland because Sir, if the things that DREE will do are not done, if they are not done, if the DREE program is not put into operation the people will not wait. Now I regard the DREL program quite frankly as no solution of our problem. It is a makeshift, it is a stop-gap, it is something that will hold attention until the bigger things get going, and the bigger things can only be industry. God save us from being diverted from the great central fact about Newfoundland. Do not allow anyone for a moment to divert our mind from the great central fact which is industry our only hope. No matter what else that is the main aim, and the only real cure for our troubles, but our immediate problem is to keep our people here in the Province. To keep them here.....

The DREE program will do an enormous amount in that direction to accomplish that purpose, but it is no solution. One part of it could help in the solution - the incentives part. The Government of Canada will give up to, as free gifts, as much as \$30,000.00 for every job there may come in a new industry. If they approve the industry, wherever it may go in the Province, the Government of Canada will give as an encouragement to that new industry, if they approve it, up to as much as \$30,000.00 a job, but with the ceiling of \$12 million. They will give as much as \$30,000.00 a job for any new industry that may start anywhere in Newfoundland now, if they approve the industry, but they will not pay more than \$12 million. Up to \$12 million is a lot of money to help an industry start. Up to \$30,000.00 a job is a great help to get an industry going. Up to one-half the capital needed. They will pay that. They will pay up to one-half the capital or up to \$30,000.00 a job or up to a ceiling of \$12 million.

That is under that part of DREE. The industrial incentives is part of the DREE plan. The DREE plan has three sides to it. One is the industrial incentives, I have just been describing. The other is to help people who wish to move. To help them financially, to move from point A to point B and the third is the immediate DREE plan of infrastructure which the hon. minister described here in the House the other night and it is this part of the DREE plan - the relocation, helping people to relocate, to centralize and the infrastructure in the approved special areas - these are the things that I regard as being nothing more than a stopgap but a valuable aid along the road. Valuable in encouraging people, in holding them here in the Province, in preventing a stampede out of the Province and valuable also as making places more attractive for industries to move into, but they are not the answer. The answer lies in the new industries.

And the trouble is, Mr. Speaker, about that, the trouble is that you can see possibilities but you cannot pin them down. This could mean a breakthrough if this comes. That could mean a breakthrough if that only came. There are several possibilities. If they came, if they once came, they could mean the breakthrough, but you cannot pin them down. You cannot be sure they will come.

Let them find oil, or natural gas 100 miles off Cape Race, and they will bring it into dry land by a pipeline they lay along on the ocean floor and there it will be in, say, Trepassey Bay and there in Trepassey Bay, as surely as night follows the day, or whatever it is the seaport into which they pipe the gas and the oil. As sure as night follows the day, you have a great breakthrough there.

Can you pin it down: Can you budget on it? Can you bank on it? Can you go and throw a bond issue on it? Can you budget for it? You cannot.

Suppose, Mr. Speaker, that when they put down six holes in the general area of Parsons Pond this year. Suppose, suppose, they go down 6000 ft. Suppose they run into a great oil well and a great gusher comes up, just suppose that. It is not too farfetched and people are willing to spend hundreds of thousands of dollars to drill and test and find. There must be some fair reason to make them think they have a chance to find it.

So, it is not too farfetched. It may very well be there. Suppose they find oil and gas around Parsons Pond. Suppose BRINCO finds oil or gas or as they hope and have some reason to expect, uranium, in the territory between St. Georges and Port aux Basques, suppose, just suppose. You cannot bank on it. You cannot budget on it. You cannot build anything on that hope, but it is there. The hope is there.

Now a hope deferred maketh the heart sick and hope disappointed will make you sick. If these things all come to nothing, too bad. Disappointment. Heartbreaking. Another hope gone. Another expectation gone out the window. Your courage, perhaps reduced a notch. Perhaps your determination weakened a wee little bit, but not completely. You peg away. You fight away, to the last ditch with your last strength. With the last ounce of your strength, you work away and you peg away and you battle and you fight because it is the only hope there is to bring industry. That is the only hope - to bring industry to create jobs, productive jobs that will support a number of other people as well. That is our challenge as we enter the '70's.

Personally, and now let me express a personal opinion; that between the two desires I waver. One desire is to get out - pass the job over to somebody more energetic than I am, younger, more ambitious, more drive, than

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I have; pass it over and duck out, duck out. Take it a little easy and take the next fifteen or twenty years of my life, if I live that long. Not loafing, but going at another career altogether. I am torn between that desire and the desire to see the job through, and I will tell you this much, that I am not going, when I get the great oil refinery going and I have initiated the negotiations with big petrochemical companies to come in and use the oil at Come-by-Chance, to build a petrochemical complex there; when I get that started, I do not need to wait to finish it. When the oil refinery is under construction and no one can sneer at it anymore, and the paper mill in Come-by-Chance is definitely underway, no one has the gall to doubt it anymore. When the big paper mill is going in Stephenville and even the hon. gentleman from Humber East will stop these sniping and these stupid and foolish doubts about it; when these things are going, and I can see daylight, I will be powerfully, powerfully tempted to step out.



Will I advise the Governor to dissolve and have a general election? I do not know <sup>what</sup> advice hon. gentlemen are willing to give me on that. Will I next month as soon as the budget is down and passed, will I advise the Governor then to dissolve and have a general election, and put it in the hands of the people, let them decide? Or will I wait until the fall of next year and serve out my full term. What is the best thing for me to do? What is the best thing for me to do for Newfoundland? What is the best for Newfoundland? The best course for me to take for Newfoundland? How can I serve Newfoundland best by serving out my term and seeing the thing through? Or getting these big industries going so that there is no doubting Thomas left at all and then dissolve and have an election then? Get the Government safely back in power. With a thumping big majority and I do not see fewer than thirty, I do not see any fewer than thirty seats won in a general election, for the Liberal Party, this party here, I do not see any fewer than thirty out of the forty-two altogether.

I do not see how it is possible for it to be less than thirty. And I would not be surprised if it went over thirty-five. Would that be the thing for me to do? Wait until the budget comes down, go to the Governor and say: "Your Honour I recommend that you dissolve the House and issue a writ for the holding of a new general election and elect a new House of Assembly." And get the party back with a thumping big majority. and wait a year or two and then step out. Is that the best thing for me to do? Or may be the coming fall have an election, and get the party back with a thumping big majority or will I serve until the fall of next year, serve out my full term, then call a convention perhaps and hand the party my resignation as leader of the party. And elect a Liberal as leader of the Liberal Party. And he becomes the new Liberal Premier. Will I do it that way? I am open to advice. I am open to advice from this side of the House. From this side of the House.

No, I do not mean tonight. I do not want the advice right now, I would rather have the advice quietly and privately, and I would make up my mind whether I will hang on with the mandate the people gave me, the biggest majority of my life, 39 out of 42 they gave me just three years ago. Three and a half years ago. Will I live on, carry on, and carry out that mandate to the fall of next year? Will I have an election this coming fall? Will I have an election now as soon as the budget, say this month, next month, or the month after. Which will I do? I would like some advice on that from this side of the House. Next month, the hon. gentleman must be getting tired of having a seat in this House, must be getting bored with it. May be he does not like listening to me. May be he does not like

sitting facing me, he did not want to sit over here with me, now, he finds he is sitting there facing me, may be finds that that is even worse. I do not know. Mr. Speaker, I will make up my mind I got to make up my mind. I have no choice. I have no choice but to make up my mind. I have got to have an election in the fall of next year or in the spring of next year, or in the summer of next year. Or else an election this fall, or an election this summer or an election this spring. Now which will I do? I need some advice on that because on thing I do not know I have never learned political skill of picking the right time for an election. I have never been able to pick just the right time, and timing is so important in politics. Picking the right time for an election. And I want some skilled advice from the politicians on this side of the House. I would like to be guided and given some good sound political advice. And then I will decide and make the announcement, and at the right moment we will have the election. The question is when is the right moment? The hon. member for Labrador West thought it was for January, does not think it now, he may think it is for January next year now, but he did think it was for this January. For a while he thought it was last December, then he postponed it until January, then he postponed to February, and now we are in March are we not? So it was not December, January or February so the hon. member for Labrador West I do not want his advice. It is no good. The hon. member for Humber East, the election was going to be in January and it was not, then it was going to be in February, then it was not, now he thinks it will be soon. And now he does not know what to do. Now he is completely bewildered. I got him dangling on the end of a string, and he does not know where he is he is dizzy from trying to guess when the election will be. I will tell him now, I am going to tell him, when the election will be. I will tell him. It is a promise. I will tell him. I will tell him when the election will be. I will tell him absolutely, straight, sincere, accurately, truthfully, I will tell him exactly when the election will be. That is a promise. I will tell him. The same time I will tell all Newfoundlanders, the same time, I will not conceal it. I will not conceal it from him. I will just keep him dangling and tantalize because in any case he is not going to run anymore. He is just wondering how much longer he has got to stay away from the more important part of his life and waste his life in here on the east coast. When he might be back in Corner Brook. He is wondering how long more he is going to have to waste over here., in this foreign part of Newfoundland, over on the east coast. However I will tell him at the right moment. Mr. Speaker, I did not intend to

speaking as long as this. It is, what is it, three hours tonight, two hours this afternoon, five, and five hours yesterday, ten hours and I got a little more than one-third through. But I think I will save the balance of it for the debate on the budget, and with these <sup>in the</sup> classic words of Robert Parsons, Robert J. Parsons of St. John's East, a great and historic Newfoundlander who sat in this House for St. John's East for thirty odd years after speaking for a day or two he said, "Mr. Speaker, with these few remarks I have pleasure to resuming my seat."

MR. CROSBIE: Mr. Speaker, it is almost 11 p.m. We have heard a very weighty and heavy speech, that it will take hours of course of hard concentrative thought to examine and analyse. I do not have to go on tonight. There is only one great development in the history of Newfoundland and Labrador in the last twenty years that the hon. the previous speaker has not mentioned and that is the tremendous development there has been in his ego during that period. I hope to speak more on that Mr. Speaker, when this address comes up again on Thursday. There is no time to mention anything else tonight. I would first like to deal with some of the points the hon. the Premier has made and some he has not. So I will move the adjournment of this address now, this debate now.

MR. SPEAKER: It being 11 p.m. this House stands adjourned until tomorrow Wednesday, at 3 p.m.