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**VERBATIM REPORT**

**Wednesday, June 28, 1972**

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

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

PRESENTING PETITIONS:

MR. DUNPHY: Mr. Speaker, I beg leave to present a petition on behalf of the residents of Seal Cove, Stephenville Crossing. The prayer of the petition is that they have no water or sewerage facilities in their district. Seal Cove, I might point out, is part of Stephenville Crossing. I suppose ever since the incorporation of the Town of Stephenville Crossing, they have had no water or sewerage and have had to carry their water from the centre of the town where they do have water but as yet no water seems to be coming their way.

I think this should rate high on the list of priorities within the Department of Municipal Affairs. I think in this day and age where people live within a community, with parts of it with water and they themselves without, seems to me somewhere along the line they are being discriminated against. I do not think this is fair.

Now to make this connection is not a very, very big job. Actually they are only eight-tenths of a mile from the source of water

The plea in this petition is that the Department of Municipal Affairs make money available to council to extend this water line into Seal Cove. Presently and for some time some people have had to drink water from brooks and ditches in the area. Now I think every member in this hon. House realizes this has gone a little too far in this day and age, so I ask that this petition for water and sewerage for the area of Seal Cove be placed upon the table and referred to the department to which it relates.

MR. NEARY: Mr. Speaker, I am very happy to support the petition presented by the member for St. Georges on behalf of the residents of Seal Cove, Stephenville Crossing. If conditions are as the hon. member describes, Sir, then I think he is quite justified in asking that the

water and sewer system in Seal Cove be placed high on the list of priorities of the Department of Municipal Affairs and Housing. I do wish him luck, Sir, I hope that he can get the prayer of this petition answered, but I am afraid that the statements that the honourable Minister of Municipal Affairs and Housing made the other day, running a closed-door policy, not meeting delegations from town councils and so forth, that the hon. member is going to have some difficulty in getting the water and sewer system for Seal Cove. But I do wish him the best of luck, Sir.

Notices of Motions:

MR. MAYNARD: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a Bill, "An Act Further To Amend The Workmen's Compensation Act, 1962."

ANSWERS TO QUESTIONS:

MR. HICKMAN: Mr. Speaker, yesterday the member for White Bay South asked a question or gave notice of a question. I undertook to get details and furnish an answer to the House today. The honourable member's question was: Whether police were serving or distributing around the city of St. John's a questionnaire or notice with respect to women serving as jurors.

The position is, Mr. Speaker, under the provisions of an amendment to the Judicature Act passed last year, that since June 1 of this year women are now eligible to serve as jurors in Newfoundland. The law also provides that in the City of St. John's a list of jurors must be taken during the period from and including the first day of June up to and including October 20 in each year.

The jury list is now being taken in St. John's by two members of the Newfoundland Constabulary. This is the practice that has always been followed. Such police officers while taking the jury list pursuant to Section 11 (4) of the Judicature Act, as amended last year, leave with each woman, qualified to serve as a juror, a form of notification and she may be, if she wishes not to serve as a juror not to appear on the jury list, complete it and return it within ten days. There is no additional cost involved. Indeed it eliminates the cost of separately calling upon or leaving at the place of residence of a juror the notice. That is what is being done and the Act, as the honourable member will recall, provides that the notice has to be left at her place of residence and this is what is happening. It simply means this, that in Newfoundland now women are eligible to serve on

juries, If they want to be exempt there is a form that they can complete and return it to the revising officer - the magistrate or the superintendent of the jury list, within ten days at which time she will be exempt.

MR. CROSBIE: Mr. Speaker, just before the Orders of the Day I would like to make a statement in connection with the Oil Refinery at Come by Chance, just to make the position doubly clear, if I can. The position in connection with pollution control at Come by Chance:

Mr. Speaker, it was reaffirmed this morning. We had a meeting and which was planned long ago, by the way, had nothing to do with yesterday's news, with representatives of Newfoundland Refining, Mr. Homer White and other representatives of the company; Jakes Engineering, who are the government consultants, to the government, etc. in connection with the oil refinery; Procon Great Britain Limited, who are the general contractors; Mr. Dustan, of the government service, who is the vice-president, of the financial crown corporation involved -

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The position with respect to affluent control which is within the jurisdiction of the Government of Canada (Department of the Environment) is very clear. At the insistence of this Government, after our visit to Ottawa in early May (when we were told by the Department of the Environment at Ottawa that there were some ten points remaining to be agreed in connection with pollution control at Come by Chance, as far as they were concerned) following that visit to Ottawa, at our insistence, we arranged for meetings to be held between officials of the Department of the Environment, Procon, Nfld. Refining, Jacob's Engineering our consultants, and the Clean Air, Water and Soil Authority, so that the question of pollution control at Come by Chance would be settled. It was a matter that had been discussed for many months before we came into office and had not been resolved.

A meeting was held between all those parties on June 7 and 8 here in Newfoundland. A good many points were resolved at those meetings. As a result of those meetings on June 7 and 8, further meetings were held in Newfoundland Thursday and Friday of last week, I think that is June 22 and 23. At the conclusion of those meetings, which were attended by all the parties that I have mentioned, the situation was completely resolved. All the parties are in complete agreement on what needs to be done to satisfy the Department of the Environment in connection with affluent disposal at Come by Chance. We were so informed by our officials, and it is reconfirmed this morning that this is the case. All matters at issue about the necessary pollution controls had been agreed with the Department of the Environment.

Yesterday morning, Mr. Speaker, the Minister of the Environment, Mr. Davies, called me and I believe he called the Premier also, to say that a statement would be made in the House of Commons yesterday to the effect that a month would be given for this to be confirmed in writing and the revised plans deposited at Ottawa. Otherwise, an order might be made to stop construction. I naturally assumed that Mr. Davies would be

explaining, when he made that statement, that these meetings had been held between the various parties and that everything was agreed, so that what remains to be done is simply a formality. That was not explained and his statement is therefore most misleading.

AN HON. MEMBER: Sabre rattling.

MR. CROSBIE: Yes, sabre rattling unnecessary sabre rattling. The Provincial Government, the P.C. Administration, is just as keen on having proper pollution controls at Come by Chance as the Government of Canada, which is what we have told them. As a result of our efforts, these matters have all been resolved at the meetings held on June 22 and 23. Therefore, the telegram that has been sent (the telex) in a sense was unnecessary, but there is no harm in its being done. It should certainly be made clear that everything is agreed. What remains now is simply a formality, confirmation in writing of the situation and submission of revised plans. Newfoundland Refining and our advisers tell us this can be done in the next seven to ten days. Therefore, the fuss and furor, caused in the last twenty-four hours by this announcement in Ottawa, is quite unnecessary. I do not think that there is anything else that I can say on it except that it is unnecessary. These matters are agreed. There is absolutely no possibility, no need for such an order to be made and no possibility we see for such an order to be made.

The control of pollution with respect to emissions, that is the air, what substances may go off in the air, is a question of provincial jurisdiction, which is being dealt with by the Clean Air, Water and Soil Authority here in the Department of Mines, Agriculture and Resources. They have retained consultants to advise them, the firm of McLaren, James McLaren I think it is.

AN HON. MEMBER: When were they retained?

MR. CROSBIE: They were probably retained months ago, it is not anything recent. There will be a meeting on July 7, between Newfoundland Refining and the other parties and the Clean Air, Water and Soil Authority, about

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emissions. We do not foresee any great difficulties in that connection.

The government want to make it clear to the people of Newfoundland and particularly those working at Come by Chance, Mr. Speaker, that any worry on their part that construction may have to be stopped in a month's time is entirely unnecessary.



Mr. Roberts:

Sir, I am glad the minister has made the position clear. There is not much that I would add to it except to say that I believe consultants were retained by the province the better part of eight or ten months ago, on this matter, on the emission and I thought on the affluence as well. But I wonder if he could tell the House, Sir, he mentioned a meeting, I believe on the 10th day of May, of the Environment Canada people, I gather, I think there were ten points and maybe I have the tens wrong, there were ten points. Was that meeting on the 10th of May, the first intimation that the administration had or for that matter the provincial buildings, the Crown Corporation involved, had that N.R.C. were not resolving these matters?

Now I ask that not to create a debatenor to cause any controversy. I ask it because to my own knowledge these negotiations have been going on for well over a year and they were going on normally with proposals and counter-proposals and meetings and there was nothing untoward. Last night we had the experience of seeing two of the Federal members, Mr. Carter and Mr. McGrath, trying to make cheap politics out of this, but I am not interested in that. What I am interested in is whether the meeting in May, held in Ottawa when the Premier and a number of his colleagues met with the Prime Minister and a number of the other ministers at Ottawa, whether that was the first intimation the administration had that the meetings between N.R.C. and the government had not come to the point they should have come to and that the matter was not being solved satisfactorily?

MR. CROSBIE: Mr. Speaker, we knew of course that meetings were being held from time to time and there did not seem to be much progress being made, because of course Mr. Dustan kept us informed on all these things. But at our meeting in Ottawa on May 10, if that is the date, it was the first time that we were told there were these ten specific points and unless action were taken to clear this up

that the minister might make an order, that he could order and might make an order that construction stop. We therefore took the necessary steps to see that they were resolved and it was from then on that our own consultants, Jacobs Engineering, were instructed to participate in these meetings so they could advise us.

MR. ROBERTS: (Inaudible).

MR. CROSBIE: They are not on pollution, not on pollution any more. Therefore the matters have now been resolved.

MR. NEARY: Mr. Speaker, I would like to ask the Minister of Labour if he has yet received the report of the committee that is investigating the most recent accident at the ERGO plant in Long Harbour?

MR. MAYNARD: Yes, Mr. Speaker, I have received a report and I will be discussing it in a joint management union meeting tomorrow afternoon, if union arrangements can be made and I think they can. I should have a further statement on it immediately after the meeting.

ORDERS OF THE DAY:

MR. ROWE (W.N.): On orders of the day, Your Honour, imbued as we are with a sense of responsibility and public spirit we will forego private members' day and allow the government estimates to proceed in the House.

MR. NEARY: Mr. Speaker, that is what you would call co-operation.

MR. MARSHALL: Mr. Speaker, the Opposition have agreed to foregoing private members' day but I believe my honourable friend will concur that he has agreed also that this House may meet tonight for the purpose of considering. So realizing that, - Well we do not like to pressure the Opposition, realizing that his colleagues will stand behind him on the other side and Standing Order (7) requires this technical motion, I move that the House at six o'clock this afternoon do not adjourn.

MR. SPEAKER: It has been moved and seconded that the House at six

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o'clock this evening do not adjourn, carried.

On motion that the House go into Committee of the Whole on Supply, Mr. Speaker left the Chair.

COMMITTEE OF SUPPLY:

MR. ROBERTS: 303-01, has the Premier a statement on it, Mr. Chairman?

MR. MOORES: Other than what I had to say last night, Mr. Chairman, at that time the honourable Leader of the Opposition asked for the key personnel that were involved in that department, now I could very easily give the total number of personnel involved but I think what he requires are the senior people that are involved in information services and executive assistants, I would imagine.

The five people who draw a salary of significance here. That may be, I assume, is what the hon. leader wants: Dr. Stuart Peters, who is special adviser to me on a one year contract at \$28,000 a year, Mr. Tom Doyle, Parliamentary Assistant at \$10,000, Mr. David Butler, Director of Information Services at \$15,000, Mr. Jim Stratton, the Press Information Officer at \$8,500, Miss Dolores Carlson, Research Director at \$8,500, these are the five that I assume the minister wanted to know about.

Now regarding the duties of these particular people, Mr. Chairman. Dr. Stuart Peter is the man with a record which is I think well known to some of the members opposite. He is a man who has had experience with the Newfoundland Government before, before coming to a parting of the ways with my predecessor, but I would like to just give a little of the background of the gentleman, He is the Chairman of the Planning Task Force that we have established and he is to the future administration of the government invaluable.

In 1968, after Dr. Peters left Newfoundland to join the Government of Canada, he was under a contract as special adviser on science to Maurice Strong, the President of the Canadian International Development Association. For the first two years he was responsible

for the development and the co-ordination of activities with respect to the establishment of international development and research. He continued as special adviser on science and technology with respect to C.I.D.A. activities until 1971 when Maurice Strong left to become Secretary General to the United Nations Environment Conference to be held in Stockholm, which is just being completed this spring.

In the spring of 1971, Dr. Peters accepted the position of Executive Director of the Outdoor Recreation Division of the Ontario Department of Lands and Forests and was responsible for the policy and administration direction for Ontario's provincial parks, recreation areas, sports fishing and hunting, etc.

Dr. Peters served on advisory boards in Canada and had a broad dealing with natural resources. In addition he held the term and appointment as Canadian representative on twenty-four national advisory committees on science and technology, to the Economic and Social Council of the United Nations and then to the Secretary General of the United Nations.

AN HON. MEMBER: Inaudible.

MR. MOORES: Yes, it is a second coming, because he was kicked out by the original first coming.

AN HON. MEMBER: He resigned.

MR. MOORES: He resigned under some pressure.

AN HON. MEMBER: Under pressure?

MR. MOORES: I would think yes. I think so. He was Deputy Minister of Mines, Agriculture and Resources and I think there was a crossing of the ways, as I say, between my predecessor and Dr. Peters himself.

MR. ROBERTS: No. Dr. Peters...

MR. MOORES: That is Dr. Peters' story, you can get the other gentleman's.

MR. ROBERTS: No, I was involved and I know Stuart at least as well as, I

have known him far longer than the Premier has. He became Director General of Planning in the Community and Social Development Department and subsequently went with Maurice Strong, whom again I know far better than the Premier does.

MR. MOORES: I do not know Maurice Strong at all.

MR. ROBERTS: A great fellow, He is peddling around Stockholm on an environment conference. The Minister of Mines was over here peddling with him, was he not?

MR. MOORES: Yes, well he was in Stockholm anyway.

MR. ROBERTS: Now, what I want to know is what he was peddling?

MR. MOORES: No, I think he was buying.

Mr. Chairman, regarding Dr. Stuart Peters, a salary of \$28,000 a year on a contractual

MR. MOORES: arrangement for any government, particularly our government, is a very high salary.

With the priority that we placed on planning, I think it is absolutely essential and I consider crucial to have a man of Dr. Peters, ability, I am very thankful that he is available. He has had higher offers from private industry in Newfoundland, which he has turned down. He is not being paid by any other agency other than ourselves. Basically, he is very concerned about the future of this province and I make no apologies whatsoever for the salary that he gets compared to other people in the civil service who are appointed for varying reasons other than their past, I think he is very competent and very capable of doing the job which he is associated with now.

Mr. Tom Doyle's salary was mentioned previously in a question in the House. Mr. Butler's salary, I would imagine we will discuss this together with the others under the function of Information Services, as such. If I could just have a moment to review that function now, the Information Services has been established not to replace the Newfoundland Bulletin, that is not the object, to replace one propaganda organ with another. It was suggested to us by the local branch of the Radio and Television News Directors' Association, they put in a proposal as to what they thought was the best means of disseminating information, and we thought it was a good idea.

The terms of reference of the department, as the Leader of the Opposition knows, this has been spelled out very clearly, and if that is not the case, the service will be stopped. But the function of the service basically is to issue statements from the various departments of government, from the Leader of the Opposition, from any of those people who basically have an influence on the government of the province. The function of the department will also be, in time, to make legitimate programmes that are available to people in various communities make available to various segments of our society, whether it be fishermen

MR. MOORES: or whoever and to make sure that the pertinent information, municipal councils and so on is circulated to the various groups that are concerned in the province. They will not have the Progressive Conservative logo at the top of the stationery, they will have Information Services and I hope that is exactly what the particular function of this department will do.

I think it is very unfair to say that this department is unnecessary until they have had time to prove or dis-prove themselves. A memorandum has gone out to each of the employees, which the Opposition has seen, but they must be totally nonpolitical with regard to partisan politics. In fact any proof that the service as a whole or the people within it were involved in partisan politics in any way would be grounds for dismissal. They are to refrain from in any way incumbering the normal relationships between the press and the ministers of the government or the Leader of the Opposition, in dealing with the media. the Newfoundland Information Service acts only on solicitation by the press or the individual ministers or the Leader of the Opposition.

In other words, the Information Services prepares research, finds out researches, prepares statements for those who need the information and acts as a contact for the media generally. The cost of the Information Service Department, as it will be set up this year, is \$40,000 in salaries for five people, that includes Mr. Butler, Miss Carlson and Mr. Stratton. A further \$16,000 for the equipment that has to be installed, for a total of \$56,000. Mr. Chairman, That, once again, I do not think is a lot of money for the service, I hope that the Information Service will perform. Just in passing and not to condemn, I state that the Bulletin last year costed \$178,000. This service will cost \$56,000, and I hope that it will be a better service to the people generally.

One other point I might make, Mr. Chairman, is that virtually every other province in Canada does have this sort of service. It is not unique to here. It is a service that has been working in



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MR. MOORES: Ontario and Alberta and other provinces for quite a considerable length of time.

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MR. ROBERTS: Mr. Chairman, I do not propose to start at this stage a long discourse on the information services. I appreciate what the Premier has said and indeed I had a letter, as I am sure he knows, from the Director of Information Services, Mr. Butler, in which he offered to make the services available to me and in effect what he said was a precise of what the Premier has just said. I do not have my reply here, but I wrote him back and just thanked him and said I understood the motives which led him to write to me and sincerely yours, that was it. I have no intention of making any use whatsoever of these services nor does any of my colleagues. That however does not take away from the fact that there may or may not be a valid purpose to be served by the Information Services Division. I think we are going to have to wait a year and we will wait and we will see. I am prepared to give the Premier the benefit of the doubt. I think he has good intentions and the thing could fulfill a genuine need.

I could say the same thing about "The Bulletin." I am one of those who believe that "The Bulletin" did fulfill a genuine need. I hasten to add that its effectiveness was destroyed quite effectively here in this House, but the fact remains that there are many people on this island who have no access to regular information, no access at all. To take an example, Mr. Chairman, I saw on the C.B.C. news last evening, it may or may not have been on C.J.O.N., I did not see it there, I saw the news, but the Minister of Municipal Affairs made a statement to the effect that delegations could go away, that he would not be seeing them, etc., so forth. It was also, I believe, in yesterday's "Evening Telegram."

Now whether it was a good statement or a bad statement is a separate matter, but earlier today I was talking with one of the town councillors in my constituency, who rang up and asked about a special grant, and I said;

MR. ROBERTS: "well, have you not seen the minister's statement?" They had not nor had they heard of it. I think that is just one example. You can find many hundreds of examples throughout this province, Sir, where people do not have access to newspapers on anything like a regular basis, indeed outside the Avalon Peninsula, Gander, Grand Falls, Corner Brook and maybe one or two of the contiguous areas. Stephenville gets the newspapers daily, does it not? It does. The member for Port au Port nods wisely and sagely.

AN HON. MEMBER: He puts out one, does he not?

MR. ROBERTS: Well yes, he puts out one, but I am talking about the daily newspapers, not the...

AN HON. MEMBER: You are talking about newspapers.

MR. ROBERTS: Yes, not "The Georgian", I think is the name of his publication. He is another William Randolph Hurst in disguise, as long as we do not have Sam Simeon down on the other side of Stephenville Pond. But many people do not have access to newspapers. Indeed if you take the circulation of the papers that are made available in this province, you have got about 26,000 or 27,000 a day for "The Evening Telegram", you have got about 8,000 I think for "The Daily News", "The Western Star" is of the order of 10,000, that is 45,000 out of a quarter of a million adults in this province, so roughly one out of every six people see a paper. You realize there is a lot of duplication in that. Most of the people who take "The Daily News" would also take "The Evening Telegram" I think you will see that there is still a need.

Well "The Bulletin," in my view, was fulfilling that need. There were people who differed with that opinion and the present administration have decided to end it. Well that is fine. I mean they have done that and unless we want to debate it for about the seventeenth time in this Committee or in this House, I do not propose to go on with it.

The Information Services may or may not fulfill the need. All that I can say is that we will be watching very closely. If there is any instance of partisan intervention by them, we will take the Premier at his word and bring it to his attention, not through Information Services but through the media. It is to be expected and we will expect the appropriate action to be taken.

Along those lines I may ask him, already I have asked him privately, I ask him now publicly to look at a statement made by Information Services on June 8, and I hope they will continue to send me. I appreciate being on their mailing list, I do not want a telex in the office but maybe they will send me their statements. They make interesting reading. I usually get them about four days after they appear in the newspaper. But it is interesting, where Information Services took it upon themselves to issue a press release respecting a letter written by a member of the House who happens to be a minister, but not in his official capacity.

I am speaking of a letter written by I believe he is the senior member for Harbour Main, the Minister of Supply and Services, to the six members of Parliament at Ottawa, the hon. Mr. Jamieson, and the five other M.P.'s. I asked the Premier if he thinks it is a function of Information Newfoundland to report on letters written by ministers who were not acting in their capacity as ministers. This letter reiterates the proposal which the hon. gentleman made in this House. It happened to be a proposal with some merit; to make all the police vehicles on the Trans Canada ambulances. There is something to be said for that, it should be looked at and it is worth looking at and doubtless will be looked at.

I do not know what in the devil Information Newfoundland is doing issuing press releases on it. It is stretching it into the political when you hear the hon. gentleman quoted, Well I will read the

whole release, Why not? Maybe some hon. gentleman did not have it delivered to him.

" Supply and Services Minister, the honourable Gordon W. Dawe, has called on the Federal Minister of Transport and the other five Newfoundland M.P.'s for their support in his bid to do away with standard police patrol cars on the Trans Canada Highway across Newfoundland and replace them with fully equipped ambulances.

"Mr. Dawe made the same proposal in the Newfoundland House of Assembly on June 2. In a letter to the members of Parliament, dated June 5"(the release is dated June 8)"Mr. Dawe says many stretches of the Trans Canada Highway in Newfoundland are remote from emergency ambulance services and as a consequence 'all too often the unfortunate victim of motor vehicle accidents on this highway are left to suffer for long periods of time waiting the arrival of ambulance service.'"

It goes on, " I have personally witnessed this on two or three occasions."

He says, "it is academic to reflect upon (quote)"the stupid, foolhardy manner in which all too many drivers conduct themselves on this high-speed highway"(mis-spelled) "asinine, insensible and careless driving is bound to continue but this is precious little consolation to relatives of those killed this year and to those who have to live out their lives in disfigurement and discomfort." (end quote).

Mr. Dawe told the federal member it was estimated that between one hundred and thirty and one hundred and forty persons have been killed on the Newfoundland portion of the Trans-Canada Highway from 1965 to 1971. In support of his request, Mr. Dawe said that in Montreal similar delay in the ambulance service was being experienced in connection with motor accidents, however the city fathers there came to grips with the problem and equipped their police force with ambulances rather than patrol cars.

Montreal statistics now show the traffic accident death rate has diminished significantly. Mr. Dawe asked the members to consider that the tourist season is here and the traffic flow on the province's highways, especially the Trans-Canada, will be heavier than any previous year to date, (quote)"the deduction which readily comes to mind is that the accident rate will be proportionately increased."(end quote)

Now, Mr. Chairman, this particular gem can be criticized. It is faulty in grammar. Its logic is atrocious and its reasoning is worse. If it were done in a journalism class it would rate -5 on a scale of 0 to 100. But I do not raise it now for the purpose of pointing out that it is a terrible piece of journalism, it really is. It is badly written and it is not clear and it does not present a case effectively. With all that, it is still a good suggestion. What I want to know is why Information Services are reporting to the media, why the government propaganda are, and propaganda is not necessarily a nefarious word. Those of the Committee who are classical scholars, such as the gentleman from Burgeo, can cast their mind back. The member for St. Mary's would agree, the original Greek "propogandus" means "truth". So propoganda can or cannot have a nefarious meaning.

But the fact remains that the government's propoganda agency sent out this release, which I submit had nothing to do with the administration, it is hardly informing the people of Newfoundland what the administration are going to do. It is just reporting on a political statement made by a political gentleman or it may have been an accident. It may have been that it just happened once.

AN HON. GENTLEMAN: Inaudible.

MR. ROBERTS: The burp from Burgeo burps again. What did he say? What did the gentleman say?

MR. EVANS: The squirt from White Bay.

MR. ROBERTS: The squirt from White Bay, that could be, Mr. Chairman. Mr. Chairman, at least I got here on my first try, and I did not take five as did the hon. gentleman.

MR. EVANS: You will not be in the next.

MR. ROBERTS: However, the hon. gentleman should just hope he gets into the Cabinet in the next shuffle, at least level one if not higher.

As I was saying, Sir, I would like to know why the government of this province are issuing press releases relating to members' speeches. As far as I know, even "The Bulletin" in its balmiest days did not do that. It may have recorded a Budget Speech, just as the province paid to have this year's Budget Speech published and doubtless it has been distributed and so it should be.

Mr. Roberts.

a document of public interest. Down in Northeast Crouse in White Bay, they are up every night reading the budget, back and forth and antiphonally as in a Greek course, in Gregorian chant at times, some of the more eloquent passages. What I am trying to say is that we have one example of the Information Services straying from its mandate. An assurance from the Premier that this is but an error would suffice. I will let the matter drop at that. He has told us that the service is not to be a political or a partisan political business. That is fine. We will take that on sufferance until we see what happens. The fact remains that we have had at least one example of something which is surely partisan and political. If the Minister of Supply and Services wants to write to the M.P.'s at Ottawa, that is fine. That is his right and his duty and privilege. I do not think he needs Information Newfoundland to make it public or to help him in his press releases. The Premier may or may not wish to say something about that. The only other point he made dealt with Dr. Peters. I know Dr. Peters well. He is a considerable friend of mine and myself a friend of his. I do not quarrel with the Premier's decision to appoint him to be an executive assistant or special adviser or whatever the precise title is. Whether or not \$28,000 per annum which is \$650 a week -

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: Yes, but I would not get that from the Premier. It has more than four figures in it. The \$650 a week roughly -

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: No, it is not. I am not getting much help at all. It is \$560 a week. The figures were transposed. Whether or not that is too high, we will see. The gentleman could easily be worth that. There are civil servants - the Minister of Health has any number of officials down there, the medical doctors who are getting \$42,000 or \$45,000. Some of the S.M.O.'s are getting what? Is it \$42,000 or \$43,000? I do not begrudge them a cent of it. I am sure if the minister could get twenty more, he would gladly hire them, money well spent. I am not going to get into a hassle



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over Stewart Peters' salary nor for that matter am I going to get into a hassle over any of them at this stage. I would like for the Premier to say something about this release about ambulances. If he wants to make a statement on what the administration are doing, I would welcome that too. I would like some assurance that this is an isolated incident. We are not going to have Information Newfoundland reporting every outgoing of one of the gentlemen opposite. There is a very thin line, Sir, between an information service and a propaganda machine. There is a very thin line. It is easy to transgress on it . This has crossed the line. I would like an assurance that it is a one-shot deal. Other than that, the only other question I have, Sir, on this point or on this vote at least, unless something else comes up is: Who is the employment officer? I notice in the list there is \$11,000 in the salary appendix and an Administrative Officer II at about \$11,200 a year. The other people there, I think the questions have been answered before this and we have adequate information on that point, together with what the Premier gave us a few minutes ago, Sir.

MR. MOORES: Mr. Chairman, the employment officer, that was Mr. McCann. That was answered in the House sometime ago, when that question was asked. That information had been made available previously. Regarding Dr. Peters' salary, the fact that the hon. Leader of the Opposition has said that we will wait and see, I am very thankful for that. I think we will see a great deal from the gentleman. As he also said, there are a great many people in this building who have been appointed at much greater salaries than that for much longer lengths of time. There are some people for five-year contracts. There are some for ten-year contract and up to \$37,000.

MR. ROBERTS: (Inaudible ).

MR. MOORES: There is one at \$37,000 for a five-year contract, which is a pretty hefty clout.

Mr. Moores.

Mr. Chairman, regarding the function of the Information Services, the type of thing the Leader of the Opposition brought up is valid. I do not think it is a major breach of the function. I think it is probably one that happened in its initial stages when really minor mistakes are bound to happen. I think probably it is a minor mistake because it is not the function that this service was put up for. However, there is one thing that I would like to say and I cannot help but say it. It is unfortunate. I will be referring to it later in the budget. Once again we have seen, when we are talking about estimates, when we are talking about the function of various departments, once again we have to bring in personalities: How a man writes a letter, what his grammar is like, what the intent is like.

MR. ROBERTS: A press release, not a letter.

MR. MOORES: Then you did a critique.

MR. ROBERTS: A press release

MR. MOORES: You did a critique of how it was done in the minister's letter. Mr. Chairman, all I am saying is that the sooner we can drop personalities and generalities in this House, the better off we will be. This is not a critique of the Leader of the Opposition right now. It is a critique of a great many things happening and this is obviously the wrong place to be saying it. I think the sooner we get the rules changed in the House to get down to the business at hand, the sooner we stop a lot of partiality that is battering back and forth and the sooner we will be a better government.

MR. ROBERTS: Mr. Chairman, not only did the Premier speak in the wrong place and as he said, it is the wrong thing. What I did, and I will keep on doing it, is not personalities. The government of this province, the people of this province, Sir, are paying for this. We have an Information

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Services Director at \$15,000 per annum. We have a research officer at \$8,500. We have another employee down there at \$8,500 per annum. We have two other people. I assume they are stenographers or clerk typists or something like that. The total is \$40,000. I did not mention any names. I have no idea who wrote this. What I did say and I will repeat: "it is a very bad piece of journalism." I referred to a letter written to me by the Director of Information Services. I did not make any critique of it. I merely said that there was a letter and that I had replied to it. If the committee wishes it tabled, I will gladly table it. When you get a government - this is not personalities and I think the Premier owes not an apology because he did not do anything for which he should apologize but I think he perhaps should make it clear. I feel as strongly as he does about personalities. It was not one of my colleagues who started a hatchet job here the other night. We will see about that.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: Yes, I agree that the honourable gentleman has been at it over there for five years.

MR. NEARY: The Minister of Finance.

MR. ROBERTS: Knock off! Do not bother with the hon. gentleman for St. John's Centre. He is not worth it.

What I said was that a release put out by an agency of the government of this province is illiterate. It says, "delays was being experienced." Surely a \$15,000 a year director and an \$11,000 a year research officer, \$8,500 or whatever the prices are down there for the staff, can at least have the subject and the verb in the same number. You made need a new typewriter. You also misspelled "speed." Logic was

faulty. I said that as a piece of journalism in a school of journalism would be minus five on a scale of "0" to "100". That is not any personal reference to anybody. I have no idea who authored or misauthored this document. I quite agree about personalities in this House. I could not agree more. It is not a matter of changing the rules, as the Premier seems to think. It is a matter of all of us, the forty-two of us, or forty-one now, living up to the rules, because the rules are quite clear on this one. What I said and I hope the Premier will come back, I have not been into any personalities and I am not going to get into any. But, when we are being asked to vote money for an information service, the least the information service can do is be properly grammatical. That is all I said. I will say it again and I will go on saying it. It has nothing to do with personalities, nothing to do with anything except the quality of the information service. I think the quality of the information service in this instance needs improvement.

MR. MOORES: Mr. Chairman, I thought that the Leader of the Opposition was referring to the text of a letter written by the minister to Ottawa. If I misinterpreted that I was wrong. But all I...

MR. ROBERTS: No, I was reading. I have not seen the letter.

MR. MOORES: All I would like to say in reply to that is that I am glad that the 'Newfoundland Bulletin,' which was half pictures of the ministers, has finally gone as well.

AN HON. MEMBER: Mr. Chairman...

MR. MOORES: As for journalism, Mr. Chairman, it is a fact that the 'Newfoundland Bulletin' which did, and I think anyone who has read it realized that it was half pictures of various ministers in action as opposed to stating policy of what was the result of their action. This is political propaganda, partisan propaganda of the worse kind. I do not want to get into an argument on this, but what I do want to say Chairman, is that...

MR. ROBERTS: The Premier is going about it in a funny way...

MR. MOORES: Well that sounds better at the end rather than the beginning.

MR. ROBERTS: I agree, but this may not be the end.

MR. MOORES: The honourable Leader of the Opposition is probably sensitive to the fact that he was -- 'they was ministers, Mr. Chairman.'

MR. ROBERTS: Was and will be.

MR. NEARY: Mr. Chairman, in view of the fact that \$28,000 is a fantastic amount of money to be paid to Doctor Peters, as I understand it, on a one year contractual basis. I wonder if the honourable Premier could tell us whether Doctor Peters is full-time with the Premier's office or is he permitted or, is he on the payroll of any business or industry in the province? Can he also serve private enterprise in addition to his job in the Premier's office? Before the Premier answers that, he has already lost his bet, so he may as well relax and enjoy the afternoon. I would also like to know, Mr. Chairman, if the \$16,000 for equipment includes the teletype equipment?

MR. MOORES: Yes, it does.

MR. NEARY: The Premier says it does include the cost of installing teletypes in the various offices. Well then, could the honourable Premier tell us what offices, what news offices the teletype machines will be installed in? Will it be only in St. John's or will it be right across the whole island and Labrador, in the newspaper offices in Labrador? I would also like to know, Mr. Chairman, if Mr. McLean's advertising has anything to do with "Information Newfoundland"? I think it is under the Premier's office somewhere, Sir, that we have to find out what this outfit from Ontario, from Toronto, is costing the province. I think the Premier owes it to the people of Newfoundland to make a statement in this House to tell us just precisely how much, directly and indirectly "Information Newfoundland" is going to cost. How much it is going to cost to maintain this advertising agency from Toronto? I did hear a figure, Sir, of \$8,000 a week. I do not believe it. I think that is a gross exaggeration, but I was told that

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Mr. McLean and his associates are being paid \$8,000 a week, Sir.

Perhaps the Premier can confirm or deny this. I would like to know what the total amount of expenditure is being handled by McLean directly and indirectly? What...

MR. CHAIRMAN: Order! The heading under discussion is 303-01, the Premier's Office, Salaries. The Chair maybe mistaken, but the Chair does not see where McLeans Advertising is included in this. Of course...

MR. ROBERTS: (First part inaudible) Your Honour, for McLean Advertising or whatever the firm is, but this vote is really the minister's vote for the department, because the salaries of course are included in the salary of the Premier. I do think it is in accord with the practice of the committee and the House that a fairly wide latitude of debate back and forth is allowed. If there is some other place in the estimates where this may be raised fine, but we could see that this is the only place where the matter could be discussed. I do think it is in order, Sir.

MR. CHAIRMAN: I wonder if it might not be more practically a subject matter for question to be tabled in the House? However, maybe the Premier can relate as to whether there is a heading - any other heading other than this that it can come under. If not, I would agree that it is subject for discussion here.

MR. ROBERTS: Your Honour, as for question tabled, of course many if not all the questions asked on estimates could also be the subject of questions tabled in the normal way and put on the Order Paper. But..

MR. CHAIRMAN: Again though, subject to the rule of relevance and when we get to a heading.

MR. ROBERTS: Oh, agreed! but I mean, surely Your Honour this, and I press because I think it is an important point, this is relevant to - the outfit is in the Premier's office the information complex...

MR. CHAIRMAN: I do not know about that.

MR. ROBERTS: Well the Premier, I do not know if McLean is, I mean, I have no idea, we are trying to find that out. But Information Services

is attached to the Premier, administratively at least. You know, the salaries vote, 303-01 the one we are on does include the Premier's salary. In effect, it is the minister's vote if there were a department of the Executive Council. But we can hardly do it Your Honour on the discussion of the Lieutenant Governor's establishment. That would be grossly improper, nor on the Electoral Office because that only has to do with the Chief Electoral Officer. So I would ask if we could proceed on this for a little bit.

MR. CHAIRMAN: If the honourable member would restrict the discussion until we find whether it is something that the Premier can enlighten the member on. If there is another Heading it can be discussed under, then maybe we can discuss it under that.

MR. NEARY: Mr. Chairman, I have not been able to find it under any other Heading. I would like to know what the service charges are and what the commissions are to McLeans Advertising. The Premier has been making the public announcements on this propaganda machine that has been set up, which no doubt Mr. McLean has his finger in, Sir, there is no doubt about that. So I would like to know what the total expenditure will be. I have a feeling, Mr. Chairman, if you get the direct expenditure and the indirect expenditure, that it will amount to a lot more than the cost of the 'Newfoundland Bulletin' a lot more, Sir.

With regard to 'Information Newfoundland' Sir, my honourable colleague, the Leader of the Opposition, has covered the subject fairly adequately, but there is one thing that disturbs me about it, Sir, about this whole matter of McLeans and 'Information Newfoundland'. It seems to be creating a barrier, throwing an obstruction between the people and the minister.

Mr. Chairman, you will remember that on a number of occasions in this House so far this session, I brought up the matter of ministers not being accessible to the people. They should be, Sir, the people have a right to be able to see their elected representatives. But

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somehow or other, a barrier is being created. The people who come into Confederation Building or who write letters or telephone in are shunted off. Sir, to some expensive, paid, what we have been calling flunkies. I do not know if that is the proper term for them or not, Sir. Maybe it is not. Maybe the honourable member for St. John's East can think of a better term. They were supporters of the Tory Party, Sir. They actively campaigned for the Tory Party and now they are on the payroll.

I think this is wrong, Mr. Chairman. I think it is wrong. As I said a few moments ago, people do have a right to be able to see ministers. We heard the Minister of Municipal Affairs and Housing the other day, yesterday I think it was; that his door was closed. He is not seeing



MR. ROBERTS: any more delegations?

MR. MARSHALL: Mr. Chairman, on a point of order, the statements of the honourable member are not relevant. If he wants to make any inquiry concerning any minister, like the Minister of Municipal Affairs, the estimates of the Department of Municipal Affairs are coming up and I would submit that a debate now would be transcending the boundary.

MR. ROWE, W.N. On a point of order, Sir, I would submit that the honourable member is not getting into a debate on the Department of Municipal Affairs at all. What he is talking about is the government policy or the lack of government policy with respect to access to ministers or the government or the Premier or the government in general. Sir, the salary that we are now discussing includes, the salary's head we are now discussing includes the Premier's salary. The Premier is the Leader of the of the government and, therefore, is the best spokesman on these matters of general government policy and I would submit that my colleague is not out of order in pursuing this particular matter.

MR. CHAIRMAN: If the honourable member restricts the discussion to raising the matter of policy to which the honourable member is referring then the honourable member is not out of order on this particular point.

MR. NEARY: Thank you, Mr. Chairman, I am just merely making this point because I am hoping that Information Newfoundland will not be established for this reason. I have also heard that newsmen in this province are finding it very difficult to get through to ministers. The Minister of Education, for instance, if you want to get a comment or a statement from the Minister of Education, you first of all, as we are told now, Sir, this is the rumor, the Premier may confirm or deny this, we are told that you have to call the minister's office leave your name, leave the question with his private secretary, then

MR. NEARY: you hang up the phone, then the information is passed on to the minister and I do not know what he does with it. The question is answered, send back through the secretary, back to the newsmen. Now, Sir, this seems to me to be a little bit peculiar. It has not happened before. There was always an open door policy in Confederation Building. I hope, Sir, this is not the purpose for creating this Information Newfoundland.

I think the honourable Premier is quite sincere when he says that he wants to bring government to the people. But I am not so sure about his ministers. Mr. Chairman, not so sure -

MR. MURPHY: Mr. Chairman, if I may at this time, would the honourable member mind repeating what he just said?

MR. NEARY: Mr. Chairman, I mentioned the honourable Minister of Municipal Affairs, I mentioned the honourable Minister of Education, it is virtually impossible to reach the Minister of Social Services and Rehabilitation, Sir. He stated himself in this honourable House that he was not meeting welfare recipients. If the honourable Minister of Provincial Affairs would spent a little more time in the House he would be up to date on this and he would not have to stand and ask me a question.

MR. MURPHY: That is unjust.

MR. NEARY: It may be unjust, Sir, but it is true.

And so if the government are going to bring government to the people, then I would say, Sir, they not shut the ministers off from the people, that they not have unlisted telephones. There are ministers on the opposite side who have unlisted telephones. Why, Mr. Chairman? Why? Are they being bugged by people? Are people a bother to them?

MR. MURPHY: They are too poor to get them in.

MR. NEARY: Mr. Chairman, the honourable Minister of Finance can well afford to get a phone in, I am sure of that. I am sure of it. But, Sir, people should have access to the ministers. That is what they are there for. That is what they were elected for, if they do not like it, get out. Nobody has got a gun in their back and saying, "you have to go and sit in the House of Assembly, you have to serve as a minister." Nobody is saying that, Sir, forcing them into it. It is voluntary, Any time they do not like it they can leave.

My eleven years in politics, Sir, I have not had an unlisted phone and I never will.

AN HON. MEMBER: You cannot afford it.

MR. NEARY: Maybe I cannot afford it. I did not get \$2.6 million. So, Mr. Chairman, I would like for the Premier to clear the air. Because this is true, people all over this province are saying they cannot get information and here we are paying fantastic sums of money, setting up this Information Newfoundland, bringing in the Bay Street boys from Toronto, Sir, and yet ministers are becoming rapidly inaccessible. I think this is wrong. I do not know if the Premier is aware of it or not, maybe he is not, maybe he will stand in his place in this House this afternoon and say; "as long as I am Premier of this province, nobody will be denied an audience with one of my ministers." I hope he will stand here and tell us that, Sir, because people are being denied an audience with the ministers, they cannot make appointments. They are not getting replies to their letters. They cannot reach the ministers by phones. What kind of a Newfoundland are we going to have, Sir? The people of this province are entitled to better than that.

AN HON. MEMBER: Bunkum! Bunkum!

MR. NEARY: It is not bunkum.

AN HON. MEMBER: It is bunkum and worse...

MR NEARY: Mr. Chairman, is the honourable Premier going to answer these inquires. That is nice parliamentary language.

MR. MOORES: I assume, Mr. Chairman, when the honourable gentleman sat down, he would now stop talking. There is always some doubt, I am sorry. Well sometimes we do not know, Mr. Chairman, if the honourable gentleman is sitting down or talking or wanting to be heard or talking to be listened to. But on the points that he raised; Dr. Peters was approached by private industry in Newfoundland to come here to accept a job. We offered him a job instead. As of May 1, Dr. Peter has not been working for any other firm or any corporation.

MR NEARY: Inaudible.

MR MOORES: No, he never did join the corporation. He came to work directly with the government.

Regarding the teletype equipment that figure is included in the \$56,000, the installation. The locations of that teletype equipment is at CJON, CBC and VOXM here in St. John's, "The Evening Telegram" and "The Daily News", "The Western Star" and the other independent radio station in Corner Brook and the CJON, VOXM and CBC feed their information to their affiliates in Labrador and the other points in the Island. I think those are the major ones where they have been installed.

Regarding the McLean involvement with - certainly there is nothing in my department that he has been involved in. Any particular project that comes up in any department that his services apply to, he is eligible to bid on it as others will be. There is nothing restrictive about the individual himself. The reason why he is not listed as a heading, a very large heading, the reason he is not is any more than Sanitary Products is not. I mean this is just no place to put in a function. The suggestion that was mentioned, that he was receiving \$8,000 a week, is totally incorrect. He has nothing whatsoever to do in any shape or form with the Information Services. Nothing whatsoever! He is not paid as an adviser. He has no input

MR. MOORES: into that service at all. His job or the jobs that he may get will be from bidding, on the expertise that he has within government departments. The only job that he had where he finished and which he was paid for was in assisting the P. C. Party during the two elections, which has nothing to do with this vote, or maybe it does.

But one thing that the honourable member says that bothers me a little bit, where he comes down pretty hard on the people from Toronto coming in here and taking the bread out of Newfoundlanders mouths. Now I happen to know, in McLean's case, he has eight employees of which six are Newfoundlanders. I only hope that the people in Toronto do not ever take the attitude that jobs in Toronto are for Torontonians only, or we will have, as the honourable member would say, one hell of a doze of Newfoundlanders back on our plate.

We live in a country where we should be able to move from province to province or from town to town, and to say this stigma that someone comes from the mainland, someone comes from another community, the fact that that is wrong or right, to me, to put any stigma to it at all is totally wrong. We are either Canadians living in a country where we can travel back and forth freely, we either play our part as Canadian, we either do that by being good Newfoundlanders or not. I feel very strongly about this. This business, because someone is from somewhere else they are automatically bad, I do not think it is really very good publicity or very good reasoning on our behalf.

Regarding the accessibility of ministers, Mr. Chairman, it is the policy of this government to be as accessible as possible I think what the Minister of Municipal Affairs did say was that town councils have to learn to live within their budget. In a great many cases in the past and I know in particularly, as it applies to the office that

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MR. MOORES: I hold now, a great many committees and delegations would come in to get a few thousands dollars for this or for that. I think what we have got to do for municipalities or whatever group it may be, is to also do some planning and some budgeting as to what they can or cannot do so

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that everything is not piecemeal and that we have to get on some kind of a system where people accept responsibilities themselves and not always go to government to say, "What can you do for me?" I think it is time, as the Minister of Municipal Affairs has said, for people to say, "How can we control our own destiny and how can we approach government on an overall basis rather than a piecemeal basis?"

MR. NEARY: Mr. Chairman, before the honourable Premier takes his seat I wonder if he would be good enough to get me a list of the work that McLean's are doing for the various departments of government at the present time and at what cost, what the charges are. I know the Premier does not have that information at his fingertips now but I would like to have it tomorrow or the next day. I would also like to know. Mr. Chairman, seeing the honourable Premier brought it up, if McLean's are doing the "P.R." work for the Linerboard Mill in Stephenville and if public tenders were called for that contract.

MR. MOORES: Well the last one, I do not know, is the answer, Mr. Chairman. On the other one there is a question on the order paper which I will get answered in the immediate future or try to before the House closes.

On motion, sub-head 303, carried.

MR. ROWE (W.N.): On 304(01), Mr. Chairman, I would imagine that this is the vote out of which comes the salaries for the two Minister's without Portfolio who flank the Premier's right hand side. Could the Premier give the House some information as to what the duties are of these various ministers? He made a public statement when he formulated or formed his Cabinet some time ago, back in January, in which he spelled out vaguely what these Minister's without Portfolio were going to do. Apparently they are not simply Minister's without Portfolio who have no duties, who merely come to Cabinet meetings and give the Cabinet and government the benefit of their advice as members of the Cabinet. Apparently they do have some specific duties. The Minister without

Portfolio from the District of St. Mary's apparently is the Minister of Inter-Governmental Transactions or something, is that right? Inter-Governmental Affairs, right. I do not know what exactly that job entails. The Minister might also inform us whether it was the British Government or the Canadian Government that the honourable minister was supposed to be transacting affairs with. Oh listen to that over there! We have not seen the honourable minister in the House for the past five months. He is back now. I had not meant to say this, Sir, but these crackies over in the corner there, the four or five who are a positive embarrassment to the Premier at the best of times, have provoked me into stating that we have not seen the minister either in the House or in the province and he is drawing, presumably, a salary from the public funds of this province.

What is the man's job, the honourable minister's job? What is he going to do? What is he doing now? What has he done? Also while he is at it he can also give us the benefit of some remarks on the honourable Minister without Portfolio, the Government House Leader. Apparently his job is to act as Chief Government Inquisitor or some such thing. Maybe the Premier can enlighten us on that.

MR. MOORES: Mr. Chairman, the duties of the two ministers involved: With regard to the Minister without Portfolio, the member for St. John's East, on my right, there was a very real need to find out some of the things that had gone on in the past, when we came in, Mr. Chairman, because we had no files to look up to find out what had gone on in the past. The man who is the House Leader has done several and many functions since he has been in the government, Reviewing of the committee system, reviewing and making recommendations as the Chairman of the Rules Committee, which will be active throughout the summer, and I think the responsibility that he has which, whilst it is not a line department is a very valid one.



Regarding the honourable member for St. Mary's, he will be full time, applying himself to the recommendation of how a department of inter-governmental affairs will operate. I might say at this time that the restructuring that will take place within government, and this is the senior civil service as well as at the ministerial level, the restructuring of government will mean a great many changes and inter-governmental affairs is going to have a very major role in any restructuring that the government has. The honourable member for St. Mary's will be applying his attention, as I said, from now on full-time to defining the terms of reference that such a function in that department will have.

MR. ROWE (W.N.): Is the honourable minister being paid as Minister without Portfolio now or is he being paid as a full government -

MR. MOORES: Without Portfolio.

MR. ROWE (W.N.): So presumably he will be paid a full salary and I am sure that the honourable minister will do an excellent job in anything that the Premier wishes to delegate to him. I would also like to say at this time, Sir, I do not know so much about the inquisitorial side of the job of the honourable member for St. John's East. I do not know how good or bad he is being at that whether he enjoys it or not but I would like to say publicly that in his role as Government House Leader he has been fair and judicious and sensible in the conduct of the affairs of this House. He and I, in my modest capacity over here, have invariably come to agreements which we hope have been to the benefit of the House and have helped to expedite matters to this House and our agreements have always been lived up to and he is doing an admirable job. I commend the Premier for giving the honourable member for St. John's East this particularly arduous role of trying to conduct the affairs of this House. He has done a good job, in my estimation.

MR. MOORES: Mr. Chairman, I would like to sincerely thank the member for White Bay South for those kind remarks and also, on behalf of the House Leader and on behalf of the government, thank him as well for the way they have handled their business between themselves. I think they have handled it efficiently and once again handled it extremely well.

MR. ROBERTS: To that, Mr. Chairman, may I say I think we will keep the honourable gentleman from St. John's East on as House Leader for a bit. I only have one comment and one question, Sir. The comment would be that it is extraordinary. As I understood the Premier, the first job of the Minister of Inter-Governmental Affairs (designate) is to find out what the Minister of Inter-Governmental Affairs is to do. I am not sure that is what the Premier said but that is certainly what I heard over here. He has been appointed to a position and now has to cast about and create a position. There is obviously a liaison between Ottawa and Newfoundland and like a lot of other things, I will wait and see how it works. It may or may not work but I find it significant that no province except Alberta, I believe, has a Minister -

AN HON. MEMBER: Ontario.

MR. ROBERTS: Ontario. Ontario has ministers coming out of their ears. They have a two-tier cabinet there and I am going to be intrigued to see if the Premier falls into the same trap which, in my opinion, Mr. Davis the Premier of Ontario has fallen into. I may say that I think anybody throughout Canada who is at all involved in cabinets and public life and that sort of thing is watching the Ontario thing most carefully but again time will tell and maybe George McLean will take the pictures for us. We will see.

The question I have, Sir, I notice in the salary breakdowns that we have an executive assistant to minister \$10,000 per annum. Is there anybody drawing that salary? If so, whom and if there is,

who is his boss?

MR. MOORES: The executive assistant is Mr. Ron Penney who is executive assistant to the Minister of Inter-Governmental Affairs. The Inter-Governmental Affairs Department, as the Leader of the Opposition has said, is far from a proven department or a proven effective department. There could be a great many pitfalls but the philosophy or theory behind inter-provincial and the Federal-Provincial liaison is certainly a valid one. It will be the intention of the Minister without Portfolio to discuss with both Alberta and Ontario the problems they have had, and they have had many, as I understand it, as to what their problems have been and to see if we can do it in a better manner or if in fact we should do it at all. But until we have found out exactly what the terms of reference of the department is or will be and get them established, well there is really, we must stick to research at this time.

Regarding the two-tier government, it is no intention of myself to have a two-tier government. We may be having different functions at the cabinet level but certainly there is not any intention of having junior or senior ministers. There could be ministers with different functions as opposed to line and staff departments.

MR. ROBERTS: Well, we will be intrigued anyway, Sir.

MR. ROBERTS: Mr. Penny - I am sorry. Yes, I think the Premier has said a very great deal there. I have heard of launching ships on unchartered seas but he has certainly got one sailing on unchartered seas now. We will see. They have won the right to be the government of this province. They have the right to be the government. Let them experiment and let them try. The Minister without Portfolio (St. John's East) is grinning. I grin with him.

Mr. Penny, what is he doing? I understood that the gentleman is finishing his bar exams. He has been under articles. What is he doing? How much has he been paid?

MR. OTTENHEIMER: Mr. Penny has been working with me for approximately four months. It could be four and a-half months.

MR. ROBERTS: The last four months?

MR. OTTENHEIMER: Right! He is a special assistant. His salary is \$10,000 per year. He is not full time. He is in the building or in my office afternoon's. It is basically half time. It is more in the sense of being in the building half time. In addition he does work which does not require his physical presence in the building. It is not full time. He does do other things as well. He is associated with and he completed his articling with Mr. George Clarke, the former Speaker. He is a gentleman certainly well-known to honourable members opposite and to honourable members on this side as well.

MR. ROBERTS: They are related. They are uncle and nephew are they not?

MR. OTTENHEIMER: That I think could very well be.

MR. ROBERTS: They are some relation.

MR. ROWE (W.N.): What is he, three-fifths of the time?

MR. ROBERTS: Well George tells me that you can pick your friends but not your relations.

MR. OTTENHEIMER: I do not know if there are any other matters. There is salary which I imagine is basically what the honourable members are interested in. That is \$10,000 per year. It is a contractual basis for one year. It is obviously not a civil service post. He does a certain amount of what

Mr. Ottenheimer

one could say constituency matters. He also assists me in a certain amount of research as well. I may say that I think he is well worth the \$10,000. I think if honourable gentlemen opposite know him, they will agree. He is a Newfoundlander. He is a graduate of Memorial University. He is a graduate of the University of Toronto Law School. I certainly think he is well worth the price.

MR. ROBERTS: In other words, Mr. Chairman, he has come from an extremely good law school. I think we would all unanimously agree with that. But let me be clear; The young gentlemen (I do not think I have ever met him. I certainly would not know him if he were to walk through the door, There would be some fuss on the floor of the House but if he were to sit in the galleries and perhaps he may be sitting there now. I do not know the gentleman at all) from my understanding is that he has been under articles. I am perplexed. Maybe the honourable minister could help me, Sir. He has not been called to the bar that I know of. If there is something that should not be said and there may be, I do not want it said. I am not looking for anything like that. What I want to know is how long has he been - is he full time now? If he is not full time, is he drawing a full time salary? For how long has this been so? Maybe the hon. House Leader could - he looked as if he had something to say, I am not looking for anything that should not be said. There may be things that are not improper but have no place on the floor of this House. I do not want to know about those things. I want to know how much has been paid to him. The salary rate is \$10,000 a year. I do not begrudge a penny of it except I may remind the hon. member for St. Mary's that (I do not think he was in the House at the time) I have the Hansard references to some of his colleagues bemoaning at great length the fact that the previous administration appointed executive assistants. In due course, it will all be trotted out and laid upon - the hon. member for St. John's East smiles. He was not

Mr. Roberts.

one of them. He does not have an executive assistant. He has not fallen into the trap. The others have. They bemoaned it when they were in opposition. The Minister of Fisheries who badly needs some help does not have one either. He will need some help on the next subhead or the next head, whenever we get into Fisheries. His own colleague admittedly paid too much for the Burgeo Fish Plant. It is bad enough when your enemies are attacking you but when your own colleagues do, well perhaps that is the same thing.

Mr. Chairman, would one of the honourable gentleman tell me how long Mr. Penny has been on a salary? Is he full time now? If so, is he practicing law?

MR. OTTENHEIMER: He has been on salary since approximately the middle of February. I do not remember the exact date. We informed the administration in late January, so approximately the middle of February. It is approximately four months. He has completed his articles and as a matter of fact his bar examination a couple of days ago. I presume he will be admitted to the bar shortly. It is not my intention to wish to have an assistant full time in the sense of being here eight hours a day or of precluding him from doing anything else. In other words this is a continuing arrangement whereby it is agreed that he will be paid \$10,000 per year for putting in a certain amount of time and fulfilling certain duties. I think it is basically on the fulfillment of duty basis rather than time or place where it is actually done, although every afternoon he is in the building and works next to my office. It is \$10,000 a year for the fulfillment of specific duties with the agreement that he may also (previously he completed his articles) in the future practice law or do whatever he wishes to do. Now the agreement is \$10,000 per year for the fulfillment of specific duties.

MR. NEARY: You are in trouble.

MR. ROWE (W.N.): The honourable minister is on a bit of a sticky-wicket

Mr. Rowe (W.N.).

I would submit. His legal training has been good but not quite good enough, I submit. He needs a little practice before our Supreme Court bench before he gets even more subtle with words and more persuasive with words.

If the honourable minister's special assistant is doing a part-time job, why does not the honourable minister pay him for a part-time job? The going rate for executive assistants, first time around seems to be about \$10,000 for a full-time job. I know that there are some more experienced ones who are getting \$12,000. They are probably well worth it. I know that when we took on our executive or special assistants the tacit deal was, without having any legal basis at all, that they would start off at \$10,000 for a year. If they were kept on they would probably go to \$11,000 or \$12,000. A deal would be worked out and this sort of thing. The going rate seems to be \$10,000. Members of this House of Assembly get \$6,600 odd a year to represent the people of the province and here is a young fellow now (I would not know him either) probably very capable, getting \$10,000 a year for part time work. Why, if he is doing a three-fifths time work, does not the honourable minister pay him for that? Why pay him for full time work when he is doing a part time job? The minister can talk all he wants, about the new enlightened idea about employees is not an eight hour day. It is sort of a fee for service rendered or something or specific duties being satisfactorily performed. I would suggest, Sir, as my honourable colleague, friend, the Leader of the Opposition said, the Civil Service is going to be very interested to hear this new concept of payment for specific duties done. It is a fairly revolutionary move when you are talking about someone who is in the employ of somebody else, not a professional man who does something for a fee, on a fee basis. The honourable minister should perhaps have one of his colleagues recommend that this young man have his salary reduced to

Mr. Rowe (W.N.)

\$5,000, if he is half time or \$8,000 if he is doing a little more than that. I mean this is most unfair to the other executive assistants who are putting in eight, ten, twelve or fifteen hour days, working full time in other words.

MR. OTTENHEIMER: Mr. Chairman, just a brief comment on that. Actually, I think I stated that Mr. Penny does other functions than those which are usually associated exclusively with executive assistants. He does not only do constituency work. He also assists and does quite a bit of research which I have asked him to do. One can well argue and say that he should only be paid \$5,000, \$7,000 or \$8,000. I think really if the opposition want to make an issue out of Mr. Penny's employment and the salary which I as minister recommended and requested and which was finalized, then the solution I think is a resolution to reduce my salary to \$1. In other words it may well be. I am the person responsible. I accept the responsibility. I think we should leave Mr. Penny out of it and a resolution or an amendment to reduce my salary to \$1. I trust that a few gentlemen on this side will help me to get more than \$1 a year out of it. I do think that that is the proper course because criticism should not be towards Mr. Penny. It should be toward the minister who authorized and requested his employment and assigns him his duties. If any honourable gentlemen



wishes to put forward an amendment that my salary be reduced to \$1.00, then we will have to vote on it.

MR. ROBERTS: Mr. Chairman, let me state quite categorically, we have no intention of moving that the hon. gentleman's salary be reduced. We think he is worth every cent he is paid. We are trying to find out what he is doing for it but the Premier has told us that what he is doing mainly is trying to find something to do. We have no quarrel with the Minister of Inter-governmental Affairs, Moving to reduce a minister's salary, Sir, is a very serious thing. It is usually done as a matter of feelings of what amount to contempt on the part of the opposition, That is why we did it to the Minister of Education because we felt that he was incompetent. We do not intend to get in any quarrel with the honourable gentleman on his salary. I have no brief from his bank manager but he works, he is entitled to a salary. Nor do we have any quarrel with Mr. Penney, what we are trying to do is find out what he is doing and it seems that the position is now as follows:

Mr. Penney is being paid \$10,000 a year. He is being paid at that rate. He has been at work since about the middle of February, Well, that is fair enough. He certainly was not retained by the former administration and he will not be retained by the next one but he has been retained by this one and that is fair enough, Sir, no quarrel. Nor do we quarrel with the \$10,000 a year rate, that seems to be the going rate for the beginner executive assistant. I think Mr. Lush, and these are not personalities, these are political appointments. I am interested to hear the minister say they do constituency work. We have had a long parade of his colleagues tabling answers which say that executive assistants on their staff do everything except constituency work. The job of an EA, among others, is to do constituency work,

MR. OTTENHEIMER: He assists me in other things.

MR. ROBERTS: Sure, I am all for it. They are political appointments. You may remember, Mr. Chairman, a number of years ago the Progressive Conservative Party imported for a while a gentleman named Mr. Henry Best, son of the late Dr. Best, I think it was before the honourable gentleman's time but Mr. Best came down from Toronto, which is where his home was, and he advised for a day or so and then he went back to the Mainland, But Mr. Best was once Executive Assistant to the honourable Sydney Smith when Mr. Smith was Secretary of State for External Affairs in Mr. Diefendbaker's administration. It will be recalled that Mr. Smith, the honourable Mr. Smith, went home one afternoon, on a hot Ottawa day, and lay down and died. He had a heart attack and he died tragically and suddenly, and that was it.

I remember quite vividly Henry Best telling me subsequently, that he got quite a shock. He had not realized the auto-bureaucracy was quite as ruthless as it was, as quite effective or efficient in a cold way because that afternoon, while Mr. Best was trying to get hold of Mrs. Smith to make all the arrangements that had to be made with this tragic death of this Canadian statesman, he got a little note from the Federal Treasury Board - would he mind cleaning out his office that since the minister had died at 1:00 P.M., he was off the payroll as of 1:15 P.M.

The only point of that is that executive assistants hold office at pleasure and it is the minister's pleasure, and you know they are political appointments and they can do political work - no quarrel at all. I think it is a very good thing. We had I think four. Indeed

there is a gentleman now who assists me in the opposition and I can assure you he does constituency work, He assists me and it could be said I need the help and I am grateful for it.

What we are getting at in Mr. Penney is the fact that the gentleman is not doing full-time work, he is doing part-time work, And let us realize that this theory of functions is a smoke screen, The

hon. gentleman skated on thin ice. He should have just come out and said, "Mr. Penney is being paid \$10,000 a year for part-time work."

MR. OTTENHEIMER: That is what I said.

MR. ROBERTS: No, that is not what the hon. gentleman said. He went on about fulfilling other functions and we were paying the functions he was fulfilling. Well, I do not know who negotiates with the Civil Service but I can assure the Premier, as head of the administration, that if this philosophy is to be followed, the next time NAPE come in looking for a contract, we are going to have one of the most interesting rounds in negotiation in all history.

The Member for St. John's South, not inexperienced in labour relations matters, I am sure, would concur with my statement that it is absolutely nonsensical to say your - the point is Mr. Penney is being paid \$10,000 a year for part-time work and I will tell the Committee what he is doing. He is practicing law. I do not begrudge him. I am sorry, he is not a member of the bar, He will be shortly, but he has been articling, he has been working in a law office, it happens to be the office of Mr. George Clarke, the honourable Mr. Clarke, a former Speaker of this House, the former Member for Carbonear. All I want is for the minister to come out and say that, that they are paying the man \$10,000 a year for part-time work. Really I hold a brief on behalf of the other executive assistants who will all be in looking for a raise now. I think it should be recorded and we will let it go at this. We have no quarrel with Mr. Penney and certainly none with the minister. The minister has not done anything yet that we can quarrel with, We are trying to find out what he does do. We will find out in due course. He will tell us and we will have some fun.

The point is, Mr. Penney is being paid \$10,000 a year for part-time work, at the same time he is, I understand, articling. He will shortly be

called to the bar, become one of our brethren at the bar, It will be a little crowded downtown now, Mr. Chairman, a little crowded indeed. Your Honour, not being a learned man, would not understand but the gentleman sitting to Your Honour's right, being a very learned man, would understand as would the House Leader, our own House Leader, and the gentleman from St. John's South and the gentleman from Placentia East, all of them are very learned.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: The member for Burgeo is learned? I would not say that.

Mr. Chairman, if the hon. gentleman from Burgeo thinks he is learned, he may be gallant, I am not sure if he is gallant or not but there is a tradition in the House, I do not know where it came from but I suppose it is like all these traditions, but a learned member, for the benefit of the hon. gentleman, is a man who has been trained in the law. The hon. member for St. Mary's is at least half-learned and shortly will be full-learned I hope or whole-learned or wholly-learned, whatever the devil it is.

The point is, Mr. Penney is practicing law or about to enter into the practice of law and at the same time is being paid \$10,000 a year, Having made the point let us get on with us, unless somebody wants to say something else. We are going to be here the night anyway.

MR. CHAIRMAN: Order please.

MR. ROBERTS: Mr. Chairman, may I ask who was called to order? Was it I?. Your Honour said order and I asked a question; was I out of order?

MR. CHAIRMAN: I did hear a lot of noise.

MR. ROBERTS: Well I cannot help what His Honour hears. Was I out of order? I mean I am genuinely anxious to know.

MR. CHAIRMAN: I think the hon. gentleman heard more than one person speaking at the same time.

MR. ROBERTS: I just want the point to be clear. His Honour called order and I mean I want to be sure I am in order.

MR. CHAIRMAN: The items were being called.

MR. ROBERTS: Very rapidly, Your Honour might perhaps...

MR. CHAIRMAN: There were roars from either side of the House, this is why order was called. I was not referring to anybody in particular.

MR. ROBERTS: Well then before the item passes Your Honour, let me ask the question in a non-roar, I did it in a non-roar way but the roar apparently was over there -

MR. CHAIRMAN: Do you have a question to ask?

MR. ROBERTS: Do I have a question to ask? It is funny you should ask that, Sir. Yes, I do have a question to ask. Thank you, Sir. The \$2,000 motor car allowance, is that for the two ministers without portfolio?

AN HON. MEMBER: Yes.

MR. ROBERTS: Okay, now that I have the answer, fine. Can we go on with it, Mr. Chairman, not quite so quickly please.

MR. CHAIRMAN: I may continue now.

On motion total subhead 304, carried.

On motion, Block Provision, Canada Pension Plan, carried.

On motion, Block Provision, Unemployment Insurance, carried.

On motion, total Executive Council, carried.

MR. CHEESEMAN: Mr. Chairman, introducing the estimates for Fisheries for the current year, there are a few comments which I would like to make covering the broad field of the department and some of the problems and some of the areas which are receiving attention.

I think, however, I would like to make a comment first in connection with an item which will come up. By request and by agreement, I believe with the House, the question of Burgeo was moved from the Economic Development estimates for purpose of discussion to the Department of Fisheries and will therefore be discussed under this subhead.

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subhead.

Now I want to make it abundantly clear that the reason for that, stated at the time, was that the Premier wished to make comment on this subject and I believe was

was not in the House at the time that the Economic Development estimates were introduced. However, least there should be any feeling on the part of anyone that by making this comment that I did not support Burgeo Fish Industries purchased by government, on the basis of the information available to me and the statements already made under the Department of Economic Development, I wish to say that as far as I am concerned I do wholeheartedly support the action taken by the government at that time.

Now one other comment I feel that also I would like to make is that there was reference this afternoon, and I hope that I am in order in commenting on this under this particular 1401, to the inaccessibility of ministers and/or departments and/or telephones listed or unlisted as the case may be. In connection with the Department of Fisheries, I believe it is a reasonable statement to make that in as far as time will permit and mechanical devices and anything of that nature or visits from constituents all over the island, the Department of Fisheries has an open door, I have two listed telephone numbers. So I trust that that clears the situation, in as far as the Department of Fisheries is concerned. I thought I would take an opportunity to clarify this.

Now, Mr. Chairman, -

MR. ROBERTS: Mr. Chairman, I think we should have a quick count of the House please. I will stay but there are one, two, three - No, I do not have to stay either.

I did not mean to ruin the Premier's cigarette but I thought with the minister making a statement his own colleagues would want to hear it.

MR. CHEESEMAN: All of the members of the House are so well informed perhaps there was no necessity. However, Mr. Chairman, to carry on with the point when the count was called. I would like to say in

reference to a comment that was made perhaps in jest, perhaps seriously, I do not know about the lack of an executive assistant in this department, that this is but one of a number of problems in terms of personnel. I would like at this point to say also that I am here this afternoon without benefit of a deputy minister or other advisers not because of the fact that I feel so competent or knowledgeable in the affairs of the Department of Fisheries in the short time that I have been in that portfolio but rather because of a lack of staff in that department at the present time. The deputy minister is in Halifax attending a meeting on herring which is of major importance to this province. A member of the Fisheries Development Authority, Mr. Russell, is today in Chicago in my stead, where there is a demonstration on the future use and possibilities of the caplin industry which I feel is of major importance again to this province. Unfortunately Mr. Prince, as will be known to most members of the House, another member of the authority, suffered a very severe heart attack some weeks ago and is recovering satisfactorily now but he had a long stretch in intensive care and it looks as though he will be off for some time yet.

So I would crave the indulgence of the House, if there are detailed questions of which I do not have the immediate answers that this will be understood by members and that I will in the course of events endeavour to obtain the information which has been sought. Now, Mr. Chairman, looking specifically at the Department of Fisheries and under 1401, the fishery in the Province of Newfoundland has many problems. Through recorded history, I believe, it is reasonable to say that the industry itself in one form or another has gone from crisis to crisis. We have seen markets collapse. We have seen shortages of fish. We have seen weather conditions which virtually prohibit fishing and these continue to occur from time to time and undoubtedly will into the future.



I would also like to state that the future of the fisheries of Newfoundland, as I see it from the head of this department, is very closely linked to the Federal Government and Ottawa. This in terms of both the available money, because as all members of this House and many people throughout the province will realize the proper development of the fisheries will require tremendous input of capital and I believe that we must work very closely with Ottawa if we are in fact to make the fisheries what they should be in this country or in this province.

Again in terms of Ottawa, we are involved with regulations which are Federal regulations and to a degree determine the course which we must pursue. There are too, within the fisheries, social problems for, I believe, Mr. Chairman, that it is almost impossible to divorce the one from the other. The fisheries of Newfoundland are scattered throughout as many communities as are inhabited by people. We saw the influence of the resettlement programme as it affected the industry. Many people who were moved from viable communities, at least viable communities in terms of the people themselves, where the fishery had been carried on for years, were in some instances moved into areas where they could no longer pursue this vocation and as a result some very sad circumstances have occurred.

There is also a tremendous changing scene in the fishery. Traditionally in Newfoundland down through the years and in fact up until recent times we were almost totally salt and pickled fish oriented. However there is a changing scene in this connection and we are seeing the introduction of more and more fresh fish handling, shipments, transfers and this type of thing, and this in turn is causing problems in the communities. I say problems in this sense that years ago when the salt fish production was the predominant factor you literally had a cottage industry which included the head of the household and his

family as a unit and the splitting, salting and curing of fish, the drying of fish involved literally everyone in the family and most people in the community. However, when a man goes out today in many of these areas he is nothing more than a catcher of fish who brings his fish then to a transfer centre or landing area where the fish is transferred either by truck or boat and taken away, resulting in lack of involvement in others in the community in this particular industry.

It is interesting to note in this connection that the problems as I see them in the communities are multiplied, through this factor, in the urban centres or the more urban centres of St. John's, Grand Falls, Corner Brook and perhaps other areas such as Botwood, Bonavista, and many other areas of this nature you will find in today's

world that men and women, husband and wife team are both working to buy houses, to buy televisions or motor cars or the other amenities of this life and the opportunities in these urban centres is there for these people to do that. But in the fishing community what you have literally are the catchers of fish and that is where the thing stops. Now I would venture to say if you asked many husband and wife teams or family heads in the urban centres if they could get by with just one of them working or own their own homes or motor car or this type of thing, I would venture to say that many of them would say, "no, it would be impossible." So this type of problem is evident I believe in our rural communities.

The fishery is, of course, divided into a number of sections. Our offshore fishery has in recent times come under very close scrutiny in terms of the resource facility. As will be well known now to I am sure all members of the House, quota systems will be introduced, which will afford a certain amount of protection which had not been either necessary in the more distant past or implemented in the more recent past. However, we seemed to have gotten over that at this point.

I would like to say in connection with this that it seems to me somewhat of an oddity that in a province where fishing is the mainstay of our economy, in terms of the number of people employed, for that matter the value, that it would have taken the introduction of a citizens group and I refer of course to SOFA. I would like to pay tribute to the work that they had done, the awareness that they brought about in connection with some of the dangers facing the fishing industry, but surely it is a bit of a condemnation on the province and the industry as a whole that this should have been necessary. Whilst they have done a tremendous job, I think personally

MR. CHEESEMAN: that it is not an area that we should look to for the continued future of our fisheries, rather that the government and the people of the country and the industry should be more involved.

Now the slackening of fish or the availability of fish has necessitated to a new look at deep sea fishing methods. I mention this deep sea fishing methods as but one segment of the fishery, because the near bank and the inshore fishery too are just as important. But dealing with this one item, it would appear that there will be in the immediate future a need for a considerable increase in our trawler fleet and this both in terms of replacement of older trawlers and the hiring of new ones. It has brought in turn a tremendous financial burden on a number of fish companies which in most cases have been thrown back on the government. You will note that there is an item in the estimates dealing with this, so perhaps this is enough said at this point, except to say that even since the compilation of the estimates there was a change in the situation brought about by the quota systems where now, more than ever, it is going to be of major importance for Newfoundland to get out and get its share of the fish in the areas where the quotas have been established.

It is interesting to note here, I would like to make this comment that according to the history books Newfoundland was blessed by the fact that when people arrived here from the other side they weighted baskets down with rocks and hauled them up and found them full of fish and this was considered to be a wonderful thing. No doubt in its time it was. I often, however, think in more recent times that it may have been not so much of a blessing because we did not, down through the years, have the necessity to develop the offshore expertise which many countries of the world have developed. This question is been continuously asked, Mr. Chairman, I see it in the press, I hear it on radio and T.V. interviews and this type of

MR. CHEESEMAN: thing. "How is that the Russians or the Poles or the Czechoslovakians or any East Germans, you name them, can come all the way across the Atlantic and catch fish while we do not seem to be able to do it in Newfoundland." Of course, it is not true to say we cannot do it in Newfoundland, but merely the necessity down through the years was not there to develop the same type of expertise in offshore fishing. With them it was a question of necessity, with us, in season the good Lord blessed us I suppose and sent the fish to our shores were we could reap a harvest which at least would sustain us, But I believe there is evidence of the fact now that we were ill-equipped really to take full advantage of the offshore resource.

Now in terms of what I would refer to as the near-bank fishery, the near offshore fishery, there is here I believe also a need to develop an expertise and a type of boat to fish these waters. The generally accepted situation in the past would be that you had distant trawlers and you had inshore fishery. But, I believe, Mr. Chairman, that it has been evident during recent years that there is what I would refer to as another area "green belt" of fish lying somewhere between this true inshore fishery and the offshore fishery and that we must also take advantage of this. We have seen some evidence of the results of this type of fishing by virtue of our fleet of longliners, which have been built up over recent years. The longliners are taking advantage of this resource area, but I believe that even more expertise, even more modern types of boats and larger boats and multi-purpose gear boats will be needed in the future. Our longliners, so-called, are a bit of a misnomer at the present time because really most of our longliners are gill-net fishers rather than longliners in the true sense of the word.

The other section of the fishery, that is the true inshore fishery which is the small boat fishery, the trap skiff, the motor dory, the cod trap and to a lesser degree some trawl line and gill net is on a very much smaller bases than the offshore. There must also

MR. CHEESEMAN: be an area where we have to develop the greatest expertise possible and, in my opinion, will in the coming years require a new look at the type of boat, the type of engine, a different approach perhaps to bounty systems and this type of thing. But there is a place, despite what has been said by a number of people knowledgeable in the industry, there is very definitely a role for the inshore fishery and the inshore fishermen and a very important one. I suggest it is the inshore fishermen who very often makes the difference between the success or the failure of the modern fish plants.

Now, Mr. Chairman, I believe too that it is absolutely essential within the context of this whole total fishery that the true value of the fishery and the true value of the fisherman himself, in terms of the economy of Newfoundland, must be portrayed. I believe it is a subject that has been neglected over the years. I am saddened, as I am sure many members in this House and as I am sure many thinking people all over this province are, at the image that is sometimes painted of our fishermen. I believe, Mr. Chairman, this is very unfair. I suggest to this House today that were it not for the fishermen, the small boat fishermen, the inshore fishermen who persevered in the face of all the problems that there would not be a House today in Newfoundland. In fact, there might very well not be a Province of Newfoundland. I believe personally and I am sure many of you feel that it is long overdue the time when we should pay the proper tribute to our fishermen and the industry and support them in every way possible.

Now, Mr. Chairman, another area of problem that I see within the fishery is a very heavy dependence on the United States market. I suppose that in terms of our ground fish and in fact almost all species other than perhaps our herring, mackerel, that ninety-eight percent perhaps of our total exports goes to the United States market. We should be very happy about the fact that we have this market and the United States has certainly provided us with great earnings in terms

MR. CHEESEMAN: of our fish exports, At the same time I believe that we should not have such a dependency on that market and I think that every effort should be made in the foreseeable future, in the near future at that, to develop markets on the Canadian Mainland from coast to coast and in Europe, where that is possible. I believe that we missed a tremendous opportunity shortly after coming into Confederation, when Newfoundland was something new, when we had something to our name that was then not a Newfie joke. When Newfoundland came into Confederation it was a very revered name. It brought with it great contributions to this nation of ours. I believe that we should have been farsighted enough at that

time to take advantage of the tremendous advantage that we have in merely saying the word Newfoundland. I believe that had we had a policy within the first two or three years after entry into Confederation, we would have found a ready acceptance for our products right across this entire country. I believe again that even at this late date we should turn and take a very serious look at the Canadian market. In the United States things tend to go up and down. They fluctuate at a much greater rate than does, I suppose, Canada as a whole and certainly Newfoundland in particular. It is possible, but we hope that it will not happen. Markets have been reasonably stable in recent times. Prices have been reasonably good. Bearing in mind my opening comments about the fact that the fishery seems to be, down through the years, fraught with crisis, I believe that we should take the necessary insurance now to make sure that we protect ourselves against this possibility. Tied closely to that, Mr. Chairman, I believe is an area that we should take greater advantage of and that is the shipment from Newfoundland of fresh haddock. Again you very often hear the comment made that it seems that every other fish plant or every other area of Canada seems to be able to pay higher prices to its workers or to the fishermen than does Newfoundland. I suggest to you that in many cases this is brought about by the fact that in many of these other areas any thing from twenty to thirty per cent of the production of fish from these areas finds its way on to the fresh market and at very premium prices. I have personally looked at the situation of fresh fish shipments to the Canadian Mainland markets and the possibilities of the United States markets in recent years and I am satisfied that if properly tackled this holds great opportunity for our fishing industry in Newfoundland.

Now, Mr. Chairman, in terms of problems of the fisherman himself, I think one of the greatest areas of concern in the province today must be some form of protection for the inshore fishermen's gear, protection against storm damage, protection against loss or destruction by other means and the replacement. Now in recent years our predecessors have chosen to go the



route of using a token vote of \$100 and at the appropriate time they have paid a portion at any rate of the losses inflicted through what was loosely called storm damage. However, as I indicated, there are problems beyond the storm damage; loss of gear by trawlers in unprotected waters and this type of thing also comes into the picture.

The real problem, Mr. Chairman, is the inequity of the system, as I see it, that has been pursued in recent times. That is that first of all you must have declared a near disaster or it must have been a major storm which caused the loss of gear. Therefore, payment now becomes applicable to either a bay, a section of the province or to a confined group of fishermen whilst others, throughout other areas of the country, because there was not a storm on the June 27, but who loss gear nevertheless, were excluded. I believe this is manifestly unfair, Mr. Chairman. We have sought and I might say now at this time, without success at this point, to try and persuade Ottawa to participate with the province and with the fishermen, to introduce some form of insurance for inshore fishermen, a participatory insurance. I might add in this connection that there is an error in our estimates in terminology, where it does in fact say "Inshore Gear Replacement Insurance," under 1413. That, of course, is not operative in that there is not at this point in time an insurance policy. There is a vote in there of \$200,000. I had hoped originally when we discussed these estimates that that would in fact represent perhaps the province's contribution and that Ottawa would have seen fit to go along with it. Now I realize, Mr. Chairman, that there are many, many problems in connection with the introduction of an insurance programme, fishermen's gear, inshore gear. I realize that the system is open to abuse. There are all sorts of problems. Nevertheless, I believe that it is of such a great degree of importance to so many of our people that we must persevere and we must pursue this and we must run it down to the bitter end to try and find the best possible system that we can for the benefit of our inshore fisherman and his protection.

I believe too, Mr. Chairman, that there is a real need at this point in time to take a good, strong look at what we are doing in terms of fish reduction. A number of our species of fish are being today caught in great quantities and put through processes which leave very little earnings really in terms of onshore labour. It is mostly a catching effort. It is true that the earnings of the individuals on these boats are high. That in itself is a good thing but I think we must be mindful of the problems that we could face in depleting our resources. We have seen in recent times a very substantial decrease in the catch of herring, for instance, on the south coast of Newfoundland and the south west coast, all along the entire south west coast. I believe we must guard against this. The province must be very much aware of the problems that could exist in this connection.

I believe too, Mr. Chairman, that there is a tremendous need for an awareness all over the province of the job opportunities which exist in the fisheries. Only today and for the past two weeks I suppose there are ads. in the papers looking for fish cutters and, of course, fish cutters in themselves produce related jobs. In many areas of the country, I do not believe that people are fully aware of these opportunities and even if they are, there is another related problem which comes into the picture and that is the lack of a housing problem or a housing programme to go hand in hand with the demand or the need for additional labour in this industry. I feel that under this heading, Mr. Chairman, we in the Department of Fisheries and hopefully, in cooperation with the Department of Municipal Affairs and Housing or specifically Newfoundland and Labrador Housing Corporation, need to take a very close look at where we are going in this connection. I believe too, Mr. Chairman, that there is a great need and in fact the programme is already underway and I hope will be pursued tomorrow, next day and through for the next

twenty years or until such time as we have upgraded the facilities which exist around this province. Here again we run into the situation that I described in my opening remarks where we crossed the field with Ottawa. We have instances in Newfoundland where the federal government have built community stages on land owned by the provincial government and in areas sometimes which were not acceptable to the fishermen or in communities which were on the way out or that needed different facilities than those built.

By the same token, the provincial government have embarked from time to time on programmes which did not appear to have the proper follow through. I quote an example of this, last year's programme of so-called fish holding units. It was the impression of most of the people in the areas where these so-called fish holding units were placed that this would be a facility placed there by the government. It would be a combination of cold storage, bait and cool rooms for the baited trawl holdings. In fact, Mr. Chairman, there was no on-going programme beyond the actual building of these fish holding units. This today is causing concern to fishermen all over this island. It is a problem with which we are wrestling at the moment. Hopefully, as a result of our approach to Ottawa and some proposals that we have laid before them in recent weeks, there will be a total correlation of the effort made on the part of both the federal government

and the provincial Government in terms of the bait-holding units, so-called, these fish-holding, bait-holding units. The community stages, wharves and breakwaters, which get us into yet another area of federal concern: I know it is very frustrating for fishermen and for that matter for honourable members of this House, from time to time, when attempting to get information from us, or help from us or from the Department of fisheries, to be told that, "I am sorry, that is not our area we have nothing to do with wharves. I am sorry, that is not our area, we have nothing to do with breakwaters." This must be frustrating. I experienced the same thing myself when my association was with industry, when trying to get information from the government department. I can now more readily understand the problem and I believe it is an area that must be sorted in the immediate future and that the total effort of the Federal and Provincial Government Departments, whatsoever department that may be, must be correlated to the greatest benefits so that we are moving in the same direction, so that we are in fact providing the facilities in the communities that our fishermen require.

I said before and I say again, Mr. Chairman, that I am firmly convinced of the viability of many of our small communities around this country. It is the way of life. Perhaps there are some in the province and even more further afield, who do not appreciate this type of life, but to many of our fisherfolk, to many of our inhabitants of the outports, they, Mr. Chairman, would not wish to have it any other way. I do not believe that anybody or any group has the right to play God with the lives of those people. I believe they ought to be permitted to stay where they wish to stay, pursue the type of life that they wish to pursue and I believe this government and in fact any government has an obligation to give those people every possible support.

Mr. Chairman, I would like to turn for a moment to new resource development. I believe that the records show over the years that there has been a continuous hammering away by a few individuals on the

possibility of caplin resources in our waters.

MR. ROBERTS: A few or one?

MR. CHEESEMAN: I say there have been a few.

MR. ROBERTS: One especially.

MR. CHEESEMAN: One company perhaps.

MR. ROBERTS: Well, Mr. Bursey is the gentleman who is the active one.

MR. CHEESEMAN: Mr. Bursey has been pursuing an idea for a number of years, but I mean there have been others from time to time who also have been involved.

MR. ROBERTS: (Inaudible)

MR. CHEESEMAN: Yes, this is what I was about to say. A short time ago it came to my attention that the Norwegians and the Icelanders in particular were looking very seriously at the caplin resource of the North Atlantic, or more specifically perhaps the Northwest Atlantic, because that would take us into an area closer to our province. It was with some concern that I learned of this, immediately I started to make an investigation as to what exactly was going on. I received cooperation from the countries or the representatives of the countries to whom I talked. They informed me of exactly what they were doing and the possibilities which they felt this resource have, because many people, Mr. Chairman, feel that the caplin is perhaps the next step along from the herring.

You go back a few years and there was supposedly an unlimited supply of herring in the ocean. Recent years have proved that this is not necessarily so, that this resource can in fact be depleted and, depleted very rapidly without the proper controls. My concern, Mr. Chairman, would be that we would now turn on to caplin and that the same thing would happen. The last thing that I personally would want to see is the caplin resource of the Northwest Atlantic go into meal. I believe that caplin, if it has a food potential in terms of a consumer product, that we most certainly should take advantage of it. To this end, as a result of an approach made by others in the caplin industry

as well as a representation by the company to whom the Leader of the Opposition referred, the total effort resulted in, and I made reference to the fact earlier that Mr. Russell was presently in Chicago, There is at this very time I would think, a demonstration taking place which is in fact introducing the caplin to the American market, in the hope that this particular species will find a readily available market as a fresh and fresh-frozen commodity as well as further examining the potential of the fish as a canning item.

Mr. Chairman, I also believe, and this government is of course on record as saying, one of its aims, priority aims, is to see what can be done about and to bring about as quickly as possible a dollar added value to the products which we produce in this country. In other words, to get closer to the consumable product. I believe that no stone should be left unturned in this connection. There have already been discussions with industry along these lines. I am glad to say that they have taken what we have suggested and what we have asked them to look at and examine toward this end, seriously. I believe and I hope that in the near future we will see in fact an increased value in the products of the sea being exported from Newfoundland. Certainly, as far as the Department of Fisheries is concerned, we will do anything that we possibly can to help in this connection.

I mentioned earlier here the importance of the fishery and the fishermen to the economy of this province, and I would like to just wind up these few remarks by saying that, as of today, the value of the fishing industry to Newfoundland in terms of jobs can be measured in something in the order of 20,000 jobs— 20,000 jobs, Mr. Chairman, in the Province of Newfoundland is a very, very considerable contribution to the economy of this island. It is said by the experts that you can reasonably take a ratio of two-to-one, in fact some say three-to-one jobs which are supported by other jobs. If this is so and in our fish plants and in our direct catching in our trawlers and our inshore fishery, in other words, the total manpower or jobs involved in the fishing industry, if you

would like to take it that way, but moving outside the plant gates or the fishing stage or the processing area, then if we use the ratio of two-to-one, we can readily see that the fishing industry in Newfoundland supports another 40,000 jobs. That is 60,000 jobs, Mr. Chairman.

We hear about great investments in industry and the jobs that will be created. The cost and the subsidized power, the concessions that are given for two hundred, three hundred or four hundred jobs, but I think that this House should pause for a moment and let that figure really sink in, 60,000 jobs, Mr. Chairman. Then and only then I believe, can we put into proper perspective the amount of aid that this industry should get, as compared to what it does get, and the concessions that should be made to it. To often we hear the attitude that everything is done for the fishermen. We give them this, we give them that. Mr. Chairman, I would like to suggest that in terms of dollars there have been a substantial number of dollars invested in the fishing industry over the past twenty odd years but, by and large, the vast majority of this social capital, if you want to call it that, investment on the part of the government, has gone into the larger fish plants, the establishments, where the expertise existed for what I would refer to as the filling out of forms, the appraisal of opportunities which existed through programmes - this type of thing, which the fisherman is in general terms ill-equipped to take advantage of, because of the size of the aid that he requires and because of the knowledge he must possess in order to properly take advantage of any programme even if it is within his limitation. In this connection, Mr. Chairman, you will see in our estimates as we go through them, that there is in fact a vote for regional offices. I believe personally that the function of the regional offices throughout the province is to have the type of expertise available to the fisherman in his own locale, which will, in fact, provide him with the information that he needs and the the information which he has to have in order to

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take full advantage of any opportunities which may be available to him.

I do not believe, Mr. Chairman, that we can measure this in terms of dollars. I would ask you again to remember, we are talking of 20,000 jobs directly, 60,000 jobs indirectly. For this kind of job opportunity, for this kind of earning power, I honestly



and truly believe that the budget of the Department of Fisheries should be closer to \$50. million than \$5. million. I look forward in years to come when the true importance of the fishery, both in terms of the people and contribution they make and the contribution made to the economy, will be more fully recognized. I realize, Mr. Chairman, and I am sure every member of this House, regardless of which side he sits on today, recognizes fully the fact that Newfoundland is very limited in its own capital resources. We must look outside, Mr. Chairman. We must look to Ottawa. We must look to the mainland of Canada, to the United States, to Europe, we must look everywhere but we must be prepared to do our part.

In the Department of Fisheries today, and I am stating this as a fact not necessarily any condemnation of anything, I am from almost day to day embarrassed by the fact that either in telephone conversation, in personal visits or in consultation with people, information is requested on our resources which we do not have. Statistically the Provincial Government records little or nothing. We depend on the Federal Department of Fisheries to supply us with the information about what we are doing ourselves. Now surely, Mr. Chairman, this is wrong. I believe that within that Department of Fisheries that there has to be fully equipped libraries. We have to have information that we can pluck right off the shelf and lay before anyone who is interested in coming here to try and develop anything. We must have this information available for our fishermen. We must have it available to industry and there is only one way that I know to get it, Mr. Chairman. Our budgets in the coming years will have to be substantially increased in terms of fisheries, our aid programmes to industry and fishery will have to be reviewed and changed, enlarged, a more sympathetic understanding will have to be part of our philosophy of the outports and the fishermen of the province, its

contribution will have to be greater, recognized and our contribution to him will have to be measured in his contribution to us and I do not honestly believe, Mr. Chairman, that this is the case today.

Now I have one more item which I would like to mention before I sit down, which I am sure will be of interest to my friend from -

MR. ROBERTS: The honourable gentleman sitting down or the item?

MR. CHEESEMAN: The honourable gentleman sitting down.

MR. ROBERTS: Both are of interest.

MR. CHEESEMAN: Well, with particular reference. We had decided to embark on this sort of regional office concept and the necessity to do a, perhaps physical inventory would be the best words, for the entire province, to find out exactly what we have in many of the communities that exist and in fact where the communities exist themselves, because very often letters will come in asking for assistance of one form or another and somebody has to go back and say; "Do you have a community stage? Do you have this, do you have that? How many fishermen? How many boats? What do you do? What happens to your fish? Do you salt? Do you ship fresh? What exactly are you about? What type of gear do you use?"

Now I believe, Mr. Chairman, that this information too should be readily available, if not in St. John's then I suppose in St. John's, in the department in the final analysis, but also this information I believe should be available around the regional offices. We have already, because recognizing the fact that Labrador is a little further away than most parts of the island and travel conditions are such -

MR. ROBERTS: A little further from where?

MR. CHEESEMAN: From St. John's in terms - Well I am merely endeavouring to tell you why we have taken the step we have. I recognize the fact. If the honourable gentleman wishes to interject a question I will be glad to sit down.

MR. ROBERTS: (Inaudible).

MR. CHEESEMAN: Well, fine then I could only point out that I am not finished.

MR. ROBERTS: I believe that.

MR. CHEESEMAN: Thank you. Already we have dispatched an individual to the coastal area of Labrador to do a physical inventory of both the northern and the southern areas to try and determine exactly what it is. There is new emphasis, I believe, on the Labrador coast, one of the quota areas, which is generally referred to as the Hamilton Inlet Bank, could conceivably and hopefully result in a better flow of fish to the Labrador coast. In addition to this there is a very much increased awareness of the value of the herring and mackerel fishery in that area and as a result of some conversations with a number of companies and emphasis on the necessity for Labrador to be better developed, I believe you will find more activity along that coast this year than has been the case for the past few years. I hope that these efforts will be well rewarded and I hope that it will result in considerably better economy on the coastal area of Labrador. When I say that I am speaking of the area from Nain, Makkovik and through to Southern Labrador, that area which is generally covered by fishery programmes.

We are working in this connection, and this individual also will be working closely with the Department of Northern Labrador Affairs, to be of whatever assistance can be down there and to, generally speaking, assess the whole area and to see what assistance, what practical assistance that we can give to the people through that region. So I think, Mr. Chairman, that is all I have to say at this moment. Again whatever information is required during the course of the estimates I will endeavour to give. I would only ask the House again to bear in mind the comment I made before, that perhaps it may not be obtainable

as fast as honourable members would like to see it, but certainly whatever I can provide I will be only too happy to do. Thank you very much.

MR. ROBERTS: Well, I will agree to that. Well, Mr. Chairman, if the crackies from the far right would -

MR. MURPHY: (Inaudible).

MR. ROBERTS: The honourable Minister of Provincial Affairs -

MR. MURPHY: Carry on.

MR. ROBERTS: I thank the honourable gentleman for allowing me to carry on in accord with the rules. Mr. Chairman, let me first of all thank the minister for his opening statement. I welcome it. I think it was a good speech. First of all he was speaking from the heart and I know he will understand me saying that I for one, and I know he will agree with this, felt he was very much his father's son when he was standing in his place there this afternoon and making that speech. I did not know the late honourable Mr. Cheeseman, the late Jack Cheeseman, very well. I was with the government service during his latter years in the ministry but he was a man who had a lifelong affection for the fishery of this province and certainly as much knowledge as any other man had ever had and as much concern and as much devotion. I do not know of a case in history when we have ever had a father and son following in portfolios in this way before. I suggest the honourable gentleman is proud of that and I suggest he should be proud of that.

But I think today in his opening statement, really the first statement he has made as the Minister of Fisheries, the first policy statement of any consequence, he was in every sense worthy of being Jack Cheeseman's son and I mean that as high praise and I think the minister earned that high praise.

My colleagues and I, and I regret my colleague from Pogo is not here at present, actually he is attending a wedding, the Reverend Mr. Peacock's daughter I believe was to be married -

MR. EARLE: (Inaudible).

MR. ROBERTS: Well, the honourable gentleman from Fortune Bay is perhaps better in escaping from weddings than is the gentleman from Fogo. I claim to be the House expert in escaping from weddings but -

MR. EARLE: Not as good as the honourable gentleman -

MR. ROBERTS: I said I claim to be the House expert at escaping from weddings. My lines are always better than the gentleman from Fortune Bay but I am glad he is recognizing that.

MR. EARLE: (Inaudible).

MR. ROBERTS: Yes, in anything really, Mr. Chairman, -

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the member from Fogo I have no doubt will be here this evening and will have some words to say on this, both as a man who knows a great deal about the fisheries of this province and as a man who was a former Minister of Fisheries or is a former Minister of Fisheries. We do not plan on this side any lengthy debate on these estimates. We have a number of specific questions which we will raise. We appreciate the position in which the minister finds himself. Indeed I would go further (with respect to staff) and I think the Department of Fisheries, which has some able men in it, is probably the worst staffed department in the administration of this province.

AN HON. MEMBER: Understaffed!

MR. ROBERTS: Understaffed, that is what I meant. I did not mean that anybody down there is not doing his job or anything like that. It is the least well staffed, let me put it that way. It is the least well staffed department in the province. My colleagues and I who were in the previous administration could have done something about it I suppose, in theory. In practice I think we tried. I know of any number of schemes that came to no fruition. We tried to improve the personnel of that department by recruiting additional personnel. I think really we were lucky to break even because we lost a man, a towering giant, in the late Mr. Ross Young whose son Mr. Victor Young has become in his own way as much a giant in the administration as his father was. Mr. Young was replaced by Mr. Rupert Prince. I am glad to hear that Mr. Prince is coming along. I gather he had quite a severe heart attack. He is a man I think who would be of immense value and is proving to be of immense value in the fisheries.

I do not know where the minister is going to look to find the people he needs, the administration needs and the province needs. Part of the problem must be a further definition of the role of the Fisheries

Department. We, more than any other department, have a jurisdictional, not a conflict but a jurisdictional quandary with Ottawa. I submit that one of the most important things the minister could do in his initial months in office is settle once and for all with Ottawa definitively which department is to do which and with what and to whom. When that is decided perhaps the staff questions may be much easier to solve. I doubt if we will be asking of the minister much information in the committee, that he will need to ask his officials to obtain. If we do, then he is undertaking to get it. Of course, we understand that this will take a period of time. There is some information which I think we would like to have and perhaps, if I ask him now, he can arrange to get it over the supper hour. The salary appendix for 1412 seems to have been dropped from the printed copy supplied to me, that is the Fisheries Development Authority Salaries. That is a minor matter. It may be in other members' books but it is not in mine. I have page 102 and 103. There is vote 1402, salaries, 1413, salaries but there is no breakdown of 1412 salaries. It is a minor matter but let us have it.

MR. CHEESEMAN: The information is available.

MR. ROBERTS: Good. I would like the minister to table the documents in relation to the purchase by the administration of the Burgeo Fish Plant and whatever else we purchased up there. This is the one matter I think we wish to debate at some length. We have some questions. We have some statements. We will talk on that. I am interested in, i.e., the details of the contractual arrangement under which Mr. Winsor, the manager of the plant, is there. The Minister of Finance earlier told us that Mr. Winsor is no longer employed, at least on an interim basis, with Mr. Lake, with Gaultois fisheries or whichever the Lake companies is involved. Mr. Winsor I suppose is one of the best fish plant men in this province. He has run the Gaultois Fish Plant for many years. We would like a little information about what he is doing in Burgeo? There is more than that, the terms on

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which he is there? I would like the balance sheets to be tabled, Sir, of the enterprise as of the date of purchase. I think also we should have some information on how the assets were valued. I am so overwhelmed the member from Burgeo that he tipped over his glass. I have not begun yet. What did he say? It is water. What did he say? I agree the member for Burgeo is an expert on dribble. We will come to him. We will come back to him.

MR. ROWE (W.N.): You would not say he was worth \$2.5 million.

MR. ROBERTS: But he is not worth \$2.5 million. Nobody would ever say that. The balance sheets of the company, including the valuations of



MR. ROBERTS: the three trawlers which were purchased, where are they carried at on the balance sheets of Burgeo Fish Industries Limited? The plant itself, so forth and so on. We would like the profit and loss statements of the company for the past five years. It is now in the public domain. It is relevant information. I do not want to have any information that is not properly public, but it is a matter of some concern in a matter of \$2.5 millions. I would like some information from the minister on what happened since the government acquired ownership, which I believe was about the end of March, just before the election, about the 20th. or 22nd. of March? Is the plant making a profit? Is it making a loss? What do we estimate will be the outturn for the year? There is nowhere in the estimates that I have seen. Is there any provision for any loss of the company - so presumably it will not make a loss. Equally there seems to be no provision for any profit, presumably therefore it will not make a profit. I may be reading too much into the absence of figures from the estimates, but the way to deal with this is to have the statements, the pro forma of profit and loss statements for the current year.

I would like to have the terms of any agreements under which the produce, the product of that plant is being sold. It is being sold obviously, I presume it is not piling up down there in Burgeo. I would like to know where it is being sold? By whom? And on what terms? And on the prices? I do not necessarily want to know how much each pound is bringing, but what I am after, is it going for current market prices? I would like to know what the government did purchase at Burgeo? Because this committee is in a position, we still do not know what was purchased at Burgeo. I know what was offered for sale by Mr. Spencer Lake in behalf of Burgeo Fish Industries, Limited. I have a letter dated January 17, addressed to Mr. Prince. He offered for sale a modern, one would query that, ground-fish processing plant

MR. ROBERTS: with a capacity of nine million and ten million pounds of finished fish per annum. Three trawlers "The Bur-Hound", which is seven years old, "The Bur-Hawk", which is ten years old, "The Ross Lion", according to Mr. Lake is sixteen years old. Mr. Lake does quote an estimated replacement cost for these trawlers, but he does not tell us what valuation they were carried at in the books of the company and obviously that is of interest. The new Meal and Oil Plant, I assume that is the Nat Lake Plant?

AN HON. MEMBER: No.

MR. ROBERTS: No. Right I am sorry. If I had read down a little further, it is not. The Fish Meal and Oil Plant, not the Nat Lake Plant. The larger barn with modern equipment capable of handling a herd of dairy cattle. Does that include the llamas? Rental office space, the beauty parlor, the barber shop, the laundromat, the supermarket, the fuel oil, stove oil and bunker sea and gasoline storage tanks together with two new tank wagons. A new office and bank building owned by Coastal Reality, Limited, a part of that is under a long term rental to the Bank of Nova Scotia, I gather. Six houses including Mr. Lake's own home. I quote, Mr. Chairman, "I have only listed here some of the items which come to mind, as time has been too short to list everything in the plant complex at Burgeo." He found some other items, the machine shop, the electrical shop, the carpenter shop, the fishing gear storage, the ice house, the package material, warehouse etc. etc. etc.

AN HONOURABLE MEMBER: What about the Cossack horses for riding in the meadows and -

MR ROBERTS: No, they did not sell us the horses. At least they did not offer them for sale.

Indeed as I read the letter, Mr. Chairman, Mr. Lake offered for sale everything he owned or everything the company owned in Burgeo with the exception of the Roman Catholic Chapel, which he built.

MR. ROBERTS: personally, which I assume is now owned by the Roman Catholic Episcopal Corporation, whatever is the appropriate agency.

AN HON. MEMBER: And Mrs. Lake.

MR. ROBERTS: Well when I say Mr. Lake, I include Mrs. Lake. Well he does not own Mrs. Lake, I would not think so. I would not think any husband owns any wife or any wife owns any husband.

MR. ROWE, W.N. That is a bachelor talking.

MR. ROBERTS: As a bachelor, maybe it is a conflict of interest.

But I do not know what the honourable gentleman from Burgeo is talking about. Hold on now, what was that again? One interjects at a time. It is fun dealing with them, Mr. Chairman. One at a time, I mean. Hold on now! The member for Harbour Grace has erupted? What was he saying?

MR. ROWE: W.N. Not a word! Even put on the spot he will not even speak.

MR. MURPHY: An office there.

MR. ROBERTS: Hold on now.

MR. MURPHY: A liquor store there. You would pay off that \$2.5 million.

MR. ROBERTS: That would be right. That would be right. I wonder if there is a liquor store to be there. All right.

AN HON. MEMBER: There is one requested.

MR. ROBERTS: There is one requested. Are the government going to do it?

AN HON. MEMBER: I do not know yet.

MR. ROBERTS: I am sorry?

MR. MURPHY: (Inaudible).

MR. ROBERTS: You got the right building. Well maybe the government own the building, I do not know.

AN HON. MEMBER: Or two.

MR. ROBERTS: Or two - I hope the government will buy some more very shortly. This is some information we would like, Mr. Chairman, on the Burgeo Plant. What we are saying is that we want all the relevant information on the purchase of the plant. All we know now is that the government purchased the plant and there is an item in the estimates for \$2.6 million. I believe in response to a question one of the honourable ministers opposite said that this represented full payment for the plant. It is not an installment or anything else. That is it. Now we would like to know what the government paid for it - not what they paid for it because we know that. For what reason did they arrive at this figure? We have the spectacle of the Minister of Finance saying in the committee yesterday, Sir, that too much was paid for it. We have the spectacle of the member for Burgeo saying in the "Daily News" on the 1st February that the plant was only worth \$1 million and not \$6 million. I would like to know on what basis the government arrived at this \$2.6 million figure? Maybe they had a basis for it. I am not going to say they did not. We were told by the officials, we being the previous government - this letter was written January 17 but the information in it had already,

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previous to this, been orally delivered to the then Premier, Mr. Smallwood, and officials. We were advised by officials at cabinet that if we paid about \$1 million and forgiveness of the debt (the debt was about \$400,000) then the Lake interests would be well and truly compensated for a plant that is twenty odd years old. Even though it has been well maintained, it is still twenty odd years old. It must be just about fully depreciated, the original plant, the five per cent straight line depreciation. I do not know what sort of cash they have been generating. It is one of the reasons why I would like to see the profit and loss statements. They may not have depreciated any additions or replacements or what have you.

Mr. Lake offered all these to us in return for \$5 million cash, plus the provision of a water-front site at St. Alban's, in Bay d'Espoir, preferably serviced and as near as possible to the government wharf. The Minister of Fisheries or the Premier may comment on whether in fact that has been done or where there is any agreement on this. It is a letter of January 17, addressed to Mr. Prince. I will table it, if honourable members have not seen it. It is doubtlessly in the files down there. In addition Mr. Lake asked for a piece of serviced land at St. Alban's, which was previously used as a trailer court, by construction engineers and their families who are building the power complex at Bay d'Espoir. This serviced land is now vacant. It has been for a couple of years. Also we understand that it is owned by the government. That is up, as I recall it, on a fairly high hill as one comes down into St. Alban's from -

AN HON. MEMBER: St. Joseph's.

MR. ROBERTS: Yes, I was going to say coming down from St. Joseph's and St. Veronica's into St. Alban's itself. You cannot see it really unless you stop and walk in, as I did at one stage. That is what Mr. Lake

Mr. Roberts,

asked for. The administration then in office did not have much of an opportunity to deal with this because, of course, it was the next day that we left office. I think it is worth briefly going over the history. I do not propose to go into the labour dispute, Sir, suffice to say there was a labour dispute. There were two sides dug in. I am not going to say whether one was right or one was wrong. I do not know. It may well be that there was a little right and a little wrong on each side, but each side dug in. Mr. Lake and his interests on one side and the union on the other side. They dug in and the confrontations got worst and worst. Mr. Lake feared, I believe he said so publicly, that there would be outbursts of violence and he asked time and time again for a hundred R. C. M. P. officers to go in. The advice which we had from the R. C. M. P. was that the force there at the time was adequate. The situation got very tense. There were all sorts of incidents and all sorts of charges and countercharges none of which is relevant today. We had a very bad situation. It was obvious that the only possible resolution of it was to remove one or the other of the two parties to the dispute. I do not think anybody quarrelled with that. So once that became obvious the Smallwood Administration said; very well we will attempt to buy the plant. Negotiations were entered into with Mr. Lake. I am not sure if it was Mr. Spencer Lake or Mr. Birch Lake, his son, but with representatives of the Lake interests. They were accompanied by legal counsel and what have you, on our side, the government side, Mr. Smallwood and some of the officials.

The negotiations came to no satisfactory conclusion. The reason for it was the government acting on the advice we had, but that is not to shoulder the responsibility, the government acting take responsibility, turned down Mr. Lake's offer. This one here was merely confirming an offer that had been made orally the previous Tuesday. I do not know what day of the week January 17th. was. I am not sure what day it was. When did the government assume office? January 18th, what day of the week was that? Tuesday, so in other words the meeting between the Premier and Mr. Birch Lake was a week before this letter was written, the 10th. or 11th. day of January and at that meeting an oral offer was made by Mr. Lake and this letter merely confirms the oral offer.

Indeed the first paragraph of it, Sir, 'further to the suggestion made by Premier J. R. Smallwood at a meeting held, "it is addressed to Mr. Prince, "last Tuesday morning, January 11, in the presence of yourself, Mr. Cliff Russell of the F.D.A. and my son, Birch Lake, we herewith submit a firm offer of sale of Burgeo Fish Industries Limited to the Provincial Government of Newfoundland, which offer is made in the best of good faith and which if accepted means the plant can be opened and operating within one week of its acceptance providing the terms and conditions as stated here below are fully complied with." I have outlined the terms and conditions, Mr. Lake set forth.

Well we turned it down, Sir. We turned it down because the plant in our view was worth, at most, \$1 million plus the forgiveness of about \$400,000 in indebtedness incurred over the years with loans for expansion. When we turned it down we realized that the matter either was left unsolved or we had no option except to expropriate the plant. So an expropriation order was passed by the Cabinet. The expropriation order,

Sir, has flaws. It requires leaps and bounds surveys. These were not available and instructions were given to prepare them. Indeed, as far as I know, that work was underway when the administration left office. I assume it was subsequently abandoned because the new administration took a different approach.

An expropriation order also only attaches physical assets. I do not believe it would have caught the boats. It would have caught the plant and things of that nature but only items fixed to the ground. I do not know if they are fixtures in the legal sense, but buildings and fixtures anyway. It certainly would not have gotten the trawlers.

Be that as it may, we came to the conclusion that the only option we had open was expropriation, so we passed the expropriation order in the Cabinet. The administration then left office and the matter was not proceeded with. That is fine, so be it! The new government subsequently, presumably after a period of negotiations, because it was about two months before they came to any conclusion, it was announced, the new government negotiated and came to a settlement which we now discover is \$2.6 million and we do not know what else. No more cash, but we do not know what was bought. We do not know of any other agreements, we will find that out. We do not even know if that includes the forgiveness of the loan or not. The minister might deal with that.

What we want to know, Sir, is on what basis this amount was arrived at. We think it is too much, on the information we now have, and I stress this may not be complete information, I have asked for a great deal and will get it no doubt and there may be more that I have not thought to ask for which the minister will supply us with.

We would like to know on what basis the government arrived at this \$2.6 million. We think it is too much. We think it was scandalously



too much. I am not saying it was criminal. I do not think for a moment it was. All I am saying is that I think it was a gross error of judgement to agree to pay this amount of money. I say that based on the information we now have. If, when further information is made available, it turns out that my opinion is not correct, I will have no hesitation in saying so.

But let me repeat that on the information we know have, it was a gross, a scandalous error in judgement to agree to pay \$2.6 million for the Burgeo Fish Plant. All that

we know is that Mr. Lake asked for \$5 millions plus some other things. We know that. That is public. Those of us in the previous administration know that we were advised and acted on that advice that \$1. million plus the forgiveness of the loan \$1.4 million including, that would have included the trawlers, that that would have been a fair settlement. When we could not agree with Mr. Lake, we expropriated. I said expropriation has some flaws and it certainly does. It has one benefit in that the final settlement is set in absence of any venue by the Supreme Court, by a completely neutral third party. If the two parties cannot agree on the price and if an arbitration award cannot settle it, then they are under the appropriate conditions in the legislation, there is a recourse to the Supreme Court.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: I have no way to tell, Mr. Chairman. If it went to the courts I suppose it could easily take a year or eighteen months. Courts do take a long time but I mean that does not bother me.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: No, no, expropriation is effective, Mr. Chairman. immediately. The moment that order is signed by His Honour the Governor, ten days, a notice has to be posted and ten days from ten. But I mean it is effective immediately, but it takes ten days for its title to pass. Then what expropriation does is the Crown, acting under legislative authority, takes the property, seizes it, if one wishes. I mean it is a form of seizure, expropriation, a unilateral act. Then the compensation, if it cannot be negotiated, goes to arbitration and if it cannot be settled there under certain conditions, the award can go to the Supreme Court and the court settles it there. It is not an unusual procedure, Mr. Chairman. There must be I suppose hundreds of examples a year of expropriations. The highways department routinely has to expropriate pieces of land. The lawyers in the justice department often recommend expropriation to clear a title, because it then sets the matter of title at rest. I suppose in municipal affairs and the housing corporation -

MR. MURPHY: I think it is more the number of people involved rather than the actual piece of land or a house where you have -

MR. ROBERTS: Yes but I do not see what the relevance of that is, Mr. Chairman. The plant would have been owned by the government, by Her Majesty the Queen, who would have immediately proceeded to operate it, just as the government are now doing and they would have made an agreement with the union. They have made a good agreement with the union. All that would have happened is the owner would have changed and then Burpee Fish Industries, Limited, which I assume is the owner of the plant, they are the ones who made the offer, would have in due course, when the compensation was settled it would have been awarded and paid to them.

That is all that would have happened, and let it not be said that expropriation would have delayed opening the plant. It would have delayed it for ten days. As of ten days the government would have owned that plant, lock, stock and barrel. They might not have owned the trawlers

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: No, the Premier is certainly not saying it because he knows better but I want to be sure the Minister of Provincial Affairs is not intimating that because there is no - There was this chatter during the discussion on the Linerboard Mill. Expropriation and payment are completely separate. Indeed I can name cases which to my knowledge have gone on for years over expropriations, back and forth to lawyers and then one thing and another. We want to know on what basis \$2.6 million was paid. We think it is too much. We think it is much too much. There may be a reason for it, Sir, but I do not know. I really do not know. Indeed until the Minister of Finance brought in his Budget Speech, Sir, we had no idea what had been paid period, whether a nickel or a dime, indeed I do not know whether anything

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has been paid. Maybe money has been paid and maybe it has not. There are all the other things. Now I could pull the sort of thing that used to be done from the Opposition before, I could say, Is it true that Mr. Lake's firm is selling the stock and the fish in Boston, in Gloucester on a commission? But I did not say that. What I did say was, would the minister or the Premier, whoever is going to sneak to the administration on it.

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MR. ROBERTS: tell us under what terms the produce of the plant is being sold?

Now, as I have said, all that we know about it is that we were advised that the plant and trawlers might be worth \$1.4 million on a quick settlement, \$1.4 million, \$1 million in cash and \$400,000 forgiveness, in round figures, I do not know what the debt was. It was around \$400,000. It was up to date, it was current. Forgiveness of that, we know that. We have a statement from the member of Burgeo, in the press, I do not know what it is worth, but it is there anyway, that the plant was worth less than \$1 million and I understand the Minister of Finance yesterday in the House said that in his opinion the government paid too much for the Burgeo Fish Plant.

MR. EVANS: No, no, he did not.

MR. ROWE, W.N. No, No, he did. He said, the government paid too much.

MR. CROSBIE: Double would not be too much. I will amend my statement right now.

MR. ROBERTS: Well, the minister can amend his statement and he can reamend it, but if he said it, he said it and that is that.

MR. CROSBIE: Check Hansard.

MR. ROBERTS: I am all for it, will the committee rise report progress and ask that Hansard be produced immediately, if the minister wishes. I mean - no, we do not want that. Want a commission of enquiry into it? Okay. I have not made any attacks as yet on this. All I am saying, I would like to have the information, I would like to have the basis. Did the government seek independent advice? Did they fall into the trap of trying to pay the replacement value of the plant, as opposed to its actual value? Did they agree to anything besides cash? Is Mr. Lake going to build another plant up in Bay D'Espoir? I know he has been speaking of it very often. Indeed it was discussed with us. There is nothing secret about that,

MR. ROBERTS: nothing wrong. It maybe might be a good idea. What are the government going to do with the plant? Do they intend to hold it? Do they intend to try and sell it? How are they operating it? We know Mr. Winsor is operating it, but on what terms? You know everything about it, there is nothing we know. The minister in his opening statement skated very warmly around it.

Now, Sir, it is nearly six o'clock. Let me draw these to a close. I said earlier we did not intend to debate at length the minister's opening statement and I think that represents the feeling of my colleagues. We will have some question. We do intend to have some discussion on the Burgeo thing and the tenor of that discussion and indeed the substance of it, in large it will depend upon what information is forthcoming at eight o'clock. If we get full information. You know maybe my opinion - this is scandalous overpayment, is wrong. Maybe it is. It is only an opinion. I have no access to any official information, none at all. I hear lots of interesting things, some of them may even be correct.

But the minister made what I thought was a good opening statement. He outlines his philosophy or the administration's philosophy and the approach which they propose to take, some of the matters which they wish to press ahead with and into. It is a good thing to have ministers do that. The Minister of Health did it. I thank him personally, because all he had to do was to endorse the programme which was begun by his so capable predecessor, it will be carried by his equally capable successors in due course. The Minister of Labrador Affairs and Provincial Affairs did not make an opening statement - did he? A beautiful seven page statement. Well then it must have been beautiful, Sir, because I missed it, for which I give thanks.

MR. MURPHY: There are copies all over Labrador.

MR ROBERTS: How many copies? Thousands?

MR. MURPHY: As a matter of fact there were hundreds.

MR. ROBERTS: Do I hear tens?

Anyway, Mr. Chairman, the minister did make a good opening statement. I would think that we will have to wait a year to see what he does. He has only been in office really a couple of months, the first part of May I think he rose to being Minister of Fisheries. We will see what he does. He is not the first man to come into that portfolio with large ambitions and great dreams. He will not be the last. He

Mr. Roberts.

will accomplish some good. I have no doubt of that. I hope he accomplishes a great deal of good. His figures on the fisheries employment, I will not quarrel with them. I could. One is playing the multiplier game beyond its rational bounds. He did not make to me the most important point of all about employment in the fisheries in this province. It is not so much the absolute numbers, it is the distribution of the people. The fisheries in many parts of our island, indeed once when you get off the Trans-Canada and the other centres of that sort, the fisheries in my district, in Fortune Bay, in district after district, in Hermitage, in large parts of that district, the fisheries is the only - is it 6:00 P.M.? Well let me just finish the sentence and then committee will rise. The fisheries is the only employer. The minister made a good statement. We will give him a year and then we will have a chance at it. If it is now 6:00 P.M., let us come back at 8:00 P.M. for another cheerful evening. It is only going to be about 85 degrees out. I hope the minister will have the information because really that will determine the debate.

On motion that the committee rise report having passed certain estimates of expenditure under the following heading: Heading III Executive Council, items 303 and 304 and ask leave to sit again, Mr. Speaker returned to the Chair.

On motion report received and adopted.

On motion committee ordered to sit again presently.

MR. SPEAKER: It now being 6:00P.M. I do leave the Chair until 8:00 P.M.



The House resumed at 8:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order please!

On motion that the House resolve itself into Committee of the Whole on Supply, Mr. Speaker left the Chair.

MR. CHAIRMAN: Order! 1401(01):

HON. F.D. MOORES(PREMIER): Mr. Chairman, I would like to reply in some detail to the remarks and the questions,ask this afternoon by the Leader of the Opposition,and I will do so as thoroughly as I can at this time, regarding the purchase of the Burgeo Fish Industries Limited. However,before doing that I would like to compliment my colleague, the honourable member from Hermitage,the Minister of Fisheries, for an excellent introduction to that department head.

The Department of Fisheries, Mr. Chairman. will be the subject of a much greater emphasis in the future than it has been in the past. One point that should be stressed I would think is that of reprocessing which will be a major part of the emphasis that the government will be putting into the Department of Fisheries. Regarding the Burgeo purchase, to answer some of the specific questions that the honourable Leader of the Opposition ask (and I will answer them as I go through with it but there are a couple which I wrote down at the top of my notes here); First of all,the contract for the management of the operation was part of the original agreement in that Mr. Jack Winsor was made available to the government for a six month period which expires in September. That was part of the purchase price arrangement. Mr. Winsor is actually reporting directly to Mr. Ted Blanchard and the Department of Fisheries here and Mr. Winsor is reporting to the government and to the government only.

MR. E.M. ROBERTS(LEADER OF THE OPPOSITION): Who is paying his salary here?

MR. MOORES: The salary was taken into consideration as part of the purchase price.

MR. ROBERTS: But the Premier is not answering, who is paying his salary?

MR. MOORES: Mr. Lake paid his salary six months in advance, as part of the purchase agreement.

MR. ROBERTS: Will he go back to work with the Lake interests?

MR. MOORES: We are hoping, depending on the resale of the factory or the operation. If the resale comes on, of course, it depends on who buys it, what they want to do. In the meantime it is our desire and wish and hope that Mr. Jack Winsor will be retained as the manager of the plant because he has done an excellent job since he has been there.

In the agreement that was signed with the Lake interests there was a clause that the liabilities of the company had to be audited and certainly that the current assets, as shown by the company, had to be audited as well. When these have been completed, and the audit has not been completed as yet, when these have been completed we will then know exactly what the liabilities of the company were and also what the assets of the company were. The auditor's report I had hoped to have at this time but it will be due in about two weeks, I have been informed by the firm, that is the auditing firm. No matter what the report, it is, I think without question it is going to be considerably less than the \$2.6 million mentioned because that \$2.6 million was to cover every contingency and it is very likely that the liabilities were more than the old balance sheet that we had and certainly the current assets would be less as well. The balance sheets that will be forthcoming, regarding profit and loss, will be made available to the honourable Leader of the Opposition. Is there something that is confusing the gentleman?

MR. ROBERTS: Well, Mr. Chairman, neither of my colleagues nor myself

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claim to be financial geniuses but we really did not follow the Premier's statement about - We followed as far as the auditor is going to report in a fortnight or thereabouts. I think it is important, so could he go over the ground again?

MR. ROWE(W.N.): What effect will that have on the purchase price?

MR. MOORES: A very large effect. If the audit shows that the liabilities and assets were not as they were listed a year ago, which they cannot be now, the liabilities will, without

question be greater and the assets, inventories and so on will, without question, be less, which means that the differential between the two will be deducted from the purchase price. That will be a considerable differential.

AN HON. MEMBER: Has he been paid for...

MR. MOORES: The final payment will not be made until the audit is completed.

AN HON. MEMBER: (Inaudible)

MR. MOORES: That you will have to check with Finance, but the actual agreement that has been signed, the final figure will be arrived at when the final audited list comes in.

MR. ROBERTS: Can the Premier table the agreement? That is the quick way out of it.

MR. MOORES: I do not have it right here, but I can certainly get the pertinent points for the honourable Leader of the Opposition, as far as the agreement is concerned.

MR. ROBERTS: I would like to see the whole of it. It cannot be done tonight, but tomorrow morning -

MR. MOORES: Regarding the profit and loss statement, that will also be made available when it is taken off. The profit and loss statements for the company. It is very easy to provide them now and in the future. It is more difficult to go back over a five year period. I suppose we could demand them and get them. What we did do was take them for the last two years. There is one year, the year before last, which is a fairly accurate statement because it was a full year of operations. Last year's financial statement was not really of very great assistance, because of the difficulties that the company was experiencing at the time. Once again, that can be brought forward when we have the necessary information.

The arrival at the worth of the company - before going into that I probably should mention how the product is being sold, as was asked this afternoon. It is being sold through Caribou Fisheries

and the reason for it is very simple. They are very good at the sale of ocean perch fillets, red fish fillets, they have a lot of experience at it. Most companies have not. The commission is four percent, F.O.B. price. The normal commission for brokerage in the fish business is five percent and certainly the marketing end of the operation at this time and this interim is satisfying as far as we are concerned.

Two other minor points that the honourable Leader of the Opposition mentioned: There is nothing regarding any deals. As far as St. Alban's is concerned, Mr. Lake expressed an interest in developing that area. There is nothing in the agreement whatsoever about it, nor in the agreement for the future. As a matter of fact, there is nothing other than the purchase of the plant itself. There are no additional deals or arrangements whatsoever.

MR. ROBERTS: What about the ancillary things, the drug store - okay, that is next.

MR. MOORES: To establish the worth of the company itself was a very difficult thing to do, because, first of all, it was an old plant with many ancillary industries and ancillary operations around it. We had the result of a survey from a cooperative group in New Brunswick, which had been commissioned by the previous administration, showing \$600,000 as an expropriated value. That was a good cooperative figure. We had Mr. Lake's proposal, which was not the \$5 million that he had offered the previous administration, but \$7.2 million at that particular time.

MR. ROBERTS: He probably figured the Tories were a softer touch.

MR. MOORES: We had a choice at that time, Mr. Chairman, to expropriate the operation or to buy at the best price that we could negotiate under the circumstances. To expropriate; there was one major failing in expropriation of that business, and that is the fact that once you expropriated the fixed assets, you did not have

any boats to supply the factory. To build boats takes a long while, as people know. To buy suitable boats takes almost equally as long. If they are suitable, they are normally not available. To expropriate meant that we could end up with a fish plant.

MR. MOORES: without any fish and that was not the name of the exercise but the problems that existed in Burgeo at the time. So we have decided and I think rightly, to buy at the best price and with the best agreement we could.

At the time we walked into the situation in Burgeo, the union and the company had reached a position that was totally not reconcilable through any degree of imagination. If it reached a stage where no solution could be found by them working jointly together, we had inherited a problem and a solution had to be found.

This we tried to do and I will deal with it a little later as I go on. First of all I would like to list some of the physical assets which the honourable Leader of the Opposition mentioned this afternoon as to values, and the balance sheet will show this as well so that we can - I can easily arrange to get that as well.

MR. ROBERTS: Are these all things that the government bought?

MR. MOORES: We had to buy the total package because, hopefully, to resell again, I do not know what anyone who is going to buy a fish plant is going to do with a laundromat, but one never knows. But in order to buy it we had to buy the whole package.

MR. ROBERTS: We bought everything except...

MR. MOORES: We bought the works.

Oil tanks, which were valued at \$35,000, and one very interesting by-product of the operation itself was the supermarket operation. One figure that startles me and it is kept up again this year, is that the supermarket in Burgeo, that is owned, does \$1 million sales a year, which is a staggering amount.

It showed very nearly \$100,000 profit. That was last year and it had \$155,000 inventory when we bought it. That is being checked by the auditors as well.

MR. ROBERTS: Are the prices now down with the government the owner?

MR. MOORES: We are operating it as efficiently as possible.

MR. ROBERTS: Are you going to make \$100,000 on it this year.

MR. MOORES: No. I think we are going to shade that, but we have not turned into a co-operative yet. We are going to apply it to the Linerboard Mill deficit.

MR. ROBERTS: You may need that and more.

MR. MOORES: Much more.

The new office building, the actual cost for that, and we have the actual cost for it, is \$185,000. The beauty parlour and the laundromat had \$28,000 worth of equipment in them. The dairy farm and the nineteen acres that went with it were valued at \$52,000 and that was mostly for the land. There were six houses, a couple of which were substantial, as the honourable member knows, valued at \$180,000 for the six homes. I think realizing those homes, one of them takes up most of that.

MR. ROBERTS: That is Spencer Lake's own house, the big one.

MR. MOORES: And that includes two apartments as well. Of the draggers, which you asked this afternoon, Sir, the depreciated value of "The Burbound" is \$300,000, the replacement value was \$650,000, the depreciated value of "The Burhawke" is \$270,000, the replacement value is \$650,000, the depreciated value of "The Ross Lion" is \$110,000, replacement value \$350,000. Here I would like to say that probably the depreciated value is not the real value of "The Ross Lion" because I think she is probably worth a lot less than that, However, those last few days it has been shown that there is a function for such a trawler in that the inshore collection operation, which carried on at Torbay, worked out very well.

MR. ROBERTS: Yes, but an expensive collector.

MR. MOORES: Yes, but there are not really an expensive collector. As a matter of fact if you can load them in the length of time that they were loaded, they are a very cheap collector.

MR. NEARY: What was the cost of that Torbay operation?



MR. MOORES: The Torbay operation, I would take a guess and I would only be guessing, I have no idea but if it exceeded three quarters, one half to three quarters of a cent a pound, I would be very surprised, on 300,000 pounds at one-half a cent a pound, would be \$1,500. \$1,500 would well look after sending it under for two or three days.

MR. ROBERTS: To operate a trawler as a collector is an expensive...

MR. HICKEY: Do not complain, do not complain.

MR. MOORES: Not when one is that old. But one of the figures that came out of this on the basis...

MR. ROBERTS: Mr. Chairman, to a Point of Order, if the Premier would allow me for a minute. The Premier was allowing us to interrupt him and he was being very good and gracious but the fellow that, I am not pointing to the Minister of Mines and Resources, the gentleman from St. John's East Extern, could Your Honour, he is at it again now, Sir, would Your Honour be so kind as to ask the gentleman to please observe the rules of the Committee.

MR. HICKEY: Mr. Chairman, may I speak to the...

MR. CHAIRMAN: If the honourable the Premier felt that he was being interrupted in his speech, or if the honourable members presumably felt that they could not get the gist of the honourable the Premier's speech because of unusually or abnormally large amount of noise from either one of the members, then of course the honourable the Leader of the Opposition's point would be in order.

However,

I do not think that the noise or anything done by the hon. member from St. John's East (Extern) exceeded what would be normal in the committee.

MR. HICKEY: Mr. Chairman, may I speak to that point of order just for a couple of seconds? I just made a remark. The honourable members opposite are awfully touchy tonight. There was such a spectacle when the hon. member for Bell Island brought in those two cod last week and we were just expected to find markets. Now we are being quizzed about it, and complaining about the cost.

MR. CHAIRMAN: Order! The hon. the Premier has the floor of the committee.

MR. MOORES: Mr. Chairman, after a brief interlude -

AN HON. MEMBER: You had your rest.

MR. MOORES: Anything is a help. Mr. Chairman, those items that I mentioned the ancillary operations of the Burgeo operation itself and the trawlers which could not have been expropriated under the depreciated value, and actual value as we had it was \$1,470,000. That is a very surprising figure when you consider that we have not got to the fish meal and the fish processing plant yet, which is really what it was all about. The Fish Processing Plant at Burgeo is an old plant. There is good equipment in it. It is kept in good shape but there is no question whatsoever that the building itself is a fairly antiquated building. However, the situation is that in its last year of operation it did make \$200,000 net, that was the last full year of operation that it had. This year, even with the lack of adequate fish landings, we have had forty-one production days. This is from March 20 to May 20, Mr. Chairman. We have had forty-one production days against thirteen non-production days, which I think is a very good ratio, considering we do not have the number of trawlers we would like to have landing there. There were 3.7 million pounds landed in that two month period. Basically the performance in the plant - the manner in which the plant was maintained as well was very, very satisfying. As a matter of fact, the plant looks (one never knows in this sort of thing) to be as earning a profit again this

Mr. Moores.

year. What we are talking about really is \$1.1 million for the new fish plant, fish meal plant, which is new and the fish processing plant. These figures will all be made available to the honourable gentlemen opposite soon as we have the documented final audit so that they themselves can assess them. Basically, there was a lot more value involved than had been talked about - really that was researched. To look at what the Burgeo situation was, here we had a situation which we had proven values of considerable worth here. We had a plant and ancillary operations that employed 357 people. That is what is on the payroll today, Mr. Chairman. At the same time, we are criticized. I am not sure if it is because of the fish business or if it is because Newfoundlanders are involved or exactly what the situation is. Even if it is \$2.5 million, Mr. Chairman, I would like to give a few comparative figures as to the cost per job that this cost our province.

MR. NEARY: What was the cost for repairing houses on Bell Island?

MR. MOORES: You will undoubtedly - obviously that has nothing to do with the Burgeo fish purchase. Maybe it does, I do not know.

Mr. Chairman, the ERCO Plant, for comparison purposes, which has cost \$13 million and it has recurring expenses, has 400 employees. It has cost \$32,500 per job. The Marystown Shipyard cost \$14 million for 279 jobs or \$50,000 per job. The Steel Mill at Donovan's was \$10 million of government financing. It has 150 jobs for \$63,000 a job. Come by Chance, \$180 million committed by the government of this province for 350 to 400 jobs, \$500,000 per job. The linerboard mill \$180 million at 800 jobs and at \$200,000 per job.

MR. ROBERTS: It has gone up \$20 million since last month.

MR. MOORES: It will be \$180 million before it is finished.

MR. ROBERTS: (Inaudible).

MR. MOORES: That is including the operating capital that the government have to put up

MR. MOORES: and so on. Our calculation is going to be very close to \$180 million before it is finished. The Burgeo Complex was \$2.5 million for 357 per \$7,000 a job. There was a distinct difference. Mr. Chairman. As far as I was concerned it was a very worthwhile action by this government.

Now, well as the honourable member probably knows about how much it costs per vote I do not think really it was very much because there were very few people, comparatively speaking. Mr. Chairman, the real issue at Burgeo was not the value of the plant, it was not what was paid or what will be paid, in the in the final analysis, for that plant. The real issue at Burgeo is that that plant had closed down. Last June 4. the strike occurred, nothing had been done until January 18, other than surveys, maybe expropriation. But in fact whilst this hesitation was going on, the very moral fibre of the people of Burgeo was being destroyed, families were against families. there was bitterness there that we are not used to in this province. There was a healthy community that was basically being destroyed.

Now. Mr. Chairman, the honourable Leader of the Opposition said, this afternoon, he did not know why we went ahead. The main reason why we went ahead was because people were involved. Now, Mr. Chairman, it is the intention of this government to put the benefit and the welfare of people before any other consideration, not at any cost but certainly at any cost that can be justified in the terms of human relevancy, and that is very high. We have a situation where we could have had very substantial welfare costs involved, if that plant had not been in operation for a year. We had, as I say, families against families, we had a community that was on the abyss really. Here we went in because I think it was the right thing to do, this government thinks it was the right thing to do. Maybe we did pay a little too much, but it was not much too much, Mr. Chairman.

AN HON. MEMBER: It costs \$1.6 million.

MR. MOORES: No, it was not \$1.6 million. If you take Mr. Lake and Mr. Doyle you will find out who blew the money in this province. You will find who made the benefits. Do not talk about a few individuals or one individual who benefited to this degree, when we see the many many people who benefited to a much greater degree in this province, Mr. Chairman.

It was the only solution. We would do it again. We will supply the figures to back it up, as best we can. We need more boats to supply the plant to keep it in full operation. In the meantime there are three firms interested now in the buying of the plant. It will be resold. Hopefully by summer's end, Mr. Chairman, I would be surprised if it is not resold for as much or close to as much as it was bought for.

MR. A. EVANS: Mr. Chairman, since the estimates relating to the purchase price of the Burgeo plant have come under discussion, I feel entitled to enter this debate.

Sir, I hope Your Honour will bear with me if I take longer than usual in bringing out my points. As not being a lawyer or a sky pilot and having unfortunately not being endowed with the so-called gift of gab, I may have to arrive there by a more circuitous route. However, I will do so eventually.

First, Sir, I hope everyone realizes the improvements that have taken place in one respect now that we have a Department of Economic Development in Newfoundland, after having being subjected to a Department of un-Economic Development for the past twenty-three years. Of course, this does not apply to this department only. We heard so much lately concerning the last administration, not many people here can remember clearly anything relating to the last administration in Newfoundland, that was in 1949. Since then up to January 18, we have had a poor substitute for an administration composed mainly of the gutless wonders of the Twentieth Century.

MR. EVANS: Their main accomplishments were to create a few multimillionaires, plus even a greater number of millionaires and to drive up our debt in twenty-three years to ten times the amount that it had built up in almost a century prior to that time.

We saw so-called industries being established every other day, the rubber factory, the chocolate factory, the textile mill and so many others, the orange juice factory never did get off the ground, I think another bright mind came up with the idea of planning bologna trees here instead.

It must have been a great relieve to the honourable members across the House that we took over the government before the great dreamer had built a fish plant at Buchans or Grand Falls or a park on the Grand Banks. Sir, I represented 1,400 fishermen from my district in 1951 at the Convention which founded the Newfoundland Federation of Fishermen. We were told there that we must get 10,000 men out of the boats immediately. When the new industries went into operation, we would not need any fishermen, as there would be two jobs for every man.

A lot of them got the jobs all right, picking up their cheques at the welfare office

Subsequently, I had been advised, they were told to sell their gear and burn their boats. However, Sir, our people in Burgeo - LaPoile did not burn their boats, they continued to fish. The plants in that area have been extremely viable.

In regard to the Burgeo plant, I think I should point out a few facts that are probably not known to many members of this House. This plant was built by Fishery Products, Limited, in the early 1940's. When they closed this plant in 1954, the Liberal Government advanced Spencer Lake \$650,000 to buy it. At that time, Fishery Products, Limited owed the government five or six million dollars, so the government actually repurchased its own plant. Lake reopened the plant, made many improvements to it and acquired draggers to make the operation viable. Now we have to listen to criticism here every day because we supposedly paid too much for the plant. As I pointed out previously, we bought more than the plant. There were many added features included. We also bought back the economy of Burgeo, a town of 3,000 people. The government of this province will save more than the amount paid for the plant and the draggers within the next few years, in welfare benefits that will be saved alone.

Sir, we hear all this from the party who only last fall threatened expropriation, whereby they would have had to pay Lake five to six million dollars for the plant, minus the draggers which could not be expropriated, (Oh, it is some laugh) which would have left the people of Burgeo with a plant which was still inoperative without draggers to supply the fish. All this from chaps who until the fishy episode of last week probably did not know a cod from a pork junk and who probably thought that bait gets rine at the same time as the bakeapples. I feel doubly annoyed, Sir, by this attitude on the opposite side of the House, as these are the same people who committed us to about \$350 million

for two separate developments alone.

Sir, this province owes a great debt to the people of Burgeo - LaPoile. It owes a greater debt than it can ever hope to repay. They were the people who put Newfoundland into Confederation with Canada. The vote in this province was only fifty-one percent in favour of Confederation. If the people in my district had not voted ninety-nine percent in favour we would probably still be a ward of the British Colonial Office. Not one of us who lives here today, including the parsimonious gentleman on the opposite side of the House, could begrudge the small repayment to the people of Burgeo. None of us would be here today if these people had not come out so overwhelmingly in favour of uniting us with the Government of Canada in 1949.

These, Sir, are the facts as I see them. We wanted the plant to enable the people of Burgeo to get back to work. Lake had his price, we had no other choice so we paid it for one of the few viable industries in this province involving government money. Probably that is why the honourable members on the opposite side of the House oppose it. They are not accustomed to being part of a viable undertaking.

MR. ROBERTS: I do not know who writes his stuff, but it is good.

MR. EVANS: The only other points that falls me is the fact that due to the mismanagement of the past, we will have to inform our people that so many of the things they had expected will have to be deferred temporarily. I trust that our friends opposite will have the decency to inform their constituents why this has to be, as I shall most certainly do.

I do not know how many members of the House watched the late show last night on C.T.V. If they had, they would have seen the breed that Hitler produced. The man who led the government of this province since Confederation would have appeared as a Sunday school



teacher compared to Hitler.

MR. ROBERTS: Mr. Chairman, point of order!

SOME HON. MEMBERS: It is true.

MR. EVANS: It is true.

MR. ROBERTS: To a point of order! Is that, is that...

SOME HON. MEMBERS: (Inaudible)

MR. ROBERTS: Mr. Chairman, to a point of order.

MR. CHAIRMAN: Order! Would the honourable Leader of the Opposition refer to the words which the honourable member used.

MR. ROBERTS: The words which I query...

AN HON. MEMBER: Go on baby.

MR. ROBERTS: I do not think it is a matter of baby, when somebody stands in this House...

SOME HON. MEMBERS: (Inaudible)

MR. ROBERTS: Mr. Chairman, the words to which I raise question are, if I am quoting the honourable gentleman correctly, he said: 'Last night there was a movie on the television about Hitler, and that the man who led the government of this province would have made Hitler look like a school teacher.'

SOME HON. MEMBERS: No.

MR. ROBERTS: What did he say then?

AN HON. MEMBER: Sunday school teacher.

MR. MOORES: As I understood it, he said that the man who led this province was a Sunday school teacher compared to Hitler and not the other way around.

SOME HON. MEMBERS: (Inaudible)

MR. ROBERTS: What did the honourable member say?

MR. EVANS: What did he say?

MR. ROBERTS: Yes, what did he say?

MR. EVANS: I said that he was a Sunday school teacher compared to Hitler.

MR. MOORES: Mr. Chairman, if I might say, I mean, I would take offence. The previous leader of the government should not be compared to Hitler. but then again, a Sunday school teacher seems to be going too far to the other extreme as well.

MR. EVANS: I hope that the survivors of the pirate ship who did not have to walk the plank or get killed off, will stop waving the Jolly Roger, since they were not consigned to execution docks.

Even Captain Vince Parrott, who flew ashore from the wreck at Sally's Cove has blossomed, visably since this regime took over. Instead of the standard cliché, pieces-of-eight, picked up such words as "cod" and even a more difficult one "mush" which some people say could develop into mushroom.

The only compensating factor to emerge from this sordid scene is that according to history it will never happen again. Lloyd George destroyed the Liberal Party in Britian. Hepburn accomplished the same feat in Ontario. Joe Smallwood has ensured that it will never rise again in this province.

I have heard rumors that the honourable members opposite are already seeking a new name for the Party. I wish them good hunting and in the meantime, Long Live Burgeo!

MR. ROBERTS: Mr. Chairman, I have heard a lot of despicable speeches in my time, but I listened to the Premier this afternoon say; and I agree with him, and it is time that we started debating issues in this House, and I wonder if the contribution, if you could call it that, of the gentleman from Burgeo, that he would libel and slander a man who is not here, whether that represents the Premier's view of how debates should be held in this House. I wonder if the Premier would answer that now? Then we will go on.

MR. MOORES: Mr. Chairman, it is certainly my position that the sooner we get away from slander the better. But if we are talking about slander of people who were not in this House, we saw twenty-three years of it that was something that will be remembered by a lot of people for a long while.

MR. ROBERTS: I take it then, Mr. Chairman, that the remarks of the gentleman from Burgeo and La Poile represent, I will not say represent

the views of the administration but they are not inconsistent with the view of the administration. So voted he! We will just let that be. I cannot make him change them. I hope they will be reported widely throughout this province. I hope they will. I hope also that it will be reported widely, the Premier of this province sees nothing offensive about them.

We will leave it at that. There will be other times and other places. Now let me come back to the matter under debate. First of all the Premier mentioned that the cost of the Javelin Mill has gone to \$180 million. I realize it is not in order but he brought it up. The Budget Speech, on page 69, one of the appendixes, says it is \$160 million. Perhaps he would be good enough at some point to tell the Committee where the other \$20 million comes from. I would be interested in that, very interested. Page 69 of the Budget Speech says \$159.4 million. Where is the \$20 million gone in the matter of one month or two? That is beside the point, but I merely point out that the Premier is either wrong or this information which I submit the Committee of the House, the people of this province are entitled to, it is page 69, it is supplement number 4, \$159.4 million, including the working capital, including \$21.5 million, working capital, with inventory, receivables and finished products inventory.

The Premier might have (you know we all do) picked a figure out of the air. Now the gentleman from (I must call him that) Burgeo and LaPoile made I think only two remarks that are worthy of any comment by any member of this House, he first of all said that... I am sorry, the burp burped.

MR. EVANS: That reminds me the bees around here squirt.

MR. ROBERTS: You are right. I do not mind being a squirt. I do not mind it at all.

MR. CHAIRMAN: Order. Honourable members on both sides of the House

MR. CHAIRMAN: are reminded that in addressing another honourable member, the member's district is the ordinary method of appellation.

MR. ROBERTS: Thank you Your Honour. The member for Burgeo LaPoile made only two points that are worth any further discussion, The first is he related part of the history of the plant. It was built originally by the Monroe interest, by Fishery Products, and they, I do not know why they left but they did leave Burgeo. Then he skipped an important fact, he went on then and he said that the government lent Mr. Lake or the Lake interests the money with which to purchase the Burgeo Plant and so they did and so they should have. I have no quarrel with that. He was paying the money back. I do not know what if any balance was outstanding. There was a balance but I do not if it was for that loan or for some other.

The gentleman from Burgeo LaPoile neglected to tell the House what if any price, Fishery Products got for the plant. They may have gotten the \$650,000. I do not know if they got it. He also slung out the figure of \$5 million or \$6 million for expropriation. I mention that merely to say that it is about as solid and sensible as everything else the honourable gentleman said. In other words, it is not...

MR. EVANS: Seven point two millions.

MR. ROBERTS: The seven point two millions that Spencer Lake asked for - that is an hallucination.

MR. EVANS: They probably gave him a little bonus.

MR. ROBERTS: The expropriation, in case the honourable gentleman is not aware of it, is a matter that in the long run is settled, in the absence agreement before that, by the Supreme Court of this province.

If he thinks that the Supreme Court of this province or any government would agree to those figures, I submit he is - no that is unparliamentary. I submit that he is even further out of line than

MR. ROBERTS he normally is. However, you know, he made the statement. It is ridiculous, it is absurd, it is typical of the honourable gentleman. So much for that!

I thank the Premier for the information he gave the Committee. He did not give us very much but he has undertaken to get more. I would think that what we really need is a Select Committee to look into this matter and maybe next year will be the appropriate time for that. It is probably right to wait until we see if the government sell the plant.

I do find though the whole incident becoming curiouseer, and curiouseer, to use Alice in Wonderland's phrase, as we get deeper into it. First of all it turns out that although Mr. Lake no longer has any direct connection with the plant, so we are told by the Minister of Finance and so we are told by the Premier, and I do not doubt it. Sir, the man who is running the plant, and a very competent man he is, has been paid his salary by Mr. Lake. He has been given six months salary in advance by Mr. Lake. The Premier did not answer my question as to whether or not, when the six month period expires, Mr. Winsor will be with the government or will be with the Lake interests. I do not know. I know he spent most of his working career with the Lake interests and a first class plant manager he is and in every sense of the word.

But I find it very interesting that the government give Mr. Lake the money and that Mr. Lake then gives it to Mr. Winsor. I do not know what it means. I do not understand why the government could not give Mr. Lake the salary directly. It seems more straightforward, a little more reasonable, unless Mr. Winsor is still an employee of the Lake interests and for a period of this six month interval, is in effect seconded to the government with orders to report to Mr. Blanchard or some other official or minister,

MR. ROBERTS: I find it very curious, very strange indeed. I find it equally strange, Caribou Fisheries is owned I believe by the Lake interests. is correct. The Premier is nodding, so he concurs. So, then it is Mr. Lake, and by Mr. Lake I mean his interests, I do not mean Spencer G. Lake, Esquire, I mean the Lake interest, maybe Mr. Birch Lake, maybe Mrs. Margaret Lake, maybe Mr. Spencer Lake, I do not know, maybe Mr. Harold Lake, it could be any of them but the Lake interests, whoever owns them, the family.

Now we are in the position where they get all the product of the plant, they sell it for a nice healthy commission, If there is any loss, there is not now but if there is any loss the government bear it, if there is any profit the government get it after, in each case, the four per cent commission comes out.

So Mr. Lake has got not a bad deal at all. He has the production of the plant which he must have because he cannot meet his sales contracts in the States unless - Mr. Chairman, the Premier says, "No." He disagrees with me. Maybe he is right. I only know what we were told by the officials, The advice we had before we left office was that he had to have that production to meet his existing sales contracts in the American markets. Be that as it may, whether he needed it or not he has got it. He is getting four per cent off the top. I do not know if that includes his expenses or not. I do not know if the "Caribou Reefer" is carrying fish or not. I do not know if that is included in it or not. But we now know that Mr. Lake is getting four cents on every dollar, four cents on every dollar of sales. Not bad, Before this he had to collect the fish or get it into the plant, he had to take the responsibility of running the plant, he had to take the responsibility of marketing it, Now all he has to do is sell it and collect his four per cent.

He may pick it up in Burgeo, the four per cent there may or may not include the carriage by the "Reefer", but Mr. Lake has come out not

MR. ROBERTS: too badly. As a matter of fact he has come out very well.

We also discover the government is now in the supermarket business, making \$100,000 a year, That is what was made last year. That is interesting. That is a ten per cent return on \$1 million worth of sales, That is better than some of the supermarkets in St. John's would do, is it not? I mean, I understood the supermarket business was three or four per cent, but three or four per cent would be a healthy return in the supermarket business in town.

AN HON. MEMBER: Maybe because of the honourable minister they will be all out of business.

MR. ROBERTS: Well maybe because of the honourable minister everybody else will be out of business.

AN HON. MEMBER: Tory times are hard times.

MR. ROBERTS: But seriously, three to four per cent - I know that Tory times are hard times, but that is beside the way, three or four per cent on gross sales is a pretty good return in the supermarket business.

MR. DOODY: Before director's dividends.

MR. ROBERTS: Are there any director's dividends in Burgeo?

MR. DOODY: I do not know. You can ask me about St. John's, I know nothing about Burgeo.

MR. ROBERTS: Dominion Stores are one or two per cent on sales. So we now begin to get some idea of just what was going on in Burgeo. We get some idea of why Mr.



MR. ROBERTS: Lake was doing so well in Burgeo.

MR. DOODY: Is that a gross or a net?

MR. ROBERTS: It is a gross profit.

MR. DOODY: Before -

MR. ROBERTS: Before what?

MR. DOODY: Before taxes presumably.

MR. ROBERTS: It is profit, in other words.

MR. DOODY: It is gross profit.

MR. ROBERTS: Yes.

MR. DOODY: There is a big difference between gross and net.

It is the net profit.

MR. ROBERTS: But is the depreciation included.

MR. DOODY: The hon. member for White Bay South is talking about a net profit.

MR. ROBERTS: The most the tax would be is one-half, either fifty-one or fifty-two per cent. Of course, one has capital cost allowances.

MR. DOODY: That is right.

MR. ROBERTS: Also depreciations. If one makes \$100,000 - it is called capital cost allowances in tax law. There is no depreciation in the income tax bracket.

MR. DOODY: It hurts just as much when you pay it.

MR. ROBERTS: Right. You do not pay depreciation. You get to keep it.

MR. DOODY: Is that right?

MR. ROBERTS: It is something that comes in not goes out.

MR. DOODY: It is something that we did not learn.

MR. ROBERTS: Well the honourable gentleman might learn it. The point is that even if Mr. Lakewere paying tax on the full amount of \$100,000 a year, he was still putting in his pocket or the company's pocket five per cent, \$50,000 a year. It is not bad. It is not bad. It certainly shows something of what was going on in Burgeo.

AN HON. MEMBER: What, \$50,000 a year?

MR. ROBERTS: It is \$100,000, and half of it, in taxes, leaves \$50,000.

MR. DOODY: Your mathematics are correct but I do not think this balance sheet will show that.

MR. ROBERTS: The only information I have is what the Premier has given the committee. I have no doubt that that is correct. I am just merely making the point that Mr. Lake, the benefactor of Burgeo - what we had in Burgeo and this is the real reason why the problem got as bad as it is and I think we can agree that it is not partisan or anything else, is that we had a colonial situation in Burgeo. The benevolence was conferred upon him as well as him, upon the people, obviously, to hack \$50,000 net profit on whatever is sold in the supermarkets, groceries, meat and what have you, in addition the \$200,000 on the plant. Again was it a gross or net profit? The \$200,000 on the plant was that a gross or net profit? Whoever the owners were (I believe they were the Lake family) were not doing so badly, were they though? Now the government have it. I submit there is only one issue on this, Sir. It is not whether the government should or should not have acquired this profit. I do not think there is a man in this House. I doubt if there are more than a dozen people in all Newfoundland who quarrel with the fact that the government of this province acquired that property. I do not think it matters whether the property was acquired by the previous government. There was an expropriation order passed. The minutes of the cabinet would show that. It was not completed because of the surveys to which the Premier referred. These were not completed in leaps and bounds, the descriptions, the physical descriptions, and it could not have included the trawlers. It does not matter whether the previous government got the business or whether the present government got it. The only solution to Burgeo was obviously for Mr. Lake to leave Burgeo. He would not give in. The union would not give in, an irresistible force moving an immovable object. The only way to solve it, I think the Premier would agree, was to move one or another of the factors. The people had a right to a union. I think when they discover that \$200,000 a year profit on the fish plant, and add in \$100,000 on the supermarket, the beauty parlour made a few dollars, I have no doubt -

AN HON. MEMBER: Gross.

MR. ROBERTS: Gross. The man, did he have the retail agency for gasoline, oil, those big tanks? That probably made a few. In other words, everything one did in Burgeo contributed to the Lake interests. Feudal is putting it kindly. The Minister of Mines calls it a benevolent despotism. I think it was. There was an incident where a person on a horse rode at the picket line during the strike. I will not name the individual. He rode at a picket line as if to say you cannot -

AN HON. MEMBER: Don Quixote?

MR. ROBERTS: No it was not Don Quixote. It was not very amusing in any way. It was not, Don Quixote tilted windmills. This individual was not tilting at windmills, the individual in question. It was incredible. It was just incredible that this happened in Newfoundland in 1970 or 1971. I suspect that when all is said and done, the Fishermen's Union, which got so much criticism over the Burgeo thing, will emerge with much more glory and honour because it was obviously a bit of a fight for more than just a few dollars or working conditions, you know the normal things that strikes are about. Anyway the government acquired the property. There is no dispute there. They got the trawlers. We could not have gotten them by expropriation. We would have had to either get trawlers from some other places in the island or acquire trawlers elsewhere. The Premier is right when he says that we can get trawlers built. I think it takes about eighteen months to a year. To buy a trawler, any trawler worth having is in use. Of course, that is very relevant when we come to talk of the great plan to have fleets of trawlers sailing about Newfoundland, the Government Trawler Corporation which ever the name of it is. It is very relevant. It would be a year or two before we see anything on that, if ever.

The issue, Sir, even now there are not enough trawlers in Burgeo. I have heard time and time again and indeed I believe the Minister

Mr. Roberts.

of Fisheries himself has said that the plant needs more trawlers and that the government intend to acquire more trawlers. Merely buying three old trawlers, two of which are useful, the third the "Ross Line" or whatever she is called, I gather is a not much useful trawler. That is what the Premier was indicating, she is old and inefficient. The other two I believe are still old side-trawlers. They are not the modern stern-vessels. I am not so sure that that means a great deal. I am not so sure that that would justify what was done nor will the Premier nor the administration, Mr. Chairman, be able to justify this with a view to the cost per job. He is quite right when he says that the cost per job at other places is higher than Burgeo. I do not quarrel with the figures at all. The ERCO one is by far the worst in Newfoundland. I do not know if the Premier cited it or not. The continuing subsidies there are gigantic. They are about \$4 million a year and they go on for another ten. It is a fifteen year contract, as I recall it, and I think about five years have gone. There are about ten years to go. Certainly it is anything but a smart move. Certainly it is anything but a good use of public money. I have no quarrel at all. That cannot be used as justification. One mistake cannot justify another. It is obvious, Sir, what has been shown to the committee. The Premier has even admitted this, that the government paid too much for the Burgeo Plant. I am sorry, Mr. Chairman, I heard the Premier say that. He may have used the words "a little too much." He did not say, "much to much." If he wishes to withdraw them, of course, there is no quarrel. He said, "maybe too much." I thank him for the correction, by way of addition.

I think it was too much. I think every thing the Premier has told us confirms that. The New Brunswick Group, which I believe are a non-profit crown corporation, the R.P.C. (Research and Productivity Corporation) valued the plant at \$600,000. The trawlers, even at the depreciated figures, (these are the only ones I copied down) were \$700,000. The two of them together come to \$1.3 million. That is the two figures together, Sir. Our feeling,

Mr. Roberts.

as I indicated this afternoon, was that \$1.4 million would be a valid price for the plant, of which \$400,000 would be taken in justification of loans outstanding in respect of that plant. We still have over \$1 million not accounted for, Sir. The Premier may say that the ancillary industry accounts for that. The only evidence he has produced in support of that, the only evidence is the company's own figures. Obviously there has been no independent valuation. There has been no independent study. There are no feasibility studies. Maybe there was not time for that. Maybe the problem has gone on so long the government had to act quickly. I submit that they had time to get valuations. Why did they buy supermarkets and whatever else they bought, a beauty shop and a drug store? Was there a drug store? It is funny Spencer missed that one.

MR. MURPHY: That is where all the big money is.

MR. ROBERTS: It is?

MR. MURPHY: So they tell me.

MR. ROBERTS: Who tells you?

MR. MURPHY: A lot of people.

MR. ROBERTS: Such as whom? I am interested. My father is involved in drug stores and he tells me that they do not make any money.

MR. MURPHY: When we come to the drug estimates, I will let you know.

MR. ROBERTS: We are already passed that.

The honourable gentleman is always talking through his hat. He just does not know what he is talking about. That is life. There are some things he may know, Sir.

MR. MURPHY: Something like the hon. Leader of the Opposition.

MR. ROBERTS: On some things he may know.

Mr. Roberts:

come on now, the gentleman from Green Bay.

AN HON. MEMBER: No, it is Bonavista South.

MR. ROBERTS: Oh, the gentleman from Bonavista South. I am sorry I insulted the gentleman from Green Bay by confusing him with the gentleman from Bonavista South. Say something?

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: Yes, there are humorous aspects to it but there are unhumorous aspects to, Mr. Chairman. I said before we rose for dinner that I thought the amount paid for this was a scandalous waste of, not waste of money it was that but it was a scandalous and an abusive error in judgement, a million dollar error in judgement. The government gave away too much. Everybody in Newfoundland will have to decide for themselves why the government did it. It is not for me to say. I do not know why the government did it. The figures are there and the Premier has given us some information. He has not given us a great deal but he said he will give us some more and that will be good. We will be back at this again next year. The item will pass now but there may be some other members on either side who wish to speak. But I think it should be recorded that the government have not given any evidence of why they paid \$2.6 million or where the figure came from. I suspect it was plucked out of thin air. I suspect that there was some frantic bargaining and that this is what evolved. I do not even know who was there at the bargaining session but it does not really matter because the government are responsible.

It is too much, Sir. It is at least a million dollars too much. I do not begrudge the people of Burgeo a penny or a million pennies or a million dollars or a hundred million dollars. It is fair enough to take that plant over and I must say, having learned that Spencer Lake interests or the Lake interests (I have nothing against Mr. Spencer Lake)

were getting \$300,000 a year gross profit from just the fish plant and the supermarket alone, I think probably that we are just as well off that the people of Burgeo are no longer paying that. I would assume now that the wages have been raised to good levels. No wonder Spencer Lake gave a raise of five cents or ten cents or something an hour during the strike, just before the strike, no wonder he did that with \$200,000 a year gross profit, a fair amount of money to play with. \$100,000 a year gross profit on the supermarket. It is a lot of money, Mr. Chairman, and I think it may explain a great deal of why the people of Burgeo felt the way they did. It is the first time this information has ever come out.

Now I cannot say much more on it. I can repeat that the Premier in my view has not given any justification for the price. I understand from him the government are going to try to sell the plant. That is probably the best solution. I think he would agree the government have no business really running fish plants. Governments may have to run them. The government bought the one in Harbour Grace. Well there were five I think, Harbour Grace, Port de Grave, Old Perlican, Fermeuse, was there a fifth? I do not know. We bought whatever was the Northeast Fish Industries complex, We bought it for \$1.6 million, from memory, and that included the five trawlers, the four new ones and the trainer, and we ran it for a year. Fish prices were not quite as good but I believe we broke even. Bonavista Cold Storage ran it under our management contract and then we sold it, part of it to Bonavista Cold Storage. The Fermeuse plant in Ferryland District and the trawlers went I believe to Fermeuse. The Harbour Grace plant went to Ocean Harvesters that is Mr. Alex Moores and I believe Port de Grave and Old Perlican also because we put ads in the paper and that was the only reply, the only bid, the only offer. But it is as well the government are going to sell it.

But all I can say and if we want to go over it and over it we can go over it and over, I think it is worth that. I do not propose to do so but if we want to we will. I think the government paid too much for it. I think the figures the Premier has given us show that the government paid too much for it. Arguments about cost per job are irrelevant. Irrelevant to this argument of whether or not too much was paid. They are very relevant to whether money should be put into fisheries or into something else. As for the curious incident of Mr. Winsor's salary being paid by Mr. Lake in advance, I can only say I find it curious. I am sure there is nothing wrong with it. Mr. Winsor is doubtless doing the right thing but it is a curious arrangement. Equally I find the arrangement of the commission very curious again. I find it very interesting as well that this is the first time any of this information has been disclosed to this House, the first time that we have ever had any information on it.

Now there is nothing more I want to say right now. Is the Premier going to come back in to -? Well, I am sorry, I think one or two of my colleagues would like to say a word. The gentleman from Placentia West, he is not one of my colleagues at present, but he wants to say a word and we will gladly hear from him as well. We will hear from everybody. We are delighted. Anyway too much was paid, Sir, and I think everything the Premier said is just proof of that tonight.

MR. ROWE (U.N.): Before the Premier speaks, does he want to sort of clue it up after all the questions have been asked? If he wants to speak, he may. Okay, the honourable member for Placentia West may speak.

MR. BARRY: Mr. Chairman, I appreciate the honourable member for White Bay South yielding the floor. I would like to approach this debate from a slightly different viewpoint but I think from the viewpoint which the Premier has been stressing, namely that the Burgeo



problem was as much a social problem as it was an economic one, I think that I should first of all say that my remarks may not be considered completely objective in that I was involved in a professional capacity to a certain extent in that I had the honour of representing the Newfoundland Fishermen Food and Allied Workers Union in a number of matters arising out of this labour dispute. I represented the union for example on the hearing before Judge Green when the question before Judge Green, well there were several questions. The two main ones were, first of all was Mr. Spencer Lake bargaining in good faith with the union, secondly Judge Green was ask to recommend a contract in an attempt to settle the matter. Now Judge Green determined the first issue, namely whether Mr. Lake was bargaining in good faith, in Mr. Lake's favour. I have to say that I disagreed with the decision but, of course, this happens in every case.

However, I would point out one interesting aspect of the hearing before Judge Green and of really the propaganda, I would call it, emanating from the employers side in the Burgeo dispute and that was that the grocery, the laundromat and these ancillary industries tied in with this fish plant were being operated as a charity almost. These words were not used, but the impression was given that these were being operated purely as a convenience to the people of Burgeo and at no time until tonight was I ever aware of the amount of profit which was being made on these industries. I do not think that there were too many people in Newfoundland who were aware of the amount of profit that was being made in this so-called charitable enterprise.

Now I do not want to reopen old wounds and I do not want to try and prolong any rift which has developed in the community or in Newfoundland Labour Relations because of this matter but there are a number of points, and I would ask the committee to bear with me, there are a number of points arising out of this Burgeo dispute which

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I think are relevant for us to keep in mind, not just in this debate but in our future labour relation policies, for example, and in dealing with similar circumstances, if we are unfortunate enough to have them occur.

First of all, the Leader of the Opposition has pointed out I think. put his finger quite rightly on -

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MR. BARRY: beyond what was the main fundamental social issue at stake in this labour dispute as far as the employees were concerned and, that is whether they would permit what they considered a paternalistic approach to business to continue.

Now this is not to say that Mr. Lake did not do a lot of good for Burgeo. I do not think I spoke with any union member, I am sure that I did not speak with any more than half a dozen who would deny that Mr. Lake made any contribution to Burgeo. It was generally accepted that he did a lot of good for the community. But the point of the employees, the point at stake here was that they did not wish to have to come before an employer with hat in hand tugging at their forelock to request a decent wage and enough to support themselves and their families. They wanted to be able to stand up on their own two feet and insist on a fair wage, as of right.

Now they had to lose something by this. They had to lose and some people opted on the different side of the fence because they had to choose between a very friendly relationship with their employer, a little more than friendly, avuncular I suppose would be a possible term, but generally encompassed by saying that there was a paternalistic attitude on the part of the employer.

Now they had to rock the boat in order to change this and there are people in Newfoundland who would say and who did say while the dispute was on and have said since that they were fools to do this. That they should not have done this. That they were getting a good living. That they were keeping themselves and their families clothed and fed, keeping body and soul together and that this should have been enough for them.

Now the people in Burgeo set out, as an example I think to all of us here in Newfoundland, that keeping body and soul together is not enough for any working man in Newfoundland, that there is such a thing as respect which the working man in Newfoundland expects to have and there is such a thing as the working man in Newfoundland wanting to

MR. BARRY: be able to stand up and say, "I am not dependent on the good will of anyone for earning a living. I am here. I am willing to do a good day's work for a good day's wages and I am entitled to a fair and decent wage because of that."

Now this is what the people in Burgeo were saying they wanted in this labour dispute.

The Newfoundland Fishermen and Allied Workers Union took quite a going over in the course of this dispute and since, I have to refer to comments made by, and again I dislike pointing out any of the names of particular individuals but since this is a pseudonym, as I understand it, perhaps, it is not so bad. But the articles that were written by Peter Simple in one of our "Daily News" papers are I think one of the best examples of irresponsible journalism that I have ever seen in my life. The intolerant language which is continuously used by this gentleman, whoever he might be. For example, the appellation "Butcher of Burgeo" or from Burgeo, I do not know which it is, that he has continued to label the president of this union with since the dispute, is an example I think of irresponsible journalism. I think it does not do one thing to further the cause of the working man or the best interest of Newfoundland society when this sort of stuff goes on. But, again, this is the free press, it is just an example.

However, I am not saying that freedom of the press should be impaired or infringed upon, I am only saying that this is an example of where a freedom can be abused.

Mr. Chairman, it may appear that I am deviating somewhat from the rule of strict relevancy but I think that a problem like this has to be looked at from different sides, so that we can fully understand the significance of this situation in Burgeo, for the people of Burgeo and for the people of our province. Our history of trade unions, the attitudes which our government have had towards trade unions, not just our government but our people have had for

MR. BARRY: its trade unions has not been, I submit, the most enlightening one at times. I will leave it at that.

I will give an example, however, I would ask you to consider whether the people of Newfoundland would be prepared to go that far or indeed if they should be prepared to go that far? You will recall, probably, the strike of the coal miners in Britain there a year or so ago, where a very few number of working men, in effect brought the entire country of England almost to a grinding halt.

Now I am raising this example for two reasons: (1) to show that we all lose when a strike occurs. There is no question about that, the working man, the union man will agree that he is going to lose in a strike. The employer is going to lose. The economy is going to lose. But the thing that we have to remember and ever keep in our minds is that as bad as the strike may be, as many as the problems may be that arise from strikes, that until we get something better this is all we have, this is the only tool that the working man has to bargain with his employer and to be able to ensure that he gets a fair and decent wage. And too a great extent the Trade Union Movement in Newfoundland, I think, again felt threatened when events began to unfold after this Burgeo dispute developed. It was a long siege, and I am proud that the union and that the people of Newfoundland were prepared to let this thing work itself out to the extent that it did.

I have to say, and this is my own personal point of view and I may be wrong, I have to say that if we had a more flexible individual on the employer's side then the strike would have been settled without any government involvement at all. But this did not happen, we did not have a flexible person on the other side, we had a strong man, a man with many admirable characteristics but a man who when he made his mind up, that was it, he was not going to change. Now a man like

MR. BARRY: this can cause irreparable damage, as we have seen, when he is involved on one side of a labour dispute. This was the situation and I think, as the honourable the Leader of the Opposition has pointed out, as the Premier has pointed out, in order to solve this Burgeo dispute, in order to get the people of Burgeo back to work, in order to get the benefits of the fish plant back into the Newfoundland economy, there were two choices. (1) get rid of the union and (2) get the employer out of there.

For a while, I have to confess I was worried that the previous administration was going to opt for getting rid of the union. Well it would not have been unprecedented. This is all I will say.

But I am glad they did not. They did not opt to get rid of the union, they had to opt to remove the employer. It then became purely and simply a question of, how is this going to be done. Expropriation was there. That was one method, as it has already been pointed out. The trawlers would have been lost if this approach had been taken. So failing expropriation, what do you do? You bargain and you try and meet the price that the employer is looking for, for the sale of his plant. This is what this government did. The price; I have to confess I have not analysed the financial reports, I have not analysed the figures which were given by the Premier. But I will say that the question is not whether the dollars paid for the physical plant in Burgeo were the exact, actual audited value of this plant. This is not

the question, whether the dollars given Mr. Lake or the number of dollars which an accountant sitting down, cold-bloodedly looking at nothing but dollars and cents on physical assets, this is not what is at issue here. The question is; how much in addition to the value of these assets, how much in addition to this was it worth the people of Newfoundland to have this situation cleared up, to have the people of Burgeo back working, to have the people of Burgeo not go on welfare? Because eventually, had this gone on and on and on, a union strike-fund presumably is limited, can only go on for so long and these people eventually would have been unemployed if this fish plant had not gotten back to work. This would have been a drain on the public treasury.

So, the question was, how much is it worth to the people of Newfoundland to get the strike settled, to get the people of Burgeo back working? I for one am not prepared to say that the price that this government is paying for the Burgeo fish plant is too much. I know what happened to the people of Burgeo. I know how much settling this strike meant to the people of Burgeo and to the people of Newfoundland. I am not prepared to say that what was paid by this government is too much.

MR. W. ROWE: I must say, Sir, it is a real personal pleasure for me to have the opportunity to listen to the remarks of the honourable member for Placentia West tonight. The first portion of his remarks, Sir, were to me an admirable discussion on liberal and social philosophy, the type of thing that I for one agree with and I think that all my colleagues, without exception, agree with.

I agree, Sir, that the strike in Burgeo meant far more than a matter of dollars and cents. The strike in Burgeo was in fact, Sir, the type of thing that took place in the United States and in Britain thirty or forty years ago and was resolved in favour of the working man.

We had a situation in Burgeo where everything was run by, what

somebody has termed "a medieval monster." Not that the company or the man himself was a monster as such, but the whole concept, the whole, all the circumstances surrounding the Burgeo situation, the strike in Burgeo was medieval, was a product of the middle ages, a type of feudalism, a type of the worst exploitation of colonialism, a company town. A company town where the company not only determines what wages were paid but they also determined what you spent your wages on and how much you paid for products bought for the wages which the company had given you.

The worst possible aspects and elements of feudalism or company townism or big business in a small town, I agree completely with his remarks. I cannot agree with the impression which he received, somewhere along the line, when he was acting for the union, that the former administration was not going to side in favour of the union. In fact, he says; "the former administration looked like it was going to side against the union." At no time, Sir, and I was not around during the hospital strike or the IWA strike - Mr. Chairman, I would like to talk about the Burgeo situation if I may - I was not around during the time, Sir, referred to by the honourable minister. But I do know that throughout - Mr. Chairman, can you get control of the committee. I would like to have my words heard or if not heard I would at least like to speak, in silence -

Mr. Chairman, at no time during the strike did the former administration, of which I was a part, ever contemplate siding against the union in that particular battle. As a matter of fact, Sir, at one point during the strife-ridden times we are referring to, the Premier's predecessor went to Burgeo and made a contribution to the strike fund of the strikers. I am proud to say, Sir, that he made it on behalf of at least two of my colleagues, I think I was one of the persons who was involved in the instigation of this. I wanted the government to come



out flatly on the side of what I considered to be right, rectitude, fair play in this whole situation. So at no time, Sir, was there any tendency or indication that the former administration would not side with the union in this matter. In this matter, Sir, affecting crucial social issues and not just a matter of dollars and cents, I am happy that the fish plant has been taken over by the government. I am happy now that perhaps some elements of competition can arise within the town of Burgeo that there will be competing businesses, competing operation and this sort of thing to make it a normal buoyant and feasible community, modern community in Newfoundland. I am happy, Sir, the government has taken it over. I hope that when the deal to sell it to some other operator is consummated, if ever, that certain things will be written into such an agreement to prevent the type of paternal feudalism occurring again in the future, if that is indeed possible. I doubt, with the strong union they now have, if that is possible but I certainly hope that there is no possibility of that arising ever again.

But, on the deal itself, the deal which the government has entered into with the Lake interest, Sir, I am afraid that I cannot agree with my honourable friend on that point either or with the honourable Premier. I think, Sir, that the whole deal, and I say this not bitterly but with a certain sense of sadness, I think the whole deal smacks of a sweetheart agreement between the government and the Lake interests.

Not only in the exorbitant amount of money paid or the obligations assumed by the government, which I think probably amounts to \$3 million. If the \$2.6 million which is proposed, if not paid already is proposed to be paid to Lake, plus the \$400,000, or whatever it is, loan which Lake interests were obligated to pay off, if those two figures were lumped together, we have a figure around \$3 million. The reason I cannot be more specific is because I do not have the information and the Premier

has not been able to supply the committee with the total information tonight. Hopefully he will be able to do so in the next couple of weeks when certain audits and what-not are completed.

But the whole deal to me smacks of a sweetheart arrangement between the government and Lake. It is a sweetheart arrangement, Not so much, I am not saying, that the government wanted to put a lot of money in the pocket of the Lake interest. I am not saying that at all. All I am saying is that the government, in its eagerness to solve the problem, perhaps allowed their pockets to be somewhat picked, allowed too much money to flow from the government coffers into the coffers of the Lake interests, not so much to give Mr. Lake or his companies a great capital gain but more to settle the argument, settle the problem as quickly as possible.

I say that it smacks of a sweetheart deal because not only is the amount too much but we have this spectacle where Mr. Winsor, a very competent manager of a fish plant, is not being paid by the government itself but is being paid by the Lake interest, even though he is presumably acting in behalf of the government or has been for the last few months. It would have been so easy for the government to deduct from the payment going to the Lake interest the amount of Mr. Winsor's salary for the next six months or the six months' period that was covered and then the government pay Mr. Winsor the amount, an adequate salary for the job which he was doing. But by not doing that, by presumably making this part of the whole packaged deal, we see, we have this unsavory type of spectacle where the manager of the plant, presumably acting on the part of the government, on behalf of the government, is still being paid by the original owner.

Added to that, added to the \$2.6 million or the \$3 million figure

which ever it is, including the obligations, added to that exorbitant figure we see that Mr. Lake or his companies have an agreement with the government whereby they get four per cent net or gross - I am not sure which.      Could the Premier indicate whether that is four per cent net or do expenses come out of that or what?      Four per cent, Sir, to the Lake interest for marketing the fish. What it boils down to is this:      Not only has

Mr. Lake and his companies received a very handsome profit but they have gotten under their control and into their hands the only aspect of the whole business which entail no risk whatsoever. The Lake Interests cannot lose on this deal. In the deal which the government has entered into with the fish plant owners, we see all the disadvantages, possible losses, all the liabilities or possibility of liabilities being assumed by the government. We see the advantages or most of the advantages, this four percent, which is a very healthy fee or income for anybody to make on a great, great sale of a lot of fish - four percent. They have that, Sir, so they have all the advantages and none of the disadvantages of owning the fish plant and perhaps incurring some losses under that heading.

The Lake Interests, Sir, came out of this in a marvellously solvent fashion. They came out of this in a way that in their wildest dreams, I would submit, they did not even think they would come out of this particular problem in Burgeo. They do not have to worry about the management of a fish plant. They do not have to worry about bad prices. They do not have to worry about paying for the fish or the pressure that is going to be brought to bear on them by unions and negotiations. They do not have to worry about any of that stuff. All they have to do is sell the fish and as little or as much as they sell, they make a nice, handsome, cost-plus profit, right off the top. All these elements added together, Sir, indicate to me that it is certainly a sweetheart deal which the government has entered into with the Lake Interests in Burgeo.

That would not be too bad, Sir, in itself, if that were an isolated incident. But, in the three or four months that we have seen this present government in power, we have seen a similar tendency to do this in another respect as well. When the linerboard legislation was being debated here, Sir, (I hope I am not

being out of order. I am merely referring to it as an example for comparison purposes just as the Premier did) we on this side said that the government could have gotten that deal with the Javelin Interests at a much smaller cost to the Treasury of Newfoundland. We saw the Javelin Company come out later on and say that the total amount which they derived from the linerboard mill agreement was up around twenty, twenty-five or thirty million. I do not know what kind of a large, astronomical figure the Javelin Interests quoted. The fact is, they came out of that deal exceedingly well.

The government threw in, and I am not talking about mismanagement. I am not talking about how much the plant cost, how much it should have cost or how much it should not have cost, I am talking about how the Javelin Interests came out of that deal as it was finally resolved. They came out of that deal with \$5 million which, in my estimation and in our estimation, they should never have received. It was a straight gift, a straight sweetheart deal with them as well, Sir, in order to solve the problem in the easiest possible fashion. Now we see this disconcerting tendency on the part of the present administration followed again in the Burgeo deal.

It is disappointing and saddening to me, because the principles, which have been announced and put forward to the people of Newfoundland by this government, have been framed in such words as: "Oh we are going to be hardnosed in our negotiations from now on. We are not going to be soft touches for anybody who wants to make a deal with this government. We are going to wrestle people to the ground in our negotiations and we are going to make sure that the best possible deal for the people of Newfoundland is obtained in each case." Yet, we see in the two instances in which the government has had, was required or was called upon to act in a forthright,

manful, hardnosed fashion, they have in my estimation (again I say this, not in bitterness but in sadness) somewhat fallen down on the job. They permitted themselves to sell out to the Javelin Interests and to give them more money than they were entitled to, in my judgement. Now, once more, Sir, we see by the admission of the Minister of Finance and by what I take to be the admission of the Premier, we see where too much money, too much public money was paid to the Burgeo Fish Plant owners.

I think that they could have resolved the situation equally as well, they could have retained the three hundred and fifty jobs, the good jobs which are presently associated with that fish plant, they could have done all that if they had negotiated in a more hardnosed fashion. They could have saved the Treasury of this province, I would submit, another one million or one and a-half million dollars of money that could be well used in this province for other purposes.

MP. A.J. MURPHY: (First part inaudible) who negotiated the hotel deal.

MP. FOWE, W.N.: Sir, okay; I will deal with that point. I was not going to deal with it, but I will deal with that type of point. What has happened in the past; surely God, Sir, this government is not going to try to absolve itself of lack of judgement or lack of competency, lack of bargaining capacity or lack of anything by referring to what has happened in the past. Those are matters which have to stand on their own two feet. Whether there was merit in the Come by Chance or the Javelin deal as originally propounded, any of these deals (the Windsor deal which has just been mentioned) have to stand on their own merit. If those deals were wrong, were bad or stupid, that in no way can excuse this government for being a soft touch in the Javelin deal when that was resolved or in the Burgeo deal when that particular one was resolved. Surely the government is not going - the present P.C. Government is not going to use as an

argument to buttress its case, what has happened in the past. Either the Burgeo deal entered into with the Lake Interests by the government can stand on its own two feet and stand the scrutiny and analysis of members in this House of Assembly and people outside, the people of Newfoundland, or it cannot. There is no use in comparing it with mistakes or purported mistakes of the past. Either this deal entered into by a new government with an overwhelming mandate from the people of Newfoundland -- we were flung out, this, this administration was flung out for its sins of omission or anything else in the past and this government was put in by an overwhelming mandate of the Newfoundland people.

To see the sweetheart deals being entered into, I do not think that they are entered into so that the Javelin Interests or the Burgeo Interests can themselves personally profit from them. I think they are entered into because the government have not lived up to the expectation which they have raised in the minds and hearts of Newfoundland people, that they are going to be hardnosed bargainers, they are not going to be soft touches. In these two deals, particularly the one we are talking about here tonight, the government have fallen down on the job, they have not lived up to their commitment to the Newfoundland people, have allowed a million or a million and a-half of the hard earned tax dollars and revenue of this province to be needlessly spent where it should not have been spent. There are other programmes on which this hard earned revenue could have been spent, more to the benefit of the Newfoundland people.

HON. J.A. CARTER: (Minister of Education): Mr. Chairman, I find it very hard to sit down and listen to this long list of, well I can only call it hypocrisy on the part of the honourable member opposite. There has been a protracted debate on the estimates. We have had quite a few days, in fact a matter of weeks. Some of the estimates have been debated long and hard, others have gone through very

quickly. Mr. Chairman, during all of this, I have gotten the distinct impression that honourable members opposite were trying to justify their own record in office, because the estimates that we are debating are largely based and compared with the actual figures that were spent in the previous year.

Since we occupied office for only about two months of the previous fiscal year, then there is no question at all that a great deal of the so-called actual figures in the estimates, or last year's actuals, do represent the very sad, sorry and shoddy record of the previous administration. This particular debate, I will call it one debate for the sake of argument, has been characterized by what I can only say is extreme nastiness of the Leader of the Opposition. We saw tonight just another example of an extremely nasty outburst. The question I want to ask myself is: is this nastiness of this honourable gentleman inherited or acquired? If it is inherited, I feel very, very sorry for him. If it is acquired, I must say that he has in his short life done a remarkably



MR. CARTER: fast job of acquiring that great quantity of petulant and patronizing, sterile nastiness. I suppose he is compensating for his recent subservience. At any rate, I would suggest he is taking himself far too seriously.

Mr. Chairman, the future of this province rests in our basic industries. Those that rely on the exploitation of our renewable resources; fishing, farming and forestry are the three prime examples. Tonight we are discussing fishing.

The complex at Burgeo is just one of the many plants around this island that handle enormous quantities of raw materials and process them into a reasonably high priced product that fortunately is becoming more and more high priced and more and more looked for as the years go by. I would predict that when all is said and done and the present is looked back upon, we will be able to say that it was our fishery that was one of our mainstays.

Of course we can expect to get constant criticism from the present opposition. They do not seem to have any understanding of business. None of them seem to understand that the basis for all our social services rest upon the profits and upon the business activity generated in the private sector.

Now to some extent the public sector, through Crown Corporations, can develop viable enterprises but by far the very base of our society is on the private sector and it is the private sector that requires and is getting a great deal of attention.

I must say that if it were not for the hypocrisy of the honourable gentlemen opposite and their extreme efforts to justify their very sad and sorry record that this debate would have been over for a long time. There is no doubt about it that this is going on and on and on and I do not think anything we can do or say will

MR. CARTER: shorten it. I think that we do occasionally have to get up and remind them of their obstructive and mischievous tactics, but I would remind them that their heroes or their great hero who said, "I believe" (and this was widely reported at the time) "Hitler was a great man," "burn your boats," Now what kind of a philosophy is that? I suggest that they still regard him as the great teacher and are following in his footsteps. If you cannot convince then tear down, criticize anything but be sure to criticize, never anything constructive, tear down, destroy. I would like to wonder, I would like to observe, Mr. Chairman, and I would like to ask the question how they can possibly look at themselves in the mirror and I would like to congratulate this government for having had the good sense and the foresight to revive this very profitable, sensible resource based industry. Thank you.

MR. THOMS: Mr. Chairman, before I make any comments on the estimates themselves, I believe I do have to comment on the previous speaker. I will. I must, I have to.

The previous speaker, Mr. Chairman, spoke of the opposition being extremely nasty. He spoke of us as being obstructionists. Well may I point out to the honourable gentleman a fact that he should be quite well aware of, that we in the opposition are not at all obstructive. The fact is that for the last four Wednesdays we have given up Private Members' Day so that the government could present its estimates to this House. Now how is this considered obstructiveness?

I believe, Mr. Chairman, the honourable gentleman was a bit too loose in the usage of his words. We in the opposition are a constructive opposition. This is what we were expected to do, to criticize constructively and if criticizing the deal in Burgeo is considered not constructive by the government, then maybe we are doing our job, because I believe, in Burgeo, the government, the present government is setting a precedent whereby it may have to buy every fish plant that suffers from a

MR. THOMS: local strike. I note from reports that the negotiations in Bonavista, that there are reports there of a possible strike within a day or so, I wonder, if this comes about, what our present government will do there. Will it buy the fish plant there? Is it going to buy up every fish plant in Newfoundland? Is it going to buy up Come By Chance? Are you going to implement socialism in Newfoundland instead of democracy? Just what is the government's policy?

Mr. Speaker, I would like to make a few brief comments on the minister's opening remarks. As the minister is already aware, I am quite interested in some of the things he had to say. I believe him, first, to be a very competent minister, one of the best ministers Toryism ever produced.

I am particularly interested, Mr. Chairman, in the idea that he brought forward of some kind of a combination fish-holding unit, bait-freezing unit or bait-holding unit, whatever you may call it. But this type of a unit or building or whatever is the proper word for it is very much needed, not only in my district, I am sure, but throughout the rest of the fishing community of Newfoundland. There is a great need at the present time in my district for at least two of these units. It not necessarily has to be a single fish-holding unit or a bait-freezing unit but the proper thing, is, as the minister said, the combination unit.

This I whole heartedly concur with and I hope and trust that he will have all the success in the world in bringing these units about. Another very interesting point he made, and this I believe was brought out in the Budget Speech; while I note that the Minister of Fisheries considers the fishery industry in Newfoundland of great importance, apparently the Minister of Finance does not, for he only has two paragraphs in his whole speech on fisheries.

The first half of the first paragraph is used up in criticism of the previous administration. This is the proposed regional

MR. THOMS: offices of his department. Now I would not want, and I repeat, I would not want to see these offices go in such centres as Gander, Grand Falls and Corner Brook. I would not want this. This would not be taking the government to the fishermen. They should be placed, I submit, in different villages, towns or fishing communities throughout Newfoundland.

I agree with the honourable Member for Bonavista South, Bonavista should be the first one, maybe Wesleyville the second. But such places as Bonavista, Port aux Choix, Port aux Basques, take them out of the large centres, decentralize them. Do not put them in Gander,

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Grand Falls or Corner Brook. This would be wrong. I am not saying you are going to put them there but I am putting forward the suggestion that you should not and I am sure the minister in all his wisdom will place them properly.

I would like to bring to the attention of the minister, and I am quite sure he is aware of this, and that is the federal regulations on the salmon fishery. I had a discussion today with one of the members of the opposition, not the member for Bonavista South but another chap and I told him, the greatest thing that could happen to the fisheries in Newfoundland today is for the federal government to scrap the federal department of fisheries, because it is a shambles. I do not care who did it, it is still a shambles.

At the present time, we have people in our province, fishermen bona fide fishermen who cannot get a licence to fish salmon. At the same time we have people drawing a twelve month salary at other occupations, with two months off in the summer, some of them with two weeks on and two weeks off, and these people are salmon fishing and are lobster fishing, are fishermen. I believe within most of our labour circles, although it is not a very nice word, they call them "scabs." I sympathize with the fishermen.

This I believe should not be, most definitely should not be and I trust that our Minister of Fisheries, our provincial Minister of Fisheries, will try to bring some pressure to bear on the federal authorities to eliminate this sort of abuse.

Now our Fisheries Minister spoke of trying to create a new industry from the caplin. This may or may not be a good idea. I am not quite sure. But I do believe, and the minister in his closing remarks can rectify me if he like, but I do believe the caplin is only one link in the chain from plankton to the cod and maybe beyond. I am wondering what would happen if we put on an expensive effort to harvest the caplin, would we in fact break this link? Does not the caplin supply the food for

the cod, the haddock and other species of fish? Would not we break down the whole process if we were to harvest the caplin? Because I can visualize on a beach where the caplin come to the shores at this time of the year to spawn, I can see the caplin traps there now as I have seen them in the past in some places, taking every caplin that comes to the beach, before they spawn, before they multiply.

I believe, I may be right and I may be wrong, I believe there is a big danger there of eliminating not only the caplin but other species of fish who feed upon the caplin. I believe we should proceed slowly and cautiously because if this correct, if my belief is correct, then the caplin could disappear completely along with other species of fish.

Mr. Speaker, one of the things that I was more or less put out with, in early February, was the cancellation of a storm-damage programme. Now I realize that this storm-damage programme was only for a storm which caused considerable damage to our inshore fishery in June of last year. I am wondering if the minister could give us some idea of the inshore gear-replacement insurance programme. Is this programme implemented this year? Are our people taking an active part in it? Should a disaster occur, which a disaster can, almost any day and does periodically in Newfoundland, if a disaster does occur, is there any provision that our inshore fishermen will be partially compensated?

MR. EARLE: Mr. Chairman, I cannot let this particular vote go without paying a tribute to my colleague and friend, the Minister of Fisheries. I would like to congratulate him most sincerely on the presentation of his first set of estimates of this department. He did it in an extremely able and efficient manner but not only that, he did it in such a manner that I think portrays hope and encouragement for the fishermen of Newfoundland.

Now I think that the honourable gentleman who had this privilege today of presenting these estimates is a very, very worthy son of a very worthy father. I sat next to the honourable John Cheeseman for several years, while we did not always agree on many matters, I always admired his dedication to his own ethics, his own principles and his own ideas and particularly where they affected the fisheries and I detect in his son, the minister today, this same sort of devotion and idealistic approach to the fisheries. But coupled with that he also has a very strong realism, a real approach to the fishery problems.

I have had some experience with the fish business, having been in it for some thirty-two years. I have heard I suppose more words spoken about the fisheries than on any other subject in this province. It is a matter which has been discussed inside out and upside down, almost to the extent of tiresomeness. But there never seems to be a solution. The problems arise, the problems are faced, the problems are talked about but they are rarely if ever solved. I predict for the new Minister of Fisheries, a very, very difficult task indeed, because Newfoundland has always in its fisheries been the plaything of fate.

Back in the early days when the province depended mainly on the salt fish industry, every insurrection, every plague, every depression, every change in currency values in Europe, South America, the Caribbean areas, affected the welfare of the Newfoundland people. This went on for generations. They were always the play things of fate, the fishermen of Newfoundland.

When we got into the fresh and frozen fish business, we were the play thing of market conditions which were quite beyond the control of many of the producers, and the fishermen was invariably the one that suffered in the long run.

Now, in an attempt to try to rectify this situation, the honourable Minister of Fisheries has come up with a plan which, in my opinion, bears the only possible hope of any sane solution to many of our problems. This is essentially, as he has said, development of a number of small types of fishing industries and large type fishing efforts throughout the Province of Newfoundland. I had the day before yesterday, in my office, a young Japanese



gentleman who spoke very good English and he was most interested in developments particularly in the area which I have the honour to represent, Fortune Bay. Whether the man is Japanese or Chinese or Yugoslavian or Australian or whatever he is, if he comes to Newfoundland with progressive ideas I think, I am sure that this government will give him every encouragement but, before doing so, they will look very carefully at what he has to offer and what he has to suggest. We can no longer have our fisheries, as a natural industry, milked by people with get-rich ideas. What we want is people who can produce for the benefit of the province and for the benefit of our fishermen and this is the job which the new Minister of Fisheries has to watch ever so carefully.

But surely, in places such as those that I represent throughout Newfoundland and many other hundreds like it, the salvation for our people, where they can live and stay living in places where they are happy, contented and quite satisfied to live, is industry of the type which the honourable minister is going to explore. Now he will not be successful in a hundred cases out of a hundred or possibly ten out of a hundred but if he has success in as low as five per-cent of his effort it will be a great bonanza for Newfoundland because many settlements in this island have no other future, no possible hope for the future unless our fisheries are developed.

I do not intend to speak on the Burgeo situation, Enough was said about that tonight, but I know extremely well, I know from first hand contact with the people just how the people of the South Coast felt about Burgeo. If they were here listening tonight about the way that was handled and how it was solved, there would be no doubt whatsoever in either the Opposition's mind or in ours that the Tory Government, as they are called, did an exceptionally good job. This was a canker that could have spread not only up and down this whole South Coast but throughout the Island of Newfoundland, and the only

steps that could have been taken were taken and as a result some 300 people are back at work. Now the price tag may be high, I am not going to dispute that or argue about it but the eventual results and the long lasting results certainly justify that effort far more than most things that have been done in this province over the past twenty years.

If we cannot save our fisheries, not only save them but build them, starting with small efforts, enlarging into larger efforts and at the same time keeping the big companies that we have in profitable operation, there is very, very little hope for the future of Newfoundland. One of the most prosperous parts of Newfoundland today is the South Coast. The fisheries are prosperous, the people are prosperous and there is very little welfare, comparatively speaking. The area where Burgeo is situated has historically been one part of the country where there is very small percentage of welfare. The fact that we have been able to keep these people off welfare and keep them working I think is of everlasting credit to this government. I hope that there are many more places that do not have to go through the trials and tribulations of Burgeo but do find that through the efforts of the honourable Minister of Fisheries and this government that they will be able to pull themselves up by their own boot straps, because that is what has to be done.

I think it was the honourable gentleman from Bonavista North who ask the question; "what is the policy of this government particularly with regard to the fisheries?" I am not speaking particularly for the government as a whole but I am speaking from my ideas of what I think the policy of this government is and very simply it is this; to keep going and encourage those industries that we have, to encourage newer and many more smaller industries and above all, through both the large industries and the small ones which we hope to create, to gain for the

people of Newfoundland a better livelihood and that means the people on all coasts of the island and throughout Labrador.

Now that, broadly speaking, is the policy of the Progressive Conservative Government. It is going to take a heck of a lot of doing. It will take a lot more than the nonsense sometimes that is tossed back and forth across this House, it will take a lot of serious thought and a lot of dedication but it can be done and it will be done. First of all we must secure our solvency, build our reputation as a country or a province worth enticing people, business people, to operate in and then, when we have restored this confidence, interested people to build from what may be a slow start but to build and build and build on all coasts of this island until the people themselves will reap the benefits.

Now I started off with a word of praise to my friend, the honourable minister, and I could end on a word of encouragement. He has the most challenging but yet the most worth-while task in Newfoundland. I think he is the man for it. I pointed out in an earlier debate that the whole budget for the Department of Fisheries is approximately one-ninth of what we spend on teachers' salaries alone. Now this is not a criticism of teachers' salaries, I wish and hope that they can get more as time goes on, but most certainly in all our priorities, in all our efforts to bring commonsense into the operations of this province, the fisheries will have to be given and must be given somewhat more than one-ninth of the amount voted for teachers' salaries in this province. If the minister can do anything with what he has this year, he will have to turn handsprings, but he is going to make a try and I predict that this time next year he will be able to give us some good answers.

But this is only the beginning, Mr. Chairman. We must start from this but the Department of Fisheries, which represents really the life-blood of a great section of this province, must be one

department that we must put strong emphasis on, backed with strong and heavy financial support.

MR. HICKEY: Mr. Chairman, before we carry that I feel it is necessary to make a couple of comparisons due to the fact that I am in a department which is responsible for huge expenditures of public funds for any given year. It seems, Mr. Chairman, that honourable gentleman on the other side, in debating this issue and the purchase of the Burgeo plant, neglected to take into account certain factors or left them out intentionally. I am not sure which. I am inclined to think, Mr. Chairman, that they are well aware of the effects that are brought to bear on a community that finds itself with a large number of unemployed people, having been used to reasonable prosperity. Because some of those honourable gentlemen who have spoken tonight, Mr. Chairman, have been in government quite recently, approximately six months ago, and they are well aware of those things, they are well aware of government and how it operates. If in fact they had been in opposition for ten or fifteen years, one could probably make some allowances for them but I find it difficult, Mr. Chairman, to do that, they having just left government such a short time ago.

I think it is necessary, Mr. Chairman, to look at the Burgeo Town last year, the year before, for the past five years and just quickly give some figures of short-term assistance recipients, averaging by month, Mr. Chairman, from thirteen, as low as nine some months, and the highest being thirty. thirty families, Mr. Chairman, in such a large area and this is not the Town of Burgeo only but the entire welfare district which includes a much larger area. Mr. Chairman, figures for recent months, although they are not alarming, there is a reason for it, forty-four, thirty-two, twenty-nine. Mr. Chairman, when this government

MR. HICKEY: sorted out this problem, this government purchased this plant and got it back into operation, they moved at the right moment. The timing was perfect because the unemployment insurance of those people in the Town of Burgeo was about to run out. Then Mr. Chairman, the case load for short-term recipients would not have been forty-four, it would have been more like 400.

Does the honourable gentleman on the other side, Mr. Chairman, have any idea what that means in dollars? Which is certainly not the most significant factor to take into account in this overall project, but it means, Mr. Chairman, approximately \$100,000 or more per year of a cost to the Provincial Treasury. Mr. Chairman, the dollar value is the least important factor when one takes into account what happens to a community and what happens to the people when they are forced on welfare. When an entire community is forced on welfare, it becomes a welfare community. Mr. Chairman, it might do the honourable gentlemen some good to question themselves as to what this means.

It means the complete demoralization of the individual, the complete robbing of what initiative those people have. It literally destroys people, Mr. Chairman. And yet we hear partisan criticism tonight regarding the purchase of this plant.

Mr. Chairman, it is also interesting to point out that when the estimates for my department were being debated in this House, what it cost this year, running close to \$20 million for assistance to the employable or short term-assistance, as it is known, close to \$20 million, Mr. Chairman, with \$26 million to long-term recipients. What kind of a debate was there? None, Mr. Chairman. No debate. This House was prepared to pass close to \$20 million in handouts, in give-aways where there is next to no return to this province, without any debate. But yet, Mr. Chairman, when there are a couple and a-half million dollars spent for the purchase of a plant and other

MR. HICKEY: services, to keep a community together, to protect the children and the people of this community, what do we hear?

We hear criticism. Well, Mr. Chairman, I would suggest that if this government had not moved when they did, we would hear some different criticism.

MR. WOODWARD: Carry it, Mr. Chairman.

MR. HICKEY: We will carry it, Mr. Chairman, when I am through maybe if somebody else do not want to speak. The honourable gentleman probably does not like to hear this, probably does not like the truth, like some more people over there.

Mr. Chairman, the question was asked, what happened to other plants, if they get into trouble? It is a good question, Mr. Chairman. The honourable gentlemen should ask themselves that question: What would they have done? Would they let those plants remained closed? Would they force those people on welfare or would they force the taxpayers to provide for them? This is what they are doing when they do that.

It is all very well, Mr. Chairman, for honourable gentlemen to adopt the attitude that they have with regards to this project, but it is abundantly clear that it is just partisan politics. I do not know, Mr. Chairman, but it can be considered cheap politics. Because you know, Sir, the former administration took a more active part in strikes, seeing the subject was raised tonight with regards to fish plants, certainly took a more active part and condoned it and encouraged it in an indirect way than this government does. Strike pay, Mr. Chairman, is not an allowable income in my department today, but it was under the former administration. That decision was taken because this government cannot adopt a position with regards to its strikes, if in fact, the Department of Labour or another department is to mediate or to move in and to hopefully find a solution. Yet the former administration was straddling the fence, Mr. Chairman, they were wearing two hats, The Department of Labour would move in to

MR. HICKEY: try and sort out the strike, but really in fact the Department of Social Services were helping the strikers by assisting them and by not even reducing the amounts paid out by the strike pay. They were in fact taking sides with the strikers. Not so today, Mr. Chairman.

So really there is no argument, the whole argument put forth by the opposition against this kind of purchase or the manner in which it was purchased is completely weakened by the significant factors of what would happen to the Town of Burgeo and surrounding area had this government not moved when it did. You do not put a dollar value, Mr. Chairman, on children, their lives, their future nor on people generally.

It is interesting tonight to hear the comments about the boat from Burgeo and the cost of taking the fish from the community of Torbay. I wonder, Mr. Chairman, who the honourable gentlemen on that side are trying to cod, to use the old Newfoundland expression, besides themselves? Because they are having no effect on the people of Newfoundland. The people of this province can quite easily see through their efforts. A big do was made about that issue and yet tonight we hear the cost being questioned.

So, Mr. Chairman, I would not be responsible in my department as minister, in terms of the department that I am responsible for, if I did not stand in this House tonight and support the purchase of the Burgeo Plant. I would certainly not be responsible because I know well, Mr. Chairman, just what it would mean to those people, just what it would mean to this province and to the Provincial Treasury, from one point of view, and more so from the moral and social point of view.

So, Mr. Chairman, I have much pleasure in supporting the entire project in terms of the manner in which it was purchased. I say without any reservation that this government worked out the best deal.

MR. HICKEY: It is a good deal and if this government had to pay twice the sum, it would have been well worth it when all the social factors and the economic factors are taken into account.

MR. A. M. DUNPHY: Mr. Chairman, as a former fisherman and former fish processor, I would feel remiss in my duty as a member, letting this debate go by without making some comments.

I was listening to the honourable member for Bonavista North offering his advice to our honourable Minister of Fisheries in the decentralization of government offices, government fishery offices throughout the province. He strongly suggested in his remarks there that we would by-pass Corner Brook. I would like for the honourable member to know that nearby Corner Brook, a town called Curling-

AN HON. MEMBER: A suburb.

MR. DUNPHY: A suburb, if you like - last year produced in the vicinity of \$5 million worth of herring for export. It is not a small fishing centre by a long shot. Actually they produce at Curling the largest amount of food herring in America. If I might add a very good product.

I was pleased to hear this afternoon, in the honourable minister's remarks, his concern for the herring stocks.



that are upon our waters in this province. There is definitely a problem there. We are overfishing our stock. As a matter of fact we are reducing our stock at the rate of about thirty per cent this year. If this continues, eventually we are going to be in the same boat as Norway, the Scandanavian Countries and the Pacific Coast are at this time. As a result we have many buyers coming to our shores here, many buyers demanding our products. I think it is vital that we in Newfoundland reserve our herring stock.

With regard to Burgeo, I was shocked by the attitude the opposition took in regard to the \$2.6 million paid for the Burgeo Fish Plant. I do not think they really realize how much this means to the Southwest Coast, to the fishermen. These fishermen and workers there are the backbone of this country. When in government, do people measure in dollars and cents the dignity of these fishermen? I was sorry to hear this. The minister's remarks, in the hope that we would be able to introduce in Newfoundland, multi-purpose boats, I assume from these remarks that he has in mind a combination of purse seiner, dragger and what have you, possibly a processing ship, all combined into one. These are excellent thoughts. I do hope that he is able to carry this out during his term of office.

I am also pleased to know that he is aware and concerned about the location of various bait depots throughout our island. I have had personal experiences along these lines, particularly in Bay of Islands, St. George's, where bait depots are situated too far away from the actual people who fish. I do hope that he will use his influence to correct this situation.

MR. CHEESEMAN: Mr. Chairman, if I may, there were a couple of points raised which I would like to deal with very briefly. The hon. Leader of the Opposition I think commented on the fact that I have not made the point of how important the fishery was on an overall basis around

Mr. Cheeseman.

the island. But I think that I did comment on this when I spoke about the contribution that the fishery made to the island. The hon. member for Bonavista North, in his reference to the caplin in the first instance, just a very brief comment here again - I believe when I commented on this topic I said at that time that there were other countries who were then coming into the area looking at the potential. It would appear that in general interpretation they are considering two bodies of caplin, one that comes to shore in Newfoundland, but they feel that there is another resource perhaps off in the deeper water. There has been some evidence to support this. What I was saying, Mr. Chairman, was that as long as caplin are around our shores, I would not like to see it suffer the same fate as the herring, being overfished. In other words, we should try and get some food utilization out of this particular species in terms of fresh and possibly in the cans which has been pursued for some years.

I do not know if the honourable member was in the House this afternoon when I made the comment or whether he missed it at that point, but I did mention the insurance programme. I said at that time that in the past it had been a token vote of \$100 and then as storms arose the problem was dealt with, but I felt that it was inequitable because there was no real standard. Some people were dealt with reasonably well and others not at all. I ventured the opinion at that time that there were problems other than major storms. In other words, when a fisherman loses all the nets he has, if there are five damaged by a particular wind storm or something that happens in his area, then there should be some provision for him. He should not have to be part of a major storm in order to qualify. This I am afraid is what has happened in the past. I did go on to say

Mr. Cheeseman

regretfully that we did not at this point have an insurance policy, although I had been pursuing this. My department have with Ottawa a measure of understanding as far as the major losses are concerned. At this point in time there is no insurance policy. It is something that we are still working on. There is a vote in, and I mentioned the error in wording this afternoon. There is an amount of money in here in the estimates, of \$200,000, which I had originally felt would be the province's contribution and hopefully the low cost insurance on the part of fishermen and the federal contribution would cover the field. As of right now, we do not have such a policy.

The other thing I think that came up was in connection with the utilization of the resource. In every thing that I said I think I had sort of stressed the conservation aspect of our total fishery. I think that these are the only three items that I would care to comment on that were real issues that were brought up.

MR. WOODWARD: Mr. Chairman, if I may very briefly, I would like to comment on the opening remarks of the honourable minister. I feel that he did a good job, Sir. I feel that he was very sincere. I am sure that he tried to appeal to the fishermen of this province. If he is sincere in his remarks, possibly half the battle is won as far as our fisheries are concerned. I think sincerity is one thing but getting up abusing or accusing someone else or some party, like had been done by the hon. Minister of Education tonight, then getting up as the hon. Minister of Social Services and Rehabilitation, for the sake of being heard and possibly collecting an audience from the gallery, just to create further garbage and corruption that goes on in this House. I am not being sacrilegious, Sir. I am not being sacrilegious at all. I think this was unwarranted. I feel that I am above getting into conflict and abuse with people that are doing it for the sake of political reasons. I sincerely feel, Sir, that the hon. Minister of Fisheries is beyond this approach. So, Sir, I was very pleased when he made the remark

Mr. Woodward

that there will be extra activities on the Labrador Coast this summer. We need more activity. We need more attention from the Department of Fisheries, Sir. We would also ask that we have a regional fisheries office set up somewhere in Labrador, whether it be the south or whether it be the north but somewhere on the Labrador Coast we look forward, Sir, to having one of your regional fisheries offices. That is the end of my remarks, Mr. Chairman.

MR. NEARY: Mr. Chairman, we certainly saw the flag wave on the government backbenchers tonight. They tried every trick in the book, Sir, to drag a red herring across the issue, the issue being the great deal, the great give away, the great sell-out in the Burgeo Fish Plant deal,

Mr. Chairman, I have sat here very patiently -

MR. ROWE (W.N.): Mr. Chairman, on a point of order. We have a pretty good debate here tonight with very few interruptions. Most members have been simply trying to debate the issues as I am sure my colleague is here now. Can we get control of the committee and cease these kinds of senseless interruptions.

MR. CHAIRMAN: The honourable member is entitled to be heard in silence as are all other honourable members.

MR. NEARY: Thank you Mr. Chairman. I do not intend to get down to the filth and dirt from some of the members we have heard in this honourable House. I have said so often in this session of the House, Mr. Chairman, that we are sent here to debate the issues. Personalities should not enter into the discussion. I think the hon. Premier is absolutely correct and the hon. Minister of Health, when he stood to introduce his estimates in this House, said that personalities should be left out of it. But, Sir, we have seen too much of that this session. Sir, there are members of this honourable House who have not yet spoken in the House. We have been open now two months or two and a-half months. They have been completely silent, Sir. They have been completely silent. They have not spoken yet. Their constituents are wondering if they are still here. Not members

Mr. Neary.

on this side of the House, Sir. We know why we were sent here. We are here to debate the issues like the Burgeo Fish Plant issue, that great sell-out. I am going to have a few things to say about that, Sir. I think rightly so. Sir, in view of the concern expressed in this House over the past few days, over the \$260,000 that was spent in building materials to repair poor little homes on Bell Island, Sir, and down in Burgeo we see ten times that amount, ten times, Sir, put into the pocket of a millionaire fish merchant in this province. Sir, I would not stoop as low as to say that the government bought that district, as some honourable members of this House have accused me of. I would not say it, Sir, because I would not stoop so low, Sir.

MR CHAIRMAN: Order! The honourable member is not permitted to do indirectly what is not permitted directly.

MR. NEARY: That is right, Your Honour. That is why I am not going to do it either directly or indirectly.

What I would say, Sir, I would say, Sir, that it looks like a bribe because the honourable minister of Social Services said "The timing was just perfect!" "The timing was just perfect," he said. The timing was perfect all right, Mr. Chairman, just prior to the last provincial election. The timing was perfect, Sir, it was a good political manoeuvre. I wrote it down, timing perfect. I am talking about the Burgeo plant. The honourable minister said the timing was perfect.

MR. HICKEY: Mr. Chairman, do I have to correct that? I am sure I think I know what the honourable member is talking about but you know things have been misinterpreted so much lately.

MR. NEARY: Mr. Chairman, would the honourable minister state his point of order?

MR. HICKEY: A point of order, Mr. Chairman, I am getting to it. My remarks have been misinterpreted so often and so has the honourable gentleman's, that we should clarify now what he is talking about. I do not remember saying; costing this government and saying that the timing was good when you bought the Burgeo Fish Plant.

MR. BARRY: The honourable minister will be permitted to explain if there is any corrections or additions or interpretations to the honourable member's speech. However, while the honourable member is speaking, unless he yields to a question, then the honourable member is entitled to continue.

MR. NEARY: I wrote down precisely what the minister said, Mr. Chairman. He said, "the timing was perfect." He was referring to the fact that unemployment insurance was running out. The timing was perfect, just prior to the last provincial election, Sir. I would say, Sir, that that sell-out at Burgeo cost about \$2,000 per vote. Would that be a good estimate, Sir, \$2,000 a vote?

MR. BARRY: Order. If I could draw the honourable member's attention

to a section in Beauchesne, page 119, paragraph 136. There is a reference to a statement made in the Committee of the Whole in Ontario, the Ontario Legislature where the statement was, "I now declare that this measure is a bribe of the most brazen character made chiefly to one province and paid for by the taxes of the rest." The discussion went on, the chairman raised the question that if this were reflecting upon members of the House who supported what was done then it would be unparliamentary. In other words calling the step a bribe could possibly reflect on the motives of members of the House who had supported the measure. I am sure the honourable member did not mean to imply this.

MR. NEARY: No, Mr. Chairman, I did not say it was a bribe. I said it has all the appearances of a bribe. Now, Sir, I would not mind it too badly but there are a number of points came out in the discussion tonight. One I want to refer to in particular. That is the one that was made by the minister of Social Services & Rehabilitation. In his remarks, he said that, I do not remember his exact words, but he said that "this government, this new Tory government had reversed a decision that was taken by the Liberal government of paying or giving assistance to people who are on strike." Not in addition to the strike pay, Mr. Chairman, assistance in this province whether it is on Bell Island or in Burgeo or out on Kelly's Island is based on need, the honourable minister should know that. There is no such thing

MR. NEARY: as social assistance in addition to strike pay. It was not done, Sir.

MR. HICKEY: Would you permit a question?

MR. NEARY: Sure, I would permit a question?

MR. HICKEY: Seeing he is such good friends with the honourable John Munro, would he tell the House whether the Federal Government, under the Canada Assistance Plan, is aware or have been aware that the former administration paid welfare to strikers and did not calculate the strike pay? Because I got notice of it and was told what to do, in no uncertain terms.

MR. NEARY: Mr. Chairman, if that happened then there must be a weakness in the system.

Because, Sir, social assistance is based on need and, Sir, if the honourable member is referring to the strike at St. Lawrence and that is the only one that I know about where welfare assistance was given out in the early days of the strike because the proper information was not communicated to the welfare officers in the area.

Now, Sir, this is a very great principle, and Mr. Chairman, the member for Placentia East talked about the labour situation at Burgeo and I appreciate that, Sir, at least I am pleased to know that there is one Liberal on the opposite side of the House. Placentia West, I am sorry.

Well, the honourable member for Placentia East probably still has his membership card, his Liberal membership card, in his wallet. At least Mr. Chairman, I was pleased to hear the remarks of the member for Placentia West and I agree with most of the things that the member said, but I disagree with one point brought out in the remarks of the honourable member for Placentia West, and that was the fact that there was an element of fear, an element of fear that this government may side with the employer in this particular strike.



I want to inform Your Honour that the Liberal Administration in this province took an unprecedented step, never done before, Sir, in the history of this province. We took the unprecedented step of granting welfare assistance to the strikers in Burgeo, in the face of all kinds of criticism, Sir, from the fish plant operators in this province. I would submit to this committee tonight that that is the reason the Minister of Social Services has reversed the decision of the former administration, because of pressure from the fish merchants.

It is not against the law, Mr. Chairman, I am coming to that. It is not against the law. I will tell the honourable minister that it is not against the law. I attended a conference, Sir, a conference of Ministers of Labour in Ottawa, when I was Acting-Minister of Labour, and this matter came up. Should strikers receive welfare assistance? Bryce MacKasey was there, he was Minister...

MR. MARSHALL: Point of Order, Mr. Chairman, I think the honourable member now is debating the matter of social assistance under Social Assistance and Rehabilitation, on Labour, whether a person should receive strike pay or not and I fail myself to see the relevancy of this to the topic now being discussed, Fisheries.

MR. ROWE (WM.): As usual, Mr. Chairman, if I may speak to the Point of Order, as usual the House Leader is half right. In an ordinary debate I would submit as well that maybe the honourable member now speaking is a little beyond the bounds of relevancy but there has been a wide-ranging debate on this whole matter.

Everybody in the House who has spoken so far has ranged widely in his remarks. The Minister of Social Services and Rehabilitation has mentioned this point apparently, I was not in the House at the time. My honourable colleague is referring to remarks made by him, so I would submit, Sir, that if we are going to restrict the honourable member here

to complete and strict relevance, then it is a little bit late for that because other members have been allowed some latitude in the matter.

MR. MARSHALL: Mr. Chairman, the fact, that other members may or may not have wandered to irrelevancy, does not make the Point of Order any the less valid.

MR. ROBERTS: Mr. Chairman, if I may say just a word on it, I agree with the House Leader, that two wrongs do not make a right, but the point I make is that I heard the Minister of Social Services ask a question My colleague yielded when the gentleman opposite asked

a question, raised a point of social services and strikers and apparently made some reference in his earlier remarks, I did not hear the House Leader object then, surely if he raised it on one side, Mr. Chairman, in all fairness, it should be allowed to be dealt with by this side. May my colleague continue on this? He is the House Leader, not the leader of one side.

MR. MARSHALL: If I could clarify that, it is still on the Point of Order, Mr. Chairman. It is not up to me to raise the Points of Order. I am not the policeman in the House. It is perfectly in order for the members on the other side of the House, if they feel somebody over here is out of order, to rise on a Point of Order.

MR. ROBERTS: Mr. Chairman, the Minister is quite right, except if he has some fairness he would be concerned to ensure that all members are - we are willing to allow the honourable gentleman to raise points that are a little teensy bit beyond relevancy. Fine! If he wants to play the game, we will. The gentleman from Burgeo read his speech tonight, and that is clearly out of order. We made no objection. He had it written out, we did not object.

What I am saying to the Point of Order, Your Honour, is that indeed no person has to raise a Point of Order, it is the Chair's duty to deal with matters, and the Chair does not have to wait for an honourable member to come to his feet and draw Your Honour's attention to it. The Chair allowed, and I submit properly allowed gentlemen opposite to raise a point, are we now to be denied the opportunity to answer it? Has it come to that in this committee?

MR. CHAIRMAN: May I speak for the former chairman's decision on what went on in the House. I think the honourable House Leader's point was well taken and the honourable member for Bell Island is wandering far a field and it would be better to stick to the point of the debate.

MR. ROBERTS: Mr. Chairman, I think we would like to appeal your ruling, Sir, we think it is unfair and we would like to appeal it, please. Would Your Honour please - It involves calling in the Speaker and so forth please, Sir.

On motion that the committee rise, Mr. Speaker returned to the Chair.

MP BARRY: Mr. Speaker, my ruling on a Point of Order raised by the Government House Leader, on a question of irrelevancy, by the member for Bell Island was appealed.

MR. ROBERTS: Is that the Chairman's report, Mr. Speaker?

MR. SPEAKER: I assume that is.

MR. ROBERTS: Mr. Speaker, first of all, it must be in writing. I assume it is in writing. Secondly, I submit it is not a full report of the point which was decided by the Chairman in Committee.

MR. SPEAKER: All reports should be brief and sort of not take too much time. This is the written report, as the honourable Chairman of Committee raised it. So I will put it that his motion is that the ruling of the Chairman of Committees be upheld.

DIVISION

MR. SPEAKER: Those in favour of the motion please rise: The honourable the Minister of Mines, Agriculture and Resources, the honourable the Minister of Provincial Affairs, the honourable the Minister of Labour, the honourable the Minister of Community and Social Development, the honourable the Minister of Education, the honourable Mr. Ottenheimer, the honourable Mr. Marshall, the honourable the Minister of Municipal Affairs and Housing, Mr. Rousseau, Mr. Brett, Mr. Morgan, Mr. Aylward, the honourable the Minister of Fisheries, Mr. Earle, Mr. Doyle, Mr. Evans, Mr. Dunphy, Mr. Howard, Mr. Wilson, Mr. Young, Mr. Peckford.

Those against the motion please rise: the honourable the Leader of the Opposition, Mr. W.N. Rowe, Mr. Neary, Mr. Thoms, Mr. F.B. Rowe,

I declare the motion carried.

On motion that the House go into a Committee of the Whole on Supply, Mr. Speaker left the Chair.

COMMITTEE OF SUPPLY

MR. NEARY: Mr. Chairman, the honourable member for Placentia West traced the history of the dispute that took place in Burgeo, I thought very well. The honourable member was very familiar with that dispute. I believe the honourable member, as the Leader of the Opposition points out, played a gallant role in that dispute.

But, Sir, I was very familiar with that dispute at Burgeo also, because at the time I was minister of Social Services & Rehabilitation and acting minister of Labour. I watched the situation very carefully, Sir, in Burgeo. I saw the thing develop. I would say, Sir, that the strike in Burgeo was really a strike for recognition.

Sir, I know a little about the history of the Labour Movement in North America. I can tell this honourable House that the great crusade that was carried on by the labour movement in Canada and the United States was a crusade for recognition. This is where the great battle took place. This is what it was all about in Burgeo, Sir. The honourable House Leader thought I was going to slip away from Burgeo again, but I can tie in welfare assistance with the Burgeo situation, Sir, and not be out of order. Another blow has been struck at democracy in this House again tonight, Sir.

So, what it was all about in Burgeo was recognition. The employer refused to recognize the union. This is what it was all about. I really felt sorry for the people of Burgeo at the time. I have had a little bit of experience in the trade union movement, Sir. I know how these men felt. I know how they felt. They had been slaves for too long. They wanted to get their freedom. They wanted to become independent. They wanted the right to go and sit down across the bargaining table and bargain collectively in the free and democratic way. They wanted to bargain, Sir, for better working conditions and better wages. The employer refused to recognize the union although the union had been certified by the

Labour Relations Board which is treated in this province, by the Provincial Department of Labour, as a semi-judicial body. The local in Burgeo had gone through all the procedures laid down in the Labour Relations Act and had been certified under the law of the province. Yet, Sir, the employer refused to recognize the union.

When he was forced to recognize the union, Sir, he refused to bargain in good faith. I want to stand in my place in this honourable House tonight and say that I have the greatest respect and the greatest admiration for the men who manned the picket lines in Burgeo. It is time we got rid of feudalism in this province.

MR. NEARY: Sir, I knew that the time would have come in Burgeo, if something was not done, when in my other capacity, as Minister of Social Services and Rehabilitation, we would have large numbers of heads of households coming to my other department for assistance. I can inform this honourable House tonight, Sir, that if this had happened, that large numbers of heads of households in Burgeo had come to the Department of Social Services for assistance, that there is no way, Sir, there is no way that assistance could be refused them.

Under the Canada Assistance Plan, Sir, the Government of Canada pays fifty per cent of the cost of social assistance in all the provinces of Canada. Assistance is based on need, Sir, based on need. I had it from the highest authority, Sir, that in the case of Burgeo, assistance to the families, to the mothers and the children in Burgeo could not be refused, no more than it could be refused in St. Lawrence or Buchans when they are on strike.

I know, Mr. Chairman, that we are under the heading XIV, Fisheries, that there will be other strikes in fish plants in this province. We had one at Marystown. There was a strike at the Marystown Fish Plant, Sir, and I have no doubt at all but the Department of Social Services was called upon to assist the families of strikers in that strike; rightly so, Sir. They were given assistance.

Sir, I would say that it is a very dangerous precedent that has been created by the Minister of Social Services and Rehabilitation when he says that the decision has been reversed, that in future - Mr. Chairman, I know what the honourable minister said, he said, "this will never happen again." Well, Sir, I got news for him, it will happen again. There will be strikes in fish plants, Sir, in the future, when men who are being over-worked, Sir, and under-paid, will be out fighting for their rights. They will be out fighting for their rights, Sir, they will



go on the picket line and they may get -

MR. HICKEY: Inaudible.

MR. CHAIRMAN: Order please.

MR. NEARY: Thank you, Mr. Chairman, so there will be strikes in fish plants in the future, Sir, and I submit that there is no way that this new Tory Government can keep assistance, welfare assistance, short-term social assistance, as it is commonly known, away from strikers and their families. There is no way, Sir. It may sound, Mr. Chairman, it may sound as if the government is subsidizing a strike, but I submit, Sir, that is not the way to look at it.

MR. HICKEY: That is the way the federal people look at it.

MR. NEARY: That is not the way the federal people look at it, Mr. Chairman, it is not the way the federal people look at.

MR. HICKEY: Is the honourable gentleman insinuating that I am telling a lie in this House? Does he want to charge me with doing that?

MR. NEARY: Mr. Chairman, do I have the right to be heard in silence? The honourable minister can stand in his place and clarify what he said if he wants to, Mr. Chairman, I am talking about strikes and fish plants, that has to do with the subhead we are discussing here, XIV - Fisheries.

The honourable members may not like it. Sir, when these strikes occur in the future, despite what the fish plant operators may think, despite what we may think personally about whether the government is subsidizing the strike or not, that is not the point, Sir, the point is that you cannot refuse families social assistance when there is need and it does not make any difference, Mr. Chairman, what caused that need. So I would like for the government to reconsider that reversal in policy, because we cannot get away with it. It can be tested in the Supreme Court, Sir, it can be tested in the Supreme Court.

AN HON. MEMBER: Strike pay is not allowable income. That is what I am talking about.

MR. NEARY: Mr. Chairman, that is not what the honourable minister said. The House is well aware that strike pay is not allowable income, the House is well aware of that, Sir.

MR. HICKEY: Since when? That is our policy, not the former administrations, because I changed it. What is the honourable gentleman talking about or does he know?

SOME HON. MEMBERS: Who has the floor, Mr. Chairman? Do you mind ruling...

MR. NEARY: Mr. Chairman, the honourable...

MR. ROBERTS: To a point of order. Will Your Honour enforce the rules of the House. The honourable gentleman has the floor, the Minister of Social Services is interjecting and other honourable members are heckling. Will Your Honour enforce the rules of the House?

MR. HICKEY: I am not going to sit here, I am sorry, if Your Honour tells me to I will, but I am not going to sit here and be accused by innuendo of giving false information. I stated that I changed the policy as a result of discussions with Cabinet regarding allowable income in terms of strikes. I have changed it on advice from Ottawa. Does the honourable gentleman wish to question that?

MR. ROBERTS: To a point of order. The honourable gentleman has the floor. The other honourable gentleman may make his speech, he may speak any number of times in committee. Now, will Your Honour enforce the rules? The rules state clearly, Sir, that the member speaking, the member who has the floor is entitled to it. Now I submit that it is Your Honour's duty and will Your Honour do your duty? Will Your Honour continue to enforce that ruling. Thank you. Your Honour.

MR. CHAIRMAN: Continue the speech.

MR. NEARY: Thank you, Mr. Chairman. Mr. Chairman, it is getting up

around three minutes to eleven and the honourable members on the opposite side are getting jittery and jumpy. I know there is a sweltering heat here tonight. Your Honour will just have time to call the Speaker in, and perhaps we can continue the debate tomorrow.

On motion, that the Committee rise, report progress and ask leave to sit again. Mr. Speaker returned to the Chair.

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

On motion the House at its rising adjourned until tomorrow, Thursday, June 29, 1972, at 3:00 P.M.