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# **VERBATIM REPORT**

**MONDAY, MAY 18, 1970**

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

The House met at 10:30 A.M.

MR. SPEAKER: Order!

HON. W. J. KEOUGH (Minister of Labour): Mr. Speaker, I wish to announce that the Government have decided to establish new minimum wage levels as follows: Male Employees: 16 to under 19 years of age who must up to now be paid not less than 70¢ per hour will be paid at least 85¢ per hour under 18 years of age.

19 years of age and over who must up to now be paid not less than \$1.10 per hour will be paid at least \$1.25 per hour over 18 years of age.

Female Employees: 16 to under 19 years of age who must up to now be paid not less than 50¢ per hour will be paid at least 65¢ per hour under 18 years of age.

19 years of age and over who must up to now be paid not less than 85¢ per hour will be paid at least \$1.00 per hour over 18 years of age.

These new minimum rates apply to all employees except domestics in a private home.

Minimum overtime rates of time and a half which up to now must be paid for hours worked in excess of 48 a week to all employees except domestics, farm employees and those employed in fish processing, will in future be paid to fish plant workers as well.

For the time being farming will be exempted from overtime rates because it is thought that to remove the total exemption farming now enjoys might be going too far too fast.

"Farming" is to be defined as the planting, cultivation and harvesting of farm produce and the raising of livestock and poultry but not to include the production of fruit and vegetables in greenhouse and nursery operations.

The age reduction, from 19 years to 18 years indicated, results from

- (1) A request of the Newfoundland and Labrador Federation of Labour.
- (2) The Director of Minimum Wages reports that field studies lead him to believe there is a tendency to hire younger employees and lay them

off when they become eligible for the higher minimum rate. Lowering the age limit should help to offset this practice.

At present there is provision in the Order that applies to the Hotel and Catering Industry that where meals are furnished to an employee a deduction not in excess of 25 cents for each meal may be made from minimum wages.

It is now decided that any deductions from the minimum wage on account of meals or board and lodging furnished to an employee in any industry shall not exceed:

- |                           |                |
|---------------------------|----------------|
| (a) For board and lodgine | \$10.00 a week |
| (b) For board only        | \$ 7.00 a week |
| (c) For lodging only      | \$ 3.00 a week |
| (d) For single meals      | .40¢ each      |

Provision will be made that minimum rates of wages apply to assistants, as defined in the Hours of Work Act, who are remunerated either wholly or in part on a commission basis. The thought here is that the commission arrangement should not be permitted to become a device for getting around minimum wage rates.

There is already before the House for consideration legislation permitting that handicapped employees may be paid less than minimum rates because, without such provision, they may be deprived of the opportunity to work and earn.

The new minimum wage rates and other matters dealt with in this statement will become effective on July 1st, 1970.

I may say that copies of it are now being photostated and will be distributed to the House and the press gallery as soon as they are available.

MR. A. J. MURPHY (Leader of the Opposition): I wonder would the hon. the Minister permit me just one short question? Temporary work say, during the summer, would that come under this, or is this only for permanent employees?

MR. KEOUGH: It covers all employees, Mr. Speaker.

Presenting Petitions:

MR. ROWE (W.N.): Mr. Speaker, I would like to present a petition received from the people of Fleur-de-Lys in my district of White Bay South, and it is signed by some 200 voters and has the sanction of the Community Council of Fleur-de-Lys. The relevant parts of the petition read as follows:

"On behalf of the people of Fleur-de-Lys especially those working at Advocate Mines, this Council (it is in the form of a letter from the Council with the names attached) presents the Government with this petition concerning the existing road between Fleur-de-Lys and Baie Verte." The letter goes on to say, "besides the ninety or so people working at Advocate Mines, there are numerous other concerns going on that depend entirely on this road, for example; the men loading fibre boats, the transportation of foods, school buses, oil and fuel trucks together with a number of other things." So on behalf of the people of Fleur-de-Lys, this Council urges the Government to do something with this road as soon as possible hopefully this summer.

Mr. Speaker, I wholeheartedly support this petition received from the Council and the people from Fleur-de-Lys, and I hope that the Minister of Highways is taking due note of the petition and that he will find it possible with the money at his disposal to do something with the road this summer. I move Sir, that the petition be received by this hon. House and referred to the department to which it relates.

MR. SPEAKER: It is moved and seconded that this petition be received and referred to the department to which it relates.

HON. F.W. ROWE (Minister of Education): Mr. Speaker, I think it would be an ingratitude if I did not stand up and support the petition which the member for White Bay South has just presented to this House. I had the honour and privilege and the pleasure of representing that district for ten years, and no community in the district was more loyal to me than that was that of Fleur-de-Lys, and I might add its sister community of Coachman's

Cove which is served by the same highway. The House will be interested Mr. Speaker, to recall that that road to Fleur-de-Lys was one of the first, actually I think it was the first opened under the road to resources program. It was built under that program. Now that program did not permit building roads wide enough to pave the roads - in order to pave them they have to be enlarged. But the point that the residents from Fleur-de-Lys have made is a very valid one. I did not hear any reference to Coachman's Cove there, but the fact is that a large number of men from Coachman's Cove, also work in Baie Verte, both in the mine and on the wharf, on the great pier there. In fact, Coachman's Cove and Fleur-de-Lys, while they still carry on some fishing, are to a large extent, satellite communities of the great Asbestos mine at Baie Verte. And it is interesting also to note Mr. Speaker, that that road was one of the most difficult to build in all Newfoundland. It was an entirely granite job. Some of the oldest rock on earth had to be pierced through, and it is also one of the highest. This is not generally known, but that road also goes up to approximately 1,000 feet, which makes it I think apart from two other sections possibly in Newfoundland, it is probably the highest road in Newfoundland, which again accentuates and aggravates the problem, especially during the winter time and the spring, the problem of ice and snow and so on.

So Mr. Speaker, it gives me very great pleasure to lend my voice in support of that petition, that very reasonable petition - these people have been very patient. They had to wait a long time, several hundred years for it is one of the oldest fishing communities down on the French Shore, and they had to wait a long time to get a road of any kind, and they have been very patient with that road since they got it. It is a very good gravel road, but it is not good enough in this day and age when you have so many hundreds of people commuting over it daily. So I support that petition with all my heart.

MR. BARBOUR: I rise to support this petition because I have visited Fleur-de-Lys many times in the past. I have been there in the Spring, delivering

salt to the fishermen. I have been there mid-summer delivering certain merchandize cargoe. I have been there several times in the Fall of the year taking fish, salt fish from the fishermen of Fleur-de-Lys. I know the road very, very well. I believe it is a distance of twelve to fifteen miles. I have a lot of great friends in Fleur-de-Lys, and I am sure that the hon. the minister, who presented the petition, also asked the support, the Liberal support, the Liberal support of Fleur-de-Lys, regardless of who the new leader if of a certain Party, he will not take White Bay South. He will not take Fleur-de-Lys no more than he will not take Bonavista South. Ninety percent in the last election, the hon. member for White Bay South received from the people of Fleur-de-Lys and Coachman's Cove, so I am very, very pleased to support this petition.

MR. MURPHY: Mr. Speaker, I too would like to support this petition. Over the weekend there was a small gathering of a few supporters of our Party and I spoke to many people from the area, and this was one of the big problems that has been pointed out of course by the minister, and the Minister of Education. This is an industrial area. The road is very much used and I am sure that we on this side have not the power at this present moment to carry this work out, but I am sure the interim Government will do all in their power to get the works in motion, and we will see that it is completed in a few months.

MR. J. C. CROSBIE: Mr. Speaker, I cannot pass up the opportunity to support this petition, everyone else in the House having had a go at supporting it, including the usual fiery speech from the member of Bonavista South. Mr. Speaker, it is a great pity that after having such fine members for that district for the last twenty-one years, the road is not already paved. But the case being that it has not been paved or reconstructed, we certainly support - we expect to see frantic activity in the direction of reconstructing and paving that road before the next election. And certainly it would be justified whether an election is coming or. And it was very heartening Mr. Speaker, to hear the former member for the district getting up to speak, to support this petition, because obviously it is something he omitted to do while he was a member for the district.

MR. SPEAKER: It is moved and seconded that this petition be received and referred to the department to which it relates. Those in favour "aye", "contrary "nay", Carried.

Answers to Questions:

HON. J. R. SMALLWOOD (Premier): Mr. Speaker, Question No. (186) in the name of the hon. the member for St. John's West on the Order Paper of March 6. The answer to the first part is as follows: Partitions and painting; \$55,400. Carpets and drapes; \$9,300. Shelving, fixtures etc. etc., \$4,500. Moving costs; \$3,900. Total; \$73,100. The answer to the second part is; none. Question No. (272) in the name of the same hon. member, on the Order Paper of April 7, The answer to the first part (a) is that the purchase price of the land was \$20,500. (b) The cost of the four buildings, there are four buildings, new buildings, is \$485,000, for the four new buildings. In addition to the purchase price of the land, there has been extended also on installing a water and sewer service, a storage yard security-fenced, Security-fenced storage yard; thirteen and a quarter acres. Grading and levelling; a total of \$204,150. In answer to the second part

MR. SMALLWOOD:

In answer to the second part the money spent on warehouse furnishings and office furnishings and equipment for both is \$40,350. The answer to the third part is \$120,000. The answer to the fourth part is that the four buildings have a total of 39,328 square feet and the cost therefore is \$12.33 per square foot.

Mr. Speaker, these four buildings and the security warehouse yard are of course now the main headquarters in Central Newfoundland for the Power Commission of this Province.

MR. ROBERTS: Mr. Speaker, I have here, Sir, the answers to a number of questions each of which I believe stands in the name of the hon. member for St. John's West. The questions are all found on the order paper of April 10th, Sir. There are questions 363, 364, 368, 369, 370, 371, 372 and 373, each of them, Sir, is similar, each of them deals with the rated or normal bed complement of hospitals in this Province and then goes on to ask how many of them were in service during the month of March 1970? The answers, Sir, are as follows:

Question 363, with reference to the hospital at Stephenville, the Sir Thomas Roddick Hospital, the maximum rated or normal bed complement is one hundred and during the month of March eighty-seven of those beds were in service.

(2) In each case, Sir, is if all of the beds are not in service what is the reason? The reason is that patients demand in the area does not warrant the opening of additional beds and in fact during March the average occupancy in this Roddick Hospital was considerably below the number of beds in use. I should add as well, Sir, that the figures I gave for beds do not include bassinets for new borns, they do include beds for children and for adults.

Question 364, with reference to the Western Memorial Hospital at Corner Brook, the maximum rated or normal bed complement of that hospital, Sir, is 275. During the month of March 215 of those beds were in service. The reason for the beds not being in service is twofold, partially budgetary restrictions which have been imposed by the Government. This would account for some of the beds being closed although it is fair to say that my officials have suggested to the hospital a way in which an additional eight beds could be put in operation within the existing budget limitations that has not been done. The other reason that beds are closed is the inadequacy of some of the supporting services



MR. ROBERTS:

of that hospital particularly the operating theatres, they are not adequate to handle, and some of the other back-up facilities are not adequate to handle a greater number of beds.

Question 368. Mr. Speaker, with reference to the Grace General Hospital, the maximum rated complement is 373. During March they were all in service and I should add that an additional eleven beds constituting a coronary and intensive care units are under construction. The Government have stated in letters from my two predecessors that those beds will not be paid for by this Government until budgetary restrictions throughout the Province permit. At the present time we have no intention, regretablely we have no intention of paying for those beds. Some of them are in use my hon. friend tells me, they have not been developed with the prior approval of the Government, Sir, accordingly we accept no responsibility for them.

AN HON. MEMBER: ..... coronary units.

MR. ROBERTS: Coronary care and the ICU, the intensive care unit as well. I think the intensive care unit is probably justified but I have grave doubts about the coronary care unit in reviewing the papers bequeathed to me by my predecessors.

Question 369, Mr. Speaker, deals with St. Clare's -

MR. HICKMAN: Would the hon. Minister permit a supplementary question?

MR. ROBERTS: Yes, of course.

MR. HICKMAN: In connection with question 368, has there been any recommendation from the St. John's Hospital Advisory Council?

MR. ROBERTS: As my hon. friend I think knows there has been such a recommendation. The recommendation in effect is the council said that the beds should be put into use but they were very careful to add that they had no idea of the priorities throughout the Province. The question they were asked, Mr. Speaker, and I will gladly table the correspondence if it is needed, was with reference only to the area of St. John's. Mr. Speaker, the Government's concern is with all of the Province and particularly in view of the fact that Corner Brook needs more hospital beds and in our view the priority cannot be given to the Grace General Hospital. The hospital has been so informed and I think it is quite consistent

MR. ROBERTS:

with the council's recommendation.

MR. CROSBIE: This supplementary question, Mr. Speaker, this is a coronary care and intensive care unit now under construction. There is not one operating there at the moment, that is the picture is it?

MR. ROBERTS: The information which I have, Sir, is that these beds are under construction and my hon. friend from Trinity South, who I believe is on the Board of Management of the hospital, tells me that some of them are presently in use. The hospital may have an intensive care unit that is not the new ICU, CCU, the new intensive care and coronary care unit. The intensive care unit, Mr. Speaker, is merely beds where patients who either are in severe throm of one sort or another or in a post-operative condition can receive intensive care including monitoring and round the clock nursing service.

Question 369, Sir, deals with St. Clare's Hospital, the maximum rated or normal bed complement is 204 and during the month of March each of those beds was in service.

Question 370, Sir, deals with the James Paton Hospital at Gander, the maximum rated or normal bed complement of that hospital is 153 and during the month of March 115 beds were in service. Again, Sir, the reason for the beds being closed is similar to Stephenville that patients demand in the area coupled with budgetary restrictions does not warrant additional beds being operated.

Question 371 deals with the General Hospital here in St. John's. During the month of March 354 beds were in service and that is the present normal bed complement of that hospital.

Question 372 deals with the Charles Curtis Hospital at St. Anthony. The maximum rated or normal bed complement is 150 and during the month of March 130 were in service. I can add to that that a complete ward is closed, it never has been opened and the area in question is being used by the International Grenfell for staff accommodation. We hope and we are now working with them to try to provide additional staff accommodation at which case if budgetary restrictions permit the additional beds will be opened if needed.

Finally question 373, Sir, dealing with the hospital at Grand Falls, the Central Newfoundland Hospital. The maximum rated complement is 183 and during

MR. ROBERTS:

the month of March 146 beds were in service. The reason I am told, Sir, is that patient demand in the area does not warrant the additional beds being opened.

Mr. Speaker, there is another question standing in my name asked by the hon. member for St. John's West. Question 411, found on the order paper of April 14th, with reference to the Town of LaScie. The answer, Sir, to part (1) how many doctors' clinics are held in LaScie each week and what are the hours?, the answer is that there are three clinics held each week, I do not have the days but the hours are from 1:00 o'clock to 5:00 P.M. on three afternoons of the week. The second question asked is whether the doctors who attend the doctors' clinic in LaScie are instructed not to make house calls and, if they are not so instructed, what is the cause of the refusal of some of them to see patients at home? Glad to lay to rest a lie or a misapprehension which is current in the area, Sir, doctors have no instructions not to make house calls or I will put it another way, Sir, the doctors at the Baie Verte Hospital who provide LaScie with medical services have instructions to make house calls where in the individual doctors judgement it is necessary.

I am told that if a doctor on any occasion has refused to make a house call it is because in his opinion a house call would not have served any medical purpose.

Part (3) of the question, Mr. Speaker, asks whether any protests have been received from the LaScie area in connection with the medical and health services, if so what are the nature of the protests and from whom have they been received? The answer is that yes protests have been received. Basically these protests consisted of complaints against an individual doctor. These protests have come from a clergyman and members of the official board of the LaScie pastoral charge of the United Church. I have met at considerable length with the clergyman concerned, the Rev. Mr. Fellows, and in addition I have received strong representations from my colleague, the member from White Bay South which of course includes LaScie, Sir. These representations looked towards improved medical services for the LaScie area. These requests are now receiving active consideration by me and by my officials and by our colleagues.

Adjourned Debate on the Budget

MR. HICKEY: Mr. Speaker, when we adjourned the debate on Thursday, Sir, we were dealing with a number of items in connection with the budget, of course, we were dealing with some other items which were not in connection with the budget and maybe I might finish that debate now. I believe there were some questions asked as to who the next Premier will be. I am sure everyone in the Province is now aware who that is. Having set that matter aside I should get on to the regular budget debate.

Mr. Speaker, on page 12 of the budget we are told that if there is a profit made by the Government on a commodity this should not be referred to as a tax and some various examples are given to sort of justify this claim. While one can agree that in the free enterprise system when a profit is made on a commodity it is not looked upon as tax but as the normal profit however, Sir, I do not think that this can be misconstrued or used to justify that any Government involving themselves to any great extent in business, business being what is normally considered private enterprise, or if the Government are to move to any great extent in that direction then certainly it will destroy the free enterprise system. I think, Sir, we pride ourselves on the fact that we do have a free enterprise system where business people are free to make profits on the commodities which they sell.

Mr. Speaker, I would like to make a few comments on the DREE program. I think that is appropriate although I am not sticking strictly to the budget debate yet it is very closely related to it and involves the expenditure of high sums of money. I am wondering, Sir, what is meant by the phrase "free access schools?" I am wondering if the Minister of Education could sort of clear the air on that phrase as it is one that is foreign to this House as far as I can recall foreign to this Province or at least it is a new phrase to the educational system in Newfoundland, "free access schools." I am confused as to what is meant by it and I am just wondering if there is any clear cut explanation for it. It could mean a number of things, it could mean a public school system. As I understand it the Federal Government<sup>who</sup>/is participating in the DREE program will not make monies available to the denominational school system in as much as the construction of schools are concerned. They do however

MR. HICKEY:

make monies available to the public school system and so we are told that the Federal Government are participating in terms of grants to a number of schools under the DREE program.

I would raise the question then obviously, are we now getting into the public school system and if we are why does the Government not come out and make a clear cut statement on it for I believe it is a very controversial matter and I believe that, well it is quite obvious that it affects all of our Province and all of our people? If there is no clear cut explanation for the term "free access schools" I could only draw the conclusion that this phrase is being used both by the Federal and Provincial Government as a means to smoothen out as it were a rather controversial issue to pave the way as it were for the introduction of the public school system and I think, Sir, if that is so it is a rather unusual, in fact I will go so far as to use this longer term, I would say that it is a rather dishonourable way to go about the introduction of such a system in our educational field.

Mr. Hickey:

If we are going to embark upon a public school system, then surely, all of us should be men enough to express our views on it. The Government should be big enough to make a clear-cut statement of policy on it. They should not, Sir, in my view use such a phrase which is completely foreign to this Province as the "free access school".

Mr. Speaker, while on the subject of Education, another matter in connection with the educational system..

MR. ROWE (F.W.):    Would the hon. member permit a question? On a matter so vitally important and also so delicate as Education, he would not want any erroneous ideas to get abroad. The question and I direct it to him. I say this, as a prelude to the question, is my hon. friend aware that the modus operandi, shall I say, the procedure that is being adopted now, is being adopted with the knowledge and concurrence of the churches acting through their educational bodies? Is my hon. friend also aware that there is nothing to prevent the churches from agreeing among themselves, i.e., that if, let us say, the integrated churches are going to build a school or going to have a school in a certain place, whether they build it or whether it is given to them - is he aware that they might very well, among themselves, agree that this school will be open to all students in the area and to that extent then, the school becomes a public school, although it is still controlled by one body. It may well be, in this case, integrated.

The same thing might very well apply and it actually does apply, because of mutual agreement. My hon. friend is aware, i.e., that in Port aux Basques, which is outside DREE - I mean before the DREE program at all. Over there, there is a mutual arrangement between the Roman Catholic church and the Protestant churches which are the predominant churches there and the Roman Catholic church would make a very small part of the population in the community, as your Honour knows. There is an arrangement there whereby Roman Catholic children enter certain schools

the  
not belonging to Roman Catholic church, but it is a mutual arrangement  
made on their own and to that extent, therefore, the school becomes -  
I do not believe my hon. friend is aware of this thing. The important  
question is, is my hon. friend aware that the churches themselves  
did agree on the modus operandi, on the procedure here that is  
being followed in respect of this thing?'

It is true, as my hon. friend says, that the Government  
of Canada will not give money directly to churches and could not do  
it under any circumstances, but there is nothing to prevent the Government  
of Canada from building schools for the Governor of Newfoundland which  
in turn will see that they are parcelled out to the respective  
churches on the proper basis, on a proportionate basis. I do not  
think my hon. friend was aware that these procedures have been adopted  
and that is why I ask him, because he would not want, I am sure, to  
give any wrong impression or create - I am sure he would not want to  
create any necessary alarm in the minds of our people. There is nothing  
in this at all, in this DREE arrangement which in any way vitiates or  
interferes with a system of education that we have established by law  
in Newfoundland since 1876, not one iota and this is why I ask my  
hon. friend if he is aware of this procedure?

MR. HICKEY: Mr. Speaker, I am certainly not aware of any consultation  
that might have gone on, obviously, between the Government and the  
churches in connection with the construction of schools under the  
DREE program. I am, however, quite well aware of the inroads that  
have been made, the progress that has been made, insofar as the  
cooperation of various churches and various school boards are  
concerned in various parts of the Province. I think all of us, as  
members of this House, welcome this sign, and endorse it 100 per cent.  
I do not wish, at this time, to leave the impression that I am expressing  
a view for or against the public school system. This is, as I have  
said before, a controversial item. I will certainly be happy to debate it

MR HICKEY:

when and if it is brought into this House. However, I raised a matter and the minister's explanation, while clearing up certain aspects of the question I raised, does not in any way remove the responsibility from the churches in the one hand or the Government on the other hand to clearly define their position as it would apply to the denominational system or the public school system, because in my view, Sir, while all of us adhered to certain denominations and certain churches, we can certainly say that we are servants of those churches. We are first and foremost, as members of this House, servants of the people and the churches as well as the Government are servants of the people, The entire population of this Province. Therefore, if there is any change in the attitude or policies of the Government or both Governments for that matter, insofar as the school system is concerned, and I think it should be clearly stated. I think it should now, those schools which are going to be constructed; particularly in my own district and this is why I raised the matter. I feel that there should be a clear-cut statement of policy. It is either a public school or it is not. A free access school, as I have said before, is a completely foreign phrase. It implies certain commentations and a lot of our people might not even grasp just what is meant by a free access school.

The meaning I could only draw from it is that it is, to all intents and purposes, a public school, and if it is a public school, let us call it that, and I do not think we should be ashamed to call it that, if this is our policy, if it is best for the Province, that we involve ourselves with the program of the Federal Government to construct a number of public schools. then, at least, we should go forward and state it and state it clearly.

Now, Mr. Speaker, I was about to get on to another matter in connection with educational facilities insofar as the DREE program is concerned.



MR HICKEY:

It is my understanding that there is a planning board or there was supposed to be one or there is to be one set up to co-ordinate the efforts of both Governments insofar as the Dree program is concerned, and I come back to this very point on the construction of schools. I was rather amazed over the weekend to find a gentleman who is very prominent in Education, indeed, one of the most prominent ones I would say in the person of Dr. Phillip Warren, the Chairman of the Royal Commission on Education and Youth. I was amazed to find, when a question was put to him, as to what the meaning of this free access school was, he never heard tell of it. He did not know. <sup>can</sup> I can certainly make the assumption - I have not talked to the gentleman yet about it - I will certainly make the assumption that he did not know. I feel, if he did, he would have, without a doubt, answered the question. He said that he had not heard of it. He never heard tell of the phrase. This brings me to my original point. I say that there is or supposed to be a planning committee for the purpose of consultation with the various people concerned and involved in the educational system.

Can it be that the Government, in co-operation with the Federal Government, have gone ahead and made plans for this kind of system without even consulting the person, such as Dr. Warren who we have great faith in and the Government, obviously, has great faith in? If we are, Mr. Speaker, we are breaking one of the clauses in the agreement which was signed, on behalf of this Government and which was signed on behalf of the Federal Government, because it clearly states in that agreement that this planning committee is supposed to be set up and there are people in the various fields for which we are concerned, on any particular appropriation, to be consulted and to be questioned and to avail of their knowledge and suggestions insofar as this program is concerned.

MR HICKEY:

Certainly, it would appear to me that the Government is again flying by the seat of their pants for they are not doing too much planning insofar as this very important matter is concerned, and as I have said before, if anyone should be involved in any changes to be made in the educational system, surely, Dr. Warren should be high on that list.

Mr. Speaker, we are told in the budget of what the Churchill Falls will give us in the way of revenue, under a couple of headings, I believe, the heading of construction and the heading of royalties. Mr. Speaker, I would hope that the agreement, as far as the development of Churchill Falls is concerned, is more than beneficial to this Province and its people than the agreement involving the great iron-ore development of Labrador. If it is not, Sir, if we can only hope for the same kind of royalties from the Churchill as we are getting from Wabush, then certainly we have made a grave mistake, and we have lost a lot of revenue.

We can all and especially the Government learn a lesson from our agreements with Mr. Doyle and his various companies so far as the royalties are concerned. Maybe, Mr. Speaker, if I were to give an example of just what I am getting at, hon. members might have some appreciation why people in this Province are concerned about any agreements which are entered into between the Government and Javelin or any of the other subsidiaries.

In 1966, Mr. Speaker, the amount of royalties, as earned by the Newfoundland Government from all mining in Newfoundland and Labrador, was \$2,582,878. The amount earned by Javelin for the same year was \$2,705,268 or a difference of \$122,390.00, that was in 1966. One would assume, Mr. Speaker that the amount of royalties coming to this Government and to this Province would increase, that the overall financial picture for the Province and its people would improve as the project progresses.

MR HICKEY:

In this particular instance, Mr. Speaker, it would appear that the amount of money coming to the Government, in the form of royalties, decreases as the project progresses rather than it increases. In 1967, Javelin received \$3,892,270 as compared with that received by the Government of \$2,818,348 or a difference of \$1,073,922. In other words the amount of money made by Canadian Javelin or as we know it, John C. Doyle is increasing as the years go on. A very striking example is the figures for 1968. Javelin received in 1968, \$4,247,038 as compared to \$3,051,543 received by the Government or a difference of \$1,195,495.

Surely, Mr. Speaker, it must be clear that this is not the best arrangement that can be made in entering into an agreement wherein such huge amounts of money are spent and where such concessions are given as that given to Mr. Doyle in various forms.

It would appear, Sir, and it must be obvious to anyone who looks at those figures that Mr. Doyle and his associates come out way ahead of the Government and the people of Newfoundland in the agreements covering the mining of iron-ore in Labrador. This, Mr. Speaker, would indicate to us that there has to be some drastic changes made in the attitude of the Government, insofar as entering into such agreements in the future. The theme of "develop or perish" might sound all right, when it is used in a political speech, but Mr. Speaker

MR. HICKEY: Mr. Speaker, when you get down to the cold hard facts, and when you adopt a slogan when entering into agreements with those great financial experts, great salesmen, such as Mr. Doyle and Mr. Shaheen. When you get down to the cold hard facts and those projects get under way for a few years and you really see the amount of money that they make, as compared to that made, or as compared to that which comes back to our people, the phrase "develop or perish" is not such a catchy phrase after all. In fact it is a pretty stupid one, and I think it is high time that we forgot that it had ever been uttered. Because Mr. Speaker, whoever wishes to believe it, or whoever does not, there is a bottom to the Treasury in this Province, and no one knows better than a good many of the people in Newfoundland this very day. The unemployed know it, they know it better than anyone else. There is also a bottom Mr. Speaker, to the amount of natural resources that this Province is left with. And when people say that this Province is on a dangerous course, or on a course that can only lead to bankruptcy, it is not just a lot of hot air. There is a lot of common sense behind it. There is a lot of sense in it indeed, because <sup>IF</sup> we are to enter into such agreements as we have entered into with John C. Doyle and John Shaheen, the only ones who are going to get rich are those two gentlemen, and whoever the others might be who are associated with them.

Mr. Speaker, I would like to briefly refer to the centralization program. It would seem that with huge sums of money coming from Ottawa under the DREE program, and according to statements made by the Government from time to time, there are plans by this Government to reduce the number of settlements to somewhere like 200. Sir, we have stated on this side time after time, against odds I might admit, against, or running the risk of our suggestions or our words being misconstrued intentionally, so as to make those people who have moved and who have been successful in moving, believe that our Party, and we as an Opposition are against the centralization program. Mr. Speaker, nothing could be further from the truth than that. We are very much in favour of the centralization

program. The fact that we do not agree with every part of it. The fact that we do not agree that it is implemented properly, certainly is quite unfair, and in fact one could call it contemptible for anyone to just brand us as being against the centralization program. We are in favour Mr. Speaker, of the centralization program where it is absolutely necessary, where there is no hope to develop the outport community and make it a viable community and give those people who live there decent services. We are in favour of the centralization program as it applies to resettlements in places such as this. However, our Party has always stood for the development of the rural areas, the outport communities, wherever possible, and we have always said that a good long hard look should be taken at any community, and every effort should be made to thoroughly investigate every facet of the economy of that community before we earmark it for resettlement. I have personally stated in this hon. House, Sir, and I state it again today and I make no apology for it, and I do not care if any hon. gentleman on the other side gets up and categorically denies it, because I will prove it. There have been too many people move from viable communities in this province to communities where they have gone <sup>down</sup> welfare. And I might add gone on welfare against their better judgement and against their wishes. And if somebody wants to make black out of white, and say that is not true, they can do so, but we have living examples of them in various parts of this Province. And I named one and I will name it again, the area of Placentia is a striking example.

When you take people out of communities where they are earning a livelihood and move them into a community where they can not earn a livelihood, it is a poor excuse Mr. Speaker, to say that you are doing it so that the younger generation will be better educated. I wonder if hon. gentlemen ever sat down and wondered, understand the effect on people even when they are being educated, living in a home, where the head of that home can never become self-reliant, and self-supporting. Are any of us so naive as to think that it does not have its effect. Why not

too long ago I heard the Premier ask a question; If anyone ever had any figures in terms of one generation to another being dependent on this place for a livelihood - I do not recall that there were any figures given. But Mr. Speaker, I am sure, I am sure that if the Premier wishes to look, he will find various pockets of this throughout the Province. I am sure that he can be easily convinced, if he is not already, of the fact that when a family, through no fault of their own, having received assistance from the Government for year and years and years. While even the previous generation were unfortunate enough to be in the same position.

It is not the answer to just take those people and move them for the purpose of educating the young. The young we must educate. No one will disagree with that. Every one is in favour of greater education for our young people. We all agree too, that the fact that we have so many people unemployed to a great extent is because of the lack of skills and education. No one could be so political as to not to agree to that. But Mr. Speaker, to get up and hail the centralization program as being the answer to all the ills, to get up and defend the program which moves people out of communities which are to all intents and purposes viable communities, and move those people to areas where they become unemployed and recipients of the Department of Welfare, This can only be classed as bordering on the ridiculous. This can only be classed as a policy of a Government who does not care. It can only be classed as a Government who does not care about people. And Mr. Speaker, that is not a very good recommendation to give any government, and this Government has always claimed to be the friend of the toiling masses. Then, Sir, I will not doubt that the Government are not friends of the toiling masses. I give them the benefit of that doubt. But if they are, then they had better change the course they have adopted under the centralization program, because the Government or no member of the Government are fooling anyone by banning people on this side as being against the centralization program, Because Mr. Speaker, we have travelled across this Province, various parts of it, and we have talked to people. And there is nothing better than when you get the information right from the horse's mouth. And when you talk to people

who have left communities, and who have not been unemployed for years, or who have not drawn a welfare cheque for years, and who are now drawing it for the first time - if you want to hail that as a good program then I think whoever does that should have their head examined for sure.

Mr. Speaker, while I am on the subject of centralization, it is very closely related to the Department of Welfare. I am not going to dwell to any degree on that department. I think I have made my contribution in that connection, although I might have failed in what I wanted. We can see some of the improvements coming now and then, and I am to some extent happy that some of the ideas and some of the suggestions as put forward by this side are being considered and indeed some of them implemented.

Mr. Speaker, I would like to say again, that there is one awful habit of hon. gentlemen misconstruing what is said on this side. Again I will give them the benefit of the doubt, and say that they do not hear, or did not hear. The only other thing I could say is that they intentionally misinterpreted for political reasons. And I always like to say something good about somebody rather than something bad.

I will say again Sir, as I have said so often. We are not against people on welfare on this side. We are very, very concerned about them, just as concerned about them as any member of this Government, just as concerned. Maybe a little more concerned because members of the Government and members of that side of the House believe in the policy that they have with regards to the Department of Welfare. We do not. We do not believe completely in that policy. As I have already said, we are getting there. We are making improvements. We are making inroads. In my opinion, we are not making enough. We are not moving fast enough. When we talk about welfare recipients on this side, we talk about the amount of concern, we talk about the amount of sympathy, because they are unemployed, because they cannot provide for their families the things that they could provide if they were gainfully employed. When we say we are against some of the department's policies, we mean, and I am sure every hon. member in this House knows exactly what we mean, that we favour jobs, <sup>more</sup> than welfare, and

surely no member of this House will disagree with that. And it is somewhat unfair to brand anybody as being anti-welfare or as being - as adopting a course to criticize those unfortunate citizens who are on welfare.

Recently the department, through the minister, announced a program of paying cash instead of food orders. And Mr. Speaker, I will stick to my guns. I stated then that I did not agree with that. I agreed that it was certainly a wonderful move. It was a good idea. I did not condemn the policy as such. I did not say that it is not the right thing to do. But I did say Mr. Speaker, that it was the wrong time to do it, because I firmly believe, and I do today, that to use one section of the Province as a yardstick, insofar as important matters, <sup>such</sup> as this is concerned, is really not enough. I think many of our people are not ready for this kind of an improvement. And I questioned at the time as to whether or not some innocent children might suffer as a result of this improvement. If those children did not suffer, then certainly it would cost the Treasury more, or there would be a breakdown in the program generally. My fear was that the monies expended would not be put to the best use by some people who do have problems in managing their homes, and who need help, need real help in managing their homes, and I thought that this was a little premature to adopt this policy.

Now Mr. Speaker, we heard this policy enunciated as being something which was revolutionary, and when I commented on it, I <sup>recall</sup> on one radio personality, that I was just "lipping off" again. Well Mr. Speaker, I know from where I speak. I do not usually "lip off" not knowing <sup>of</sup> what I am talking. I have been accused this Session <sup>of</sup> being rather quiet. And I have been rather quiet Sir, but I can assure hon. gentlemen on the other side that it is only because of doctor's orders that I remain quiet to some extent this Session. Please God, before too long, I will be able to open my mouth loud and clear again. But I do not remain quiet on something that I feel strongly about. On the other hand, if I do not believe strongly in it, and if I do not have some facts, I would rather



be accused of keeping my mouth closed, because there is no mileage in talking about something when someone does not possess the fact. Mr. Speaker, this idea is not revolutionary, certainly not revolutionary. This idea of paying welfare recipients in cash dates way back to 1910. The Premier of the day I believe was Morris. There was an election called on that issue, or at least one of the issues. In 1910 to pay relief in cash and he was to do away with the dole order and I recall or I believed, I recall people saying that he actually implemented that idea. I raised the question Mr. Speaker, if it is such a good thing. And it was implemented in 1910, why was it done away with? If there are so many advantages to it, why was it not continued?

Sir I express the doubt that it is not such a good thing unless the proper amount of planning goes into it and the proper amount of spade work that is done to prepare for this kind of change for this kind of plan. It is fine for us to get all excited about supermarkets, shopping at supermarkets and so on, but Mr. Speaker, we can become too modern, and we can lose a lot in the process. I said before and I make no apology for this, some of our people have become too modern. It is too bad that there are not more people cultivating their gardens. And this Government is trying to encourage that right now and rightly so, and I hail it as a darn good move but coming too late. Too bad the hon. gentleman was not Minister of Welfare a long time ago. He might have come up with that suggestion and maybe we might have been a whole lot better off. I do not hesitate to give credit where credit is due.

So Mr. Speaker, this change in terms of paying cash I hope for the sake of those who are concerned that it works out. I hope Mr. Speaker, it works out. I hope I am wrong, but I raised a point that it was implemented before and I cannot see why we are getting back to it now, if it failed then, without putting the kind of planning into it that it needs. Mr. Speaker, we have heard a lot of talk Sir about the linerboard mill at Stephenville, and when we talk of the financial situation of the Province, one cannot but apply, at least in general terms, to sum-up the larger

projects that we are getting into, such as the linerboard mill, the oil refinery, and I covered the oil refinery on Thursday afternoon. I would like to comment briefly on the linerboard mill. But first of all, I would like to say that the people in Goose Bay, Happy Valley could not or found it difficult to understand why there was a change in plan in terms of one part of that project from Lake Melville I believe, that general area to Stephenville. Now Mr. Speaker

MR. HICKEY: Now, Mr. Speaker, the Government gave a number of reasons as to why this was so. But, Sir, I have to say from my own investigation, the Government did not really say why the change was made. I think they could have given a better explanation than they did. It is my opinion the change was made because of the unemployment situation in the general Stephenville Area and for an economic reason insofar as that project was concerned. I do not quarrel with the fact that the Government wishes to provide employment to the people of the Stephenville Area, any more than I would with efforts to provide employment or some kind of a permanent industry for the people in the Goose Bay area and that section of Labrador for all of us realize the great need for jobs throughout the Province. But I do quarrel, Mr. Speaker, when the Government hedges on providing the public with the information which they have a right to and which they demand. It is worthwhile to look briefly at the areas surrounding the site of the Liner Board Mill.

Humber West which is represented by the Premier, from the point of view of welfare figures in 1966 there were 226 families on relief.

Now, Mr. Speaker, if my time is up, I guess I will confine my remarks

MR. SMALLWOOD: Provided that the hon. gentleman only takes about three, four or five minutes.

MR. HICKEY: Mr. Speaker, I will not finish up in two or three minutes, it might take ten.-

MR. SMALLWOOD: Ten?

MR. HICKEY: It might take ten. Well I will just finish this particular subject, Mr. Speaker, and then I shall pick up the other things I wanted to say in another debate. The District of Humber East, in 1966 the number of people in receipt of assistance was 226 as compared to 1968, at 2398 or a 960 percent increase as a result of the phase out of Harmon. Humber East, which was represented by the hon. gentleman on this side in 1966 at a 103 compared with 1071 for a 940 percent increase. Port au Port is represented by the Minister of Mines, Agriculture and Resources in 1966 at 1025, in 1968 at 3533 or an increase in percentage of 245. St. George's represented by the hon. Minister of Labour in 1966 at 436, in 1968 it had 941 for an increase of 116 percent, the entire figure for the whole Province showed a forty-four

MR. VHICKEY: percent increase. Mr. Speaker, that only applies to ablebodied assistance, the figures for a number of people in receipt of cash assistance showed almost not quite similar increases but large increases.

Sir, I think it is obvious as to why the Government changed their mind on the location of that mill. I think it is obvious as to why they did that, to combat the great unemployment situation in that area. And they are not to be condemned for that, because this is their job, This is what they are in power for, that is what they are expected to do and this is what they should be trying to do. What I do condemn, Mr. Speaker, the Liner Board Mill at Stephenville. Mr. Speaker, this is the reason that was given the people, that the Government did not change.

MR. SMALLWOOD: Inaudible.

MR. HICKEY: If we had something to do.

MR. SMALLWOOD: Orders of the company.

MR. HICKEY: The orders of the company. Well, Mr. Speaker, we were told we did not send information again, I can only take the Premier's word, it appears very ironic that the greatest amount of unemployment in the whole Province surrounds that very site. And I submit the reason that it was changed was because of this, and I think this was a fair assumption, but if the Premier says I am wrong, well he knows the answer and if he wishes to say it again that I am wrong, of course that is it.

MR. JONES: The Premier is a hundred percent right, he is a hundred percent correct I think.

MR. HICKEY: He is a hundred percent correct. Well I guess, Mr. Speaker, we will have to take his word for it and I certainly do not want to create the wrong impression, but I could not help but find this most interesting, and I felt that I should bring it to the attention of the House in the event that, that was the reason and the Government should not hesitate in saying so, because it is an honourable thing to do, to combat unemployment.

Sir, I will not ask for the indulgence of the House any longer another couple of items I have can be covered in another debate in terms of the resolution, so I thank the House for their indulgences.

MR. HICKMAN: Mr. Speaker the Budget Speech which is nearly eighty-eight pages in length, I think that almost any particular paragraph or statement in the Speech is open to some question, and obviously *in* the limited time at my disposal I cannot obviously deal with all the many issues that are presently facing our people at this time.

I would like though, Mr. Speaker, at the beginning to refer <sup>to</sup> a statement that is contained in page 39 of the Budget Speech. And the statement refers to, it is the old approach, Mr. Speaker, the approach of comparing the past with the present, and then going on and this time the comparison, I submit Mr. Speaker, contains less validity than normally. This time the comparison is with the amount of monies that are being spent in this Province on education as compared to that of the rich province of British Columbia, *which* is spending on education 2.8 percent of its gross provincial products, Ontario is spending 3.8 percent, Newfoundland practically 8 percent of the gross provincial products.

Now, I do not know what that particular paragraph in the Budget Speech is suppose to indicate, but I think no matter how you look at it, no matter how you would approach it, the implication that is suppose to be drawn by the people of Newfoundland from this particular part of the Budget Speech is that our efforts, that this Government's efforts in the field of education, rank considerably better than that of British Columbia or Ontario.

Now, Mr. Speaker, I think it was Bismark said that, statistics can be used to almost justify - what was the phrase, "not all statistics are lies, but all liars can use statistics". But whatever the statement was, the simple fact is that this type of statistic if left unchallenged might convey, if there is anyone in Newfoundland who still believes that our efforts in the field of education are as good as they should be, or if our provincial contribution comes anywhere close to meeting the demand, than obviously Mr. Speaker, no hon. member of this House should or can leave that type of statement

MR. HICKMAN: unchallenged. The simple fact of the matter is, Mr. Speaker, that if you want to decide what the contribution or the effort of the Province of Newfoundland or the Government of Newfoundland is in education, that it would not be too fair to go gallivanting all over the continent looking for information, but rather Mr. Speaker, I submit that we can very justifiably and very fairly limit our inquiry into the amounts being spent by our sister provinces or province in the Atlantic Region.

I have before me statistics prepared, and these are the latest statistics in the hands of the Newfoundland Teachers Association, prepared for the year 1968-69 preliminary statistics on education. And these statistics show that the total expenditure in Newfoundland for the year 1967 on account of teachers salaries and other salaries closely allied with the educational process \$35,769,000.00. In 1967 the total expenditure for the Province of Nova Scotia was \$70,670,000.00. In Nova Scotia we have approximately 3700 teachers and in Newfoundland we have approximately 6400. Since 1967, and it would be noted that in 1967, the amount being spent on teachers salaries by Nova Scotia was doubled almost to the cent to that of Newfoundland. Since that time, on April 1st. 1970 there was ~~a~~ eleven percent increase granted to teachers in Nova Scotia, and on September 1st. 1970, there is an undertaking for another seven percent increase.

Now, it could very well be, Mr. Speaker, and I would be the first to admit that we probably have not got the kind of funds that are necessary to provide all the dollars that are required to spend that same kind of money. But the point I am making, Mr. Speaker, is the implication to be drawn from the Budget Speech is not a valid one. Again, Mr. Speaker, I would draw Your Honour's attention to a survey which was made by the Atlantic Development Board called, "The Profiles of Education in the Atlantic Provinces". This was for the year ending 1965. And the per-pupil expenditure in Canada in the west was \$231, and it says the range amongst provinces extended from \$216 per pupil in Newfoundland to \$581 per pupil in British Columbia.

MR. HICKMAN: Now, Mr. Speaker, the significant thing is this, that for the first few years following our enter into Canada, at least we were in a position where there was one other province behind us on its per-pupil per capita expenditure in education, and that was the Province of Prince Edward Island. But in 1960 there is a graph, which was prepared by the Atlantic Development Board, will show Prince Edward Island over-took this on a per pupil basis and by 1965 it was continuing upward, and the gap was so widened that despite all the assurances and all the blandishment, the fact is that we now rank last on the totem pole when it comes to our efforts in education.

Now, Mr. Speaker, I was reluctant to get into the debate on education because everytime I do, everytime I suggest that the Government of the day should stop hiding behind the churches of this Province, and should come out and publicly declare that even with the very commendable and very essential and necessary help of the various religious denominations throughout Newfoundland the final responsibility is to whether or not adequate educational facilities are provided in this Province rest with the Government and no one else. Everytime I say this I leave myself wide open to a charge from the hon. the Minister of Education, that if I should ever come to power I will destroy the denominational system of education. That is a lot of nonsense, Mr. Speaker, for two reasons, number one, it could not be done, if we wanted to, if we are to accept the interpretation that is being placed on the Canadian Constitution and on the Terms of Union of Newfoundland with Canada. If we are going to accept the interpretation that is being placed on us by Government, then any integration of forces in the field of education must come by way of voluntary agreement and nothing else, and it is coming.

I submit, Mr. Speaker, that if Government would keep its ear close to the ground, you would find that it is very much out of step with the thinking of the people in Newfoundland today. There is no political mileage any more, Mr. Speaker, to be pointing the fingers at the churches and say that the churches

MR. HICKMAN: and the churches alone are responsible for education in Newfoundland. Not a bit in the world, because the church leaders in our Province the parents in our Province and the people generally are more and more inclined toward integration of education facilities, they are not going to stand idly by and see our young children, our youth of this Province, sacrificed on a cross of silly prejudice, that is being kept alive by politicians, but fortunately the churches are not falling for that type of propaganda any more.

Mr. Speaker, if any of us have any doubt that all is not rosy in the garden, if any of us should feel or believe that this gap I referred to in another debate, which arouse the ire of the hon. the Minister of Education, between the more affluent centres of Newfoundland is not as wide as it ever was, let me direct the attention of hon. members to a statement that was made in another gathering over the weekend by a young school principal who comes from Labrador South. I have to confess that I could not believe my ears, when I heard that gentleman say, that in the District of Labrador South that his pupils cannot write their final examinations because the Government will not provide sufficient funds to buy paper and pencils. And I thought for a minute that may be this young, bright Newfoundland was exaggerating in order to bring to the attention of the people of Newfoundland a desperate need which exists in the District of Labrador South. But when that same question was put to Dr. Philip Warren, on a panel, he confirmed what the young gentleman from Labrador South was saying, and went further and said, "I have travelled around this coast in the interest of education probably more than any other Newfoundlander," which I think he has, "and this situation is not peculiar to Labrador South."

Now, Mr. Speaker, surely the time has come to get away from the philosophy and the approach that when we talk about matters educational we have to keep referring back to the fact that in 1949 there was \$4.5 million or \$4 million spent and then recite the increase year after year and say we fought the good fight and we finished the course and we just now hold our heads high, educational opportunity is available to all Newfoundlanders. Mr. Speaker, that is not



that is not so. I repeat what I said in this House earlier that the gap between the affluent sections, the more heavily populated sections of Newfoundland and the smaller areas of Newfoundland the less populated areas is as wide as it was ten years ago. And there is no signs that that gap is closing, indeed the signs are that it is continuing to widen.

MR. WORNELL: Mr. Speaker, would the hon. gentleman advise what denomination administers that school to which he refers?

MR. HICKMAN: I have not the foggiest idea what denomination -

MR. WORNELL: I think it is very germane to your argument.

MR. HICKMAN: I do not know, it is not germane to the argument. My argument is this, and my argument will continue to be as long as I am a member of this House, that the final responsibility for providing minimum educational standards in Newfoundland rests with the Government. And you cannot point the finger - what is germane about what denomination is responsible for the administration of the school at Port Hope Simpson? - I believe it is the Integrated School Board. Because the Integrated School Board has its headquarters at Goose Bay or Happy Valley and there was a complaint there is not too much communication between the superintendent and the officials of the board and those who live on the Labrador Coast and Labrador South.

But that Mr. Speaker is not germane, what is germane is when are we going to see in this Province a realistic approach to the problems confronting those who still live in the smaller communities in Newfoundland those who still live on the coast, and those who through no fault of their own they are not being given a half a chance?

Mr. Speaker, if that puts me in the field of a revolutionary I am very happy to plead guilty to any such charge. But the answer it is simple, jumping to one's feet and saying the hon. member he is against denominational education he will destroy it, is about ~~as~~ <sup>the</sup> stupidest, silliest statement that could be made in this House of Assembly. To my knowledge Mr. Speaker, there has only been one hon. member of this House, certainly in my day, as a member of this House who has come out boldly, may be two, the hon. member for Humber East had some rather strong words last year and I do not want to

quote him out of context because I do not recall precisely what he said. But there is only one hon. member I believe since Confederation who has come out and very forthrightly, and the report was rather savagely attacked, <sup>in</sup> denominational education. I refer to the maiden speech of the hon. minister of Social and Community Development delivered in this Hon. House on the fourteenth day of March 1967. It was the type of speech that brought commendation from various parts of Newfoundland. It was the type of speech I believe that reflected the views of his generation of Newfoundlanders. The views of the educated young Newfoundlanders who at all cost must want to see and will insist on improvements being made. I have before me a report of the speech of the Hon. the member for White Bay South and it started off this way. "The most outspoken attack on the denominational system of education ever made by a member of the House of Assembly came from William Rowe, Liberal White Bay in the Throne Speech Debate Tuesday." (quote)

"If the Council of Education and its workings are detrimental to the progress of education in the Province then it must be abolished, overhauled or any other inhibition inhibiting powers must be removed. If there are matters of duplication or other obstacles to the proper education of our children within the denominational system then these matters of duplication or other obstacles must be gotten rid of. Any artificial obstacles of educational process we can do without. We just do not need them. We have enough real problems to contend with as it is."

Mr. Speaker the hon. gentleman from White Bay South recalled his namesake had been elected to this Hon. House in 1834 and to the legislative Council in 1850 and that his namesake William Rowe had been largely responsible for the establishing of denominational education in Newfoundland. Then the hon. gentleman went on to say and I quote: "The fundamental system of that structure of that system is still with us. I have no intention of following in the footsteps of my namesake." Now, Mr. Speaker, that to my knowledge is the only attack that has ever been made in this House of Assembly on the denominational system of education in

Newfoundland.

MR. ROWE: What about the hon. member for St. John's North?

MR. HICKMAN: The hon. the leader of the Opposition has made a note, Nath Noel, well I do not recall it but may be he did. And if the hon. gentleman did then again I suspect that what they are trying to expose and what they were in effect exposing, <sup>is</sup> that we cannot crucify the young people of this Province in the name of denominational education, if it used as a method, a vehicle, to shed our own responsibilities. And when I hear the hon. the Minister of Education saying I do not know where schools are going to be built, that this is not my, none of my business, I say that it is very much the business of Government as to how the educational dollar is going to be spent. And Mr. Speaker, if I draw your attention to the Warren Commission Report on this business of school construction, on page 152, of Volume 2. and we find this. (quote)

"The present method of distributing provincial funds for school construction is as old as the denominational system itself. Arising out of a desire on the part of Government to be scrupulously fair to all denominational groups. It was no doubt a wise and necessary measure one hundred years ago. In a more enlightened age it should, in the opinion of the Commission, be replaced by a policy based on the needs of all children in the Province, regardless of their geographical region or denominational affiliation." And I remind hon. members that that part of the Royal Commission's Report on Education and Youth had the unanimous support of all the members of that Commission. And I have not heard anywhere in Newfoundland, I have never heard a church leader nor an educator take issue with the statement that I have just read from the Royal Commission's Report on Education and Youth.

Mr. Speaker, whether we like it or not we have to accept the fact that there is a very important function that has to be carried out by the churches in this Province in the field of education. And that function obviously is to look after the spiritual well-being of our children. And you will find within various, that it is their prerogative and their right and my

blessing to them. You will find within various religious denominations different theories, different theology as to where that begins or ends. But no matter who the group or church or body is that is responsible for that type of spiritual welfare the simple fact Mr. Speaker is, that in the final analysis the responsibility rests with the Government in Newfoundland and the Government has not, I repeat, has not discharged that responsibility. It is the Government's responsibility to provide adequate facilities, adequate schools, adequate buildings, adequate teaching aids, qualified teachers, a curriculum that is in keeping with the seventies. That is not the responsibility of anyone else. And Mr. Speaker, I say it is an act of supreme cowardice to hide behind the skirts of the church authorities in Newfoundland and try and to blame them for the inadequacies of our educational system.

And there is a certain amount of inconsistency Mr. Speaker, in the Government philosophy on denominational education. This Hon. House passed a resolution back on April 24, 1968. It was a unanimous resolution calling on the Government of Canada to amend , to take the necessary steps to amend the British North America Act to imbed in Term 17 the same right for the Pentecostal denomination in Newfoundland as is conferred on other religious denominations in the Province. That was passed Mr. Speaker, on April 24, 1968. It was unanimously passed, because no one in this House can subscribe to the view that there should be any discrimination at all. And obviously those of the Pentecostal church were uneasy, very uneasy as to their status in the scheme of things as compared to the others. And properly so, their rights have been granted by Legislative process of this House whilst that of the other churches is imbedded in the constitution. So that was passed on April 24, Mr. Speaker, 1968. Finally in answer to a question, information was then tabled by the Hon. the Premier in this House quite recently.

Approximately six months later, five months later, six months later, this resolution was sent to the secretary of the Governor General in Council in Ottawa. Nothing further was heard from. No follow up, no attempt to

have the unanimous resolution of this House carried out until October 29, 1969, and that was a fairly significant date, on October 29, 1969 there was a request from the Pentecostal educational committee directed to the Premier asking what had happened to this resolution.

Now, Mr. Speaker, in January 1970, a follow up procedure started. And on March 4, the deputy minister in the office of the Premier was advised of the resolution regarding the necessary amendments to the Terms of Union had been forwarded to the Department of Justice in Ottawa and was now under consideration. This again was confirmed on, by letter of March 24 from the executive assistant/<sup>to</sup>the Minister of Transport in Ottawa.

Mr. Speaker, that was two years ago. More than two years ago since this resolution was unanimously passed. I suggest that if there was any real concern on the part of government whether there is concern or not the government's solemn obligation, when once a resolution is unanimously passed to be transmitted to the Government of Canada, is to hammer at this, follow it up until the final definitive decision is received from Ottawa. But what have we had? Nearly six months before it was sent at all, another year goes by then an enquiry and all we now know, it is in the hands of the Department of Justice in Ottawa. Where is the consistency Mr. Speaker? I suggest that there is no consistency, that there is no consistency in the policy that is being followed insofar as the educational processing in the Province of Newfoundland at this time. Mr. Speaker we cannot expect our people to continue along indefinitely waiting and waiting and being told that whilst there is nothing in this year's budget that it shows any real improvement in educational facilities and I am very very conscious of the monies that will be spent by the Government of Canada in St. John's, on the Burin Peninsula, Stephenville and Happy Valley for schools. But outside of the involvement of the Government of Canada there is nothing in this year's budget to indicate that there will be any improvement in structural facilities throughout the Province of Newfoundland during the ensuing year. Indeed Mr. Speaker, the amount shown in the budget I suggest

will do little more than help the denominational authorities meet the commitment that have been given over the years for schools that have already been built. Mr. Speaker, let me draw the Hon. House's attention to an editorial that appeared in the "Educator's Gazette" of May 1, 1970 dealing with this year's budget speech. And the heading of the editorial is, "Deceiving appearances." (and I quote) "Last year's budget speech proclaimed that expenditures for education this year will top the one hundred million mark." A remarkable fact indeed. But there are several facts which the budget speech neglected to mention. First of all the proposed total vote for education, though perhaps quite accurate, is somewhat misleading. It includes such expenditures on post-secondary education as grants to the University, student tuition and salaries, allocation for the medical school and capital expenditure on vocational education. It also includes mothers' Allowances, and expenditures on physical fitness, the latter of which has just been moved from the department of Provincial Affairs. All of which makes it difficult to determine just how much money will be spent on primary and secondary education this year, though \$80 million rather than \$103 million would appear to be a fairly accurate figure.

At first glance the \$11 million slated for school construction would seem to represent a dramatic increase in provincial government's spending over last year's \$4.3 million for this purpose. Such however is not the case.

MR. SPEAKER: If the hon. member does not mind, I will draw to his attention the fact that, and I am reading from page 132 now of Beauchesne. It is out of order to read extracts, that is from newspapers and comments, if they referred to other debates during the same session or to any other question not under discussion, or reflect upon any proceedings or any determination of the House. I think he is sailing very close to the wind there when he is quoting, It is an editorial comment on the proceedings in the House in the present session. The hon. member knows that the basic principle behind this is that he is to give his own opinion and not a quote, the

opinions of others about matters which are currently before the House.

MR. HICKMAN: Thank you, Mr. Speaker. It is my opinion, Mr. Speaker, and my submission that despite the blessings which will accrue to St. John's and the Burin Peninsula, Stephenville and Happy Valley from the DREE programme that this does not do much more than accentuate the disparity which exists in various parts of this Province. And this Mr. Speaker, is hardly the stated objective of the DREE programme. The DREE programme, as I understand it, is designed to eliminate or reduce as much as fiscally possible the disparity that exists between this Province and other of the more affluent provinces in Canada. But I submit, Mr. Speaker, that unless there is a startling rethinking of the DREE programme and unless we see on the part of the Minister in Ottawa who is responsible for the administration of this, a more sympathetic understanding to the needs of the Province in total, that whilst we may do something to reduce disparity between Newfoundland, say, and Ontario but, <sup>what</sup> is equally important and equally significant is it may very well accentuate and increase the disparity between various parts of the Province of Newfoundland.

Mr. Speaker, this Province has embarked on a very, over the years, on a great deal of borrowing on a capital account. Before I deal with that I should like to bring to the House's attention my concern when I see, on page seven of the budget speech the items of monies and the headings and the part to be spent by the various departments during the ensuing year. And when I compare and check with the estimates that have been tabled in this Hon. House I think that

MR. HICKMAN:

I think that I can be pardoned if as the member for Burin district I express a great deal of disappointment and dismay over the fact that contained in the estimates of spending and contained in the budget speech there is no reference to the report of the Royal Commission on radiation in St. Lawrence. Mr. Speaker, apart altogether from the fact that it is my responsibility as a member for Burin district to bring this to the attention of the House and to try and urge on Government the implementation of this report, I think that the report has significance that extends far beyond the boundaries of the Burin Peninsula, far beyond just the widows and dependants of miners in St. Lawrence who have been deprived and unjustly deprived of any workman's compensation or any benefits accruing to the Workman's Compensation Act.

Yet I suspect and I submit, Mr. Speaker, that the complete and total disregard of this report by Government, which has been in Government's hands since August or September of 1969, is symptomatic, Mr. Speaker, of the attitude of Government in the discharge of what I believe is Government's first responsibility and that is to try and meet the social needs of the people of Newfoundland. Because here is a crying example, Mr. Speaker, of men who contributed a great deal to the economy of the Province of Newfoundland, whose contribution to the gross provincial product, measured in dollars and cents, was considerably higher than that coming from many areas in our Province. They have left behind them very proud widows and dependants who, despite the blindishments of the hon. the Minister of Welfare, are not prepared, if they can avoid it at all, to become a charge on the state, because they should not become a charge on the state.

Workman's Compensation payments are not gratuities, they are monies that have been earned by those in industry. When I raised this in the House, this question some weeks ago and pointed out to this House that the only sign that we have seen at all that the Government is aware of the existence of this report was a statement made by the hon. the Minister of Health on February 26th, when he said that he and several of his colleagues have been considering the St. Lawrence Commission Report, that the recommendations are highly complex and that the problems of implementation are highly technical and that consultations are going on in Ottawa to see if it can be implemented.



MR. HICKMAN:

Mr. Speaker, there are items in that report that are complex and highly technical but there are other items in that report, there are other recommendations in that report, the majority of recommendations are not complex, are not technical and if we had a Government that had the milk of human kindness at all toward the widows, dependents and disabled of this Province it would have been implemented weeks and weeks ago. It does not even require legislative amendments to carry out the recommendations concerning disabled miners who are presently living in St. Lawrence but who cannot work.

The facts are this, Mr. Speaker, the Workman's Compensation Board, in its wisdom or otherwise, rejected the claims of a fair number of miners who are now disabled on the grounds that they could not find a unanimity of opinion amongst the medical specialists who had examined them and the medical specialists in St. John's insisted that before they would give a final report, make a final diagnosis, that these disabled miners would have to undergo a biopsy. These miners in St. Lawrence, knowing what has happened in the past, knowing that invariably when a miner has undergone that type of surgery that his days are numbered and his days on this earth have been shortened very considerably, have refused to undergo it and they have insisted, Mr. Speaker, that the medical reports furnished from the doctors in St. Lawrence, who are familiar with the area, plus the diagnosis arrived at and the conclusions arrived at by ordinary medical examinations, should be more than enough for the Workman's Compensation Board to accept their claims, but this was not done.

So along comes the Royal Commission, on that commission we have two medical doctors and apart from the personnel of the Commission whose chairman was a native of St. Lawrence and who knows very well the problems that exist with respect to Workman's Compensation in that town, apart altogether from these they had at their disposal, the evidence of medical specialists in the related fields, and they took, Mr. Speaker, every known case on an individual basis, dealt with them, examined the medical evidence, examined the employment history and having done all of that on an individual basis they recommended whether compensation be payable or not. Now what more definitive finding can we possibly have? What was the point in setting up this Royal Commission if it was not once and for all

MR. HICKMAN:

to find out whether or not these miners and their dependents qualified for Workman's Compensation? This does not require any amending legislation with respect to those who are living today, all it needs is a directive from Government to the Workman's Compensation Board to pay these claims. Indeed I do not believe it even requires that directive but obviously somebody has to put some pressure on, as the report of the Royal Commission apparently is not enough, the representation of the St. Lawrence Workers Protective Union apparently is not enough, the recommendations and the efforts of the St. Lawrence Town Council appears to be inadequate because nobody will listen. But, Mr. Speaker, this part of the report is not technical, is not complex and can be carried out right now and I say that this report is symptomatic of Government's attitude in the discharge of its social responsibilities to the people of this Province.

Mr. Speaker, this report points out one of the unusual features of our Workman's Compensation laws that if a widow has a large family it is in the interest of that widow to go on social assistance rather than to accept Workman's Compensation because more monies are available by way of Workman's Compensation than by way of social assistance. But as this report points out, Mr. Speaker, there are other benefits as well that accrue to those who through no fault of their own have to receive social assistance. The payment of school fees, grants for the repair to houses and provisional housing accommodations, that is the sort of thing that these people are not getting and when I raised that in this hon. House in an earlier debate the hon. the Minister of Welfare, as he then was, came to his feet and said, "I have discussed this with the St. Lawrence Workers Protective Union, I have made certain suggestions to them which I believe are in the best interest of the dependents and widows of St. Lawrence", and he tabled <sup>his</sup> in House or read to this House a summary of the letter which he had written. He gave it to me and I in turn read to this House or stated in the House a summary of what was in it and more than that the President of the Union, Mr. Leo Slaney, has been indicating to his members what the position of Government as stated by the hon. Minister is.

Let me advise the hon. Minister that his recommendation that there be a self-help program in St. Lawrence has been unanimously rejected by the St.

MR. HICKMAN:

Lawrence Workers Protective Union. Mr. Speaker, the resolution passed by the St. Lawrence Workers Protective Union is, and I quote from their minutes, " To comment very briefly on the letter from Mr. Neary and his suggestion that we set up a self-help plan similar to the one set up on Bell Island, the big difference between Bell Island and St. Lawrence is here we have a large majority of widows and this situation does not exist on Bell Island. It would be most interesting to see if we could recruit a couple of trap crews from among our widows now that the fishing season is upon us."

Now, Mr. Speaker, is that the sort of attitude that we are -

MR. NEARY: Read the whole letter.

MR. HICKMAN: I certainly will. Mr. Speaker, on the invitation of the hon. the Minister of Rehabilitation I take it that it is perfectly in order for me to read this letter. It is dated May 5th, 1970, it is from the St. Lawrence Workers Protective Union of St. Lawrence, it is signed by the President, Mr. Leo Slaney and it is directed to me.

MR. NEARY: No, the letter to them. My letter to them.

MR. HICKMAN: The hon. Minister's letter to the St. Lawrence Union I read and I think I handed it back to him.

MR. NEARY: No, no, the hon. member still has it.

MR. HICKMAN: Well, I have not got it in front of me now. If I had it I would be very happy to read it. The hon. the Minister can certainly read his letter at any time during this debate.

MR. NEARY: The hon. member was quoting from my letter.

MR. HICKMAN: I am quoting now from the resolution. Do you want to hear what the St. Lawrence Workers Protective Union thinks of this whole brief?

MR. NEARY: No, but I want to hear what I said before you proceed.

MR. HICKMAN: Well if the hon. Minister will dig it out while I am reading this one and send it over to me I will be more than happy to read it.

MR. NEARY: I gave the hon. member a copy of this letter.

MR. HICKMAN: You did but I do not know where it is and I have not got a - Well, Mr. Speaker, and I think the hon. Minister will agree that he also suggested to the St. Lawrence Workers Protective Union that they should give serious

MR. HICKMAN:

consideration to submitting a brief to the Review Committee on the Workman's Compensation Act that is presently sitting under the Chairmanship of Mr. Herman Batten and this to was dealt with. I quote again from the decision of the Union, "I can agree that we could as a union submit a brief to the Workman's Compensation Board and the Minister of Labour. However when the Royal Commission Report has made very little impact on the powers *that* be our small union has very little chance of being successful." I submit, Mr. Speaker, that that is a pretty valid comment. All the problems of the St. Lawrence miners and their dependents at St. Lawrence had been dilled within them, I knew the detail by this commission, and these recommendations have been made to Government and it would be highly unlikely that another brief could do anything more than simply refer to that Commission and reiterate its approval.

MR. CROSBIE: Last October the Government said they were going to act immediately.

MR. SMALLWOOD: If the hon. gentleman would yield I may be able to inform him that the whole matter has been most thoroughly considered by the Government, most thoroughly, that the Government have adopted its policy, its decisions, that these have then come before the Government for final consideration, that a special committee of Cabinet has been appointed to put the finishing touches on it and bring it back for a final review by the Government which would be, it will not be today because the Cabinet will not be meeting, we have had one meeting on other matters but we will be meeting tomorrow morning and it is entirely likely that the committee of Cabinet will bring it in. The whole matter was settled some time ago and it is getting its final polishing.

MR. HICKMAN: Mr. Speaker, that is good news. It does not excuse the delay but it is good news.

MR. SMALLWOOD: There has been no delay.

MR. HICKMAN: Oh, Mr. Speaker! Delay! The recommendations concerning the payment of Workman's Compensation by the Board to the dependent miners who are still living in St. Lawrence today could have been made in five minutes.

MR. SMALLWOOD: If the hon. gentleman will allow me, he knows that it had to go to a number of departments for each individual section and each individual concern of the situation to be considered individually by a number of departments

MR. SMALLWOOD:

back and forth and finally the Workman's Compensation Board, the Department of Labour, the Department of Health, the Department of Mines and I think one or maybe two others we had to confer in Ottawa and all these had to be done separately and individually and then brought to the Cabinet, the Cabinet to consider them all as a whole, then the appointment of a Committee of Cabinet which has already made a report and is to make a final one as soon as we can meet for the purpose, no delay whatever.

MR. HICKMAN: But, Mr. Speaker, I cannot accept that position because certain -

MR. HICKMAN: Certain recommendations in that report need not have taken five minutes for anyone to consider the recommendations of this Royal Commission.

MR. SMALLWOOD: Others took a lot more than five minutes

MR. HICKMAN: But you do not hold up the payment of Workmen's Compensation while you are trying to decide whether or not silica tuberculosis shall be accepted as an industrial disease. You do not have to hold up a recommendation that tuberculosis shall be an industrial disease within the meaning of the Act while you are deciding and consulting with the Government of Canada concerning the setting up of a fund to take care of those dependents of miners who died prior to the creation of the workmen's Compensation Board.

It does not need Cabinet decision at all. Or even Cabinet's consideration to take the recommendation of the Royal Commissions Report that there is to be a second radiation monitoring technician on the job full time. That has not been done, indeed, Mr. Speaker, the gentleman who has been doing a first-class job there during the past three years is still on a temporary basis insofar as the civil service status is concerned.

These recommendations Mr. Speaker, could have been, and should have been carried out by the end of 1969. I repeat what I said at the beginning, that Government's failure to deal with this report is symptomatic of its refusal to carry out its social obligations to the unfortunate people in our Province who cannot work through no fault of their own. I only hope that when we hear this announcement, that when the Bill is brought in to set up this fund, that we have seen no notice of, no reference of, but it will be absolutely necessary to have a fund.

I do hope that we will see an amendment to the Workmen's Compensation Act during this session of the House recognizing silica Tuberculosis as an industrial disease. I would hope that without any legislation at all that this second inspector will be appointed now. I also hope that when we hear the announcement from this committee, whose names this House have not been made aware of, that we will be told that the Workmen's Compensation Board have been instructed to accept the claims of

miners who are now disabled and who ordinarily should have come within the scope of that Act several years ago.

If all of that is done Mr. Speaker, then the work of the Royal Commission on Radiation at St. Lawrence will be worth while. I presume we can look forward to some change in the estimates that have been tabled in this House, I would presume that somewhere the Government will find the necessary monies, I do not know how much we are talking about, but I would suspect something in excess of \$100,000. as Government share to the special fund to pay the dependents of miners whose cases have been verified, whose claims have been verified but who come outside the scope of the Workmen's Compensation Act, because, they died before the Act became law.

Nowhere in the estimates can this be found. All we know at this time is that the company in St. Lawrence has said "we will pay our proportion to create this fund." Mr. Speaker, I think I could be pardoned when I look at the estimates, "If I am a little bit suspicious that this may not be implemented, but I cannot find a dollar in there anywhere. I cannot find it under the Department of Finance vote. The union has checked with the appropriate officials of the various departments and have received a negative answer that there is no money this year available, and this will take money out of the coffers of the Province of Newfoundland. Make no mistake about that. Some will come from the Workmen's Compensation Board, but there is a great deal of money that has to come direct out of the Provincial revenue.

Nowhere in these estimates, under Labour, Finance, can anyone find one solitary cent to implement the recommendations of the Commission, nor can we find the second salary unit for the second inspector, nor can we find any suggestion that there is going to be a recognition of silica-tuberculosis as an industrial disease. That last one is not a very revolutionary one Mr. Speaker, you will find it in practically every European country today with this type of mining industry prevailing.

Mr. Speaker, the Budget Speech as it must, particularly at this period in the history of Newfoundland, on page 33, and page 34, deals with

the unemployment situation in Newfoundland today and has been based on figures furnished by the Dominion Bureau of Statistics. It says that at this time, that was the day the Budget Speech was delivered, the unemployment figure in Newfoundland was 15.3 per cent of our workers without jobs. There was a comparison with statistics from years going back to 1955, and I presume that this comparison was made for the purpose of suggesting to the people of Newfoundland that the rate of unemployment in our Province today is something less than it was in 1958 or 59, or 60, or 61 right up to 1965.

Mr. Speaker, if that is the name of the game, then I submit to you Sir, that that comparison cannot stand the light of day. I suggest Mr. Speaker, that in Newfoundland today we are experiencing the worst recession that Newfoundland has experienced since 1949 and there is no sign Mr. Speaker, there is no signs of improvement. We are now into the middle of May, this is the time of the year Mr. Speaker when construction should be picking up. This is the time of the year when jobs should be available. Because, if they are not available in May or June they will not be available during this calendar year.

What do we find Mr. Speaker? We find that the construction industry is not moving. We find that the Labrador fishermen will not go to Labrador until they get some indication as to what provision will be made for them if they suffer the grievous losses that they suffered last year and the year before. We find that Come-by-Chance is still as elusive as ever and we cannot find all the jobs, the 17,000 that the hon. the Premier predicted would be made available when he participated in the opening session of this House.

Mr. Speaker, I say that the trend that was established last year insofar as the strength of the economy of Newfoundland is still continuing. Last year, 1969, was a pretty bad year by no matter what standards you use insofar as the employment picture in Newfoundland is concerned. I have before me the statistics from the organizations used by the Government of Canada to try and decide and ascertain the economic picture in any particular Province of Canada, and in Canada as a whole. It was provided and given by a company called "Canada Data." It breaks down into classifications the various types



of employment and industry in each Canadian Province for each month, and compares them with the Canadian average.

The one I have before me, which is the latest one (I think the Government of Canada (not the latest one, they had another one since), but which is one that the Government of Canada I know relied on very heavily in trying to arrive at a policy decision for DREE this year in Newfoundland for the month of September. Mr. Speaker, from June to the end of September I think we can consider the peak months of employment in any part of Canada. The first classification is what they call total residential. This shows all the apartments and houses that are under construction at the end of September 1969, in comparison with September of the year before. Newfoundland showed a minus twenty-two per cent. Twenty-two per cent from the year before. The Canadian average, and Canada has had a slow down in housing starts too in 1969, was plus eighteen per cent. Minus twenty-two for Newfoundland plus eighteen for Canada.

Then Mr. Speaker, the next is what is called total commercial. That includes hotels, restaurants, motor vehicle services, stores, miscellaneous business services, recreational, warehousing, and storage. In Newfoundland it was up twenty-three per cent above September the year before. In Canada, it was up sixty per cent for the same period.

Mr. Speaker, the next column deals with institutions. This shows the number of churches, hospitals, medical service buildings, welfare service buildings, public buildings, Government offices, defence, law enforcement, education, schools and universities. Newfoundland, at the end of September 1969 as compared to the end of September 1968 minus sixty-eight per cent. Minus sixty-eight per cent Mr. Speaker. Canada generally minus two per cent.

Then Mr. Speaker, we come to building construction. This includes plants, factories, utilities, transportation and other industrials. Newfoundland minus ninety-seven. Canada as a whole, plus eleven per cent.

Mr. Speaker, the last column that is shown is the total of engineering construction. In that Newfoundland showed a plus of eleven per cent. That was due almost exclusively to the construction going on at Churchill

Falls. There was some money spent on bridges and overpasses and marine construction, but the very large per-centage was on the construction at Churchill Falls. We showed a plus of eleven per cent, Canada showed a plus of twenty-four.

The frightening figure is at the end Mr. Speaker, when you take the overall economic picture of Newfoundland at the end of the peak construction month, peak employment month for 1969 September 30th. The frightening thing is this Mr. Speaker, Newfoundland showed a minus of sixteen per cent. A minus of sixteen per cent, Canada, which itself says it is going through some sort of retrenchment showed a plus of twenty per cent.

Mr. Speaker, I realize it is one of the clock, and I presume Your Honour wants to leave the Chair.

MR. SPEAKER: It being now one o'clock I do leave the Chair until 3:00 p.m.



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VERBATIM REPORT

MONDAY, MAY 18, 1970

SPEAKER: THE HONOURABLE GEORGE W. CLARKE

Mr. Hickman,  
of Newfoundland. That, Mr. Speaker, is catastrophic, no matter how you look at it and the enticement and the suggestion on opening day that 17,000 new jobs would be found for Newfoundlanders during 1970, not existing jobs, but if you have 200 men working on the roads or a particular road last year, it will have to be something over and above these 200 to fall in the category of 17,000 new jobs.

Now, Mr. Speaker nothing is happening. There is no sign, there is no indication of a strengthening of the economy of this Province. Indeed, I would hope that members of Government look with a great deal of concern, when they hear statements from the Prime Minister of Canada that a necessary fallout from anti-inflationary measures that are being taken in Ottawa is unemployment in certain regions in Canada. That is not - in fact it is being said almost with a sense of accomplishment, that something great is being accomplished by contributing to unemployment in the unfavoured areas of Canada, and regretfully, the part of Canada that feels the affect of these anti-inflationary measures more than any other part is the Province of Newfoundland, and to read the budget speech and to learn from the budget speech that all is rosey in the garden, when we are in the depths of the worst recession that Newfoundland has seen since 1949, I submit, Mr. Speaker, this is not correct and to base the budget speech on this. The personal income payable by our people to the Government of Canada will be, so it is believed, a larger amount this year than in the year passed. Mr. Speaker, who is dreaming. What are the facts? Where is the indication? The construction industry is not moving. Come-by-Chance is not moving. Churchill Falls will provide a great deal of employment again this year, but Churchill Falls was under construction last year. The Labrador fishery is in the state of chaos and absolute uncertainty. We have pockets of prosperity on the Burin Peninsula or on the two paper mills and in the mining areas of Newfoundland and Labrador. Take that away. Take

Mr. Hickman,

the other thirty-five electoral districts, and you have nothing but dejection and desperation and yet we read in this budget speech that the income from the people of Newfoundland this year will be larger than the past.

Mr. Speaker, one has to be awfully careful or, at least, so Government says, when referring to the prosperity and the financial position of the Province of Newfoundland. If you suggest that we are in any difficulty at all, if you suggest that our capacity to borrow is rapidly coming to saturation point, if you suggest in the next two or three years, unless more prudence is shown, social services will have to be cut back, you are being treacherous to the Province of Newfoundland. But, Mr. Speaker, we cannot overlook the fact that the financial institutions, the financing institutions, that the Canadian newspapers, the Canadian monetary publications, keep referring <sup>to</sup> the economy of Newfoundland at recession level, keep referring to the fact, which is true, that the level of unemployment is the highest in Canada, per capita income is the lowest and that industry in 1969 experienced a bleak year and it looks as if it will be bleaker in 1970.

Now these are facts. Unfortunately, these are facts that are spread by knowledgeable people throughout Canada, and are we going to bury our heads in the sand and say, "all of this is not true?" Are we going to write a budget speech that talks in glowing terms about the prosperity of this Province? Are we going to listen to a promise of 17,000 new jobs in 1970, which cannot be fulfilled? Is it any wonder that the people of Newfoundland are beginning to look with a great deal of suspicion on statements and promises emanating from Government through its ministers.

Mr. Speaker, I say that the Province of Newfoundland, which is rapidly approaching in guaranteed and direct borrowings, \$ 1 billion mark, is very, very quickly reaching the saturation point insofar as its

Mr. Hickman:

capacity to borrow is concerned.

Now, Mr. Speaker, as you are aware and as any examination of the accounts will indicate that, the moment of truth is pretty well upon us, that we have a lot of short-term borrowings that will fall due in the next two or three years. We have other longer-term borrowings which will fall due in the next two or three years, and we simply cannot go borrowing money to repay monies that are already owing, because eventually, Mr. Speaker, you will reach the point of no return. I believe, and I am subject to correction by my hon. friend on my left that if and when we reach the point where twenty-three per cent of our direct income is going into the funded and repayment of our Provincial debt then it is curtains for this Province, and Mr. Speaker, twenty-five per cent is the figure and we are twenty-three per cent now. We have very little room to maneuver.

Mr. Speaker, Newfoundlanders do not want to be encouraged by statements that are not factual. If we are going to have to use a new approach to the financing and governing of this Province, let us tell them and let them make up their minds, but when we read the budget speech, with all its glowing terms, a budget speech, if it is supposed to be a prediction of the economic weather for the Province of Newfoundland for 1970, then I say it has about as much validity as Dr. Chase's Almanac or even less, because, Mr. Speaker, there is nothing in it only the usual statements of what will be spent this year that we see in the estimates and great and glorious predictions of what the future holds in store in 1970; yet here we are into the peak of production or close to it and we have more jobs in this Province than we have seen at any time on a percentage basis, than we have seen at anytime since 1949.

Mr. Speaker, it is pretty difficult to talk about any budget speech that is coming before this House at this time, without being inevitably drawn back to Newfoundland's stated intention through its Government

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of embarking upon its most substantial financing and borrowing yet, insofar as industrial development is concerned. It is just not possible to consider this budget in the year 1970 without paying very close attention to what commitments have been made or what commitments we believe have been made with respect to the proposed oil refinery at Come-by-Chance. It is now almost one month, Mr. Speaker, since we had this rather unusual performance in this hon. House, when the Shaheen group were here before us. Since then, there has been a great conspiracy of silence insofar as Come-by-Chance is concerned. We have heard nothing publicly about it. We have no idea where the project now stands. We do know that there are certain danger signals, certain warning signals which should indicate to any discerning member of this House that all is not well at Come-by-Chance.

Mr. Speaker, may I draw this House's attention to the fact that since or during the past three or four months, there has been a very substantial increase in the involvement of the Treasury and the credit of this Province, insofar as Come-by-Chance is concerned. We saw an announcement in January, still of this year, still referring to Come-by-Chance, as in the vicinity of \$100 million and before April 21, of this year, we find that we are up to a target price, a target price of \$155 million. Now, Mr. Speaker, your Honour will recall when a question was put to one of the gentleman who represented the Shaheen group here as to why the sudden increase, for the same size plant and the same design. The answer was, "escalation in the cost of living." That, Mr. Speaker, just cannot hold water in this day and age. The simple fact of the matter, Mr. Speaker, is that something is gone radically wrong, that there has to be some good explanation or there should be for this sudden escalation in prices. Why this is relevant now, Mr. Speaker, is this: But Mr. Speaker, as my hon. friend has drawn to my attention, the Newfoundland Bulletin that was issued the day before the Shaheen group appeared on the

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floor of this House indicated that the cost of the project was \$125 million, yet the next day, the figure of \$155 million, as the target price, was given.

Mr. Speaker, I attach some significance to the words "target price." These words were very carefully used from time to time on the floor of this House. There is a difference, Mr. Speaker, between target price and fixed price. Sometimes the target price comes out the way it is intended, but anyone will discern that a target price is not a fixed price, and people will recall that when this matter was before this hon. House, that no explanation was given as to where the money is going to come from to pay for the import duties on all the machinery and equipment which must be brought from outside Canada to Come-by-Chance. Is this going to drive it beyond the target price, Mr. Speaker? Is this going to mean that we are talking about more than \$155 million? Because once when we get into this thing, there is no turning back. There has been great talk about the heavy water plant in Nova Scotia, how that started at \$20 million or \$30 million and kept on going, but at least, it started at \$20 million and went to \$100 million. What is going to happen if we get caught in the same bind in this Province, where we start with a target price of \$155 million and find that we have to keep going, and the same applied to the Doyle enterprise.

This, Mr. Speaker, is why, on this side of the House, we can be pardoned if we are somewhat skeptical, if we express some doubt as to whether or not the total involvement of the people of Newfoundland in Come-by-Chance is going to be fixed at \$155 million.

Mr. Speaker, in any negotiations, if either party to these negotiations, in the middle or after the first round has been completed and after the first documents have been signed, if either party then unilaterally comes along and says that we want substantial changes, and in this case nothing could be more substantial than an escalation from \$80 million to



\$100 million to \$155 million. If that happens, Mr. Speaker, surely this imposes an obligation on the other contracting party; particularly, when the contracting party is the representative of the people of this Province, and to go back to Mr. Shaheen and say, you forced us unilaterally into making additional concessions. You have forced us to impede and encumber the credit of this Province beyond what had been anticipated. We, therefore, expect more concessions, better negotiations and better agreements from you, and we will not insist on, whenever it is conceivably and legally possible to renegotiate this agreement.

Mr. Speaker, let me draw to your Honour's attention that under the terms of the Newfoundland Refining Act, it is provided that 5(a) of the agreement has to be complied with within two years from the date that Act became law; otherwise it is within the power of Government to terminate and obviously if you can terminate, you can renegotiate. That Act, Mr. Speaker, became law on May 23, 1968, and this means that come Friday of this week, if Section 5 (a) of the agreement with the Shaheen group has not been complied with, it is completely within the power of the Government of Newfoundland to insist on renegotiating any terms that they feel should be renegotiated to the benefit of the Province of Newfoundland.

Mr. Speaker, we were told during the appearance of these gentlemen before the House, that whilst the \$30 million and that is what 5 (a) provides for; whilst the \$30 million had not at that time been raised, Government had high hopes, almost absolutely certain hopes that the \$30 million would be raised. I say to you right now, Mr. Speaker, that the \$30 million has not been raised and that the Government or Mr. Shaheen or any other company or whoever is involved in the negotiating

Mr. Hickman,

and raising of the \$30 million loan is not close to completing that work on or before Saturday of this week and that \$30 million will not be raised, will not be signed, sealed and delivered on or before May 23rd., and that, Mr. Speaker, opens the door to the Government of this Province to renegotiate and to try and make some better terms for the people of Newfoundland in light of the dreadful and awesome escalation in the price at Come-by-Chance.

Mr. Speaker, let me draw another matter to your attention. Again in the Come-by-Chance agreement, there is a provision in 5 (j) that before there can be any commitment of the Government of Newfoundland to be bound or to raise or to guarantee the \$30 million, that under 5 (j), Government has to be furnished an opinion of an independent person showing that this project is feasible.

Now, Mr. Speaker

MR. HICKMAN: Mr. Speaker, again if you will recall *all* the jeerings in this House there was an assurance given by the hon. the Premier on page 2461, I think it was, of number Volume 44 of Hansard, and that assurance Mr. Speaker was to the effect that it was in connection with the report of the independent study of a person acceptable to Government. And Your Honour will recall that this House was advised sometime in April that, or we were advised sometime in March that Universal Oil Products was not the company doing the independent feasibility study on Come-by-Chance, but rather they were doing this for Mr. Shaheen and that there has been another company, there was another company doing it for Government. I would think, Mr. Speaker, that this House can **attach** some significance to the fact that Mr. Brown, or the other gentleman who is here from Jacob's Engineering says that on April 12th. 1970 was when they were first contacted and asked to do the independent feasibility study.

Now, Mr. Speaker, the hon. the Premier in Hansard of April 21st. said that when the feasibility study is completed by the Jacob's Engineering, that whilst the entire feasibility study cannot be made public - that when it is completed that that portion of the study which indicates that it is feasible will be made available and known to the public of Newfoundland. Mr. Speaker, if you bear in mind that the \$30 million cannot be committed until that independent study is completed, and if you bear in mind the fact that as of this minute there has been no announcement that the Jacob Engineering study has been completed and their study has indicated that this is now a feasible project and that portion of the study showing that it is feasible has not been tabled in this House, then obviously the Saturday deadline of May 23rd. cannot and will not be met.

MR. SMALLWOOD: (Inaudible) And we will of course table it.

MR. HICKMAN: Well, Mr. Speaker, that is indeed a good bit of news that we slowly but surely can worm out of Government if we - -

MR. SMALLWOOD: Worm? It has just arrived. There is no worming, if there is any worm, it is not on this side of the House.

MR SMALLWOOD: May I inform the hon. gentleman the report has been received and we will, of course, table it.

MR HICKMAN: Well, Mr. Speaker, that is indeed a good bit of news that we slowly but surely wormed out of the Government.

MR SMALLWOOD: Wormed? It has just arrived. There is no worming. If there is any worm it is not on this side of the House.

MR. CROSBIE: Force. Would the hon. member permit a question? Does the hon. member remember in March, before the House adjourned the hon. Minister of Health saying the the Government then had the independent feasibility study and that all he got would be tabled?

MR. SMALLWOOD: No, he does not remember it, it was not said.

MR. CROSBIE: Does the hon. the member remember that? It is in Hansard and we remembered it.

MR. SMALLWOOD: There was no such statement.

MR. CROSBIE: That the Government had it, and would not table it.

MR. SMALLWOOD: We have the feasibility report, the Jacob's Report is a report on the feasibility report.

MR. HICKMAN: That is right Mr. Speaker, and that Jacob's feasibility report,

MR. SMALLWOOD: No, the Jacob's report on the feasibility report.

MR. HICKMAN: But it is a feasibility study in itself.

MR. SMALLWOOD: That is right.

MR. HICKMAN: Of course it is,

MR. SMALLWOOD: Yes.

MR. HICKMAN: It will leave, as Mr. Brown pointed, out some essential features that should be in a main feasibility report because they are not taking into consideration the marketing of the products.

MR. CROSBIE: They are not doing what the agreement requires.

MR. HICKMAN: No. But anything that is suppose to be required under this agreement, Jacob's Engineering will not encompass : in its study. What it is going to do, is decide whether the other features of the UOP study indicate to Jacob's that this is feasible. And the hon. the Premier has again reiterated its undertaking, that that report will be tabled in this hon. House

MR. CROSBIE: When?

MR. SMALLWOOD: Almost certainly tomorrow, and possibly before this day is over.

MR. CROSBIE: Keep pressing, keep pressing.

MR. HICKMAN: Well today or tomorrow will be fine, but I would remind the hon. the Premier that then leaves him three days in which to raise \$30 million.

MR. CROSBIE: That is nothing for the hon. the Premier.

MR. SMALLWOOD: The money is raised.

MR. HICKMAN: I say, Mr. Speaker, that the money, as of today, is not raised.

MR. SMALLWOOD: Does he now?

MR. HICKMAN: Yes.

MR. HICKMAN: He says that does he?

MR. HICKMAN: I do so, I say it categorically. There is about \$20 million almost raised, but I know the \$30 million has not been raised as of today. And what I am urging, whether it is raised or not Mr. Speaker, the point that I am trying to get across to the Government Mr. Speaker is this, that come May 23rd., come this Saturday, if there has not been strict compliance with (a) by then, Government is free to renegotiate these agreements. And I say that Government has an absolute obligation and duty to renegotiate this coming Saturday because of the frightening escalation in the cost that took place in the last four months.

Now, Mr. Speaker, I do believe that whilst we have been unable up to this date to get the kind of assurance that we would like to get insofar as Come-by-Chance is concerned, we should have an assurance that this is not a target price, that this is a fixed price and included in that \$155 million there should, which there is not as of now, <sup>be</sup> the very substantial and considerable excise duties that must be paid on equipment and material coming in from the U.K. and other parts of Europe into Come-by-Chance.

Mr. Speaker, I do not particularly standing around spending too much time talking about any particular project, because immediately you do, somebody will say; the hon. gentleman he does not want that to go ahead. He is against it. But, Mr. Speaker, anyone who has a-half a brain at all should

MR. HICKMAN: before, or would a quarter of a brain do, that if this Province is going to gamble all of its future borrowing capacity on one industry that is going to provide 300 jobs, that surely we are entitled to have firm fixed agreements before this House, and that we are entitled to expect a renegotiation of these agreements. Because, Mr. Speaker, one bit of information that we did not get when this was before this House or one satisfactory explanation on the viability of this project was an indication of the projected earnings of the Oil Refinery. There are times when I think that giving a man an oil refinery is giving him a licence to print money, and then I hear Mr. Shaheen saying, there is not as much money in the oil business as the public would like to believe there is. But, Mr. Speaker, there are other advantages that come under the Shaheen agreement, that in my opinion, were overlooked or were not answered or may be not even asked during the hearing before this House. It is provided in this agreement, Mr. Speaker, that straight off the top of the earnings of the Newfoundland Refinery of its entire earnings 27.8 percent will go to Newfoundland Refining.

Now, Mr. Speaker, that is a much greater advantage than appears on the surface, because ordinarily if the refining company was a Crown Corporation fifty percent of the, approximately fifty percent of the earnings of a private company is taxable by the Government of Canada, and a great deal of it comes back to the Province in which that company is doing business. This leaves fifty percent for distribution to the shareholders, and this means that if you have an investment in Bowaters, then you want to get 27.8 percent of its earnings, in order for you, a shareholder to receive that amount the company has to earn for you double that or fifty-two point something percent, something in excess of fifty percent. But this does not apply in Come-by-Chance, because straight off the top goes 27.8 percent to Newfoundland Refining. Then, Mr. Speaker, we are told, and apart from whether we were told that it stands to reason, that if the feasibility report is going to be in the affirmative, if UOP is going to put its signature on the line and Jacob's and say, this is economically sound, it has to mean that out of the 72.2 percent of the earnings of this company will come sufficient money, will be generated sufficient profits to repay \$155 million over a period of eight years.

MR. HICKMAN: Now, Mr. Speaker, if that is so, if that is such a money maker as the agreement that we know of, the one that is attached to the Act that is before this House, if that is so, then obviously it is a money factory. And Mr. Speaker, if it is a money factory and if we are going to stick our John Henry on the back of a note to the tune of \$155 million, or if we are going to restrict our borrowing capacity to that amount then we are entitled to a piece of the Act. We are not creating any new precedents, we are not doing something which other undeveloped provinces are not doing everyday. If come Saturday, May 23rd. we say to Mr. Shaheen, we want a minimum of twenty percent of the equity in this development. Last year we were told by the hon. the Premier during the Budget Debate of a very great amount of capital that was being risked in the province of Saskatchewan, I think, it was in the new paper mill and the number of guarantees that were being given in respect to that development by the Saskatchewan government. There is one very significant fact that was not included and that is that the Saskatchewan government has a pretty big slice of the equity in that pulp and paper mill. When once the loan is paid off, when once the bonds have been redeemed, then apart altogether from the employment created in that mill, apart altogether, and they are getting facets in the meantime through Ottawa to the tax rebate scheme, apart altogether from the taxes that they will get, there will be direct monies going into the coffers of the province of Saskatchewan.

And, Mr. Speaker that surely is not an unreasonable request in respect of this tremendous involvement in Come-by-Chance and one which may be equally so, we do not know, may be equally so in Stephenville.

MR. CROSBIE: Give it all away.

MR. HICKMAN: Because, Mr. Speaker, if you examine very carefully the documentation and the agreement that were tabled in this House pursuant to the Doyle Bill, you will not get the \$52 million that the Legislation was authorized to be guaranteed, nor even the \$58 million, but you will find a total provincial involvement either from the Provincial Government or from the Newfoundland Industrial Development Corporation of approximately \$66 million, but you cannot, Mr. Speaker, even leave it at that, because there is also in

MR. HICKMAN:

these agreements a guarantee of completion of the project. And that, Mr. Speaker, is the frightening hidden cost in the Limer Board Mill at Stephenville. Because when once that starts, no matter what happens, no matter how the feasibility studies come out, no matter if there is an escalation in the price of construction, no matter if the bottom falls out of the market, the Government of Newfoundland has agreed with the E.C.D.G. which is an arm of the British Government, it is not the British Government, but is an arm of the British Government, we have guaranteed the completion of this project and they will hold us to that guarantee.

Now, Mr. Speaker, that is why I say, that we need something more than a conspiracy of silence insofar as the development of these two industries are concerned. And, I, for one cannot buy the suggestion that, by giving this information, we are helping competitors of these industries. Need I refer you, Mr. Speaker, to the dreadful situation <sup>that</sup> ~~at~~ the present Government in Manitoba has suddenly found itself as a result of a somewhat similar development in the Province of Manitoba, at a place called the The Pas.

MR. ROWE: The hon. member's time is up.

MR. HICKMAN: Am I allowed five minutes for injury time, when the hon. speaker was....

MR. SPEAKER: Two or three minutes more.

MR. HICKMAN: Well, Mr. Speaker, I shall refer at some other time to what is happening, but it has a very, very, unhappy and uneasy parallel with respect to this pulp and paper development in Manitoba. Whereas of now, with the thing underway they still do not know, that Government has been unable to find out, the total commitment of the Province of Manitoba to the development of that pulp and paper plant in The Pas of Manitoba. And as Douglas H. Fullerton, a Newfoundlander by the way, and a highly respected financial expert put his finger on some of the problems and said, the less-*quote*, 'The less of a veil of mystery there is around the funds operation there, the less criticism there is



MR. HICKMAN: likely to be.<sup>7</sup> And I say, Amen, to that Mr. Speaker. If Government wants to avoid criticism of its suggestive proposed and may be dreamed of industrial development in these two areas, the less of a veil of mystery around it, the less criticism there is likely to be.

Mr. Speaker, may I in closing, during my allotted and extended five minutes, make one passing reference to a matter that is of a great deal of interest and a great deal of concern in many of our districts. Now people can get emotional, or people can get political, or people can look at it from an ivory tower but whatever it is, the fact is that resettlement in Newfoundland involves a very great high percentage of our people, be it those living in Corner Brook or Grand Falls or St. John's or Grand Bank or Harbour Breton or Burgeo, where they must accommodate these people moving in, or be it those who must remove from Rencontre West and Seal Cove and Parson's Harbour and the other places where they are going to move this year.

But, that is only one problem, Mr. Speaker, the other problem is what is happening to the communities in between? The communities that have not been told that they are going to be resettled, nor the communities to which people are moving under resettlement. And very recently a very outstanding teacher in the Roman Catholic School at Allen's Island, Lamaline through the media of the press and television indeed, there was a program carried, Your Honour may have seen it, Trans-Canada, arising out of her statement, I think put the thing in proper focus, because this lady was referring to a town that has not been told that it is going to be resettled, but a town in which no one is moving, and out of which people are moving, but without any plan or any real hope of any security. And, Mr. Speaker, on that program this lady said that Newfoundland in general, and the Burin Peninsula in particular is becoming a region sharply divided among older established towns, allegedly up and coming growth centres in the smaller traditional outports, the last lacking many of the facilities and advantages of the larger communities are gradually

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MR. HICKMAN: being forced to accept the stages of parasite, in which their citizens can have no pride, no sense of continuity, and no hope. The influences directing this train of thought are very subtle and insidious, but their result is painfully obvious in the negative attitude that exist in many places, the suspicion and lack of unity that were once so foreign to our way of life. We must remember that a town cannot die overnight, and that in many of those towns already designated as phased-out areas there will continue to be families and children for many more years. We have been accused of being sentimental over this problem, but the truth is we are realists. We know that our children will leave and not come back, we know that there are no employment opportunities within the immediate area, but we also know many more truths about outport life than do our critics. This is why we are alarmed about the negative attitude that surround our children, this is why we must do something about them. Let us try to provide within a cultural climate more conducive to the development of these natural talents and abilities which our children have in abundance. Let us not force them to wait, sometimes too late, until they go out there to discover that they have a great capacity for achievement. Let us not force them

MR. HICKMAN: let us not force them to remember their towns and schools as mere symbols of indifference and decay. And Mr. Speaker, this is the voice of a lady living in a town where there has been no plan to resettle it, no plan to designate it as a youth growth center, an area that still has a large population. An area that has been excluded from the DREE program, an area that offers little in the way of hope to the people who live there. And the most tragic thing of all Mr. Speaker, is this; that those children who are growing up there, who are growing up in a town that has lost its impetus, in a town that sees its schools going into slow decline, will pass from childhood into manhood without being given a chance to partake in the scheme of things in this Province. And that Mr. Speaker, is why the resettlement program is desperately in need of improvement within this Province of Newfoundland. And Mr. Speaker, this is why I say that if we suggest that resettlement in Newfoundland is in need of new thinking, if we suggest that you cannot operate in reckless disregard of the wishes of the people of our Province who are still living in some of these outports, some of which can be rejuvenated, then Mr. Speaker, all we do is reflect the views of the large majority of people still scattered around our coasts. They cannot and must not be abandoned because someone in an ivory tower says, and that same person who says that will move them into Red Harbour. Not because someone in an ivory tower says "this is going to be good for you in the long run." And Mr. Speaker, my closing words are these. That apart from jeopardizing which we are, these people who are going to stay in a declining area, our young people, without being given the advantages that the growth centers provides, that that, coupled with the fact that we, that the Government of this Province at this time has reached the saturation point in its borrowing capacity, that the real significance of that Mr. Speaker, is that we are saying to this generation of Newfoundlanders, "we are depriving you ten years from now of the right to develop this Province," and that Mr. Speaker, is criminal no matter how you look at it.

MR. EARLE: Mr. Speaker, I hesitated in getting up because I felt that my instincts in being a gentleman would allow somebody on the other side to speak, but apparently they do not wish to, and nobody rose to speak to this debate, which after all is generally considered in parliamentary circles to be the most important debate of the whole Session.

I certainly thought that in the light of some of the accusations and statements that have been made, that other members from the other side would have been prompted to rise and have something to say, but it is rather strange that in this Session of the House Mr. Speaker, we have been deluged at certain occasions with verbosity on things which did not matter, and complete silence on things which do matter. This is rather a strange Session of the House. It is the strangest one that I have had the privilege of attending, because when pertinent and awkward questions are asked, they are met with complete silence. When matters of not such great importance are raised, there is a lot to be said about it.

Now Mr. Speaker, in commenting on the Budget, I find myself in somewhat of an embarrassing position, because as you know I was Minister of Finance for seven months of last year, the last financial year, and in a sense, seven twelvths of this Budget were my direct responsibility. The quandry in which I find myself, I can only really comment on what happened after I ceased to be Minister of Finance, because as sure as I comment on anything before, the accusation will be made that I am breaking my cabinet oath or oath of office. So I have to tread a very, very narrow path indeed. But this is altogether a too important matter to just not make any comment on at all.

Sir, when I made the statement in replying to the Speech from the Throne, that I had not written sixteen words of last year's Budget, it immediately aroused a tirade of comment to the fact that I was being very unfair, unethical and unjust and everything else. This was taken completely out of context, because while I said I had not written anymore than sixteen words of last years Budget, I as a minister and particularly as Minister of Finance, must and had to assume full responsibility for that Budget. I was part of the Government which brought down that Budget, and therefore

MR. EARLE:

I was as much responsible for it as any other person in it. And it was not the question I was raising of the actual format of the Budget, because even though it was written by somebody else. I think the person on the other side who had the most to do with that must certainly has the greatest literary talent of the Government, and has the ability to put documents in good shape. And nobody will criticize that. But what I was Sir, and this I think is where the real disagreement should have been pinpointed, was that I did not agree, and I do not agree now with the general way in which budgets have been presented over the years to this House.

As Minister of Finance I felt that the Department of Finance itself and the officials of that department were those who were best qualified to make statements on the financial state of the Province. But actually, while there were in last year's budget, many evidences of their work, there was an awful lot in it that was not their work, and this is the criticism that I was raising, because most certainly the department of Finance in any Government is the one that has its finger on the pulse of the financial state of the Province. Now that is sufficient for last year's budget.

But to get on to the current Budget Mr. Speaker, one big question I asked when I heard it read was the matter of estimated revenues for this year. I was always told while I was working in Finance that revenues were about the most difficult thing to predict in any budget. They are so dependent upon the state of the economy of the Province that it is very very largely guesswork. If everybody is working, if sales throughout the Province are good. If the SSA tax returns are good. If liquor sales are excellent, then you can count on an ever-expanding revenue. And people within the department are pretty good at estimating this. It is their job after all. And they do estimate very closely, and they themselves, will admit to me that the calculating of revenue is a very difficult and complex business, and very, very difficult to be accurate. Now that is further complicated in current times by the fact that we are not only in

the Province of Newfoundland, but right across Canada in somewhat of a recession, and it does not appear to be getting any better - if anything it is getting worse. And as everybody knows we are subject to a great deal of our revenue from sources such as Ottawa in our transfer of payments and shared cost payments and so on.

These fluxuate with the economy in the other provinces, if things go up and revenues are better in other provinces, ours go up. Our share goes up. If these go down, ours go down. So there is in this type of period we are going through at present, there is an extreme danger, that instead of these shared costs increasing rapidly as they have been over the years, they may recede if anything. It is a possibility that they at least could stand still, or possibly recede. And therefore, I questioned immediately when I say the Budget, where it was estimating a \$20 million increase in revenue for this year, whether or not, accurate calculations had been made on that. It is so loosely based in my opinion Mr. Speaker, increased productivity both within the Province and without, that under current circumstances it may be very, very difficult indeed to live up to. Now there is one thing of which we can all be sure, that expenses, the expenditure will certainly not be less than is predicted in the Budget. I have yet to see a year when the expenditure as estimated, ever fell below in that actual fact when it came to be known at the conclusion of a year.

MR. SMALLWOOD: It is always more.

MR. EARLE: It is always more. It is invariably going to be more. Of course the proof of it in the past year has been that \$21 million in Supplementary Supply was requested.

MR. SMALLWOOD: That was not more. The hon. gentleman knows that was not more.

MR. EARLE: I know as well as the hon. the Premier, Mr. Speaker, that that was not the complete fact that there was \$21 million more spent. Actually

MR. EARLE:

seven or eight million was the net amount, over-spent on some things, and under-spent on others. But the fact still remains that this House had to vote \$21 million for Items which were not provided for in last year's Budget. Now in commenting on that, I did dispute the fact that many of these Items could have been and should have been placed in last year's Budget because they were known at the time. They were really in a sense, committed expenditures of which the Government was aware. And when the Premier made his remarks on these, he said, "of course, if you know you are going to spend so much, you have to spend so much, and you do not have that to spend, well then you cut the garment to suit the cloth."

This is very admirable, and it is the tactic and the method of all proper financing. But the criticism I have to make about our Government Mr. Speaker, is that while on the surface they propose to cut the garment to fit the cloth, they do not in actual fact, do so. Because, for argument sake, what is the point of taking off in block two percent of teachers' salaries, when you know that teachers are going to be paid month in and month out, regardless of what happens. That is money which is committed to be spent and should be in the Budget. You cannot predict that as a saving. It cannot be done unless you cut the rate of pay of teachers, and unless that is announced in a budget, there is going to be no saving.

Similarly other expenses which are predicted in the Budget and are artificially cut, everyone knows that before the year is out, these expenses will have to be met. There is no point, in my opinion, Mr. Speaker, in taking off any budget, an arbitrary cut which you feel and know in your heart and soul cannot be realized. And this is where the Budgets which we have been producing have been completely thrown out of whack. Actually last year there was most certainly a much larger deficit than was shown, probably to the extent of ten or fifteen million dollars.

MR. SMALLWOOD: What year?

MR. EARLE: In this present year we are talking about now, the Budget that was just brought down.

MR. SMALLWOOD: What about it?

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MR. EARLE: There would be in fact a much larger deficit than is actually shown because a surplus is shown.

MR. SMALLWOOD: We have decided not to have a surplus.

MR. EARLE: No, this has been done away with since, I understand that. Just as an instance, I think I have already said in this House that I was very much perturbed about the decision of the Government last year, not to close the Markland and Botwood Cottage Hospitals. Now I, like all other hon. members of the Government, and I would like to stress and get this absolutely clear. I, like all members of Government, or in Government, detest the cut-back of services. I was no happier than any other member of Government about the decision which was made prior to the Budget, to cut-back and close Markland and Botwood Cottage hospital. But after months and months of study of our estimates and so on, it was considered necessary to do that.

Then immediately, within twenty-four hours after the Budget was brought down, there was the decision to reverse that. I thought it showed great weakness of Government ability to stand up against what I might term political criticism. There was also at the same time it was said to be, additional income which was found, which would offset the additional expense of re-opening these hospitals, or keeping them open rather. I the figure was approximately \$300,000. Well remembering all this, and remembering how badly I felt over the reverse of the Government's decision, I looked at the actual facts to see how they worked out. They were supposed to be additional revenues to come forward to cover that. If anybody looked at the revenue and the profits of the Board of Liquor Control for the past year, the year we are now talking about, you would see that there was not \$300,000 additional revenue. Actually the revised estimates over and above the original estimates are only about \$15,000. So there is an increase in revenue, an unanticipated increase of \$15,000, not \$300,000. And this is what I was worried about at the time, that we were committing ourselves to expenditures without the actual revenues in sight, and this



is what I disputed as being poor budgetary practices, and it is particularly bad if a Government feels that it must so soon after a Budget is announced reverse its own decisions. It gives the public the impression that anybody in Finance, and I have to bear the responsibility for it because I was Minister of Finance, anybody in Finance who can be switched as easily as that, does not know what he is talking about.

MR. SMALLWOOD: Was the hon. gentleman opposed to keeping the hospitals open after it was announced we were closing them?

MR. EARLE: No, I said quite openly, as I started to speak, that no member of the Government including myself, wanted to close these hospitals.

MR. SMALLWOOD: Was the hon. gentleman opposed to the decision not to close them, after we had decided to close them?

MR. EARLE: Mr. Speaker, you know as well as I do that I cannot reveal that without breaking cabinet secrecy. So I cannot say what I was - whether I was, or whether I was not opposed.

In this Supplementary Supply to which I refer, as much of which was really known last year. There were many big items. The biggest one being an amount of \$10 million or \$12 million on the Newfoundland Industrial Corporation. Well these were really the picking up of commitments which had been made some time before, and had to be taken up in that year. I think that could have been anticipated. It was actually known, but it has another side to it. It is rather frightening when you come to look at this type of thing happening, is to know that the Government has many, many commitments, many, many guarantees, and it is quite possible and not at all unlikely that from year to year as we go on, we will have to pick up a number of these guarantees, and this sort of thing may be appearing from here on.

This is an addition to our normal need to meet our debt retirement. We may have to pick some of these very substantial guarantees which will mean of course, additional millions of financing. This has already been proven this year. Wait until we have \$10 million to pick up. Under these circumstances, it seems very difficult indeed to reconcile the fact that

we can put \$1 million on deposit in the Franklin National Bank, New York, at their rate of interest which is not at all together too high, when our needs of borrowing are so great and are so expensive. For instance, in the last \$8 million I think which was floated, the yield to investors was nine point six - nine percent or something like that. That is pretty expensive money in anybody's thinking. If you had to pay approximately nine and a-half percent to borrow money today, which you do, that is costing the Province, from the term of that loan from there on, nine and a-half percent for a year. Now just to break that down into something simple in what it could do for the Province if we did not have to borrow that money: Supposing we just take that million dollars lying on deposit as an instance. Take a small district such as my own, Fortune Bay - the people down there I suppose, one of several parts of the country, are lacking in very many essential services. They are remote. They are isolated

they are isolated and they are very difficult under all circumstances to service properly because of the nature of the country down there and the lack of roads. This is something I have been fighting for ever since I was member for that district and we made slow but steady progress. But I do not even mean this, certainly the interest on a million dollars approximately ninety five thousand dollars a year could build a good many little pieces of roads or fix up local roads in settlements. It could provide, in places like I have in mind, little medical clinics for instance, I have had requests for three clinics in my district, at an absolutely nominal cost because the people are willing to roll up their sleeves and provide what facilities they can themselves. But the <sup>in</sup> fact is, / three places in my district, doctors go there have to work out of doors because there is no place for them to see their patients. Old and sick people have to go into unheated rooms or no rooms at all for examination or to climb down over a very steep wharf into a little boat. In a number of these places the people have said to me "Look, if we could only find as little as \$1500 or \$2000 to fit up a place for a doctor, that would be a Godsend to us because at least we could get into a heated place and get out of the cold."

And people who worry about these things and matters to them mean a great deal are absolutely shocked and flabbergasted and distressed when they hear the huge sums of money mentioned in this House. And if one of them were to realize that a million dollars on deposit means \$95,000 a year interest , and all the little things that they lack that could be provided with that they get very very angry indeed. All throughout the district there are similar things which could be provided with very little money indeed. Doctors residences in the area are very, very lacking. There has been an old one in Belleoram for years which is leaky, rat infested and not fit to put a doctor in. Now I hear that, in spite of the fact that I was down there about six weeks ago, there was a rumour going around that the doctor was going to be moved out of that place and going to be taken somewhere

else. Well I know that Belleoram is seventy miles from the nearest Cottage Hospital on either side. And it is either a very very rough trip by boat or it is now an equally rough trip over partially finished roads. Seventy miles well by sea, it is hardly to Grand Bank it is about, direct by sea it is thirty miles to Grand Bank, but the people are always shuttled either to Harbour Breton or to the one on the Isthmus out here, Come by Chance. These are the places sought, they very rarely can go to Grand Bank because Grand Bank is overcrowded. They cannot offer the services there.

MR.ROBERTS: How far is Harbour Breton by water?

MR.EARLE: Harbour Breton is seventy miles by road. By water around from Belleoram it is not seventy miles but it is a much more uncomfortable trip than seventy miles by road. However, that is almost an unthinkable thing to ask of people in this day and age that they have to take sick people on such long trips often in very very bad conditions to go and see a doctor. Now I am told that doctor is to be moved from there over to Bay L'Argent the other side of the road and the doctor from Bay L'Argent is going down to Marystown and there will be no doctor on the west side of Fortune Bay until you have come to Harbour Breton. When I heard this rumour I came back and I rang the Department of Health and I said. "you do that over my dead body," because it is too great a hazard to put the people in down there.

So I was assured that it was not going to happen. I am now told by the people from the area who came in to this recent meeting a couple of days ago that the doctor had got his notice to move and he has to go. There will be a whole area of the country without a doctor or medical services and they have to get to Harbour Breton or they have to get across the bay. I think that this is completely unthinkable. I hope, I certainly hope that there is not any political<sup>motive</sup> behind it, or anything of that nature. It is

MR.CROSBIE: The doctor from where?

MR.EARLE: From Belleoram, he is going over the other side of the bay and that is it, there will be no doctor within seventy miles.

MR.CROSBIE: Impossible.

MR. EARLE: You cannot expect people to respect a government or feel well towards a government if they have to suffer this sort of condition.

MR. CROSBIE: What is the reason given did you say?

MR. EARLE: The reason is that the road has now been opened from Belleoram to Harbour Breton. Well it is only a partially finished road, it is a very rough road, it is not really finished. It still is seventy miles. And it is still an impossible route to take sick people over, they should not be called upon to go over it.

Other little things in the area, such as little town councils starting up, community councils, and so on and getting very enthusiastic and wanting to do a good job for their settlement then finding that they are completely without funds. They get initial start up grant and so on but it does not go very far. And they want to do things to improve their settlement. The biggest point which is prevalent all over Newfoundland is garbage disposal. It is crime, around the beautiful coast of this island, to see so many beaches and coves literally filled with stinking rotten garbage, because the people just throw it on the landwash and it goes out with one tide and comes in with the next. And the people themselves, particularly in places like Garnish Bay L'Argent, Belleoram all of these places in my district, are very, very home conscious, very proud of their homes they have very tidy well kept homes, and they paint them regularly and you could eat off the floors inside of them, they are so clean. But then right outside of one of these homes there is a stinking heap of garbage washed up on the landwash and these people have said to me, "look Mr. Earle is it possible for us to get a grant," One place, St. Bernards, which had a newly formed town council only ~~three~~<sup>two</sup> years ago, St. Bernards said to me; "we cannot raise much money here, we are raising some but we need \$1500 just to institute a garbage disposal, \$1500 just to pay some fellow with a pickup just to collect this stuff and we will clean the place up if we are given that." Do you think I can get \$1500 not on your life, not \$1500, I am not talking about \$15 million, or \$150 million I am talking about \$1500.

MR. CROSBIE: What from Municipal Affairs?

MR. EARLE: These are the source

MR. DAWE: Mr. Speaker, would the hon. member permit a question? May I ask the hon. member when this request was made for this \$1500, when was it made? of late? When was this request made for this \$1500 that you could not have received it?

MR. EARLE: This request I was told was made, I was there about six weeks ago, I was talking to the chairman of the council and he said he had requested it last year. While I was still a member of the Government..

MR. NEARY: The hon. member for St. John's West -

MR. CROSBIE: That was a couple of years ago.

MR. EARLE: Well these are the sort of things that our people in their own communities in their own quiet way look at and these are the sort of things that distress them tremendously and they cannot believe the millions and hundreds of thousands of dollars that they hear slapped around so haphazardly in this House. They would be a lot more annoyed if they knew where some of the money actually did go. You take for instance the subsidizing of the electricity. In the budget speech we were told there was a breakdown of seven industries that after I think it was sixteen years they would return possibly \$18 million a year to the country, on a cost benefit study. That is, I mean to say that if you took all its cost of subsidizing these industries and then worked out the potential benefit, through taxes and wages and so on which came back from them, that after sixteen years they might turn in \$18 million a year.

My only comment on that Mr. Speaker, is that in talking to any group of economists these figures are always considered to be largely guesswork. To begin with nobody can predict that far ahead most certainly nobody can tell what the value of the dollar will be in sixteen years time or how it will compare. And this is largely guesswork which is really not a true picture of how the country will benefit from these industries. For that reason I think items like that which literally give a fog picture should

not appear in any budget speech. I would even feel more happy about such statements if I knew and I do not know I admit quite freely that I do not know. But I do not think because it never happened in my time while I was minister of Finance, I do not think that these things were sufficiently checked out. In the department of Economic Development there are a few people who are doing a good job they are working away and I think they are pretty competent people.

MR.CROSBIE: Financially?

MR.EARLE: No in the department of Economic Development there are a couple of quite competent people doing this type of work.

MR.CROSBIE: Economists?

MR.EARLE: Competent.

MR.CROSBIE: They are not in Economic Development because the reply tabled showed they were not.

MR.EARLE: They were seconded to Economic Development, they may be paid by Finance. This is not a little cover up they are paid by finance but they are working in Economic Development. But anyhow, these fellows are fairly good but I know the people in my department felt when I was there, that in things involving heavy financial matters of the Province that these things should be checked and rechecked and rechecked in the department of Finance because this is where the controls should lie and other speakers have mentioned this and I am very much in favour of it, that within the department of Supply there should be an economic department, there is one there at the moment but it is not large enough. There should be a large one to check out all of these things to see that they are rechecked and double checked and all of the potential industries that we approach and all of the things that come back to us. The ultimate and end result on the financial conditions of this Province must be taken into consideration and it is too hazardous by far, it is much too hazardous, to leave to any form of guesswork at all.

There is another point which rather worries me about some of the statements in the budget. We are all extremely happy and pleased on both

sides of the House to know that the department DREE, as it is known, is beginning to function and will be pumping a considerable amount of money into this Province in the coming years, we hope.

The highroads programme which they will be undertaking this year particularly on the Burin Peninsula in my area, I am delighted and pleased to hear that this money is coming forward from Ottawa.

School buildings and so on which they are going to undertake and municipal developments of all sorts are long past due and very very welcome to our people. Nobody is going to criticize these. I am just wondering how far this study has gone again with the ultimate effect of this in the Province. One thing I am quite sure that if you build an all-weather paved highway the length and breadth of the Burin Peninsula that the cost of upkeep on that road once it is paved will be very much less than a dirt road, certainly the snow will blow off it and the winter maintenance and so on will be less, so that will be a saving in years to come to Government. Just as the Trans-Canada has been in the maintenance of it and the clearing of it and all this sort of stuff. But when you are getting into other fields which apparently DREE is going into, it may be another story.

For instance we know we all know how badly we need schools. How we wish we had the finances to build new schools in places. But there is one thing once a school is built, and a modern school, and a large school that then it has to be staffed, it has to be equipped and it is a continuing expense. I am sorry the minister is not here, probably to answer this but has this study been carried to the extent that all of the ongoing expenses which this Province will inherit from various DREE programmes has all of this been taken into consideration and calculated because we might well find that when we are using money and we need it so badly that there are some things which in the overall long run may cost us beyond what we can afford that we would be better advised to put into other efforts which in themselves would be making money for the province and creating income. This is where



this DREE programme must be channelled, it must be channelled in a direction where it will create more and more income for the people of our Province more and more jobs. Now services as bad as they are needed are henceforward going to be a costly event. But other developments could well be income producing developments now I do not know the details of the DREE programme I do not think any of us do at this stage. We have just heard the broad announcement. But take for instance one thing which was mentioned, industrial parks. I believe that the highway leading into St. John's, the new access road, is going to cost something like \$8 million for about eight miles of road. It is going to be a pretty expensive road. Of course it has to come through very expensive properties and it is certainly needed. But it is one very expensive road which is going into that area. However that is necessary. I am not quarrelling with that. I am sure the people of St. John's will not.

But if in conjunction with that there is to be an industrial park, an industrial park means to me and I think I have it right, an area where small processing plants and factories can be gotten together and create little industries all over the place, or rather concentrated in one area instead of all over the place.

We here in St. John's and many parts of the country have been quite proud in recent years to see the development of our city in the way of these big shopping complexes and so on that go up around the place. They are very attractive and very modern and give people good service. But one thing that everybody should think about and remember<sup>15</sup> that this type of development does not bring in any new income in fact it takes income directly out of the Province.

MR. SMALLWOOD: What does not, what does not?

MR. EARLE: The shopping centre concept.

MR. SMALLWOOD: The shopping does not although it is a help.

MR. EARLE: It is a help but of course it -

MR. SMALLWOOD: Anything that makes a community or an area more socially attractive is more likely to attract industry.

MR. EARLE: I do not think Mr. Speaker the Premier is listening because I just said that it is a very attractive set-up nobody will deny this.

MR. SMALLWOOD: Yes and anything that is attractive in an area helps to attract industry in.

MR. EARLE: This is simplicity in itself <sup>that statement</sup> and that goes without saying but what I am leading up to is the fact that an industrial park is an altogether different quintal of fish. An industrial park, unless you have the industries to go in it and the things to start up there, will be a sort of dormant expense for years to come. I always thought that an industrial park was built to accommodate industries which were coming in there.

MR. SMALLWOOD: Yes, but which comes first the hen or the egg.

MR. EARLE: This is the question. We here in this country cannot afford to take money even though it is given to us by Ottawa.

MR. SMALLWOOD: If they will not give it to us for anything else but that kind of thing, should we not take it?

MR. EARLE: And I think there again Mr. Speaker, this is where we should make our voices -

MR. SMALLWOOD: We can make our - The man who pays the piper calls the tune. If we could say exactly where we want that Ottawa money to be spent we would say it in fact we have tried to say it.

MR. EARLE: Well I understand that we are trying to say it with the Bonne Bay Park and if they are no more successful in the Bonne Bay Park than they are in this kind of thing we may as well -

MR. SMALLWOOD: Do not talk too soon on that. Do not talk too soon on that -

MR. EARLE: I will be the first to cheer -

MR. SMALLWOOD: Good. In that case the hon. -

MR. NEARY: First to cheer.

MR. SMALLWOOD: Good, well in that case the hon. gentleman maybe doing a bit of cheering.

MR. CROSBIE: Well he will not get hoarse from cheering about that.

MR. SMALLWOOD: Well, we will see.

MR. EARLE: To get back to this industrial park idea, in itself the concept is good. Certainly we on this side of the House and before I was here they have been hammering away for small industries, small factories and so on, *Dh!* This is the sort of thing that we need to give our people jobs but you cannot create small industries or small factories just by laying down an industrial park. It is a lovely place for them to go if we have them but you have to have them to go in there first, and I think, it is my idea, if the hon. the Premier asks which comes first it is certainly the egg. In my opinion the chicken comes first but we have not got the chicken. We are laying an egg without the chicken, this is a rather interesting statement. How can you lay an egg without a chicken? We seem to be very apt at doing some things backwards.

MR. WORNELL: Mr. Speaker, I wonder would the hon. gentleman permit a question?

MR. EARLE: Certainly.

MR. WORNELL: I appreciate the hon. gentleman's capacity to probably answer this question because I am sure he realizes how backward his district is in small industry. Now does the hon. gentleman think that small industries could be started in places say like Rencontre East, Pools Cove, English Harbour East, even if the hon. gentleman had the money to put right into it right away? What I am asking is does he think that there are competent people in these places to start these industries? I think this is the question.

MR. EARLE: I am glad the hon. member asked the question but I got off the track a little bit there on the industrial part of it. I had intended to develop this. I think he has put his finger on one of the basic problems of this Province but there are good people, there are excellent people in small places that are literally going to seed for want of something to do. I am inclined to look at the areas such as he mentioned as not just one settlement, you do not just pick out Pools Cove or Rencontre East, I look at it as an area and I think that with a development of a network of roads which is the first essential, the

MR. EARLE:

transportation so that people can get in and out of these places, this is the first step and then the next step, of course, is municipal service which they must have in order to attract anybody. I will never quarrel with any money spent by DREE on municipal services, this is certainly a most essential part but the big question I ask in my mind -

MR. SMALLWOOD: Another thing the hon. gentleman must remember is that infrastructure established in chosen areas, what they call the special areas, is meant not only to attract industry but to attract people from other parts of the Province to try to get a concentration of population.

MR. EARLE: Well, this again, Mr. Speaker, is one of my questions to DREE and I expect the hon. Minister who is handling this is as much aware of it as I am, I hope he is, but there are many fine areas in this country where the people are very happy where they are, they are very comfortable, they have nice homes and the last thing they want to do is to be moved from these areas. I take as an example, because I know it best, is the area around from Breck Cove to Belleoram to Pebls Cove in this immediate circle, it encompasses about eight settlements.

Some of the finest people that are living in Newfoundland, they are industrious, hard-working people, with always a few exceptions like you find everywhere, but on the whole they are very good people whose only aim and only desire is to earn a good living and they are doing it now under the most difficult circumstances because they are going away on draggers, they are going up on lake boats, they are going up building railways in Ontario, they are doing all sorts of things, anything to make a dollar so that they can support their family. Those people, particularly the younger people who do not want to do as their fathers did, they would like to be able to stay at home and work near, they would like to see these areas developed.

A remark made by somebody on the other side of the House bit very deeply into me, I resented it because he said that it was criminal, absolutely insane and criminal to encourage the people in these areas. Now I will not buy that under any circumstances because there is the nucleus of a development in an area such as that, where the people with just so little incentive given them could build up a viable livelihood and a good living for themselves and be far happier

MR. EARLE:

than they were if they were living in a new development in the city of St. John's or in Harbour Grace or somewhere else. That is where they belong, that is where they want to stay and their children grow up healthy and happy and very contented,

I think it is a shame socially and otherwise to move these people out of these areas rather than try the other track of putting something in the area for them.

Now in talking of areas such as that, here again it is not the huge complex of \$130. million or \$150. million. To begin with, if you put it into an area like that perhaps 200 or 300 people would get work which would be wonderful for such a place but it would not be based on the natural product which they have there and it would not employ the number of people that need to get work in these places so that any attempt which DREE or anybody else should make in developing these areas should be along the lines of industries built on the products near and available readily to the area. I think with proper study, proper attention, that there are many parts of this Province that could be made delightful places in which to live and very comfortable places, and I am awfully sorry to see, desperately sorry to see that so far so very few places have been designated as growth areas. I think there must be many more that will have to be because there is good -

MR. SMALLWOOD: That is purely temporary.

MR. EARLE: Well, I hope so. I hope so, Mr. Speaker, indeed because this would have to develop into something permanent which I think would be a shame. The difference you see in the economy today than what we had not so many years ago in Newfoundland is rather startling when you come to examine it. Human people did work for many many years in small salt fish plants and so on and catching and curing and processing and exporting the fish and so on and invariably there was perhaps several hundred people. I remember where I was born in Fogo at the seasons of the year there would be two hundred people employed there in that particular area just handling salt fish. It is true they got no magnificent living but on the standards of those days they did better than most and they were quite contented with their lot. Now today, of course, they would not be contented with that type of earning, it has to be increased.

MR. EARLE:

I think an extension of the sort of industry that I am talking about, of placing a relatively small amount of money in these areas with careful study as to how it should be used, how it should be spent and what it is intended to develop, would give these people the necessary lift, the necessary incentive to work themselves and try to build it up. I held a meeting about eight weeks ago in Pools Cove. I think just about all the people in the settlement attended and they are anxious to get going because in a place like that basically you have several families doing very, very well by catching herring, then they come on and they catch lobsters and they do reasonably well and then they go cod fishing and so on whatever is there. On the South Coast with open ports there is a greater variety of fish and a much longer season in which they can catch fish. And if ever in Newfoundland we can develop this sort of home town industry I feel that is the section of the country that leads itself most open to it, because it is an all-year-round and could be an all-year-round operation. I think it is an absolute shame. I say that you are doing these people a disservice to encourage them along these lines because God helps those who help themselves and they are awfully anxious to help themselves but they need just that little bit of money, that bit of incentive, and hopefully it will come from DREE to give them that necessary lift.

My hon. friend, the member for Burin, who is not here at the moment, spoke at some length and in great detail with a lot of figures about the deplorable condition in the construction industry, the comparisons with the rest of Canada and how badly we stacked up as compared to these other Provinces. But what is even more alarming than that, Mr. Speaker, is while what he said is correct the very fact that nothing new or virtually nothing new is on the drawing boards is even more alarming because the architects, the engineering firms and the people who have to do the original planning are so dead it is not funny. They are not getting any work, there is nothing for them to do. There is firm after firm, group after group that have had to pay off draftsmen and so on. Now when you come to examine that, that is a very alarming situation because, before any of these programs start or anything can get going, it is the planners who have to put it on the drawing boards and when things have not even reached the

MR. EARLE:

drawing board stage we are in for a pretty hard time ahead because it is months and months after they reach the drawing board before anything actually starts,

Seeing these people idle is I think the greatest disaster for Newfoundland because it means there is nothing much in the cards for the near future.

This must be terribly, terribly discouraging to boys coming out of university who have struggled hard to get a degree, B.A.'s and M.A.'s and fellows who have fought hard under very difficult circumstances to get degrees and sometimes at great sacrifice to themselves and their parents and yet they cannot see a way of making a livelihood. These are the people that are being let down so badly in this Province and these are the people that we have to do everything we possibly can for.

Now all of this has been blamed over the years on or, <sup>in</sup> recent years at least, <sup>on</sup> the war in Viet Nam and the tight money policy. I will probably be very much criticized for what I am about to say but I say quite without fear that the tight money policy, the so called tight money policy, was probably one of the best things that ever happened to Newfoundland. Everybody says why? Without money where can you get? Well we just have to look at our scale of borrowings and see what has happened over the past few years. We have borrowed at an outrageously extravagant rate, 1968, this is just a direct debt and the Canada Pension Plan, we borrowed on the market \$43. million and \$11. million from the Canada Pension Plan, \$54. million in that year. The next year it was \$46. million and this year it will be about \$50. million. We are going ahead at a tremendous rate and if during 67 and 68 and 69 money had been free and we had been able to borrow all we wanted I wonder where the debt would be today. That might not have been so serious if this money which we would have borrowed and could have borrowed if things had been easier had been used in productive industry but it would be disasterous and it will be disasterous if we continue borrowing money at this rate which does not produce new dollars for which to pay back our loans.

We are rather apt in Newfoundland, and this is perhaps due to the circumstances and what we have faced over the years. We have had to put in temporary injections to keep the thing going rather than find a permanent cure. We are like a person with diabetes, you know diabetes, once you start on insulin

MR. EARLE:

you have to keep pumping it in and probably in increasing doses until you die whereas if you get pneumonia or something like that you probably take penicillin you cure the virus and you are out in a few weeks. Well, our borrowing I would term has been of the diabetic type, our borrowing has been for a continuous disease, it has not been a solution, it has not been something that kills the germ, it has not been applied in that way and this is where I am at odds with the Government's borrowing policy. I feel that we must, of course, we have to go on borrowing money, How can a country progress if we do not? But how that money is applied is the question of whether we should borrow or should not.

Mr. Speaker, I think I covered just about all I wish to say on the budget. But I would like to refer to something else there and that is the classification survey and the recent problems with pay for civil servants and policemen and so on. I am very happy, as I know everybody is, that these problems have been settled for the time being. I am rather alarmed that in the settling of them there have been promises made which are going to be very difficult indeed to live up to. You take for instance the promise for teachers salaries, an increase next year for teachers salaries. It is due, of course they are entitled to it but the normal increment on teachers salaries in these years is about \$2. million to \$3. million, that is just the normal raise as they improve in their qualifications and if they were to get -

AN HON. MEMBER: And as we take on extra men.

MR. EARLE: And as we take on extra men and if on top of that they are to get say another ten per-cent raise or whatever it maybe or five per-cent next year it will be something between \$5. million and \$10. million. Then there is the raise which goes into this present agreement which has been made with the civil servants and so on, five per-cent. So adding it all up very loosely without really getting down to figures at all you can see this Province facing next year at least a \$10. million increase wage bill and we have to have some pretty heavy stepping up in the economy and in our revenues if we are going to find this \$10. million. We do not want to ever find ourselves in the state where we have to borrow just to pay our current expenses and this is the great danger which we are heading for because once we reach that stage it is curtains for



MR. EARLE:

this Province, if we reach such a stage it is curtains for this Province and I am very, very much afraid that with our other commitments and guarantees to industrialists and so on that we are extending the credit of this Province to the breaking point.

The fact that when the gentleman with Mr. Shaheen were in this Chamber and we ask so many questions some of which were answered and some of which were not. I did not get the opportunity to ask too many questions because everytime I stood up somebody else had either beat me to it or I sat down because I was asking something which was scandalous but it is not scandalous to know what we are doing with our people's monies. It is an absolute necessity to know what we are doing with our people's money and that is why we on this side of the House have been so aggressive and I think the people appreciate it.

But in a thing like an oil refinery which has now gone from \$110. million to a possible \$155. million I ask a question of one of these gentlemen here, I forget which one, I said; "supposing in the course of construction of this thing you find that you want to go even further, does the agreement permit you?" He dogged around it for a bit and said, he did not give a direct answer but then finally I pinned him down, "yes, there is that opportunity that this oil refinery with the agreement of the Government could go to perhaps \$200. million -"

MR. SMALLWOOD: Turnkey contract.

MR. EARLE: Yes, but there is no such thing as yet.

MR. SMALLWOOD: No such thing as what?

MR. EARLE: There is no such thing as a turnkey contract.

MR. SMALLWOOD: Yes, it is a turnkey contract.

MR. EARLE: But we have not seen it, here again -

MR. SMALLWOOD: Well, I am telling the hon. gentleman it is a turnkey contract.

MR. EARLE: Well, why if there is a turnkey contract, and this is in the interest of Newfoundland, why cannot the members of the Opposition, who are also elected by the people, see these contracts? After all we are responsible to the people, we are the ones that have to go out and answer to the economy of this Province just as much as the Government and yet we see nothing.

AN HON. MEMBER: (Inaudible).

MR. EARLE: Yes, this is the point that I was making that it could and can go up in price and, of course, no Government that starts a thing like this and gets into it and finds it partially built can ever back away from it. It would be impossible supposing the thing goes up another \$50. million they would have to stay with it and then comes the question, are we able to? Now another question which I ask during those interviews was all right we have our fiscal agent, Aimes and Company, doing this borrowing, What effect will it have on our general borrowing capacity? I was assured by the Premier that this was all carefully checked with Aimes and Company who are our fiscal agents?

MR. SMALLWOOD: Not only Aimes but all our financial people.

MR. EARLE: Yes, I am inclined to question this -

MR. SMALLWOOD: But especially above all the Bank of Montreal who are our bank.

MR. EARLE: I am inclined to question this, Mr. Speaker, because generally the limited experience I had in raising money for this Province is that when you want to float a bond issue people like Aimes and Company are essential bond floaters. All of these companies, with no reflection on them, are very interested in earning commissions. If they are asked to go out and borrow \$30. million, they are off to borrow \$30. million because they get a very nice commission on \$30. million, that is their business and you cannot blame them for it. But where we had in this Government's -

MR. SMALLWOOD: They also have a reputation of their own and a name and a status to protect.

MR. EARLE: There is no reflection on their reputation if the Government itself makes the mistake.

MR. SMALLWOOD: Oh yes there is. If on their advice we go in the market.

MR. EARLE: Well, this brings up another point which I want to cover in this discussion. Up until March 31st we had a financial adviser to the Premier and I thought personally very kindly of him, I worked with him for a year and a half and I respected him very much indeed. I do not think his advice was always taken but then that is a matter of opinion, He was a good, excellent man. Since that time that post has been vacant and I do not think it should stay vacant -

MR. SMALLWOOD: If we can get the man as good as he was, we are trying in every

direction. We were two years before we got him. Two

MR. EARLE: I sincerely hope we get one and get one quickly because, under our present--

MR. SMALLWOOD: We will get one as quickly, in the meantime we have Aimes and Company and the Bank of Montreal advising us.

MR. EARLE: I would far rather see a person working on our payroll

MR. SMALLWOOD: So would I

MR. EARLE: Than have any bond house or any broking house or anybody else looking after our financial interests, because, I do not think they are completely unbiased, try as they will.

MR. SMALLWOOD: So would I, so would I.

MR. SMALLWOOD: Would the hon. gentleman like to know this? I asked the retiring Deputy Minister of Finance of the Government of Canada - I pressed him and urged him to come and I dare say he would have come, as our financial adviser, but for the fact that the Prime Minister of Canada had already asked him to join him on his staff as a special adviser to him and I lost him. The retiring Deputy Minister of Finance of Canada, Robert Brice - I just lost him by days.

MR. EARLE: I am glad to hear that the Premier is actively onwards. It is a very, very important ...

MR. SMALLWOOD: He is not the only one I have asked. I have approached the highest possible levels. I may say, if the hon. gentleman is interested, I approached the vice-president of the Bank of Montreal, and asked him to resign, but he is not near enough to the retirement age at the bank to have accepted it, although he is an active adviser to the Government now and has been for some years and the hon. gentleman knows who that is and he is the chief of the Bank of Montreal in that field and I asked and pleaded with him to resign and come with us.

MR. EARLE: It is not who we approach, it is who we get that is important.

MR. SMALLWOOD: Yes, but I am trying to get the best kind of man.

MR. EARLE: Thank goodness, because we certainly need that position filled very quickly, and I sincerely hope, regardless of political differences, that the Government will be very successful in getting a top-rated man for that vital position and furthermore I hope that he will be listened to. This is the most essential part. You could get the best man in the world; absolutely A-1, but he has to be listened to. The last one was not always listened to.

MR. ROWE (F.W.): No government in the world takes 100 per cent of the advice that any adviser offers.

MR. EARLE: No, fifty per cent or sixty per cent or something like that. There is, also, in the department another very vital position vacant. It is

almost important as this one and that is the assistant deputy minister in charge of revenue. A province cannot live without revenue and that post has been vacant for sometime.

MR. SMALLWOOD: Left and right.

MR. EARLE: That is all right. I am quite use to being alone. I am quite happy to talk on. I imagine some of my colleagues are listening, and I do not think they will be too critical. However, the post of assistant deputy minister of revenue is, I would say, the next most important post to the post of financial adviser, because there is great need within the Department of Finance of building up a strong revenue collecting agency. When I was there, we were making progress, but it still was not satisfactory and then we lost Mr. Don Joynt who was in that position and the thing fell backward very badly. Now it has not been filled since. I think that was over a year ago. Such things as social security, tax collections and all of this, once they get behind, this is what happens. If a person owes money for social security assessments and if it is allowed to run, it gets up to a point that he cannot pay, then it makes it doubly embarrassing for the Department of Finance, for the Government to put pressure on that gentleman to pay his bill, because he has been allowed to get too far behind. This is the danger of what may be happening now. This is a very, very sensitive area of Government where revenues, which are the life blood for the Government, and if they are not given sufficient attention and proper attention, this is where you can see these figures, which have been produced for this budget this year and turn out to be completely wrong. Unless we keep on our toes and keep after this, may be the results, which we are all hoping for, will not be borne out by actual fact, when next year's budget is brought down.

Now, just one final thing, Mr. Speaker, the classification survey.

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I have gone on talking about strikes and so on. I was side-tracked for a moment, but the classification survey of all public servants was instituted, when I was Minister of Finance, and I felt and still feel that it was an excellent step.

There is, without doubt, there have been, without doubt, within Government services, built up over the years, some very peculiar things in the way of unfair situations where people have been employed at a certain salary, perhaps, on contract and then develop into a higher salary bracket and in many cases, they are not doing as good work or as valuable work as somebody who is getting very much less and this was the whole purpose of the classification survey. Once and for all to put people doing certain classes of work in certain pay brackets so that they would be getting the equivalent of their same companion, perhaps, in another department who is doing the same type of work, but not find the sort of thing going on that one fellow in one department doing a certain type of work who is getting more than another fellow in another department doing exactly the same kind of work and this, had it been implemented, would have been bonded to the benefit of the public servants themselves, and I was very sorry that they did not allow it to go ahead, because I am quite sure after a year of working and functioning that they would have been happy, except there would always be, in a big service of 10,000 or 12,000 servants of the Government, some people who, over the years, had gotten themselves into positions where actually they were not worth what they were being paid. Unfortunately, in Government, sometimes, these fellows are put in because of political favoritism, and they should not be there, but they were not going to be lowered in their salary scale. They were to be red-circled, they called it and kept at that level until they retired. So it was not being unfair to them, because had they been in a business or anywhere else, they probably, under such a survey, would have been fired, because their qualifications would not have

Mr. Earle:

met the position that they were occupying, but the Government were fair in that, they were not going to do it. They were going to red-circle them and keep them at this level, and I suspect that much of the protest against this survey came from people in that class, people who would not get their normal increment in the next year and so on and, therefore, they spread a howl, and you cannot blame any fellow, with the cost of living, who wants a few more dollars. He is bound to howl, but with the great bulk of civil servants, the public servants and all the classifications, this classification would have been of inestimable benefit to them, and I hope that after they had a year to think it over and thought about it and talked it out and got any little kinks in it ironed out, in discussing it, with the heads of departments and so on, that they will agree to this because I think it was one of the more forward steps of Government, which I am happy was instituted and started, when I was Minister of Finance.

Mr. Speaker, I have wandered all over the place in talking about the budget, but it comes back to the basic point, which I mentioned, when I first started to talk and that is that, in my opinion, this budget which is brought down this year, is over-optimistic from its revenue side. Time will prove whether I am right or wrong. It is certainly not over-optimistic from its expenditure angle, because I am sure the expenses will be higher than are calculated in that budget, but when it is all wrapped up and if we are all around here this time next year to see it, I predict that unless something completely unforeseen transpires, we will again be placing a substantial deficit.

MR. COLLINS:    Mr. Speaker, I was hoping that someone over there would have the courage of their convictions to rise and, at least, try and defend some of the things which have been seen fit to put in the budget and try and defend some of the other actions of this Government, contained not only within the budget, but outside it. First of all, Sir, I would like

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to make a brief reference to the illness of the Minister of Finance, and I am sure that all hon. members would want to join with me in wishing him a speedy recovery, a speedy and complete recovery and return to his duties in the department and hopefully back to this hon. House, before we find that the House is closed.

Sir, this is one year, I suppose, that we can certainly say that the "ghost writer" has read the budget. There was a lot of controversy a little while ago. The former Finance minister, as my hon. colleague sitting next to me made reference to the fact that in last year's budget, which certainly was a masterpiece in terms of volume, I think it was 121 pages last year, that he managed to write only sixteen words of it, I believe. We could draw the reference there that that particular speech was written by the Premier, by the boss and, of course, this year we saw the Premier, in his acting role as Minister of Finance, had the opportunity to get up and enlarge upon what he had already written and I must say, Mr. Speaker, that he did a masterful job in presenting the budget to the House, and could only commiserate with him and other hon. members in that the information which the budget contained was not all that palatable to Newfoundlanders and it certainly was not received all that well by Newfoundlanders.

I suspect, Sir, that Newfoundland people today have reached the point where looking forward to budgets does not give them too much to hope for. They all remember the budget last year where taxes were increased. We had taxes imposed and I will say it again on children's chocolate bars and soft drinks and the Premier himself, admitted at that time, the tax also applied to children's nipples, babies' nipples. I remember him saying that in, when I was speaking, the budget debate. After such a drastic budget, as we saw last year, certainly Newfoundlanders did not expect too much in the way of tax release or anything else in this year's



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budget.

Sir, I suppose, the measure of the budget, the measure of the affects of the budget, if you want to, is, in terms of the way Newfoundlanders think today, what it will mean in terms of jobs. The Premier went out of his way to stress the fact that we were going to have some new revenues this year, and I have always been led to believe, Sir, that to derive monies, for monies to come into the Government tills, the place where we usually get it is from the pockets of the taxpayers of Newfoundland and, of course, if the taxpayers of the Province are going to have money in one pocket to take out and give to the Government, then it follows that they must find gainful employment, to be able to take home weekly or monthly pay cheques, then of course, the taxes which the Government might hope to receive, will be deducted in one way or another.

Sir, with the economic conditions which we have in Newfoundland today, the lack of employment opportunities and I hope I am wrong here, but from what we can see, we are in the middle of May now, from what we can see for this year, it certainly does not look too bright, and I am at a loss to find where the Government can state such a rosey picture of increased revenues, when as I have said, very few of our Newfoundland people are - I would not say very few, Mr. Speaker, but a great number of our Newfoundland people are looking for jobs and cannot find any.

Sir, I mentioned a little while ago in some question I asked of the Minister of Labour, where I might direct people who were looking for jobs at the oil refinery project in Come-by-Chance. My mail, since the announcement concerning Come-by-Chance, my mail has been running about ten or twelve letters a day, and almost all of this mail is from people looking for jobs. Mr. Speaker, I would suggest that possibly people are more

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occupied or more pre-occupied with the need for jobs in Newfoundland now, then with any other single topic and it certainly makes me very conscious of the responsibilities of Government, when we find that a great number of Newfoundlanders, who some people still insist on saying, are interested in nothing more than Welfare. I will never believe that. I have never believed it. I know the vast majority of our people do want work and, as I have said, Sir, my mail is certainly reflecting that interest, and I am sure all the hon. members' mail must be the same.

Now, Sir, in talking about jobs and what jobs might be provided in the oil refinery project at Come-by-Chance, brings me back, and I am sure it must bring a lot of people's thoughts back to the beginning of construction in Churchill Falls. It will be remembered, at that particular time, that this Government saw fit to set up an employment agency in the Department of Labrador Affairs. I thought, at the time, and I am sure other hon. members thought at the time that this was possibly the right approach for ensuring that Newfoundlanders would get fair treatment in terms of employment in Labrador, on the Churchill Falls project, and I believe, Sir, that the Government set up that employment agency with the thought in mind that they might be able to assist Newfoundlanders in finding jobs which they otherwise might not have been able to obtain, were they left to the good will or otherwise of the Canada Manpower Employment Agency.

I would say, Sir, that that particular agency that was set up by the Government did us some success for a while, but we all know that as time went on, that particular agency did not have too much influence with the contractors in Churchill Falls, which were predominantly from Quebec, from the Quebec area, and I would say, Sir, that when the Government decided to abdicate, if you want, their role in trying to assist Newfoundlanders in

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obtaining work, and they abdicated their role and passed full responsibility to the Canada Manpower Centre. This was, in my opinion, an admission on the Government's part that they had lost control of the Churchill Falls Project, lost complete control of it, and certainly it lost complete control in terms of any influence that they might possibly have had in the first place of who would get jobs and who would not.

Now, Sir, last week, as I have, I inquired of the Minister of Labour as to what body, if any, we could forward requests for jobs to? Many of the people who wrote me, in fact, all of the people who wrote me, I immediately contacted the Canada Manpower Centre, but knowing that the Canada Manpower Centre, Sir, does not provide jobs, they can only find jobs for people, if an employer puts in a requisition to them asking for jobs. Knowing that I was reluctant, almost, to write Canada Manpower. I was really hoping and trusting that the Government would make some arrangement with Procon or with Shaheen or whoever and try and set up an agency, either in some department of the Government or outside, at least, under some Government control to ensure that Newfoundlanders did get a fair chance of employment at Come-by-Chance.

Now, Sir, when we think of the employment opportunities at Come-by-Chance, we must wonder, first of all, just how many Newfoundlanders might be qualified, and I am getting sick and tired, Mr. Speaker, of making requests of various contractors and others involved in the development of Newfoundland - I am getting sick and tired of getting a response from those people saying that John Jones or Joe Smith or whoever it might have been who applied for work - we have been very happy to have been able to have employed him and so on and so forth, but we cannot take him on, because he has not experience.

Now, Sir, I do not know where our men are going to get the experience until they do find a job and have a chance to prove their worth or

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otherwise and this bothers me to no extent in relation to the Come-by-Chance project. If we can believe what the Premier has told us today, there is no doubt at all that that particular construction project is about to start, but, Sir, when the contractors are announced, when the awarding of contracts are announced and Newfoundlanders start applying for work, I am of the opinion and nothing has happened in the past and I see no improvement in the future, nothing has happened to indicate to me that we will not find a situation existing again as existed in Churchill Falls, whereby Newfoundlanders will be given the more or less-meanial tasks of sweeping up floors and passing a piece of board to a carpenter and mopping up here and cooking somewhere else.

Now, Sir, it was mentioned during the debate which took place, surrounding the Come-by-Chance deal that very likely, there would be a considerable number of people coming into the Province from England, from London or from England or wherever place over there the equipment is to be manufactured. A great number of people who be coming in from that country, because of the fact, since the equipment was to be manufactured somewhere in England, because of the fact that the equipment was to be manufactured over there, this was in the terms of the agreement, it is followed that

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MR. H. COLLINS: I suppose that some of the people are more qualified, some of the technicians and so on would have to come here to supervise the construction as it were of the refinery equipment.

MR. SMALLWOOD: Well, I am telling the hon. gentleman right now, not a large number, I doubt if at any point throughout the whole construction period there would be thirty persons at any one time in the Province from outside it working on the oil refinery at Come-by-Chance.

MR. COLLINS: Mr. Speaker, that is a very significant statement for the Premier to make, and I am sure that will be -

MR. SMALLWOOD: It is made with knowledge.

MR. COLLINS: And time and time alone will tell whether the Premier's forecast will be right or whether my forecast will be right. I have had some experience, Mr. Speaker, with construction jobs which have been done by English Firms, I will not mention where it was, and invariably it always seemed to be part of the contract that if the equipment was to be manufactured in England and sent outside, that many technicians were to come to supervise the installation and very often once over the supervisors could easily say, "as much as we would like to employ Newfoundlanders, and we like Newfoundlanders, and we realize since the work is being done in Newfoundland, Newfoundlanders should be employed, but we cannot find qualified men to do the work," and this was always their excuse for their failure to employ Newfoundlanders and bring in as many people as they could from the other side.

Now, Sir, in terms of the Come-by-Chance Refinery, I suppose that it is only fair to admit and fair to say that no doubt much of the equipment will be of a sophisticated nature, naturally we will need some technicians who were involved in the design and manufacture of the equipment in England, and naturally it follows that some of these people ~~do~~ will come in here, ~~This~~ we do not mind, but I would hope, Sir, that the Government's announcement today that responsibility for employment at that particular site would be left with the Canada Manpower Centre, It is not an indication that the Government now realize that they are not having much luck in how many people

might be employed there.

I would suggest, Mr. Speaker, that since this Come-by-Chance Refinery Project has been talked about for so long, it has been talked about for a number of months and indeed years now, but certainly this passed few months, if we can believe again, what the Premier and other Government members told us, and what Mr. Shaheen and Procon and the other say, we have known for a number of months that there was a good possibility that this particular project was about to come to fruition and going to be started and eventually come into operation. I would suggest, Sir, that at that particular time once it was known, we were reasonably sure that the refinery was coming, I believe that the Government should have taken the bull by the horns, as it were, and started a crash program, a crash training program, if you will, it might have meant possibly sending a few Newfoundlanders, a few of our more skilled people to England, possibly let them get into factories where the machinery was to be produced, where it was to be manufactured, let them become proficient in what was taking place there, and then let them come back to Newfoundland and, possibly on a crash basis it would have to be, possibly in conjunction with our vocational school system started a program of training for Newfoundlanders for the particular types of jobs, make sure that they train as many as they could, certainly enough to take care of the labour demands which were anticipated at Come-by-Chance, and in that way Sir, possibly we could have ensured that Newfoundlanders who were desirous of employment and who were willing to learn might have had a chance in the construction at Come-by-Chance.

Then, Sir, I would suggest that it might have followed, but after the construction had been completed, which if we are to believe what has been said in this hon. House, after the construction have been completed, and the refinery eventually went into operation, then with our Newfoundlanders trained in the construction of it, and in the factory and so on, then we might have had a reasonably good chance of ensuring that the majority of people who found permanent employment in the Oil Refinery at Come-by-Chance might have been Newfoundlanders. But, I fear, Sir, that as things exist now, by lack of

MR. COLLINS: foresight on the Government's part, as we see it now, there is a real good chance that few Newfoundlanders other than in the very menial task of labour work will be employed during the construction phase and possibly fewer will find permanent employment once the refinery goes into operation. I hope I am wrong, Mr. Speaker, but the results of happenings in past endeavours of the Government would indicate to me that there has been very little planning in this regard, and certainly if the refinery is going to mean anything to us at all naturally we will want to get maximum employment in the construction stages, But if it is going to mean anything to us at all, then we must ensure that insofar as possible, the vast majority of the permanent jobs will be filled by Newfoundlanders who could have been trained and qualified for that particular industry.

Now, Sir, I would like to make some reference to a very important topic possibly not as important to people here in this hon. House or people living in the St. John's area, as it is to people who live in the district which I have the honour to represent, and people in Central Newfoundland and areas outside of St. John's in general. It will be recalled Sir, that not too long ago, a couple of weeks ago, the great labour unrest in this Province became a problem for the Government, that some very worthwhile concessions in terms of wage demands were offered and for certain classifications of employees, I am thinking generally now about the civil service and hospital workers across the country, certainly those increases in pay were well merited and long over-due. Certainly the increase in pay which was given to the Newfoundland Constabulary and to the firemen in St. John's was long over-due and was well merited, because those are a very fine bunch of Newfoundland workers, The constabulary I am sure are doing a worthwhile job in St. John's and certainly the firemen are doing a worthwhile job. But, Sir, I would suggest to the Government, and this is not the first time I suggested this, and the first time that other people have made the suggestion, that in my opinion, the time has come for the Government of Newfoundland to realize that if we

MR. COLLINS: are going to have a constabulary , a Newfoundland constabulary policing the city of St. John's, being paid for entirely out of Provincial revenues, while municipalities across the Island have to depend on services of the R.C.M.P. whenever it might be available, then it would have to go out and hire some suitable man, when I say suitable, the most suitable man they can find, put a uniform on him so on and so forth, and call him a municipal policeman

MR. SMALLWOOD: Inaudible.

MR. COLLINS: Yes, I am well aware of that, Mr. Speaker. But, the time has come, Mr. Speaker, in my opinion and certainly in the opinion of all Newfoundlanders, when the Newfoundland constabulary must be given jurisdiction, full jurisdiction in all the areas around Newfoundland and presently as we find where the complete cost for the constabulary which now exist in the city of St. John's is being paid for by the Provincial Treasury, then it is only fair, Sir, that the total cost for protection to persons and property across Newfoundland should also be performed by the Newfoundland Constabulary and also be paid for it from the general revenue account.

Now, Sir, this is a very important problem as far as I am concerned, because I have been involved in a municipality, the municipality of Gander, I am quite aware of the arrangement which is being made with the Province and the R.C.M.P. for policing in various places across the Island, I am also aware of the very great financial drain on municipalities where they had to hire their own policemen to do traffic work and work at school crosswalks and so on and so forth, and as I said Sir, the time has come, and I believe that municipalities in Central Newfoundland and municipalities all across Newfoundland from here on will be forwarding a petition making representations to this Government with the view in mind of having the Newfoundland constabulary or some other form of policing made available to all Newfoundlanders, not only to the city of St. John's. Sir, I have nothing against St. John's altogether, but we do have a fine police force here, and I would suggest that if the Government cannot make suitable arrangements for all the areas outside, then



MR. COLLINS: maybe the Newfoundland Constabulary should become a city police, a city of St. John's police force, and naturally we see some subsidizes from the Provincial Government, but certainly the city should have to take a more direct and a more responsible position than they are taking now. But the minister never listens, so it is not much point .....

MR. ROWE: F.W: Would my hon. friend permit a question on this? As between the two methods, I have been following every word the hon. gentleman has said on this matter, it is a matter that I think concerns all Newfoundlanders, but as between the two methods, if he had a choice of extending the Provincial police, or at least the St. John's police into a Provincial force, doing all Provincial work all over Newfoundland, as was the case prior to 1949, where we had the two forces, the Ranger force and the other force, or of subsidizing each community, let us say on a prorata basis, prorated in accordance with what St. John's was getting out of it, which would he choose? I am asking this question in all sincerity, not to embarrass him, as between having a Provincial force owing allegiance directly to the central government or having a municipal force as is the case in most cities, I think probably in all the cities in the United States and in Canada, or most of them certainly?

MR. COLLINS: Now, Mr. Speaker, that is a fair question. I am of the opinion that, let me say this, before Confederation the Newfoundland Constabulary did have responsibilities all across Newfoundland, there were three or four members of that force stationed at Gander, there were probably five or six stationed at Grand Falls/Windsor, stationed at Lewisporte, Fogo, Twillingate, St. Anthony, and all the centres around the coast, and as far as I am concerned, they did a very commendable job. I am not sure that the same need exist at that particular time, as it does now. I think the need for protection for persons and property is more acute now than it was then, because of the fact that many of the towns where we had police forces at that time were isolated, there was no road connection, and people were not

MR. COLLINS: moving around, there were no people moving in from the mainland so on and so forth, there was a different atmosphere altogether, But I would say that the Newfoundland Constabulary, which is a force with some history behind it, some tradition behind it, I would be of the opinion that the Newfoundland Constabulary would be the right body to do the work across Newfoundland. And I would also suggest, Sir, that one of the side effects of this would be a great number of young Newfoundlanders could find employment and it would also go very far <sup>in</sup> distribution of the wealth if you want to. As I said, all Newfoundlanders, 500,000 of them, are paying our proportioned part to provide a police force for the city of St. John's and there on the other hand we are also required to pay the total cost for any policeman, which the municipality in which we live, might be required to hire on our own behalf. As far as I am concerned, Sir, that is very unfair, and certainly an area <sup>in</sup> which the Government should have a very thorough investigation started and come up with some suitable plan which would be satisfactory to all the municipalities.

I am sure that the Federation of Mayor in municipalities have submitted numerous briefs to the Provincial Government on this, and while the Government might say that they do not know what they are talking about, I am not inclined to go along with that, because the mayors and councillors across Newfoundland Grand Falls, Gander, Corner Brook, Lewisporte, Bay Verte, and wherever you want them to go those people are very much aware of the problems facing their municipalities, They are close to the people, they know what their needs are, they know what their financial commitments are, and what their involvements are, and if those people are requesting this, I am of the opinion that they do know what they are talking about and the Government should certainly listen to what they have to say, and do everything in their power to try and relieve them of this tremendous and onerous responsibility which they have facing them.

Now, Sir, I did not mention the firemen at all, it a little different situation than the constabulary because in certain areas in Newfoundland we do have arrangements with R.C.M.F. which again, I do not like to say to

MR. COLLINS: much about police forces, but I would say that I believe that most people in Newfoundland would prefer to have a Newfoundland Constabulary as opposed to the R.C.M.P. Naturally there is a place for R.C.M.P. and their red coats, at different functions and so on and so forth, but for the nitty-gritty police work which is require in the smaller towns across Newfoundland, I think the constabulary should do a better job. We can still have the R.C.M.P., Mr. Speaker, I remember when I was a councillor on the Town Council of Gander, I do not know who the Minister of Justice was, may be it was my hon. friend here, about four or five years ago, there was some talk then about a Newfoundland Ranger Force, the Government then though they promises us one, of course this is one of numerous hundred of promises which were made across Newfoundland, but there was a promise that a Newfoundland Ranger Force was going to be established, and we would have policemen floating around Newfoundland, around the Trans-Canada Highway and around every stage, I do not know if that is permissible, Mr. Speaker, but it is gone now, every stage head and every cove and beach in the country the Newfoundland Rangers, the woods was going to be full of them, they never did come.

MR. SMALLWOOD: The Bill was passed.

MR. COLLINS: The Bill was passed. I remember, Sir, at this particular time when I was a member of the Council in Gander, and we have a citizenry out there, which is a very law-abiding group of people, very little need for police protection, but then as I said the roads opened up so on and so forth, and being an International Airport we found that there was a need for some part of the police force for directing traffic and so on and so forth, a request was made to the Provincial Government for some Provincial assistance in obtaining some R.C.M.P. constables, not only to do with the detachment which had already been established at Gander and who have responsibilities down in Wesleyville and Gander Bay and Carmanville, Stoneville and the island, I believe also, not only to do with the detachment, but we wanted an

MR. COLLINS: R.C.M.P. police force which was going to police the Town of Gander, be directed more or less by the municipality, in otherwords their full responsibility would be within the town limits. We were thinking in terms of possibly three policemen, I believe it was at the time, after months and months and months and may be a year of negotiation with the Provincial Government, who we had to deal with, it was no good to go to Ottawa and try to deal with the Chief Commissioner, we had to come through St. John's, after a long time of negotiating the Minister of Justice decided that he would send out Commissioner Prime <sup>who</sup> came into Gander to do a survey to see how many men might be required and what the cost to the municipality would be. The commissioner came in and did his survey and while we thought that may be three people would be fine, the commissioner, I believe, I might be one or two men out, but as I recall it now the commissioner recommended that we needed a minimum, Mr. Speaker, of eight R.C.M.P. officers to do an adequate job in the Town of Gander. And in addition to that, Mr. Speaker, a part of the agreement also would be, we needed eight then, but we would also have access or be able to count on the assistance of the police force, which was known as the Gander Detachment, whose responsibilities were all around the circle as it were. Which means that the in the commissioners opinion, chances are we needed ten people. But that

that was fine, we have no quarrel with that at all, if they wanted to send in eight of those people, fine. But then Sir, they presented us with the cost estimate which as I remember was something in the order of \$40,000. And for a municipality the size of the town of Gander at that particular time it was 6000 population. A new town growing with great needs for schools and churches and streets and sidewalks and you name it and we needed it , and we are not different from other municipalities Mr. Speaker across the Province. But at that particular time we put the whole works in an envelope and sent it back I do not know what was said but we laughed at it and I hope that everyone in here laughed at it as well. Because we just could not afford that, and the municipality cannot afford it now and neither can the other municipalities. But Sir, to get back as I said to the firemen, which is a different story altogether. I can speak here on terms of the municipality where I live but I do not want to be too parochial in this. I would like to reflect upon the problems all over Newfoundland and outside the city of St. John's, outside of the city of St. John's all the fire fighting brigades are volunteers. I think I am right in that, I believe Corner Brook has a volunteer brigade, that is the second city, I am certain that Grand Falls have a volunteer brigade.

MR .ROWE: It has some paid officials.

MR.COLLINS: Oh it has some paid, and they pay them, I know where they are paid Mr. Speaker. We have a volunteer brigade in the town of Gander, we have a volunteer brigade in Lewisporte and Glovertown and Clarenville and all around the Province. Very often Sir, you will find the municipalities some of them might have received some considerable financial support from Emergency Measures Organization (EMO) two or three years ago. Very few of them received any worthwhile consideration or financial contribution from the Provincial Government. They did receive some but as I said, nothing worthwhile. All those communities have been forced to, when I say forced Mr. Speaker, I mean forced by reason of need, they have been forced to establish fire-fighting stations, fire-fighting equipment, and then all

of this out of their own pocket, many of them again in terms of their fire fighting stations took advantage of the centennial year projects and incorporated fire stations into the town halls wherever it might be. But generally speaking, again, the cost came from the pockets of the taxpayers in the municipality and then after coming up with a fire station or a building and coming up with a tank or a pump and some hose and so on and so forth, they were obliged to go out to the citizens with their plea asking the citizens of the town if they would be interested in volunteering their services to act on the volunteer fire brigade.

I have attended many volunteer fire brigade banquets Mr. Speaker, and this is about the only source of recognition which a lot of those people get once a year in the municipalities across Newfoundland. The town council takes it upon themselves to throw a banquet or a dance for the volunteer fire brigade, members and their wives. And as I have said I attended many of those functions, I have always been amazed at the dedication and the competence of those people because many of them have received training, professional training, a great many times at their own expense, but with some assistance again from their Province. But they are a group of men who have taken upon themselves to work possibly from eight to five or nine to six in the day, go home and there is always a few jobs to do Mr. Speaker, when you go home at six or seven in the evening, between then and midnight especially for those of us who are married. And possibly find that after retiring about two or three o'clock in the morning you get called out to a fire on a blustery night and it is generally when fires occur, on a snowy night, a stormy night, a rainy night whatever it might be. And those people have been giving of their services to the municipalities and their fellow citizens for years free of charge. Although the point I want to make is that <sup>in</sup> terms of providing the stations and the equipment and all this which cost a lot of money Mr. Speaker, to establish any sort of a fire station with adequate equipment could run anywhere from \$30 to \$60,000. And all of this Sir, the vast majority of it comes again from the pockets of the

municipal taxpayers. And if the municipality finds that they cannot afford this and the citizens need protection we will find that next year there will be an increase of two mills or three mills or possibly five mills in the property tax in that particular municipality. But whatever it might be raised we find always that the money must come from those taxpayers who are already Sir, are also contributing to the provincial treasury for the payment, the total payment of eight fire stations in St. John's and numerous professional paid firemen. Mr. Speaker, as far as I am concerned the people who live outside of the city of St. John's are certainly being treated as second class citizens in terms of police forces and fire fighting forces.

MR. ROWE: Mr. Speaker, I wonder would the hon. gentleman permit another question on this. I am sure he would not, I do not think my hon. friend wishes to leave out of the picture the fact, and I am sure he does not, I am asking him this question. Is he not aware and I know he must be aware he probably has not referred to it now of the fact that every municipality in the Province receives a grant, in some cases grants from the Government of Newfoundland and that these general grants go into the municipal treasury and that these grants are to be used for the general municipal government of the town concerned and therefore indirectly could be regarded at least in part as a contribution towards fire fighting or for that matter police work and all the other things as well. I know my hon. friend, I am sure he must remember he is aware of that. And that is part of the picture when he speaks of the cost of that he would I am sure want to keep that in mind too.

MR. COLLINS: Yes, Mr. Speaker, that is very true, there are grants, of course those grants fall far short of the needs of the municipalities and I have taken on a per capita basis, there is no doubt at all but that the cost to the taxpayer living outside St. John's was contrasted with the cost of the taxpayer living within St. John's, there is no doubt in my mind who comes out best. <sup>or</sup> And of course/who comes out worse, and that is the taxpayer in the municipalities across Newfoundland. The hon. minister knows that. However the grants do go so far but there is no doubt in my mind at all.

Mr. Speaker, there are also some grants in terms of fire fighting equipment and I know here for a fact, I might be a few dollars out one way or another but not too many. It was only two years ago the Department of Transport in Gander served notice on the town on the municipality that they could no longer count on the department being able to take care of the fire fighting responsibilities in the municipalities. The reasons being that I suppose the Federal Government was tightening up here and there and they found that they had certain responsibilities to international carriers and what have you. And they gave the town council notice that they would have to come up with some sort of fire fighting equipment themselves. The town went about it very slowly and rightly so, there was no sense in jumping into it overnight and it took them sometime. They erected a firehall, they bought adequate , not adequate, they bought three pieces of equipment and trained the volunteer fire brigade. The cost of the equipment which was bought last year Mr. Speaker, amounts to approximately \$35,000, that is equipment which was purchased and grants which was received from the Provincial Government was \$3000. Now, Sir, at the rate of \$3000 per year if that grant is kept going, I doubt if it will, if it is kept going I am of the opinion that that was a one time grant. If it is kept going at a rate of \$3000 per year by the time they receive enough from the Provincial Government to pay for that equipment I would suspect that depreciation would have been such that by that time we would have been required to purchase other new equipment. So Mr. Speaker that fell far short of the requirement.

I also report Sir, that in the small municipality of Glenwood where the people, by running card parties and selling sweepstakes tickets and so on and so forth, activities which are normally left to Boy Scouts and Girl Guides and what have you as their source of revenue, by doing all of this and buying a pickup truck and equipping it with the necessary tools and so on, needed a small amount of fire hose. I remember making a request for them and do you know Sir, that that was a real battle, we finally did



get I think fifty dollars or sixty dollars or something an assistance for them. But this is indicative Sir, of the treatment which all of the municipalities get and of extra needs which are brought about by virtue of the fact that they are growing municipalities, people are getting better homes and so on and so forth and they need the protection and so on which they are entitled to.

Mr. Speaker, I believe the time has come for the Provincial Government to possibly call certainly an election, if they called an election they might solve a lot of our problems, settle more problems than

AN.HON. MEMBER: (inaudible)

MR.COLLINS: Oh the hon. member better be worried too. I would like to see an election and so would the people of Newfoundland and these are the people who count Mr. Speaker. The hon. member will find out soon enough. Talking about elections now, Mr. Speaker, the hon. member might be trying to say that nice people come last but we have news for him too.

Mr. Speaker, a lot has been said in this session of the House. We had the DREE programme announced a while ago. We also has a big highroads programme announced to deal with, both of those in a few minutes time. But the same time that they were being announced we were also told that the minister of Municipal Affairs was going to make a huge and tremendous statement of interest to municipalities in terms of water works and sewer works and street programmes and housing and fire halls and policemen and so end so forth. But Sir, that seemed to wither, the Minister is not here now, I was going to ask him when we could expect it. It was supposed to have been announced two Mondays ago, it was on a Monday, the press got the word, they got it across Newfoundland that it was going to be announced but Sir, someone got cold feet. We can always guess why there is nothing coming. I suppose we would be accused of being unfair if we said that chances are they have not got the money which they know it is going to take you know to do all this work. And then on the other hand, knowing the Premier as we do, knowing the political climate and knowing that he must be a very worried man, there is no doubt about that in our minds at all. Chances are that he might be holding this particular

announcement with the hope that he might be able to encourage a few people to stay with the Government a little longer and then of course on the other hand by keeping away from the people now he might feel that well they are looking forward to it and we might be able to hold on another month or two months, you know.

But I would say Mr. Speaker, that certainly one of two things, either that they cannot find the monies to match the programme which they had in mind or otherwise they are keeping it for an election. Personally Mr. Speaker, I would like for them to announce it right now because I am sure that all of us on this side of the House would relish an election. I certainly would. However, that is not too important Mr. Speaker, but I am sure the people of Newfoundland are looking forward very much to an election now and I believe Sir, that they deserve an opportunity, if ever a people deserved an opportunity to go into a polling booth and mark a ballot the people of Newfoundland certainly deserve that and are looking forward to it and - one or two months to go let us have an election - may be that is why no hon. members on the side opposite Sir, speaking in this Throne Speech, or budget debate. Chances are they are all waiting, not waiting but they are all lying back and when we have all finished over here the Premier will get up and lambast us for what we said and what we did not say and hopefully when he is finished and about to sit down he will announce an election.

MR. MURPHY: They can all say they are accomplices after the fact that is the whole thing they have nothing to say about it.

MR. COLLINS: I would say Sir, that certainly the highways programme as was announced by the Minister of Highways is nothing more than a political statement as far as I can see because every bit of road that exists in Newfoundland, every trail in the country, in fact it was said that during the announcement that it looked like that some of the small brooks on the West Coast were going to be paved. Goodness knows we have enough obstructions and enough difficulty -

AN HON. MEMBER: Something wrong with your glasses.

MR. COLLINS: Something wrong with my glasses, that might very well be. I can always manage to read and reading the papers and reading the minister's statement, and in fact when I read the statement, Mr. Speaker, I have been all over Newfoundland a great many times, I thought I knew of all the roads in the Province but certainly he came up with roads which people had forgotten about. Certainly this Government had forgotten about Mr. Speaker, for a good number of years. I would suspect that some of the roads that the minister mentioned that day, the roads which this Government never did know about in terms of what was ever done with them. And as I say, Sir, I think it was just a political statement because I fail to see where the minister is going to get all the money to do all the work which he promised he was going to do. However I hope I am wrong again because a majority of the people living in the rural areas of Newfoundland are sick and tired of swallowing dust and going to garages and getting tailpipes and mufflers fixed. The hon. minister must have a lot of them in his own district who I am sure come to his house probably armed with shotguns, when are you going to fix up the potholes here and when are you going to fix them up somewhere else. There is no doubt about it all in the world. So certainly Sir, we hope for the sake of the Newfoundland people that some of those will be improved and that people when they buy a car will be able to use it for a week or two without incurring vast or enormous expenses with garages and that the poor women in the outports of Newfoundland when they do their washing on Monday or Wednesday or Friday or wherever it might be they put their clothes on the line and take it in clean as it was when it was put out and not be faced with the enormous problem of dust from the highroads.

I do not think Mr. Speaker, that too many of the ladies in the hon. minister's district will be voting for him for that same reason because they must be disgusted, as are all of the ladies must be disgusted with the treatment which they have, they are getting from this Government and

the great problems that they have to put up with in terms of dust from rural roads. Getting my glasses changed, Mr. Speaker, is not going to help the minister very much, in finding money, if I thought it was I would certainly them changed.

Now, Sir we also heard from the minister of Community and Social Development, of the great DREE programme. Department of Regional Economic Expansion which is a federal department as we all know. I was pleased somewhat to know that my particular district was designated as a growth area. I do not know what that means in the future.

MR.MURPHY: A lot of children out there.

MR.COLLINS: So far as this particular programme which has been announced now the first year we find that the Bishops Falls water supply which has been on the carpet for two or three years is to be paid for by the funds from the DREE programme. We also find that the access road from the Trans-Canada to Botwood is going to be paid for now from funds from the DREE programme. We also find that there is going to be an extension to the District Vocational School in Gander, funds again from the DREE programme. Certainly those projects are needed and long overdue especially the road connection to Botwood and the water supply in Bishops Falls. On the basis that the water supply was announced last year, at least the government announced its intention last year of providing funds for water supply there. And calling tenders for the road in

MR. COLLINS: tenders for the road at Botwood, certainly I would hope that monies which were earmarked at that particular time for those two projects and which now have been released by virtue of the fact that the projects had to charged up under the DREE program, I would hope that some of this money will now find itself being used to assist the municipalities of that particular area with as much water and sewer programs much needed improved municipal services such as roads, etc within the municipality. I believe, that the hon. Minister of Municipal Affairs should come out with his statement because the time of the year is arrived when municipalities are looking forward to upgrading their streets, many of them are looking forward to increasing the capacity of their water systems and sewer systems. That we are in the middle of May, they would want to know, I would suspect Sir, what monies they can expect from the Government in terms of grants or special grants, how much money they will be able to raise on the loan market. And I would hope, Sir, that the minister would make his views known because there is much uncertainty in many of the municipalities and certainly they have a right now to know what they can expect, so that they can make plans and get the work underway and hopefully get it completed before the construction season passes.

One other comment, Sir, about the DREE program, I think the announcement that was made sometime ago by the minister probably reflects this Government thinking that no mention has been made of the rural areas of Newfoundland, any assistance which has been given is being provided to some of the more, you might call, urban areas, areas where we have fairly large concentrations of people, areas where we have some form of local Governments. It is indictive to me that the Federal Government are possibly on the same course as the Provincial Government. May be they are using the same compass, but we seem to be on a course provincially and certainly on a course federally whereby everyone is determined to see to it that people living in rural and smaller areas are forced to leave and take up residents in so many more urban communities.

MR. COLLINS: We have all gone on record, Sir, as to our feelings about resettlement, and our feelings about urban and rural development, and both their programs show to me that this Government possibly is right in step with the Federal Government in designing a policy which is going to force people, if you will Sir, to relocate to some of the larger areas.

I do not know what is significant about the appointments to the Salt Fish Marketing Board might be, for instance, we do know that Dr. Weeks who has been appointed President of the Board is a known centralist.

MR. SMALLWOOD: He is the Chairman.

MR. COLLINS: He is the Chairman, is he? Dr. Weeks at any rate is the Chairman, he is a known centralist, he has been spouting of his face, as it were, for years about the virtues of centralization. The President, who is the former member of this House, a fine Newfoundlander, and we have all gone on record as acknowledging that and wishing him the best in his new field. But one thing bothers me, he is leaving a Government which certainly made its views known in terms of resettlement. And I would hope, Sir, that that particular corporation in its actions in setting up facilities for storage of salt fish and so on and so forth that they do not go over-board as it were in discriminating against the smaller rural settlements because if that is so and the DREE program funds are not to find their way there either I would suspect, Sir, that some of the people in the rural areas of Newfoundland might be in for a real disappointment and possibly faced with no alternative but to relocate, whether they wish to do that or not.

Mr. Speaker, I was going to say a few things about tourism, I do not think there is any need for any hon. member to say too much about it, because just about everything that is worth saying has been said by different groups across the Province. I would say this, Sir, that in my opinion and in the opinion of many other people of Newfoundland, we are not happy that this resort, <sup>is exploited</sup> to the extent that we could and should, I am concerned, as I am sure most people are concerned that tied in with our tourist potential the fact that we do have a fair amount of wildlife a very dwindling amount of fish

MR. MURPHY: Have you got much more?

MR. COLLINS: Inaudible.

MR. MURPHY: Well, no, I mean tomorrow..... with the Speakers permission if you want to adjourn now perhaps, he might agree to it.

MR. COLLINS: I have three or four hours yet.

MR. MURPHY: No, I mean, that if you want it on tomorrow, I mean.

MR. COLLINS: Adjourn the debate?

MR. MURPHY: It is up to yourself.

MR. SPEAKER: Moved and seconded that this debate be adjourned. Those in favour "aye" contrary, "nay" carried.

HON. JOHN NOLAN: (MINISTER OF SUPPLY): Mr. Speaker, with the permission of the House, I would like to move a motion of sympathy be extended to the relatives, the surviving relations of the Late Father Shea and to the parishioners of the parish of Blackhead Road. I would hope that this is in order, Sir.

Mr. Speaker, with the permission of the House as I said, I would like to make this motion and to draw the attention of the House, if indeed it is necessary to the passing of Father Shea who passed away on Saturday night. Father Shea, as I am sure you know, was known and respected throughout the Province, as a man of God. He was recognized not only for his priestly duties, but as a Newfoundlander totally dedicated to the betterment of all people in his beloved Province. He was as you know, a tireless worker in the Blackhead Road community, he was intensely interested in young people, and it was for this reason he was instrumental in the expansion of the St. John Bosco School. He and the citizens of Blackhead Road succeeded as you know in expanding and upgrading the St. John Bosco School to a degree, that it is now a model for educators throughout the Province. The work of this one man cannot be over emphasized. Only a few weeks ago, as hon. members know, Mr. Speaker, this fine Newfoundlander was recognized by this community when he was named "Citizen of the Year". For the citizens of Blackhead Road this is a grievous loss, and he was, as I am sure you know, a man of the people, and while all

MR. NOLAN: Newfoundlanders will mourn his passing, for the people of the Blackhead Road community this is a tragic time, and a time of great sadness.

I am sure, Mr. Speaker, this House would want to express its regrets to the family of Father Shea, to his surviving relatives, to his church and in particular, I think, to all residents of the Blackhead Road community. I might say, that this expression may have been made earlier today in this House, unfortunately I was on Blackhead Road for the Morning Session, and I know that I had discussions a little earlier with the hon. the Leader of the Opposition, and I discussed this with him, and I am sure he, along with others, may want to join with me in this expression of sympathy to the surviving relatives of Father Shea and to the residents of Blackhead Road.

MR. A. J. MURPHY:(LEADER OF THE OPPOSITION): Mr. Speaker, if I may it is with a great sense of loss and I, too, join with the hon. minister in mourning the passing of a great Newfoundlander, I think, Father Shea at the very young age of thirty-seven has made a wonderful contribution to his work, not only as a minister of God, but as a young Newfoundland clergyman, who took a very great interest indeed in the work not only of his own parishioners, but to all those around him, I think, we had a great team, *in* the Rev. Cannon Babb and Rev. Father Shea on the Blackhead Road who we all know have had many, many serious problems over the years, and now just as things seem to be coming to a satisfactory pitch, if you like, Father was taken away. It reminds me of a poem we learned one time in school;

"Not quite into the silent grave stealing,  
But torned like a blasted oak, sudden away". And I think that describes exactly, Mr. Speaker, Rev. Father Shea. I have known him for many years, not in any political sense, or any political discussions, but in very many areas where we discussed recreation on the Hill, and other projects to raise funds for his parishioners. So, as I say Mr. Speaker, it is with a great sense of loss and regret that I join with the hon. minister who has the honour to represent the district, but also I am sure with every member of this House that this notice of condolence should be passed to his church, his Archbishop, and



MR. MURPHY+ his relatives and also perhaps more so to the residents of Blackhead Road, <sup>for</sup> who I am sure, this loss must be tremendous indeed.

HON. J. R. SMALLWOOD: (PREMIER) Mr. Speaker, I join with the two hon. gentlemen who have spoken, who have moved and seconded this motion. In my profound sorrow over the death of a man that I can only call a great Newfoundlander. Yes, he was a priest, he was a shining light in his church. He was all that, but he was a great Newfoundlander, he was a man who loved Newfoundland, he was a dear lover of Newfoundland and the Newfoundland patriot. He was something else, he was a man who loved the people around him. He was a man who had a fierce ambition to help his fellow men, his fellow creatures about him. And I think, it is inexpressibly sad that he should be called before he could see the crowning of a great work up there on the Southside, the great work being undertaken of which he was so very much the inspiration, he was not the sole inspiration, but he was a great part of the inspiration of it. It was the labour of love for him, he had a fierce protective instinct about him to see that people's rights were safeguarded and promoted, and it is a shame, as the Leader of the Opposition has said, it is a shame perhaps, that he has not lived to see the completion of this great work, and to enjoy it for a few years.

I wonder, Mr. Speaker, although it is known that he had a heart condition, I wonder nevertheless, whether his end was not hastened by the efforts he put in on this work. The physical efforts, the physical movement, coming and going, the physical exertion, the fatigue, the physical fatigue, that must have come to him many times in the course of his efforts for the people up there. I wonder, if all that together with the mental strain, with endless family people coming to him, and pouring out their troubles and putting him to the necessity to go so many times to see the officials, to see the authorities, to act as, a sort of ombudsman, for the people of his parish, if all that did not put on him a physical and mental strain that hastened his end. If it did, then he is a martyr to a great cause, to a great effort, an

MR. SMALLWOOD: effort that will undoubtedly uplift thousands of people, uplift them physically, uplifting because before we are through and indeed by the time we have spent millions of dollars up there, we are going to have a beautiful town, and that beautiful town will be to a considerable extent a monument to Father Shea.

I knew him well, he came in to see me many a time, but then he came into see everyone, I dare say, he came into see the Leader of the Opposition. I dare say, he came in to see others and that he always approached people he thought might help or advise him in getting results. And it is largely a tribute indeed to his great work and the town up there will always be a monument to his name.

I hear a suggestion that the school or that the manse up there, the rectory be named after him, but surely a greater thing than either of these could be named after him, surely some way can be found to perpetuate his name and keep it ever green in the eyes of the people as it will always be of course in their hearts.

MR. JOHN CROSBIE: Mr. Speaker, on my own behalf and that of our group, I certainly want to join in this tribute to the late Father Shea, who was in the great line of Roman Catholic priests who are involved not just in spiritual matters, but in life in general, the life of their parishioners and the citizens of the area that they live in, in general. Father Shea was certainly in that great tradition. I knew him for some five or six years.

The urban renewal scheme of the Blackhead Road, Mr. Speaker, we must all realize is a great experiment. It is the first one of its kind, it is the first urban renewal scheme of its kind, I think, in Canada. There was, when it was originally studied, a suggestion that everyone should be moved from the Blackhead Road and resettled elsewhere. But the sociologists and others who investigated recommended that this not be done, because of the great sense of community there was in the Blackhead Road, they felt themselves to

MR. CROSBIE: be a community and did not want to be broken up. Well, I think the fact that they had that feeling was in large measure due to Father Shea and also of course to Cannon Babb and his parishioners up there. Father Shea was the man active in every aspect of the community life and a fighter and a battler, as the hon. the Premier said, he would not just come to see the hon. the Premier, he would see the Cabinet Ministers, the Leader of the Opposition or anyone else that he thought could do any good for the Blackhead Road area where he was then a priest.

Certainly I was up on the Blackhead today, as the hon. minister was and certainly that community is in the state of very deep shock and sorrow over his loss, as we all are because there are few enough Newfoundlanders like the late Father Shea, and I hope as the Premier suggest some suitable way can be found to keep his name forever associated with the Blackhead Road, and a great scheme is now underway there.

HON. ERIC DAWE: (MINISTER OF MUNICIPAL AFFAIRS): Mr. Speaker, I would like to associate myself with the remarks of the other speakers in paying a tribute to the Rev. Father Shea. I had the pleasure of about three weeks ago meeting Father Shea at a meeting at the Blackhead on a Saturday morning and he attended our meeting there, and took an active interest in the discussions, and unfortunately he had to leave in the middle of the meeting, I think, to attend to illness at that time. And we had a meeting actually scheduled for tonight, as you know it was postponed because of his untimely death. But, I am sure that I would like to associate myself with the remarks that have been made, we were looking forward to this close association with Rev. Father Shea and the people of the Blackhead, we were looking forward to his advise and guidance in the implementation of the scheme, and I am sure that all the officials in my department share with the people of the Blackhead in their deep loss at this time.

MR. DAWE: Our meeting is scheduled now for later on this week, but I do wish on behalf of all the officials connected with the Blackhead to associate myself in this tribute to the Rev. Father Shea.

MR. N. NOEL: Not with any degree of formality or from duty to say a few words at this time, as the warden of St. Mary's Parish, in which parish of course the Blackhead Road is, it was my privilege to work with Father Shea on one or two occasions, always in inter-denominational matters and always in matters of charity. And I can say this; that it never seemed to bother Father Shea as to the denomination of the person who was in need of his help. It is a peculiar thing to be able to say that you spoke to a priest without really realizing that you were talking to a priest. He was a man's man. He was a modern man, He made a suggestion to St. Mary's Parish which would be almost unbelievable a few years ago, and which might not now come about - He was that type of man. Also, of course, his family home was in Pouch Cove, and his brother there is a very close friend of mine, not through politics at all, just a real close friend.

I would like to say on my own behalf, as a member of the House, but especially as an official of St. Mary's Parish, how much we are going to miss that man and what a pleasure it has been to work with him down through the years.

HON. S.A. NEARY: (MINISTER OF WELFARE): Mr. Speaker, I just want to join with the other hon. members of the House in extending deepest sympathy to the relatives and friends of the late Father Shea. Since I became minister of this department, Mr. Speaker, on more than one occasion I had a call or a visit from Father Shea either through the hon. minister who represents that district or nine chances out of ten, he would come to me directly. And I will never forget on one occasion, He did not always come looking for something, I will never forget this one occasion, when I had said something publicly, that he approved of, and so he called me to offer his support and some words of encouragement, which I thought was kind of him.

MR. NEARY: There is no doubt about it, Mr. Speaker, he was a fighter, a battler, but always fighting for the grass roots, he was a grass-roots crusader, in my opinion. And I think, that he is going to be greatly missed.

HON. PHILIP LEWIS (MINISTER WITHOUT PORTFOLIO): Mr. Speaker, solely on a personal note, I would like to join with the previous speakers in associating myself in a tribute to Father Shea. The previous speakers have referred to him, as a fighter, and a man who loved his fellow man. I knew him chiefly as a priest of God, and he represented the noblest and the best in that wonderful profession. As you know he was the Graduate of All Hallows University, from which many great clerics have come. And his career as a priest was very brief, but in those few years he did noble work. He served on the perimeter, out amongst the people of the outports of Newfoundland and only recently came in to the Blackhead area.

I would like to recite a little incident that he told me once, which typifies him as a priest and a dedicated man of God. He was a very young curé servicing in a remote outport as a junior to a very senior priest. In this outport there were two missions, two isolated missions, which the priest visited only once a month. And this particular place he made his visit regularly and of course he knew all the people in that particular section, he knew them intimately, as he thought. One winter afternoon he was making his way to this remote little mission church on a horse and sleigh and driven by a coachman, the old priest. He passed the house, he asked the driver who lived in that particular place. And the driver said to him; "oh," he said, giving the name, he said, "he is a recluse!" And he said; "Father, do not waste your time," he said, "inquiring about him." Why he said, "oh," he said; "he does not go to church or does not go to mass, he does not do anything, he does not attend any association meetings or anything". Well, he said, "that is all right." He went on down to the little school, and did the work that he had to do there, hearing confessions and so forth and so on, and on his way back, he told the old fellow to stop the horse. He got off the sleigh and he walked up to the door, and this place was barred up, the blind

MR. LEWIS: was down, there was no light in the kitchen, and the door was barred. He knocked, and he could not get any response. A lady who lived next door came out, and said to him, "Father, are you trying to get into that house?" He said, "yes, is there somebody in there?" She said, "yes," telling him his name. "I want to see him". She said, "He does not want to see you". "It is all the more reason", he said, "why I want to see him". There was an axe by the door, he picked up the axe and he beat in the door, and when he went in this old chap was sitting on the couch by the stove, a good fire in, and that was it. So the priest got in conversation with him, he did not get very far, , then this fellow told him, he said; "Father, I have not been to church for thirty years". He said; " I have not gone to meetings, and I have not associated with the people". "So", he said, "do not bother wasting your time", he said, "asking me to go to mass tomorrow morning". So, the priest talked away to him for a while, and then he said, "Father," he said, "although I have not been to church, nor I have not associated with my neighbours, one thing I have done, he said, I have said my rosary everyday of my life, and I say it here in my own

MR. LEWIS: "Say it here," he said, 'in my own home.'" Well the Priest said. "that is very good, glad to hear it, so on and so forth." By the time he was finished with him, he heard his confession. He had not been there for a good many years; so he had a few things to tell. When it was all over and done with, Father Shea said to him, "when Mass is over tomorrow morning, I will bring you Holy Communion." This old fellow said to him. "Father, do not bother, I will get to church tomorrow morning." He said, "no, do not bother, you have been here for so long and you have not gone to church. Do not bother about it. I will come to you." "Do not worry," he said, "Father, I will be there." He said, "is that a deal." "Yes," he said. "that is a deal."

The next day the Priest went down and he said Mass, and he dealt with his people, and he looked throughout the congregation, but he saw no sign of his friend. So, he said to himself, "he has let me down." Father Shea was the kind of a man who did not give up, at the first try. When it was all over and done with, he took the Blessed Sacrament with him, the Host with him, got on the horse, and he went back to the house again. When he went up to the place, it was still barred up, as it had been the night before, barricaded. Doors were barred, inside and out, blinds down and no entry. He tried his best and did not get in. He could not get in so he picked up the axe and beat in the back door and when he went in this man was dead on the floor in front of the stove. All I say is that Father Shea was a young man. He was thirty-seven years of age. He did a lot of good work. His reward will be the spiritual work that he did for mankind for whom he loved so well, and all I can say in supporting this motion, Mr. Speaker, that in the words of Holy Writ, he was a great Priest who, in his day, pleased God.

MR. SPEAKER: I take it the resolution given by the hon. member for St. John's South and seconded by the hon. Leader of the Opposition has the unanimous concurrence of the House.

HON. L. R. CURTIS (President of the Council): Mr. Speaker, I move that the remaining orders of the day do stand deferred and that the House at its rising to adjourn until tomorrow Tuesday at 11:00 a.m. and might I suggest, Mr. Speaker, that I think it would be the will of the House that if those members who are attending the funeral are not back promptly at 11:00 a.m., that perhaps, Mr. Speaker, you might allow a few moments so that they will assemble. I move that the House do now adjourn.

MR. SPEAKER: It is moved and seconded that this House at its rising to adjourn until tomorrow Tuesday at 11:00 a.m. and that this House do now adjourn. Those in favour "aye." Contrary "nay." Carried.

This House stands adjourned until tomorrow Tuesday at 11:00 a.m.