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VERBATIM REPORT

Friday, March 16, 1973

SPEAKER: THE HONOURABLE JAMES M. RUSSELL

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order please!

MR. E.M. ROBERTS: Mr. Speaker, I rise to a question, Sir, of both personal privilege and privilege of the House, this being the earliest opportunity at which I could do so. My case, Sir, is based on a number of citations in Beauchesne. The most relevant one, Sir, is 108(1) which will be found on page ninety-eight. The substance of the point, Sir, is that the hon. gentleman from St. John's East, the House Leader for the government, outside the House last night made statements both on radio station CJON and to the "Daily News." I quote the CJON story, Sir, supplied me by the news director of that station: "An angry Mr. Marshall said outside the chamber that Mr. Roberts abused the privileges of the House in an outrageous manner. Mr. Marshall said the remarks that Mr. Roberts made in leading up to the eleven o'clock closing hour were out of order and indicative of the attempts by the opposition to obstruct the business of the House."

AN HON. MEMBER: (Inaudible).

MR. SPEAKER: Order please!

MR. ROBERTS: Thank you, Mr. Speaker. Similar statements were made in the "Daily News." "In an interview outside the House Mr. Marshall charged the Liberal Opposition with delaying passage of Interim Supply, saying that we were abusing the privilege of the House."

Mr. Speaker, I submit that it is a breach of the privileges of this House to accuse an hon. gentleman or any hon. gentleman of having abused the privileges of the House. A member is entitled to use his rights under the Standing Orders and Your Honour is zealous in enforcing those rights and enforcing the Standing Orders. I submit, Sir, that the hon. gentleman, the House Leader, should be asked to

withdraw his remarks and to apologize. He is entitled to think what he wishes, Mr. Speaker, about the merits of the opposition debating a request for supply, that is debate. It is far beyond debate to stand outside the House or inside the House and accuse a member of abusing the privileges of the House. I submit, Sir, that there is a prima facie matter of privilege. I raise it now and I am prepared to take the appropriate steps.

MR. SPEAKER: If the hon. member for St. John's East wishes to reply to that I think I will take it under advisement and get the exact wording of the hon. Leader of the Opposition's statement from Hansard and rule on it later.

MR. ROBERTS: Fine, Mr. Speaker, I will table a copy of today's issue of the "Daily News" and a copy of the news story of March 16, 1973 supplied to me by CJON.

PETITIONS:

HON. W.W. MARSHALL (MINISTER WITHOUT PORTFOLIO): Mr. Speaker, I have great pleasure to present a petition on behalf of some 139 residents of the Community of Lawrenceton in the great electoral District of Lewisporte. The prayer of the petition is that the road be upgraded from Lawrenceton to Brown's Arm.

Now an actual fact, Mr. Speaker, in conformity with the policies of this present government last year a large amount of money, some \$350,000 was spent on the reconstruction and upgrading of the road between Lewisporte and Brown's Arm last year. It is the hope of the prayer of this petition that the road will be paved during the coming summer. It is hoped that while the asphalt plant is in the area that this will be done. I would ask that this petition which is signed by 139 persons from the Lawrenceton Area be laid on the table of the House and referred to the department to which it relates where I know it will receive very good attention.

MR. ROBERTS: Mr. Speaker, my colleagues and I are happy to support

this petition. I realize that the member for that district wishes he could speak in support of it and indeed I know he does support it but because he occupies a position of honour in this House, a position of honour which requires him not to take part in the debates of the House, he is not able to speak. This is one of these occasions on which the hon. gentleman from St. John's East and myself can agree most wholeheartedly in supporting the request.

I am very glad to hear the hon. member, the gentleman from St. John's East, say that money was spent last year to upgrade the road from Lewisporte out towards Brown's Arm. The people of Brown's Arm have been most articulate and I submit most effective in their means of protest and in the fact of their protest. I am glad they succeeded in getting the road done last year especially because last year the roads programme was so largely laid out by the Smallwood administration. I have no less an authority than the Premier of this province for that statement, Sir. I do hope this year that the present administration find it in their wisdom to carry forth. This is the first year that they will have had their own roads programme. I do hope, Sir, that included in the roads programme is the amount of money necessary to enable this road to be paved so that these people can have the blessings of pavement. They have agitated long enough, they have waited long enough and the time has come.

HON. H.A. COLLINS (MINISTER OF MUNICIPAL AFFAIRS AND HOUSING): Mr. Speaker, I would like to say a few words in support of that petition as well. I remember years ago attending meetings in Brown's Arm and Lawrenceton when the people were demonstrating down there. I thought they were most reasonable in their approach to the matter. I hope that the government can see fit this year to meet the needs or the request in the petition to extend their road and pave it into Lawrenceton.

NOTICES OF MOTION:

HON. J. C. CROSBIE (MINISTER OF FINANCE): Mr. Speaker, I give notice

that I will on tomorrow move the House into a committee of the whole to consider certain resolutions relating to the guarantee of the repayment of bonds or debentures issued by and the guarantee of the repayment of loans made to certain local authorities.

MR. COLLINS: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, "An Act Further To Amend The City of Corner Brook Act."

HON. A.J. MURPHY (MINISTER OF SOCIAL ASSISTANCE): Mr. Speaker, I give notice that on tomorrow I will ask leave to introduce a bill, "An Act Further To Amend The Social Assistance Act, 1971."

QUESTIONS:

HON. G.R. OTTENHEIMER (MINISTER OF EDUCATION): Mr. Speaker, I would like to table the reply to question number thirty-seven on the order paper of February 23, asked by the hon. member for St. Barbe North.

HON. C.W. DOODY (MINISTER OF INDUSTRIAL DEVELOPMENT): Mr. Speaker, I want to table the reply to question number eighty-one asked by the hon. the Leader of the Opposition on the order paper of March 1. He is requesting a copy of the agreement with the Steel Company of Canada and the various reports. I have also been successful in locating another report for him, in relation to the same steel mill, which he might be interested in. This one was done in 1968. The Kostaszek Report is also here. That is the Leonard Partners Limited, the economic evaluation of the AMCO proposal which is commonly known as the Kostaszek Report. I have another one which we located, the report by the Kates, Peat, Marwick & Company Limited, dated April 1968, entitled "The Economic Review of the Newfoundland Steel Prospects." The first recommendation I notice is, abandon the existing operations and it says that if you do this at this particular time you leave an estimated loss of \$6.3 million after meeting the accounts payable. Several years later (April 1968) here we are in 1973, \$7 million poorer and still tabling reports.

AN HON. MEMBER: (Inaudible).

MR. DOODY: I am not interested in history, I keep saying that.

HON. R.L.CHEESEMAN(MINISTER OF FISHERIES): Mr. Speaker, there was an oral question and a supplementary to an oral question asked yesterday by the hon. member for Twillingate and the hon. member for Fogo, both relating to the fishing of the "Boston York." The question was in relation to the crew and whether or not there was any problem in that regard and the supplementary question had to do with the loss of fish through malfunction or some other reason. The information available to me now is there were no problems with the crew of any unusual nature and nothing but the normal turnover on her second voyage. The answer to the supplementary question was, the information that I have available to me, that no fish was lost from the first voyage, the boat is fishing at the present time, but from the first voyage neither on landing nor time at sea was any fish lost or any malfunction. This is the information which is available to me.

ORDERS OF THE DAY:

MR. ROWE(F.B.): Mr. Speaker, I would like to address a question to the hon. Minister of Education. In view of the fact that there are persistent rumors that teachers are being laid off by certain school boards in this province and indeed I have heard, Sir, that some teachers have actually been told that they will not be rehired next year and in view of the fact that there is one school board in St. John's that will be laying off fifty-seven teachers, could the minister indicate to the House, Sir, whether this is in fact true.

MR. OTTENHEIMER: No, Mr. Speaker, I cannot. I am not informed by school boards of actual laying offs. As the hon. gentleman knows, each year when the contracts come up some school boards need more and some school boards need less teachers but

I am not aware of mass lay offs.

MR. F. ROWE: A supplementary question, Sir. In view of these rumors, I was wondering if the minister could undertake to find out what exactly the situation is with respect to the re-hiring of teachers next year and whether or not there will be a lay off?

MR. OTTENHEIMER: Mr. Speaker, I will certainly check the factual situation but probably not the rumor situation. The factual situation I will certainly check.

MR. NEARY: Mr. Speaker, I note the Premier is absent again today. This time off to the delights of Montreal.

Sir, I would like to ask the acting Premier if the government have made any formal objection to CN moving the reservation office from Port aux Basques over to North Sydney?

Mr. Speaker, I wonder if the Minister of Industrial Development would inform the House if there are any takers yet on the steel plant?

MR. DOODY: Mr. Speaker, we reached an all time high yesterday. We had forty-two offers. I do not mean that facetiously, I mean it as absolutely true. Every junk dealer and potential industrialist from here to the Gulf Coast are on the telephone wanting to buy our magnificent financial fiasco, the Newfoundland Steel Mill. Unfortunately we have not had any offers for the liabilities yet, they are just looking for the assets. So, we are sifting them all out and as soon as we get something tangible we will be happy to report.

MR. NEARY: Well, I am not surprised, Mr. Speaker, because the honourable minister put an advertisement in the mainland newspaper. Could the hon. minister tell the House when the government will be in a position to make an announcement on the steel plant one way or another? The honourable minister has not made it but he has forty-two offers and there are others, there are local propositions. When will the minister be making a decision on these offers?

MR. DOODY: I really do not know, Mr. Speaker. We are doing the best we can under the circumstances. As soon as we have something definite we will certainly provide the information.

MR. GILLET: Mr. Speaker, as a matter of curiosity, I wonder if the honourable Minister of Fisheries can explain what is a normal turnover in a twenty-seven day voyage? That is the normal turnover of a crew. If it is normal, can we expect this turnover every trip the ship makes?

HON. R. CHEESEMAN: (MINISTER OF FISHERIES): No, I am afraid not, Mr. Speaker. The information came from the operator but I will be glad to obtain these figures also.

MR. F. ROWE: Mr. Speaker, a question to the honourable Minister of Municipal Affairs and Housing. In view of the fact, Sir, that Newfoundland as a whole had a reduction in construction of new homes this year, I believe eighty-four this year compared to 120 last year. This is attributed to shortage of lots. I was wondering if the minister could indicate what his department is doing in trying to get more lots made available to construction firms?

HON. HAROLD A. COLLINS: (MINISTER OF MUNICIPAL AFFAIRS AND HOUSING): Mr. Speaker, that is true to some extent I suspect because it was very difficult to obtain land last year and the first part of this year. By the beginning of the construction season in St. John's we would hope to have - I do not want to be tied to a figure - but certainly an excess of 1,000 lots coming on position for sale in June. In Corner Brook we are in a pretty good position. In Gander we are in a desperate position. In urban areas it is desperate but we are hoping by the time the construction season starts that the position would have improved.

MR. MARTIN: A question that I would like to direct to the honourable Minister of Fisheries with regard to certain legislation passed in 1971 known as the "Fishing Industries Collective Bargaining Act, 1971." That legislation provided for the establishment of a Fishing Industry Advisory Board. I would like the honourable the minister to inform the House what steps have been taken, if any, to set up such a board, to appoint the board?

MR. CHEESEMAN: No, Mr. Speaker, in answer to the honourable member for Labrador South. Such a board has not been established. Consultation has been held with the Minister of Labour and it will be in consultation with the Minister of Labour that such a board will be established.

HON. E. ROBERTS: (LEADER OF THE OPPOSITION): Mr. Speaker, could the minister indicate when it is proposed to establish the Advisory Board?

MR. CHEESEMAN: As early as possible, Mr. Speaker.

MR. ROBERTS: You have been in office a year and a-half.

ORDEPS OF THE DAY

On motion of the hon. the Minister of Economic Development a bill, "An Act To Ratify, Confirm And Adopt A Supplemental Agreement Made Between The Government, Newfoundland Refining Company Limited And Other Companies," read a first time, ordered read a second time on tomorrow.

On motion of the hon. the Minister of Education a bill, "An Act Further To Amend The Memorial University(Pensions) Act," read a first time, ordered read a second time on tomorrow.

On motion of the hon. the Minister of Economic Development a bill, "An Act To Ratify, Confirm And Adopt On The Part Of The Province An Agreement Made Between The Government Of Canada And The Government Of The Province Of Newfoundland And To Provide For Certain Matters Relating Thereto," read a first time, ordered read a second time on tomorrow.

On motion of the hon. the Minister of Supply and Services a bill, "An Act Further To Amend The Provincial Parks Act," read a first time, ordered read a second time on tomorrow.

On motion that the House resolve itself into Committee of the Whole on Supply to consider certain estimates relating to the granting of Interim Supply to Her Majesty. Mr. Speaker left the Chair.

On motion Head (11), Mines and Energy carried.

MR. WOODWARD: Mr. Speaker, before we adjourned the debate last evening, I asked of the honourable minister a number of questions. I am wondering if the honourable minister is prepared to give the answers at this time?

HON. L.D. PARPY: (MINISTER OF MINES AND ENERGY): Mr. Chairman, if I have the honourable member's questions correctly, I think the first one was with respect to possible operations off the Labrador Coast. There are at

the present time no provincial permits issued for the exploitation of mineral resources off the Continental Shelf, off Labrador, but we have had discussions with companies holding federal permits and my understanding is that it has not been confirmed but there will probably be

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at least one company operating off Labrador this summer. Until official confirmation is received by our department, I would not be able to reveal the name of the company or any other details than that, but I think we can expect to see some activity off Labrador this summer.

Now the second question related to attempts to take advantage of industrial opportunities created by offshore development. Was this correct?

MR. WOODWARD: I could go over it again and brief him on the questions if he does not have the questions with him now?

MR. BARRY: There were too many put at the same time, Mr. Chairman, if the honourable member wish to - I believe there were two other points that he made. I have brief reference made of them but if you wish to give the questions again, I shall attempt to answer them.

MR. WOODWARD: Mr. Chairman, putting it quite briefly, the questions that were asked in the House, and I mention the high expectations that have been set by the publicity that has been given to the offshore drilling and the possible service industry that could derive from those particular developments or exploitation of oil in the event it is discovered on the continental shelf, on the Grand Bank or off the Labrador Coast. The question I asked the minister - was his department or his government giving any incentive to industry to get involved in this particular type of service industry and how does one go about getting this information? Does he go through the Minister of Energy or does he go to the Minister of Industrial Development in this respect? There is some confusion in the province in this respect, whom do you go to? Who is developing the province as far as offshore drilling is concerned? Is it industrial development or is it the new Department of Energy and Mines?

I think this is a question that I would like to have clarified, Mr. Chairman, and also the fact that there are a number of people in Labrador who have been involved over the last couple of years, very briefly, in supplying support to an offshore rig off the Cartwright Area. We have had a number of people passing through from western Canada through Goose Bay and then subsequently going out to the coast.

Our people are concerned and I thought with all this development that has been taking place now and all the expertise that has gone into the government on it, that we probably could be brought to light on what is taking place, and I feel it is only fair of the committee or of the minister, if we can get those answered.

MR. BARRY: Inaudible.

MR. WOODWARD: Well if we can get some reply to the questions, Mr. Chairman.

MR. BARRY: Mr. Chairman, I think the questions have been answered many times over. I do not see why there is any confusion about who is responsible for industrial development in the province. It is the Department of Industrial Development, but there is liaison between departments. Now anybody who has a proposal or anybody who wishes information with respect to possible opportunities, the Department of Industrial Development, as I understand, is completely prepared to supply any such information, to assist in whatever way possible.

But government cannot do everything in this area, as the honourable member himself should be aware. I think with respect to incentives, the honourable member is an example of how incentives are not always necessary in order to become very successful in the business community. Does that answer the honourable member?

MR. NEARY: Mr. Chairman, the present Minister of Finance (for the time being) when he was on this side of the House, was highly critical of the construction of the thermo generating plant at Holyrood. We discovered this winter, Sir, but for the thermo generating plant, that a large portion of the Avalon Peninsula would have been without electricity. There would have been no heat in the homes. Business and industry would have ground to a halt. No heat in the homes, Sir, at a time when we were having the coldest weather I suppose that we have had in years. So the thermo generating plant provided the necessary electricity when the power supplies in Bay d'Espoir was put out of commission because of the freezing rain.

I would like to ask the minister if he would say now, in Committee, what the policy of his department and the government is going to be in the future concerning thermo generating plants. Are there any plans for expansion? I think the minister indicated outside the House sometime ago that a second thermo generating plant was being proposed. I am not sure of the location. I am not sure whether the minister said Come By Chance or out in Western Newfoundland, would the minister state now what the policy of the government is on thermo generating plants, whether there will be any expansion this year or not?

MR. BARRY: Mr. Chairman, this is not a matter that you decide by flipping a coin, although maybe at times this has happened in the past, the question, with respect to the first question, you decide what additional generating capacity is going to be needed and what times is it going to be needed. This involves a certain forecasting of industrial requirements, a forecasting of consumption generally.

Now you make this forecast. You decide at what time your demand curve is going to meet your production curve and you then

count on two to three year lead time necessary in the event of a major development and you make your decision. Now your decision is going to be next - what is the best form this generating capacity should take? This depends on a number of factors. The trade off between hydro electric development and thermo plant depends, number one, on the cost of capital. The hydro electric developments are generally more capital intensive than thermal plants and accordingly, if your cost of capital is high, it may be that it will be better on that factor alone to go to a thermal plant.

On the other hand, a thermal plant involves higher operating costs than hydro electric development. For example, if you can anticipate a greatly increased price of fuel which is to be used in these thermal plants, then this is a factor weighing against getting generating capacity through additional thermal plants.

So there are very complicated computations that have to be made in order to decide what form your generating capacity should take. At the present time I can say that the Power Commission has figures with respect to proposed increase in demand. I think we are talking in terms of 1978, I am not completely clear on this, as a period by which time we need additional generating capacity. That does not mean that we can wait until 1978 to start building it of course.

The decision as to what form this generating capacity will take, I cannot give you an answer at this time. Apart from the thermal plant, for example, another form generating capacity has taken is gas turbine.

I could say to the honourable member that this matter is presently under review by the Power Commission and by the Committee on Energy, They are attempting to pin down as accurately as possible the time when the additional generating capacity will be required, because this changes. As new industry comes in, for example, the

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time frame has to be reviewed, but this question is under continuous review at all times. The decision, as to the form the generating capacity will take, is one that will have to be made I would think over the next five to six months but at

this time I cannot say any more than that to the honourable member.

MR. NEARY: Mr. Chairman, the minister did some pretty fancy foot work in that answer. However, we will see what develops, I would assume from what the minister said that the government and the minister are admitting that the construction of the generating plant at Holyrood was justified and that the honourable the Minister of Finance has been proven wrong again.

Sir, would the honourable minister, in replying to my question he did not mention nuclear power. I think the honourable minister when he was first appointed to that portfolio, there several weeks ago, overnight became an expert on nuclear power because I heard him comment at some length outside of the House on this particular subject.

MR. BARRY: Is the honourable member being sarcastic?

MR. NEARY: No, I am not being sarcastic, the honourable minister did comment on this nuclear power, outside the House.

MR. BARRY: Inaudible.

MR. NEARY: But, Mr. Chairman, I realize the development of power is something that has to be well planned because you have to take into consideration the long-range forecast based on need and so forth in industrial development. But my understanding is that all the hydro that can be developed on the island at the present time is being utilized.

MR. BARRY: Not all.

MR. NEARY: Not all, there may perhaps be a couple of small developments that could take place, unless we find some way to transmit the power from Churchill, from the Lower Churchill to the island, then it seems to me, Mr. Chairman, that if we are going to carry out a substantial industrial development programme on this island that we are going to have to get into either thermo generating plants, and the minister has not given me any specific information on whether the government are planning to build any of these plants in the next year or so. I do not think we can wait. I think if you are going to talk about industry that is going to start up production say two or three years from now, you have to start building the

generating plants now, or you have to get into nuclear energy.

I would like for the minister to be a little more specific if he can at this particular time. I would also like to hear his comments on nuclear power?

MR. BARRY: The honourable Minister of Finance has a few words to say.

HON. J. C. CROSBIE: (MINISTER OF FINANCE): Mr. Chairman, I have to leave the House, regretfully, in a few minutes time, so just before I go I want to put the poor honourable gentleman in perspective on what he is trying to talk about there. There is nothing wrong with the steam plant at Holyrood except it was built several years before it was needed to be built. Therefore, it cost the province considerably additional monies, unnecessary interest charges and the like that were not necessary. It was built ahead of its time because the honourable gentleman's leader, the man who had the brains and not the heart or whatever way it was, said a few years ago and instructed the Power Commission that there would be an aluminum complex developed in Newfoundland and on stream by 1971; there would be the third mill at Come by Chance, on stream, an oil refinery on stream in 1971 and the linerboard mill on stream in 1971, all of which meant that there would be a considerably greater demand for electric power in 1971. None of those things materialized therefore the plant was built ahead of its time, not as any fault of the Power Commission but as the fault of a false forecast they were given. As a matter of fact, in the estimates last year and for the last several years an amount appears for subsidization of the Power Commission which is to cover the fact they have excess power that they cannot sell but they have the cost of interest and so on and so forth that remain there anyway to cover this excess generating capacity. The provinces therefore has to subsidize this and pay for this for the last several years.

Now the demand for power: The minister said, in the next four or five years this power will be used up, the great new oil refinery at Come by Chance will use some up and in four or five years time there will be

additional power needed. But there is no doubt about it at all because of a false and too optimistic forecasting the steam plant at Holyrood was built several years before its time. There is excess generating capacity now and this is not due to any fault of the Power Commission but the fault of the last government which instructed the Power Commission to do this.

Now on nuclear power I have to confess I am an expert. I attended a meeting about two weeks ago where energy and resources and the environment and so on were discussed. It was addressed by, among other people, Professor Herman Teller, the father of the H-Bomb. Too bad the honourable gentleman was not connected with his experiments, it would have been very useful. But in any event there was a tremendous discussion on nuclear power and different forms of nuclear power and in the future there is no question that the United States is going to have to depend on nuclear power, the laser beam. In fact we are going to bring a laser beam in here one day and the honourable gentleman will go out in a blaze of glory. That is certainly coming in the United States, it is about twenty years behind because of the outcry from the environmentalist. I am sure the honourable gentleman is an environmentalist. They have, as a result of their court actions and so on, the latest development. It is coming but not in this province for some time as yet.

Now I know the honourable gentleman wanted to hear from me and with those few words I have to go, Mr. Chairman, to another place for a few minutes.

MR. NEARY: Mr. Chairman, the honourable minister is up to his old tricks trying to slide out from underneath some of the charges that he made against, that he made about this administration over the last couple of years.

AN HON. MEMBER: What administration?

MR. NEARY: Sir, the honourable minister is too proud to admit that the construction of this plant at Holyrood was justified. It was justified for some of the reasons that the honourable minister gave and because of the great development that is taking place at Come by Chance, which was another vote of confidence in the previous Smallwood Administration. The honourable

gentleman gets up as usual and makes a few funny remarks and then takes his papers and leaves the House, an example that has been set by the honourable the Premier.

I do not have anything else to say about this, Mr. Chairman, except that I was rather pleased myself this winter to note that the thermo generating plant down at Holyrood kept the people on the Avalon Peninsula warm in the coldest winter that we have had in a good many years. Otherwise, Sir, there would be no electricity for heat or to cook, Business and industry, as I said before, would grind to a halt. The only thing that I can say to the minister responsible for this department at the present time, Sir, is to give him a piece of advice, that we may have a surplus of energy at the present time, and the surplus is not all that great either, Sir, but that would not be long disappearing if we had some medium and heavy industry located in this province.

So my warning to the minister is that he had better get cracking on this matter right away because two, three or four years from now it will be too late.

MR. F. B. ROWE: I just have one brief question, Your Honour. I was wondering if the minister could indicate to the committee, Sir, what the situation is regarding the provision of electricity to the two small communities of Big Brook and Bard Harbour in St. Barbe North? They are two communities that have less than fifteen homes in them. I think Bard Harbour has four houses and Big Brook has something like five or six homes. There was a diesel plant put in each one of these communities. Does the honourable minister have the background information on that?

AN HON. MEMBER: I will give the honourable member a copy of my letter.

MR. ROWE, F.B. Yes. Well what I am trying to find out, Mr. Chairman, is whether or not these diesel plants have yet been moved from these two communities and whether the government are planning anything to

to assist these people with respect to the provision of electricity because last year about this time the Minister of Finance indicated to me in writing that the government were trying to develop some sort of a policy with respect to providing electricity to extremely small communities such as Big Brook and Bard Harbour.

MR. BARRY: If the honourable member will realize, I do not have the exact details at my finger tips. As I understand the situation at the time the communities were electrified, this was a deviation from the established policy, is that not correct? There were never fifteen customers there so the community should never have been electrified, according to the then existing and the now existing policy with respect to rural electrification.

Now with respect to one of the communities (Maybe the honourable member can tell me which is which because I set it out in a letter to him) an arrangement was made whereby the community undertook to take over the operating costs of the plant. With respect to the other community, the same opportunity was given, the same offer was made but the proposal was not acceptable to the members of the community and unfortunately the decision had to be made that the diesel plant could not be kept in operation.

I do not believe it has been removed. I believe the indication was that it would be removed in early spring. I do not think it has been removed to date. This is not a pleasant decision to have to make but if you have a policy, you have to apply it fairly across the province, otherwise it is a matter of favouritism or arbitrariness. This situation developed, as you could appreciate, before I had the privilege of getting into the department. Acting on the advice of my officials, I took what I felt had to be the proper decision which was; give the opportunity to the communities on a reasonable basis to take over the operating

costs. They were notified what the alternative was, failing to remove the diesel plants. One community accepted and one community did not.

MR. F. B. ROWE: Obviously the minister acted upon the advice of the hon. Minister of Finance in this regard or some correspondence that had been passed along beforehand. I had made representation to the parliamentary assistant to the Premier of the day, around last May, and to the hon. Minister of Finance and Economic Development at that time. The closing paragraph said: "There should never have been any electrification at Big Brook nor Bard Harbour but because of the political situation last year, the previous administration ordered this to be proceeded with." Obviously what the hon. Minister of Finance (I am sorry he had to leave his seat. I wanted to ask him about this) was suggesting there was that the electricity was put in Big Brook and Bard Harbour wholly and solely for political purposes. Better than that, Mr. Chairman, Big Brook is a community of something like five homes with something like say twenty or thirty people there. These people belong to a religious faith where they do not vote. They set up a polling station there last year and the only one who voted was the Liberal agent there in the polling station, brought in from outside. How can the hon. Minister of Finance say that this was being done for political purposes? Needless to say I kind of take a little bit of exception to the kind of recommendations the Minister of Finance makes. I sympathize with the hon. Minister of Mines and Energy for having to take such advice.

MR. BARRY: Mr. Chairman, I perused the correspondence on file. I consulted with the members of the Power Commission, I consulted with the Minister of Finance and then I made a decision based upon the facts

as I could obtain them from these sources. It was a difficult decision but a decision I felt I had to make.

On motion Head XI, Mines and Energy, carried.

HEAD XII - FORESTRY AND AGRICULTURE - \$1,300,000.

MR. MARSHALL: Mr. Chairman, perhaps you could call Tourism, Head XIII, because the Minister of Forestry and Agriculture at presently is on his way to his district, I expect we will be able to supply the details later on during committee.

AN HON. MEMBER: Who is the Minister of Tourism?

MR. MARSHALL: All right then, we will call Industrial Development, Head XV.

HEAD XV - INDUSTRIAL DEVELOPMENT - \$555,000.

HON. W. DOODY (Minister of Industrial Development): This is a relatively small amount of money. It is a very modest request of this honourable House for the two months' interim supply. The breakdown is: \$6,000 for salaries, \$8,000 for expenses, travelling etc., in the minister's office; general administration salaries \$18,000; \$8,000 for expenses in the general office; assessment and research, \$32,000; promotion, \$41,000. I will set the hon. member for Bell Island's heart to rest now. There is not a jot or a tittle in there for my good friend and colleague George McLean. Much to my dismay, I was not in office at the time. I could not avail of the opportunity of getting his services. The \$41,000 for promotion is the periodicals, advertisements and various newspapers, trying to advertise the wares of the province and invite industrialists to come here and partake of the opportunity to grow wealthy with us.

MR. NEARY: Does this include the one in "The New York Times."

MR. DOODY: Yes. That is the sort of thing.

MR. NEARY: Well is not McLean producing that for "The New York Times?"

MR. DOODY: Not to the best of my knowledge.

MR. NEARY: Would the honourable minister make sure and let me know?

MR. DOODY: I could certainly find out for you and if it is so, I will be the first one to tell you about it. I can find out in just a moment.

MR. NEARY: Would the honourable minister also find out if the government have taken any advertising in this industrial supplement that McLean is putting out now, similar to the tourist booklet put out last year?

MR. DOODY: Industrial supplement.

MR. NEARY: Industrial booklet - I do not know.

AN HON. MEMBER: Booklet.

MR. NEARY: Booklet, yes.

MR. ROBERTS: Is that the one he dumped?

MR. NEARY: Not the one he dumped in Robin Hood Bay.

MR. DOODY: No, that would not be available.

MR. NEARY: That is where all the smoke is coming from down in Robin Hood Bay, causing the air pollution down there.

MR. DOODY: Industrial booklet, and what was the other thing?

"The New York Times Supplement" was it?

MR. NEARY: Yes, right.

AN HON. MEMBER: Does the honourable member read all these periodicals?

MR. NEARY: Of course, I do. We have to keep the honourable ministers on their toes, you know.

MR. DOODY: The assessment and research, I mentioned that while lie was not here. That was \$32,000. This is to finance the Lake Melville study that is going on up there now, under the ice, with Professor Bruneau -

MR. NEARY: What about the Straits of Belle Isle?

MR. DOODY: We are not going to cross the Straits.

MR. NEARY: That is being done by Memorial University.

MR. DOODY: Yes. It also finances these cost-shared - case workers, these federal government economic advisory wizards, who will help us manage plants that are in distressive trouble and so on.

MR. NEARY: Like the Steel Plant down there at Octagon.

MR. DOODY: Like the Steel Plant was and some of our less fortunate brethren out in Stephenville Area who are in financial difficulty for one reason or another.

MR. NEARY: Who are they? Could the honourable minister tell us what ones are in distress there, got the S.O.S. out to the minister?

MR. DOODY: I do not think it would be proper for me to mention the names of these two companies right now because they are negotiating for additional finances and it might be embarrassing to them.

MR. NEARY: But is there anything in here for these companies?

MR. DOODY: No, no, not for the companies per se but for some advice for the management of the companies, a relatively modest amount in comparison to the employment it might then create.

MR. NEARY: Would one of these be the furniture factory?

MR. DOODY: The furniture factory could very well be one of them, without being all that specific.

There is a \$4,000 vote here as part of the province's contribution to the Atlantic Provinces Economic Council. This is less than half of the amount they were committed for. I think it was about \$9,000. There is \$6,600 here to start the Ultra Petroleum Industry Advisory Council. This will help answer some of the questions that the honourable member from Labrador North asked, I think of the Minister of Mines and Energy. This is a council which we will set up with a paid director, paid researcher, a clerical assistant and we will gather together people from the university, from industry and from related interested groups

to take advantage of what knowledge there is in the offshore industrial spinoff.

AN HON. MEMBER: Inaudible.

MR. DOODY: He knew but he wanted me to have a chance to say one or two items. He has been at this for a day and a-half now.

MR. WM. ROWE: Getting tired.

MR. DOODY: Yes and that is the beginning of that small project.

We have \$360,000 in here, which is the largest part of the vote.

As the Newfoundland Government's participation in the Newfoundland and Labrador Development Corporation, that was our proportion of the \$2 million that we have in there as the equity fund.

We have about 1,000 applications in so far, We are just going over the 1,000 mark.

MR. WM. ROWE: Any of them processed yet?

MR. DOODY: That is in anticipation of question one.

We are beginning to process some now. There is a gentleman named Ira Bridger who has been on staff and he is beginning to get some of the things sorted out. Mr. Frank Spencer will be taking up residence here the first of this week, the 19th., Monday.

MR. NEARY: Another great Liberal concept now swinging into operation.

MR. DOODY: Small "l" liberal, I am all for it and always have been.

MR. NEARY: Big "l" liberal.

MR. DOODY: The "hell" with big "l"

Operating expenses for that, Newfoundland's contribution toward the operating expenses, we have an amount in here of \$60,000. That is about it. That adds up to something like \$553,000 or \$554,000 - Canada Pension Plan, Unemployment Insurance, that is a relatively simple thing. But I can answer the questions about the industrial booklet that did not go to Robin Hood Bay and the "New York Times". I will get that for you now or I can stay here and answer any questions that these gentlemen might have, it does not make any difference.

MR. WM. ROWE: Mr. Chairman, when we formed the administration we had a fellow by the name of Kamm Ure. He used to assist the government and people who were applying for DREE grants. I think he was something like an expediter or he knew the ropes up in the department, DREE, knew a lot of people up there. He had an office in Ottawa and I think he was successful or as successful as he could be in helping people get DREE grants from the department. Because, unfortunately, in my estimation that part of the DREE programme is administered by Ottawa, although they have an office here in the Sir Humphrey Gilbert building, and therefore there is a certain remoteness, especially in respect of people from outlying areas who are looking for DREE grants.

What is now the procedure? If someone writes the honourable minister's department looking for information on DREE because the provincial government is usually the one they first come to, this subtle distinction between federal and provincial jurisdiction and authority is not always kept in mind by everybody, for good reason, what is the procedure now? Does it go through the Newfoundland and Labrador Development Corporation or does the department look after it or is there some kind of a consultant in Ottawa? Do we have any staff in Ottawa, for example, who might help out people or act as a liaison with DREE?

MR. DOODY: Mr. Chairman, the procedure right now is that we are in the process of pulling together a team of our own - project assessment and research division and a prospect development and promotion division and a badly needed industrial supervision division.

However, in the meantime, we are still following the previous system of using consultants for projects that appear to be large enough or worthy enough to require the kind of expertise where Kamm Ure and his people use to beat through the tremendous amount of red tape that is involved with DREE applications. The assessment and

research vote of \$32,000 is used partially to finance some of these DREE applications. We have not had occasion to do that at the present time, but up to now, during the past couple of months of this year we have not had occasion to use Kam Ure Associates or McLoughlan or any of these other people. We have certainly not disassociated ourselves from them.

Newfoundland and Labrador Development Corporation hopefully will be doing a lot of that work when it gets moving but in the meantime the same system is available and the same amount of help and expertise as there was before. As I say, we hope ourselves to build up an apartment in which we will have industrial analysts in business administration and law and some accountants and what have you, which are really necessary. One would think that it would be almost taken for granted that these people would be part of an economic development department. Unfortunately this was not so. We are going to do the best we can and as quickly as we can to provide that sort of help. In the meantime, we have no qualms about hiring outside help to do the necessary work such as you suggest.

I agree completely that there are tremendous numbers of people in the Province of Newfoundland who cannot beat their way through the red tape to get to DREE and to get to the other federal programmes. That is one of the weaknesses of it I think. That is one of the reasons why there are so few applications, relatively, that find their way back to the pocketbooks of the Newfoundlanders. However, these steps we are taking in that direction.

MR. WM. ROWE: Mr. Chairman, on the Newfoundland and Labrador Development Corporation, some mention has been made of the directors and the president now coming down, has any money whatsoever been given out by grant or loan by the development corporation yet? None. How many applications are on hand now?

MR. DOODY: About 1,000 applications.

MR. WM. ROWE: About 1,000, and have any reached the point where

once the things becomes functional, money will be given out by grant or loan?

MR. DOODY: We will, hopefully on Monday, be in a position to know exactly how far they have developed along that line. As I say, Frank Spencer is due back in Newfoundland on Monday. They have their offices established now down in the old Parkins Academy, Bond Street, and the office is functioning but how far along the stream they will come with the actual processing of any individual application, I cannot say right now. That information can be made available next week when we get Spencer in harness but until such time as he gets here I really cannot say.

MR. WINSOR: Could the minister enlighten us a little about the experiment that is being carried on by Dr. Bruneau in Lake Melville. I was surprised to hear from my colleague here that it was a cost-sharing programme between BRINCO and the government. Is it to ascertain the effect that the development of the Churchill Falls is having on the Hamilton River or is it to ascertain whether navigation can be extended into Lake Melville later in the season. If it is the latter, I would say that they certainly picked a good year for that kind of an experiment within the Hamilton Inlet itself but I do not know what effect it would have nor what information they could get on the artic ice, which of course came up this year much earlier than any year for the past thirty years and when one of the most powerful ice breakers that we have in Canada today, "The Sir John A. MacDonald," could not get north of Cape Harrison, in December. So what is it that the doctor is doing there?

MR. DOODY: Dr. Bruneau and many of the other people in that field are probably better equipped to answer that sort of question than I am. When I asked him the same sort of thing that the hon. member just asked, he said that the first thing we have to do is find out exactly what the problems are before we answer the questions. That is the sort of thing a mere layman finds difficult when he is talking to an

academic.

He talks about many problems up there that they see. One of them, of course, is the soil erosion or bank erosion problem which you mentioned, but he is much more interested in the structure and type of ice with a long range view of not only the navigational end of it but from the actual whole marine environment, whether it is going to be better to live under the sea or on top of the sea, or around the sea. Toward this end he and a group are trying to encourage the federal government and the Science Council of Canada and others to establish or to encourage the establishment of a northern marine laboratory research center in Newfoundland, and he hopes to amass enough data to support that project. He feels, and the knowledgeable people in the field support him, that this is one of the most exciting and interesting breakthroughs or new areas of research in marine science today, and Dr. Burneau is the acknowledged expert on it.

The work that he has done so far, apparently, has been extremely well received in Ottawa and by the university people around the country. He has been in constant contact with the Science Council of Canada and he is very optimistic about turning this into a rather large scale project. The cost-sharing thing is done on a co-operative basis as well as on a money basis. I understand the CFL Co. people have been very generous in the use of their helicopters and aircraft and have supplied accommodations and camps at various places along the river. The federal government have provided ice breaker facilities, when the ice could be broken, and have helped them move supplies from one place to another as well as financial assistance. The Province of Newfoundland have also given them what assistance we could in terms of air craft transportation and in money and so on.

It is a new concept and it is a good concept and I wish him well with it. I hope he gets all the support that he can.

MR. WOODWARD: Mr. Chairman, I think the hon. minister is well informed on the ice programme and I would like to ask if this will be an ongoing thing. Will it be continued and go further offshore to do research into the Arctic ice? Is this the idea of it?

MR. DOODY: This is the idea of it, yes. Hopefully it will be expanded into a full scale barter. We are now negotiating with the MOT people at Goose to try to obtain some freezer facility space, of all things, for them so they can keep their ice specimens during the summer. It seemed to me to be a question of where they needed some freezer facility space for their ice project but it is not all that critical, I would imagine, after all. They intend having an all-year around project up there, with laboratory people working on the strata and areas of ice. I wish Dr. Breaneau were here as he could talk about it himself. It is a most interesting and enlightening.

MR. WOODWARD: Mr. Chairman, on the same subject I think that Dr. Breaneau and a number of the professors and engineers from the university had a seminar in Goose Bay and unfortunately I could not attend because I was here attending the House. I understand that they did give some very valuable information to the community. I think it is a worthwhile programme and I am very pleased to hear that the provincial government is involved financially and will continue their financial support to the programme.

MR. NEARY: Mr. Chairman, about a year ago in this hon. House I raised the matter of the hostile attitude that the present Minister of Finance, for the time being, was taking towards outside industrialists and business people coming into Newfoundland. I must say I can see a change now in the present hon. Minister of Economic Development because at that time the present Minister of Finance was also Minister of Economic Development. I have a feeling, Mr. Chairman, and I may be wrong but I think I am pretty right, that a number of outsiders were scared off

our industrial scene by the remarks and the hostile attitude displayed by the Minister of Finance at that time, Sir. Now I am glad to see that the present minister is taking a more moderate attitude, realistic attitude towards outside industrialists coming into Newfoundland, and that was demonstrated recently I think. The hon. minister was one of the team that went over to England to help negotiate the second oil refinery.

AN HON. MEMBER: No, that was for the christening of the boat.

MR. NEARY: Went over for the christening of the boat but finalized the deal, I think, with ECGD while they were. After they had cracked a bottle of champagne, Sir, they went down to ECGD and arranged to -

AN HON. MEMBER: And cracked the Bank of England.

MR. NEARY: And cracked the Bank of England and went down and arranged for the financing of the second oil refinery. As the whole province knows, Sir, as the whole world knows at the present time that this was a complete reversal in policy and a vote of confidence in the former Smallwood administration. So I hope the hon. minister continues on this course, Mr. Chairman, because it is the proper course to take.

Now I also have mentioned in this House from time to time, Mr. Chairman, that there is no such thing today as labour-intensive industries. You can establish all the industry you like today but in this technological age of ours you are really talking about machines and not hands. Hands are being replaced by machines. So if we are ever to create full employment in this province, Sir, or in this country, and I do not know if that is possible but I doubt it very much, government is going to have to create work itself. Government is going to have to make jobs the same as we are seeing done today by the Opportunity for Youth Programme and the Local Initiatives Programme and I might say, Mr. Chairman, a programme announced recently by the hon. minister himself where DREE has loaned the province \$10 million I think

it is -

AN HON. MEMBER: Yes, up to \$12 million.

MR. NEARY: Up to \$12 million for make-work projects in Newfoundland. People do not understand what this is all about, Sir, but the \$12 million that has been loaned by DREE to the province is to make work and at the same time do something useful for the community. But the main reason behind this \$12 million and behind the LIP programme and the Opportunity for Youth Programme is to create jobs for our people.

I put a resolution on the order paper last year, Sir, requesting this administration, in co-operation with the Government of Canada, to establish a Crown Corporation for the purpose of creating make-work projects in this province. This is a part of the Liberal philosophy, Sir, and the Tory administration rejected the resolution. They rejected the resolution, Sir, because they do not believe in this philosophy. The Minister of Fisheries, I think it was, and the Minister of Public Works and Services and the Minister of Finance got up and made great speeches about leaving this up to private enterprise. Well I say, Sir, that you cannot leave it up to private enterprise, that private enterprise are only interested in making a dollar wherever they can and they can no longer afford to employ people in large numbers. Only government can do this, Sir. As I say the Liberal Government in Canada have set the pattern -

AN HON. MEMBER: What government in Canada?

MR. NEARY: The Liberal Government in Canada have set the pattern and they have test marketed this Opportunity for Youth Programme and the LIP Programme and they have loaned money to the province to create on a small scale make-work projects that will give our people an alternative to welfare.

Now, Mr. Chairman, I would like for the hon. minister to tell this hon. House now what the policy of his administration is on this philosophy. Are they going to expand it? I really believe myself, Sir,

that the Government of Canada, in co-operation with the province, should set up a crown corporation to operate these projects. There is a lot to be said I suppose in one sense there is a lot of merit in letting the projects develop from the local level but, Sir, this past two winters we have seen a number of projects that were put up to the Government of Canada, Canada Manpower, that are absolutely useless, absolutely useless, Sir. Some of the projects are foolish. Some should have never been approved. We have seen examples of this on television recently and we have read about some of these cases in the newspaper. I think the Government of Canada and the government of the province should take the bull by the horns, face up to the situation, form a crown corporation and let that crown corporation come up with a list of make-work projects that will be of some benefit to our people apart from creating badly needed jobs which is the whole idea behind the philosophy.

I would like to hear the minister's comment on this. I would also like to hear the minister tell us what incentives, if any, are provided by his department for business and industry to come into Newfoundland today. The present Minister of Finance confused the situation about a year ago and it has not been clarified yet but I am glad that that hostile attitude toward outside businessmen has not continued because it seems very difficult, Mr. Chairman, to get the millionaires, to get the minister's millionaire friends in Newfoundland to invest in this province. We have somehow or other to rely on outside entrepreneurs and industrialists and businessmen to come into this province, not the minister's millionaire friends, the Minister of Finance's millionaire friends. So perhaps the minister could make some comment on these points that I have raised.

Now, Mr. Chairman, I am going to be a little political,

I am going to be a little political. DREE does come under the minister's department.

MR. DOODY: Can you tell me the points in précis form when you are finished?

MR. NEARY: Yes, sure. The honourable minister should be making notes.

MR. DOODY: I am. I have two pages.

MR. NEARY: Well, if you have two pages then I do not have to repeat them.

I am going to get a little political now, Mr. Chairman. Does DREE come under the honourable minister's department?

MR. DOODY: No. We all come under DREE.

MR. NEARY: We all come under DREE. Well, Sir, I would like to ask the honourable minister if there are any discussions taking place with the Department of Economic Expansion these days to expand the boundaries and take other areas into the special DREE areas? If so, Mr. Chairman, I would like to ask the honourable minister if he would consider taking Bell Island into the DREE area?

Now, I might point out, Mr. Chairman, that recently I wrote a letter to Don Jamieson concerning this matter of inclusion of Bell Island in the DREE area. On February 20, 1973, I wrote the honourable Don Jamieson the following letter which said, "Dear Sir, when the special DREE area boundaries in Newfoundland were defined Bell Island was left out even though a large portion of the South Shore of Conception Bay was included. As you know, the situation on Bell Island at that time -"

AN HONOURABLE MEMBER: Was that a Liberal Government in Ottawa at that time?

MR. NEARY: No, this is February 20, 1973. A Liberal Government there now but Tory Government here.

If the honourable minister would just listen to the letter - "as you know, the situation on Bell Island at that time was very uncertain and there may have been some justification for waiting to see what precisely was going to happen to the island. This was the reason that it was left out of the DREE area. It has now become abundantly clear -"

HON. W.W. MARSHALL: (MINISTER WITHOUT PORTFOLIO): A point of order, Mr.

Chairman, a point of order.

The honourable member for Bell Island is reciting a letter to the Minister of Transport and prefixed his remarks by asking the Minister of Industrial Development to take Bell Island into DREE. Mr. Chairman, we are speaking about head (15), Industrial Development, the expenditure of \$555,000. As the honourable member for Bell Island knows, the honourable the Minister of Industrial Development has no jurisdiction whatsoever with respect to the intaking of Bell Island into Dree. The fact that Bell Island and so many other areas of this province are excluded from DREE is a shame upon his colleagues in Ottawa, the Liberal Government which instituted the DREE Agreement. So, it is out of order.

MR. W. ROWE: On the specious point of order raised by the House Leader who is growing used to losing battles in this House and will soon lose a war, skirmishes in the war will soon be lost as well, Mr. Chairman, to speak to that specious, falacious point of order. The minister I believe is responsible for negotiating with DREE as far as this province is concerned, therefore all matters of negotiation come under his purview as minister.

Also included in that would be the whole concept of special areas in the province because under the act setting up DREE the federal government is required by law to consult with Provincial Governments on special areas. Therefor, Sir, -

MR. CHAIRMAN: Is the honourable gentleman addressing himself to the point of order?

MR. W. ROWE: I might have to make a speech to make my point of order, Mr. Chairman. The point of order is that the honourable member for Bell Island is being relevant. That is the point of order.

MR. CHAIRMAN: This matter has already come up for considerable discussion in the last Interim Supply Bill and at that time a ruling was made that discussion had to be relevant to the items of expenditure within the certain heads. Now, as a matter of courtesy among members of the House, debate is allowed to be wide-ranging and has been allowed to be

wide-ranging and indeed that is the custom that appears to have grown up over the years. However, the rules of the House do not substantiate this. When an honourable member is called to order, the Chair has no alternative but to sustain that point of order. However, in view of the fact that the member for Bell Island has been allowed to commence his remarks, in this case we will allow him to continue but to keep in mind relevancy must be maintained at all times.

MR. NEARY: Thank you, Mr. Chairman. We will see later when I read the reply from Don Jamieson that the subject is relevant. The honourable Minister without Portfolio is wrong again.

"As you know the situation on Bell Island at that time was very uncertain and there may have been some justification for waiting to see what precisely was going to happen on the Island. It has now become abundantly clear that barring a complete transplant compatible with people's desires and needs there would be a large population on Bell Island for a considerable number of years. Since 1969 the population has been slowly increasing and at the moment we have a housing shortage. May I suggest to you, Mr. Jamieson, that any future negotiations with the province to expand the DREE areas should include Bell Island so that industries may be set up so that as many as possible of our people will be removed from welfare by the Organization of Labour Intensive Industrial Projects and full use be made of the existing infrastructure."

I got a reply from Mr. Jamieson on March 8, Sir. He says: "Dear Mr. Neary, thank you for your letter of February 20, bringing the improved conditions on Bell Island to my attention. Like you, I am pleased with the improvement in the situation. As you may be aware, I am about to commence discussions with all of the provinces on the broad range of my departments programmes including special areas. I will certainly bear your representations in mind in these consultations in the case of Newfoundland."

I do not think the next paragraph is relevant, Sir. No, it is not. It concerns ARDA. I will be looking into that later.

He said, "I will certainly urge you to see that the fullest possible use is made of these existing programmes which I believe can be very helpful in overcoming the island's problems."

Now, the only reason that I bring this to the minister's attention at this time, Sir, is that when these discussions take place, that I hope that the minister will bear in mind that Bell Island is outside the DREE area even though a large portion of Conception Bay is included in the DREE area.

I would also like for the honourable minister to think about a suggestion that I made, I think a year ago in this honourable House, that a fact finding committee of, say, a number of successful business men in this province, maybe some people from the university and others be set up to look into the possibility of establishing industry on this island.

Mr. Chairman, when we were on the other side of the House, when we were the government, God only knows the criticism that was leveled at the administration for its inability to establish industry on Bell Island, by the then P.C. Opposition, the member for St. John's Centre, the present Minister of Finance -

MR. CROSBIE: I never said a thing.

MR. NEARY: I was checking Hansard the other day, Mr. Chairman, and the honourable minister was most vocal in his criticism of the government in its dealings with Bell Island. The only thing the honourable minister is interested in on Bell Island is building material.

MR. CROSBIE: Where are those contracts that were signed?

MR. NEARY: Oh, the contracts were there. The honourable minister was in the cabinet when these contracts were drawn up.

MR. CROSBIE: I never saw them.

MR. NEARY: I was not in the cabinet at the time, Mr. Chairman. The honourable minister was and he helped draw up that contract.

MR. CROSBIE: You were on the periphery. I saw you around the cabinet door every day.

MR. NEARY: Will the honourable minister take his papers and go back downstairs so we can get some work done in this House, so we can make some

progress in the House.

Mr. Chairman, I am dead serious about this, Sir, because we have a pretty serious situation on Bell Island, a really serious situation, Sir.

MR. CHAIRMAN: Order please. The member for Bell Island has the right to be heard in silence.

MR. NEARY: Thank you, Mr. Chairman. Something has to be done about it because somehow or another, somewhere along the line either civil servants here in Newfoundland or in Ottawa, Sir, came to the conclusion that Bell Island was going to be wiped off the face of the earth, was going to be wiped off the map. Now, Sir, the government may try to wipe Bell Island off the electoral map but I think Bell Island is going to be here for a long time, Sir, as far as population is concerned. There are about sixty-two to sixty-five hundred residents on Bell Island today and no industry, Mr. Chairman, no way for these people to earn a living. I suppose we have the highest unemployment rate per capita on the North American Continent, over on Bell Island.

I realize, Mr. Chairman, how difficult it is to get industry to come to Bell Island. I am well aware of that. I know what the pitfalls are, Sir. It is an island perched out in the middle of Conception Bay. You have a transportation problem, high transportation costs. You have a power line, a submarine cable that goes across the Tickle, under the water, Sir. Somebody mentioned this afternoon the aluminum industry that was thinking about coming into Newfoundland. Well, Sir, I can inform this honourable House that Bell Island was one of the locations that was being looked at for this

aluminium plant and the reason it could not locate on Bell Island, Sir, was because of the submarine cable. The aluminium plant has to produce continuously, if it goes down it costs a fantastic amount of money to get it back into operation, there was no alternative power supply on Bell Island, if a ship dragged her anchor and broke the submarine cable going to Bell Island, the plant would have to be shutdown.

AN HON. MEMBER: Inaudible.

MR. NEARY: The honourable Mr. Dig-me can be as funny as he likes, but this is a pretty serious matter, Sir, pretty serious matter. I appeal now to the Minister of Industrial Development to take me up on the proposal that I made last year about appointing a group of successful businessmen in this province, some people from the university, civil servants who have the expertise and so forth and take a good hard look at Bell Island, Sir. Can industry be set up there? If it is not possible, what are the alternatives? Are we just going to let the people stay there, Sir, and rot?

AN HON. MEMBER: Inaudible.

MR. NEARY: Keep quiet while I am making a serious point here. Mr. Chairman, this is a pretty serious matter. I said a few minutes ago we probably have about the highest unemployment rate per capita on the North American Continent and something has to be done about it, Sir.

I can see a difference in Bell Island in the last year and a-half. The community is deteriorating, Sir, we tried to revive it a couple of years ago, to severe criticism. Ah! Mr. Chairman, it is really funny! The homes are deteriorating on Bell Island, Sir, anybody who is familiar with the Island, who has not been over there for a couple of years, should take a run over.

AN HON. MEMBER: Where did the \$264,000 go?

MR. NEARY: Am I allowed to answer that, Mr. Chairman, where the \$264,000 went? It went to welfare recipients on Bell Island.

AN HON. MEMBER: For what?

MR. NEARY: Mr. Chairman,

MR. CHAIRMAN: Order, please!

MR. NEARY: Mr. Chairman, I could carry on a good debate on this because this whole matter has brought out into the open, has brought to the surface the underworld of the welfare recipients, Sir. There is a built-in dishonesty in that system, a built in dishonesty.

MR. CHAIRMAN: The honourable member for Bell Island must direct himself to Head XV - Industrial Development.

MR. NEARY: That is right, Mr. Chairman. The people on Bell Island, Sir, are no different than they are in any other part of this province. No different! You can take any case in Newfoundland and investigate it, Sir, and you will get the same answer. Why zero in on Bell Island? A disaster took place on Bell Island, Mr. Chairman, we -

MR. CHAIRMAN: May I direct the honourable member's attention to Head XV.

MR. NEARY: Yes, Industrial Development.

MR. CHAIRMAN: in which I had to interrupt him.

MR. NEARY: Yes, Mr. Chairman, because I have been interrupted. I have been interrupted from the other side.

MR. CHAIRMAN: The honourable member will cease to speak while the Chair is attempting to make a point. On at least three occasions I have interrupted the honourable member for Bell Island and he has been given great liberty to digress in matters that are totally irrelevant and this on occasions has provoked irrelevant responses on the opposite side of the House, of course. But nevertheless the honourable member must direct himself to Head XV - Industrial Development, or he will be interrupted on every occasion in which he does not.

MR. NEARY: Well, Mr. Chairman, does the same rule apply to that side of the House? Because I was interrupted on a number of times by members on that side of the House. I was merely answering.

MR. CHAIRMAN: Yes, of course, the honourable member has a right to be heard in silence.

MR. NEARY: Thank you, Mr. Chairman.

MR. CHAIRMAN: But nevertheless direct himself to matters which are relevant. I am sure if the honourable member is relevant he will not be interrupted.

MR. NEARY: Mr. Chairman, talking about industrial development, and I am trying to persuade the honourable minister to take some action on a suggestion that I made about one year ago and the honourable minister is nodding his head. I hope that he does, Sir, because this is most important. The situation on Bell Island cannot be neglected any longer both the Government of Canada and the government of this province have to face up to the situation, something has to be done, Sir. These people cannot be left there to continue on welfare for an indefinite period.

So, Mr. Chairman, I hope, I do not want the minister to give me an answer now, but I want him to think about this. I hope that he will set up this fact-finding committee that I spoke about in this honourable House a year ago and that they will take a good hard look at Bell Island. If Mr. Chairman, and I will say this, that if a transplant has to take place, if it has to take place, Sir, well so be it. If the honourable minister says no, but I started out by saying, Sir, that there were civil servants in this province and in Ottawa who thought that Bell Island was going to be wiped of the face of the earth, it could be wiped of the map, but it has not so far and it will not for a long time to come. But if a transplant has to take place Sir, I hope that the transplant will be compatible with the people's needs.

I would prefer to see the people stay on Bell Island. I am against moving the population off Bell Island because where are they going to go, Mr. Chairman? There is no industry around St. John's where they can find employment, not enough classroom space, I know, Mr. Chairman, I am wandering a little bit but this is a matter that is very dear to my heart and should be something for the honourable members on the opposite side to think about. So maybe I can deal with the Bell Island situation at another time, Mr. Chairman, but I would like to hear the minister's comments on some of these points that I raised.

MR. DOODY: You were going to précis the points for me but I will try and pick them out as I remember them. The last one was the Bell Island study, you wanted a group of people to look at the prospects for Bell Island, you want me to think about that. I will be only too happy to do

that. You wanted some comments on the Progressive Conservative Government policies with regard to employment -

AN HON. MEMBER: No the Liberal Government.

MR. DOODY: The Liberal Government's policies for employment. I would rather imagine that both governments are in favour of full employment and you know we are going to do everything that we can to try to attain that very worthwhile aim.

MR. MURPHY: One way to cure unemployment is get jobs.

MR. DOODY: Make work projects, yes, we have lots of these, not as many as we would like. The big problem with the winter works one that you mentioned earlier, which Ottawa is loaning us \$12 million to operate, is the fact that Ottawa is loaning it to us and we have to pay it back and we have to find the money.

AN HON. MEMBER: Inaudible.

MR. DOODY: No the labour content is forgivable and only one hundred per cent of that is forgivable if it is done during the hard months of the winter from December up to May - how difficult is it to work in the outdoors, in the open, in Newfoundland, during December, January and February, digging water and sewerage lines, building municipal structures of various sorts? The amount of labour that we get back and this is a relatively small amount compared to the fact that the Government of Newfoundland or the people of Newfoundland have to pay back the principal sum.

These are the only difficulties with these Ottawa inspired programmes. We are certain very anxious to get as many of them going as we can but they all add to the total indebtedness, while they are worktype of things, they add to the total indebtedness of the province. I might mention winter works and LIP and ARDA and FRED and DREF and Opportunities for Youth and New Horizons and taking the bull by the horns, I think they all fit into the same group.

AN HONOURABLE MEMBER: LEAP?

MR. DOODY: That is the one I was just going to come to, I am surprised that the honourable member did not mention Ottawa's latest one that has come to

view, it is called "LEAP."

AN HON. MEMBER: In the dark?

MR. DOODY: In the dark completely because they said they do not want too many people to know about it. But they will leak out a little information, Local Employment Assistance Programme for people who are chronically unemployed but they do not want too many people to hear about it yet because it is a kind of a test programme. So I told them that sounds like the answer to Newfoundland's problem.

AN HON. MEMBER: Inaudible.

MR. DOODY: Well I suggested to the honourable member in Ottawa that it must be all going on in Thunder Bay which he represents, because we have not seen any of it down here yet. Maybe he will be a little bit more sympathetic as time goes on.

AN HON. MEMBER: Inaudible.

MR. MURPHY: Mr. Harvey in my department will give you all the information.

MR. DOODY: Oh, yes. I can give you a copy of the criterion, if you

You should come around and talk to the various ministers and ask for their assistance and help in their offices. We would only be too co-operative. Drop in any time. I am on the eighth floor now and I sit on the right hand -

MR. NEARY: If you go down on the eighth floor, you will not be thrown off by the police will you?

MR. DOODY: No, Sir, not you. It would be a pleasure to have you up there because that is as close as you will ever get to the seat of power.

You spoke about the DREE arrangements. We are, as I mentioned in the House a few days ago, now negotiating an amendment to the present DREE Agreement. The special areas concept is abhorrent to the Progressive Conservative Government, and I feel that there are many people who have been opposed to it all the time, both in the Progressive Conservative Party and in the Liberal Party. I would not want to see Bell Island included specifically in a special area. I would much rather see the province treated as a whole DREE effort, and I would like to see the same benefits extended to all the citizens of all the province rather than to take specific areas. Although for some reason or other, Uncle Ottawa, in his wisdom and justice, decided that those places which needed special attention and were worthy of special areas were places like: Corner Brook, St. John's, Stephenville and those places which seem to me to need the least amount of attention but then again when they include Montreal in the Special Areas Agreement it seems to be even more weird itself.

MR. W. N. ROWE: Mr. Marchand was the minister.

MR. DOODY: That was just a coincidence. Mr. Marchand was the minister, yes. Now we have commented on winter works; we commented on bull by the horns, specific projects, special areas, policies for people, study of Bell Island.

Industrial Incentives: The Newfoundland and Labrador Development Corporation once again, that blightly named operation, if it ever gets operational, will in conjunction with the Provincial

Department of Economic Development come up with a programme of incentives. The kind of a programme of incentives that we would like to see is more in the line of the second Come-by-Chance Agreement in which the participating parties put money into the projects. The old programmes and systems of pumping the public funds into ventures have not proved all that successful in the past. We would like to see the colour of the money of the people who are going to get involved before we start telling them what the Province of Newfoundland is going to do for them. We would sort of like to look at it from the other side, and let us hear what they are going to do for the Province of Newfoundland. I do not think it is quite true, the statement of the honourable member, that the Minister of Finance was hostile to foreign investors or investors from outside the province. I think he has always been a very sympathetic, kind and patient man. I have watched him here in this honourable House. He has taken all sorts of nasty innuendos and saucy little comments from across the way and he has been a paragon of patience. He sat there very quietly and read his newspaper and has made no hostile comments. I cannot understand why the member for Bell Island feels badly, unless he has felt the wrath of the minister's tongue on an occasion or two.

MR. NEARY: What about the Shaheenry?

MR. DOODY: Shaheen is one of nature's gentleman. I told you that earlier. It is too bad he did not see the light of the Tory cause years ago, he would not have been vilified to the extent that he was by some of the local press or were ill-informed.

AN HON. MEMBER: (Inaudible).

MR. DOODY: I told you yesterday that it is pretty close to March 17. I think I have all the points I can find. I took notes, when I could find points in between the rambles. However, I will leave it for now

and I would be very, very happy if you honourable gentlemen would let subhead XV pass.

MR. WOODWARD: Just a minute, Mr. Chairman, there are a couple of questions I have. The honourable minister earlier volunteered to give us information on the Offshore Petroleum Advisory Council. Maybe briefly, the structure, what is the purpose of the thing? I do not think there is going to be a lot of money spent on it. This \$40,000 is supposed to go in there for a year. Maybe the honourable minister can explain briefly if the Newfoundland Labrador Development Corporation will help field workers going about spreading the word throughout the province and bringing the good message the same as the hon. Minister of Rural Development has, just very briefly, Mr. Chairman.

MR. DOODY: I thought I had elaborated to a small extent on the offshore promotion advisory group. It is very much in the formative stage, as I mentioned earlier. We will have a paid staff of a director, a researcher and just a very small clerical staff, probably one person to begin with. We intend inviting participation from industry. This will not be confined to St. John's. We hope to get some people involved in this from other parts of the province, both the mainland part of the province and the island part of the province.

MR. MURPHY: The honourable member would be a good one to do it.

MR. DOODY: We hope to take advantage of the information that our missionary people took to Sweden and Scotland this year.

AN HON. MEMBER: Norway.

MR. DOODY: Norway was it? They brought back a wealth of information on the tremendous developments that they have had in Scotland and in Norway. We will take advantage, as I say, of the advances that they have made and try to avoid some of the mistakes that they have made. We will be asking for help and assistance from knowledgeable people, from the university, from industry, from the fisheries industry as well,

who are very, very concerned with the offshore oil development, from labour, from all walks of life. There is plenty of space in there for all kinds of participation. These people will be required to report to government, to have a meeting at least every sixty days and to report to government. I do not have the details here in front of me, but to me, to government, every so many days. The minister will be expected to table the report in the House annually and so on.

We are taking some steps to rationalize the economy of the province if we are fortunate enough to get involved in an offshore strike. This is not to guarantee that there will be one but it would be a pity if we had not taken some steps to make sure that we were ready for it in the event that we are lucky enough to get to that goal.

AN HON. MEMBER: (Inaudible).

MR. DOODY: Like Las Vegas. If the oil companies pump in enough quarters, we might hit the jackpot. The other thing was the people from the Newfoundland Labrador Development Corporation going out in the field to spread the good word. As I said, they have about one thousand applications down there now. I would expect that it will take them some time to process these. After that, if it is necessary to go out and spread the word of what their programmes are, they could very well be persuaded to do so. That is not the original intention right now. The big problem right now is to assess and research and to talk to those people who have applications in ahead of time. This thing has been on the go for far too long for what good it has done. It is a pity that it had been announced so early. It is a shame that the thing had not been in the works, almost literally working before the public were informed that such a programme was operational. However, it is too late

to do anything about it now.

MR. THOMS. Is it, right now?

MR. DOODY: Oh, yes it is, right now, but I mean they have been talking about it for the best part of a year or more. The offices are set up down at Parkins Academy on Bond Street. They expect to start down there on Monday. They do have a staff at the present time. It is like Christmas down there, with bags of mail. That is all, carried.

On motion Head XV - Industrial Development, carried.

HEAD XII - FORESTRY AND AGRICULTURE - \$1,300,000.

MR. CROSBIE: My honourable colleague has asked me to fill in for him, Mr. Chairman. The breakdown of this \$1,300,000, which is requested: salaries (If this is not passed by April 1, there will be no salaries)

AN HON. MEMBER: Could we have a copy of the breakdown?

MR. CROSBIE: Sorry, Sir, I cannot do that. There are just very rough notes here. Salaries, \$523,000; forestry, \$200,000; agriculture, \$427,000; (that is the ordinary programmes and ARDA) crown lands and surveys, \$150,000; (that is mapping and surveys). Then the detail of the salaries is here. It is the minister's office, general administration, forest, crown lands, livestock, protection of animal health, extension service, food and marketing, land development, farm development, \$523,000 in salaries. Forest covers forest conservation

and development \$75,000; forest inventory \$35,000; grant to the Maritime Lumber Bureau \$3,000; Cross Morne National Park \$20,000; forest access roads \$50,000; surveys and mapping agreement \$140,000; other surveys \$10,000; agriculture improvement to livestock \$20,000; hog breeding, the hon. member might be interested in that, \$35,000; maintenance of pastures \$50,000; sheep breeding \$17,000; subsidized veterinary service \$10,000; blueberry development, this is not the square one it is still the traditional round one, \$20,000; maintenance of equipment \$25,000; regional pastures \$55,000; land cultivation \$50,000 and farm products corporation \$125,000.

MR. NEARY: There is no quorum on the other side.

MR. CROSBIE: They are all in the hall there just having a cigarette. But that is the breakdown. If the hon. gentleman has any questions I will try and get the information for him.

MR. THOMS: Mr. Chairman, there are quite a number of questions I was planning to ask but I do not know if I can now because the minister apparently is out in the country somewhere. First of all, could the minister tell us when the Cook Report is going to be tabled in this hon. House? The minister have had the Cook Report in his possession for over a month now and really I am not quite sure what he is doing with it. Surely it should not take that long for his officials to come up with some kind of recommendations from that report so that it can be presented to this honourable House.

In the estimates it is \$1.3 millions are there any monies in these estimates which would be embedded in the new Federal-Provincial Agricultural Plan?

MR. CROSBIE: Yes.

MR. THOMS: There are. Could the minister say how much? No, no, I will ask them all and you can give them all after.

MR. CROSBIE: I just have a note here saying that \$427,000 includes the ordinary programme plus ARDA.

MR. THOMS: That is plus the new agreement?

MR. CROSBIE: The new agreement and the ARDA programmes, yes.

MR. THOMS: So we do not know how much is going into this new agreement?

MR. CROSBIE: No, but it will be in the main estimates. It is provided in the main estimates.

MR. THOMS: Are there any monies in these estimates for the proposed equipment bank which was in the throne speech? If there is anywhere are these banks set up and what equipment is in these banks?

MR. CROSBIE: There is money in the main estimates for the equipment bank. I would doubt that it is included in this two months but there is in the main estimates and he would tell you the kind of equipment when the estimates are discussed.

MR. THOMS: But, Mr. Chairman, in order for these banks to be in operation, I presume, well we had the throne speech and I presume the throne speech meant that these equipment banks would be set up for this season and unless these are in operation by the first of May they will not be in operation this season.

MR. CROSBIE: You order them and you do not have to pay for them until after you get them and then you have a month or two to pay for them.

MR. THOMS: Okay, I agree with you that you can order now and you do not have to pay until next year but are there any plans to set up these equipment banks between now and the coming season and if there are any plans, where are these banks to be set up?

MR. CROSBIE: I can only say there are plans to set them up and when the main estimates are delivered the minister will be able to say exactly where.

MR. THOMS: In other words you do not know where and if they are being set up.

MR. CROSBIE: I know that they are going to be set up but I cannot tell you where.

MR. THOMS: Are they going to be set up for this season?

MR. CROSBIE: Yes.

MR. THOMS: They are.

MR. CROSBIE: Yes, there is money in the estimates for them.

MR. THOMS: Are there any programmes as far as the blueberry burning programme is concerned this year and if there is, where?

MR. CROSBIE: Yes, in the blueberry areas including the hon. gentleman's area.

MR. THOMS: Mr. Chairman, -

MR. ROWE (W.N.): I would like to inform Your Honour there is no quorum in the House.

MR. CHAIRMAN: There seems to be a quorum in the House.

MR. CROSBIE: Mr. Chairman, with regard to the blueberry areas, I cannot give you the exact areas but certainly the areas include the area of Bonavista North and there is money in for that purpose this year.

MR. THOMS: But surely, Mr. Chairman, the minister must have some notes as to a possible programme of reburning.

MR. CROSBIE: Yes, that is what I say, we are going to be reburning but I cannot tell you exactly where. We have \$20,000 here for it, because you cannot reburn for blueberries until the snow is gone. I mean I am not going to instruct my officials to go out and start burning down the snow now as it would cost a lot of extra money but when the snow is gone and the land is dry, the land is strong, remember last fall the land was strong, when she is all ready to go we will put a match right to her.

MR. THOMS: Mr. Chairman, apparently the minister does not know very much about reburning blueberry lands because in late winter and early spring is the best time to burn blueberry land and if there is any

programme under way some move should be afoot at the present time.

MR. CROSBIE: You will get \$20,000 for it.

MR. THOMS: Just \$20,000. We are really going to burn a lot of land this year with \$20,000.

MR. CROSBIE: You can buy a lot of matches with \$20,000, Your Honour.

MR. THOMS: Yes, I imagine you can. Mr. Chairman, apparently there is no programme whatsoever because \$20,000 for this programme is not a programme.

MR. CROSBIE: There is quite a bit more in the main estimates.

MR. THOMS: Mr. Chairman, could the minister tell us if there is any move afoot within the department or if there is any programme at the present time in regards to our forest. Is there a reforestation programme? We have thousands and thousands of square miles of forests in our province and I can assure the hon. minister that even I have a problem walking through them and he would not have any chance whatsoever of getting through them. Is there any programme of thinning out or reforestation or of replanting or anything along this line in the department at the present time? Also while we are on it, is there any clause or any agreement with the Hawkes Bay people as to reforestation?

MR. CROSBIE: Well, there is a thinning programme and as a matter of fact quite a few of the winter employment projects that we submitted to Ottawa had to do with forest thinning and

MR. THOMS: Reforestation -

MR. CROSBIE: In addition to that there is a reforestation programme which of course this government is very much interested in and which will be significantly advanced during the year. Now the main principles of course are going to be developed in the task force report on forestry and we expect to have that by the end of April. Once that is received the overall forestry policy for the next fifty years (and we will be here fifty years to carry it out, so you can hold us to this) will be developed.

MR. THOMS: Do not hold your breath, do not hold your breath.

MR. CROSBIE: But there is a forest conservation programme and not at the size that it should be. Hopefully when a policy is adopted as to how we are going to proceed with the whole forest land situation -

MR. THOMS: How much money are you going to spend on it in these estimates?

MR. CROSBIE: In these estimates here, forest conservation development is \$75,000 but there is a great deal more money -

MR. THOMS: That is forest conservation not for the reforestation programme.

MR. CROSBIE: Well, you cannot plant seeds either while the snow is down but we will be planting. We have a lot of fertility schemes here in this vote on agriculture and forestry. Now to come to the Newfoundland Forest Products, it is in the agreement that they must take adequate measures to prevent fire and to prevent insect infestation and that kind of thing, but I do not think there is any clause in there requiring them to reforest. There will be a policy for the whole province, hopefully, when this task force reports.

MR. THOMS: Mr. Chairman, if we have no clause of reforestation in the agreement that is before the House as far as the Hawkes Bay mill is concerned, I am afraid we have missed the boat because we need it on the Great Northern Peninsula,

on the northern peninsula more so than we do on the southern section of the province and of course the need is greater as you go farther north because the growth is much smaller, the growth harder and therefore on the Great Northern Peninsula we definitely need it and it should have been embedded in the agreement.

MR. CROSBIE: It is a good point but it is Bowaters timber limits.

Bowaters own the timber limits, not Newfoundland Forest

MR. THOMS: But it still should be a reforestation programme with Bowaters as well as anyone else.

MR. CROSBIE: I agree with you one hundred per cent.

MR. THOMS: So you have missed the boat there.

MR. CROSBIE: Yes, well I think you are right.

MR. THOMS: Mr. Chairman, last year on the West Coast of our province and particularly in the Cormack Area, we had, in certain sections of our agriculture industry we had crop failures. Now both the Leader of the Opposition and myself have had some inquiries as to what the government plans to do or if they have any plans to assist these farmers who suffered from crop failure last year.

I wonder if the minister could tell us if there is any money in this vote to help out the farmers, particularly in the Cormack Area and if not, will this come up in the main estimates? Because in order for these people to replant in May and June, there must be some financial help presented to them within a very short period of time. Could the minister answer that?

MR. CROSBIE: Mr. Chairman, this is a matter that is very much on the minister's mind and I must say, being on the Treasury Board, this baffles me a bit - the amount of money that is being spent here on agriculture.

Now I bet the honourable gentleman could not tell me how many farmers there are in the province. So I am going to ask you a question now, when you get up to ask another question - how many farmers are

there in the province? If you took the number of farmers there are in the province and divided it into the amount we are spending in agriculture every year, you know that it would be much higher per capita than what we spend on the fisheries. What about that?

AN HON. MEMBER: Astounding.

MR. CROSBIE: It is astounding and it should not be. However, I do not want to put any new government policy here this afternoon.

Now on the crop failure. Yes, the minister is aware of crop failure in several areas. As far as the Cormack Area is concerned, steps have been taken to assist them and I do not know whether it is all completed yet so I cannot say exactly what. But there have been steps taken to help them.

It is before the House. I believe it is introduced, "The Crop Insurance Act."

AN HON. MEMBER: Inaudible.

MR. CROSBIE: Well the notice has been given. So a crop insurance scheme is going to be offered to the farmers this year and there is money in the main estimates for that. I cannot tell from these notes whether there is any in this. So there will be legislation and there is money in the estimates for a crop insurance scheme.

MR. THOMS: Mr. Chairman, in answer to the honourable minister's question - no I do not know how many farmers are in the province but if I were in the minister's position I would know because I would have all the statistics to know.

Maybe, Sir, one of these days he can make them public to this honourable House, or table them, so we can all know, because there are farmers coming into the industry every day.

Now, Mr. Speaker, in the Department of Crown Lands, I know for a fact that the Crown Lands Division is understaffed, most definitely. They are understaffed and they are overworked. At the present time, I would suggest that there are literally thousands of applications in that department awaiting approval, not only for

agricultural land but for industrial land and for residential land. At the present time, it is almost impossible to get any sort of an application approved within sixteen to eighteen months.

Now the previous minister of that department can verify this or he can correct me if I am wrong. Is there any move afoot to try to improve this situation in the Crown Lands Division of that department?

MR. CROSBIE: Yes, Mr. Chairman, there is certainly a move afoot there. Now this is a serious problem and it has been of course, Mr. Chairman, as the honourable gentleman recognizes, for the last five or six years. But I am informed that the delay - there are still delays - but every effort is being made to overcome this.

But Crown Lands are up-to-date in their work on these applications, but where the delay occurs is the number of other agencies that had to be referred to. I think I can say quite truthfully that the delay is not caused by Crown Lands, it is caused by the fact that it has to go to Urban-rural Planning and it has to go to Clear Air, Water and Soil Authority and it has to go to five or six - Municipal Affairs.

There was a civil servant whose job is to expedite just that, Mr. Dalton, but I think he has been promoted to the Rural Development Division. So now we are engaged in trying to find somebody to replace him in that job.

But this is a problem and the minister is making every effort to expedite it. The problem is not so much in Crown Lands as in the other areas.

MR. THOMS: No, not cleared yet, Mr. Speaker. Could the minister inform this House, in this one point three million dollars, is there any money and if at all possible how much is Mr. McLean involved, his companies or anyone in connection with Mr. McLean?

MR. CROSBIE: Let us see now, Mr. McLean - is he the chap who has been

talked about here for the last few weeks?

MR. THOMS: I suspect he is the very same gentleman.

MR. NEARY: Recipient of all the patronage the minister has been talked about lately.

MR. CROSBIE: The man who would be the recipient of all the honourable gentleman's patronage would be a very wealthy man.

The position on these votes and Mr. McLean is this, they do write and produce a publication entitled "The Gros Morne News," so there may be a jot or a tittle in here in connection with this, "The Gros Morne News."

AN HON. MEMBER: Inaudible.

MR. CROSBIE: I got all the details because it was anticipated. The cost of this newsletter of the Department of Forestry and Agriculture is \$1,500 a month, circulated to all homes within the boundaries of the Gros Morne National Park, as well as adjacent communities. The mailing is done on a personalized, individual basis as opposed to householder mail. It is now being issued monthly.

The charges include printing and layout, distribution costs, including postage, black and white and colour photographs of Gros Morne and surrounding communities, out-of-pocket expenses for writers and photographers office and overhead expenses.

The newsletter is produced under the supervision of the local manager of McLean Advertising who is very familiar with the Gros Morne Area and has a great deal of interest in it. There have been two issues of the newsletter produced and mailed so far, one in November and one in December.

The purpose of the newsletter is to try to keep the people out there informed of what is happening. So if there is a newsletter in April or May that would - well there is money in here for Gros Morne Park - \$20,000. I presume it will come out of that.

MR. THOMS: Could the minister inform us how many of these Gros Morne news were issued and if there are any other monies other than

MR. THOMS: say for "The Gros Morne News," going to either Mr. McLean or his interests.

MR. CROSBIE: No, not a jot nor a tittle.

MR. THOMS: How many were issued?

MR. CROSBIE: Two - November and December.

MR. THOMS: Yes, but what is the number in each issue.

MR. CROSBIE: Thirteen hundred.

MR. THOMS: Three hundred.

MR. CROSBIE: No - that is dollars, I cannot tell you how many. Anyway it would be several thousand.

MR. THOMS: You mean no one on the other side of the House knows how many were issued?

Mr. Chairman, they are all trying to answer, neither one of them can give me a satisfactory answer.

MR. CROSBIE: I assure the honourable gentleman that I will get the information but it might be a couple of thousand, two or three thousand.

MR. NEARY: Mr. Chairman, this is very important to get the number of these Gros Morne newsletters that are sent out to householders in that area. Sir, the honourable minister has been spouting off for the last two or three days about political patronage. The honourable minister has been leaving the people of this province, Sir, with the impression that if Diogenes walked into this House with his lantern he would not find an honest man aboard of her

I want to tell the honourable minister that that is not so. It is not so. He should not judge everybody by himself. This is a great scandal, Sir, those of us who are familiar with sending out household mailing. The honourable minister is familiar with it himself. He sent out enough to his constituents. He sent enough out during the leadership campaign in which he was involved when he ran for the leadership of the Liberal Party. \$1500 a month, Sir, it is scandalous, ridiculous. The mothers of this province have not enough clothes to put on their children to send them to school. They will lash \$1500 a month for this carpetbagger from Toronto. You know what that would cost, Mr. Chairman, including the mailing - 2,000 householders, that is about the extent of it in that area, 2,000 householders - Mr. Chairman, I will give it an outside figure. I will double what it cost me to send out mailing to householders on Bell Island. It does not cost any more down there. The price is the same. The whole thing could be done, Sir, in the outside figure of \$300. It can be done for \$150 and it could be done by the staff of that department.

What I want to know, Mr. Chairman, is why public tenders were not called for this? Do we not have local people, Newfoundlanders who can do this work, Sir?

MR. CROSBIE: Mr. Chairman, I am very pleased to hear all of this all over again but I think there is a rule of the House that if the matter is already under debate, there is a resolution on the Order Paper. This has been debated now for four Wednesdays and it therefor cannot be referred to in this particular debate. That is a ruling that was made here time after time by the honourable gentleman's predecessors. Now, this is already under debate every Wednesday.

MR. NEARY: That is not a point of order. The honourable minister cannot take it.

MR. CROSBIE: That is a point of order, Mr. Chairman. I would like a ruling on it.

MR. W. ROWE: Mr. Chairman, I wish to speak on the point of order. The

point of order raised by the honourable Minister of Finance has no foundation at all. What he is talking about, Your Honour, is when a motion is already down and another motion is brought up on the same matter. Then of course the thing is completely out of order but for anyone to try to restrict debate in Committee of Supply or on the Throne Speech for example merely because notice has been given of a bill or another matter is absolutely ridiculous. There is no foundation for it, Mr. Chairman.

MR. CROSBIE: Mr. Chairman, this is not a question of a motion given. This is a matter that is under debate now on a motion before the House. It has been every week for the last four. The precedents in this House are quite clear. The subject used to be introduced by Mr. Smallwood every session that you could not discuss in another debate a matter already under debate before the House and on the Order Paper of the House. So, I am just asking that the same precedent be applied in this case.

MR. ROBERTS: Mr. Chairman, on the point of order, if I may. The honourable gentleman is, deliberately or not, misquoting precedents. There is a motion before the committee now. The motion is that a sum of money be approved. Included in it is the sum of money for the ubiquitous Mr. George McLean who seems to crop up in the most amazing places and the most amazing number of places. Surely it is in order in that the debate not the motion which is on the Order Paper - that is a request for a select committee. That will be debated at the appropriate time. Surely it is in order to debate the wisdom or otherwise of putting this money in Mr. McLean's hands. The point which we are maintaining is that this is too much money for the service he is rendering. Surely that is not out of order to debate that. The request before the committee is that money be authorized to be paid to Mr. McLean. In due course we may, but what do you say we have a little chat about it. That is all. Is Your Honour going to give a ruling on this?

MR. CHAIRMAN: Beauchesne, page (127), article (149) says, "Besides the prohibitions contained in Standing Orders it has been sanctioned by usage both in England and in Canada that a member while speaking must

not refer to any debate of the same session or any question then under discussion." It is then a matter of debate in itself whether the resolution concerning the McLean request for select committee is broad enough to prohibit the member from Bell Island from any prolonged debate on the subject. I see no reason why he cannot deal with the fact that Mr. McLean may or may not be remunerations for services rendered in the matter.

However, if he is to digress into the same debate as he is carrying on in the resolution on private members day, he will be called to order.

MR. NEARY: Yes, Mr. Chairman, thank you. That is another - lost again.

Mr. Chairman, the honourable -

MR. ROBERTS: Is the honourable gentleman political partisan?

MR. CROSBIE: Impartial.

MR. ROBERTS: Oh, an impartial. Thank you.

MR. CROSBIE: The honourable gentleman did not have. His leader used to sit over there and wave his fist at him.

MR. ROBERTS: The difference now, Mr. Chairman, is that the honourable gentleman's leader does not even come. He is scared to come. Off in Toronto on a lark.

MR. CROSBIE: He does not need to for such a pitiful opposition.

MR. ROBERTS: He does not need to, no. They cannot even arrange to have the House sit.

MR. NEARY: Mr. Chairman, if I may carry on.

MR. ROBERTS: He is going to keep us here all weekend because we have been nasty to him.

MR. CHAIRMAN: The member for Bell Island has the floor and has the right to be heard in silence.

MR. NEARY: Thank you, Mr. Chairman. The honourable minister said there had been two issues of the newsletter produced and mailed so far. One in November and one in December. Listen to this, Mr. Chairman, just listen to this. The honourable minister did not tell us about this.

MR. CROSBIE: I did not know about it.

MR. NEARY: The honourable minister did know about it because he has it right in front of him the same as I do, Mr. Chairman. In relation to the December issue I might point out that there was an extra charge of \$200 on the orders from the department to have a colored heading on the first page of the newsletter. \$200 a month.

MR. CROSBIE: Not \$200 a month.

MR. NEARY: Well, what is it? It does not say whether it is \$200 a month or \$200 a day or \$200 a hour or what it is. \$200 a session would not be too much for such a valuable service. Yes, Mr. Chairman, did you ever hear the like. This is an outrage, Sir, it is too much money. It is costing the taxpayers of this province too much for this service. They intend - listen to this, Mr. Chairman: "The department intends to keep publishing such a newsletter as long as the development of the Gros Morne Park is on-going." How long is this newsletter going to carry on? As long as the Gros Morne Park is on-going. How long is that going to be, Mr. Chairman. If the Government of Canada and the province cannot get together on this Gros Morne National Park and it is scrapped or it is left up in the air indefinitely or left on the shelf, does Mr. McLean collect \$1500 a month from this government for this particular newsletter indefinitely, from that department?

It is merely done on a personnalized, individual basis as opposed to the householder mail. There are thoughts now being given to issuing the newsletter every three weeks. Every three weeks, up goes the price. There comes Mr. McLean with his hand out to the Minister of Finance. Do you know, Mr. Chairman, that same Minister was concerned last year about spending \$260,00 for building material on Bell Island. Do you know what the total cost now to Mr. McLean is, Sir, \$420,000 and still climbing. That is only directly from the Public Treasury. That does not include crown coporations.

MR. CHAIRMAN: The honourable member is now getting into the debate very similar to the Wednesday afternoon debate. That is now entering into the

area in which the Chair will prohibit him from debate.

MR. NEARY: Thank you, Mr. Chairman. I would like for the honourable minister to tell us if tenders were called in this particular case, if other firms were asked to make a presentation and if not why not? Why were they not asked? There are firms

in this province, Sir, that I know of. They have told me personally. Mr. Chairman, to publish and distribute this newsletter - I would not say one-tenth. Yes for almost one-tenth of what it is costing the government, one-tenth. Yes, \$18,000 a year, Sir, to put out a newsletter - \$18,000 and it is still going up, a couple of hundred dollars every time they change the colour of the paper. I am surprised at that honourable minister. When the honourable minister was over on this side of the House, he was the one who was opposed to this sort of thing and now he is riding along with it. Why? Not only that, Mr. Chairman, but this is going on right in the minister's own district, the Minister of Forestry and Agriculture - right in his own district. The only defence the minister has is that political patronage is a way of life. Mr. Chairman, I suggest to the honourable minister that he should try to be very careful in how he chooses his words. It is one thing for that administration to carry on political patronage, Sir, but it is another thing to admit it. Can you image the demoralizing affect that that has on the people of this province, the poor little welfare recipients who are struggling along.

AN HON. MEMBER: Can I interrupt the honourable gentleman?

MR. NEARY: No, you cannot interrupt the honourable gentleman. You will have your chance to speak when I am finished. As I say, Sir, this is an outrage. It is a disgrace. It is scandalous. It is too much money for the service we are getting. The honourable minister suggested earlier that maybe I should make a motion that we reduce the amount. Is that in order, Mr. Chairman, because if it is I am going to do it?

AN HON. MEMBER: Yes.

MR. NEARY: It is in order. Well I am going to move, Mr. Chairman, that this amount be reduced to one cent a month - \$1,500 a month, \$1,500 for the month of April, \$1,500 for the month of May, that the government are asking for in this Interim Supply Bill, be reduced to one cent a month. I move that motion, seconded by my honourable

colleague here, the member for Fogo.

MR. CHAIRMAN: The motion is that the \$1,500 per month stipend paid to Mr. George McLean for the Gros Morne Bulletin be reduced from \$1,500 per month to one cent per month.

MR. NEARY: One cent in all.

MR. CHAIRMAN: One cent in all.

MR. CHAIRMAN: Are you ready for the question? Those in favour say "aye." Those against "nay." In my opinion the "nay's" have it.

MR. CROSBIE: If the honourable gentleman were on the Treasury Board, he would make a great saving for this province. The honourable gentleman misquoted me but I am not going to take offence because I know it was unintentional because he does not have a mean bone in his body and he just would not do that kind of a thing. I know really he is quite a good chap. It is only his weak moments we see in the House here. It is too bad he has so many of them. Can we vote on this item and carry it now because the Chairman has to make a plane and then I would like to adjourn because I have to discuss some legislation? Can we carry this item?

MR. THOMS: The Minister of Industrial Development was going to give us a number of issues that were issued. Maybe the honourable minister -

MR. CROSBIE: We called down but we could not get them.

MR. NEARY: Mr. Chairman, "Beware of Greeks bearing gifts." Sir, I have only one more question to ask the honourable minister on this heading. I was out of the House, I think, when my colleague was talking about the supply of wood to the Hawke's Bay sawmill and so I do not know what explanation the minister gave on this particular matter. Would the honourable minister tell us if any wood will be cut on the Great Northern Peninsula for the linerboard mill and if so, will this not have

a serious effect on the supply of wood to the Hawke's Bay sawmill?
If wood is being cut there for the linerboard mill, will the honourable minister inform the House who has the contract to cut the wood for the linerboard mill?

MR. CROSBIE: Mr. Chairman, we certainly hope that there will be wood cut on the Great Northern Peninsula for the Labrador Linerboard Limited. Newfoundland Forest Products may or may not sell its wood. What it does not need for a sawmill, of course, they could either sell to Bowaters or sell to Labrador Linerboard which can use the chips and shavings and the odds and ends. Labrador Linerboard is discussing the purchase of wood from people up in St. Barbe North also, in that area. We are hoping that there will be wood purchased up there by Labrador Linerboard. But Newfoundland Forest Products, whether or not it sells wood to the Linerboard Mill would depend on whether it wants to and if it will make more money that way.

MR. NEARY: Mr. Chairman, one last question: The operators on the Great Northern Peninsula, will they be supplying the Linerboard Mill? If so, has any contracts been entered into?

MR. CROSBIE: I will have to inquire about that. I do not think there are any entered into yet. They are being discussed with the people in Brig Bay and the area.

MR. NEARY: Nobody on the Great Northern Peninsula has a contract from the Linerboard Mill to supply wood from the Great Northern Peninsula?

MR. CROSBIE: Not that I know of. I will have to check and make sure. That is my information.

MR. NEARY: When will the honourable minister give me the answer? Tomorrow?

MR. CROSBIE: I will give you the answer on Tuesday or whenever I get a chance to check it. I cannot give it to you tomorrow.

MR. NEARY: We are not meeting on Paddy's Day.

MR. CROSBIE: Right.

MR. THOMS: Mr. Chairman, could the minister inform us as to what is happening to the forest that was reserved I believe for the third paper mill at Come-by-Chance? Is this still reserved for the third paper mill or ...?

MR. CROSBIE: The position there is that the agreement, as far as the government are concerned, expired at the end of December in accordance with terms of legislation. However, this plan is just not going to be disposed of. There has been nothing happen to it since. We understand that Mr. Shaheen's group are still interested in making another proposal on a third mill. It will not be with the same terms and conditions as were in the original agreement because some of those conditions are far too onerous for the province. But they say that they will be making another proposal. The position is that the old agreement as far as we are concerned is at an end but he has indicated an interest in making another proposal. Once he does, the government will study it and if they think it is feasible -

MR. THOMS: Any negotiations going on?

MR. CROSBIE: No except that we know that a brief is on the way in here. It is coming. The presentation is going to be made.

On motion Head XII, Forestry and Agriculture, carried.

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.

MR. SPEAKER: Earlier in the afternoon the hon. Leader of the Opposition rose on what he called a point of personal privilege and privilege of the House. I took his point under advisement and promised to rule on it later. I now give that ruling.

I obtained a copy of the transcript of the remarks made by the hon. Leader of the Opposition and his reference to Beauséjour, page 108 (1), and I can see nowhere in this where the criteria is met for a point of

personal privilege or privilege of the House. It is more a matter of a difference of opinion between two members and I refer to Beauchesne, page 96, section 105 (3) which is the last paragraph: "a dispute arising between two honourable members as to allegations of facts hardly fulfills the conditions of a privilege question and if deemed to be a matter to be at once entertained, it is more convenient to postpone other business rather than extend the area of privilege." I rule that it is a matter of opinion between two members rather than a point of personal privilege.

MR. ROBERTS: Thank you, Mr. Speaker. All I can say is that you win a few and you lose a few in this business.

Motion, second reading of a bill, "An Act To Make Certain Provisions Respecting The Reorganization Of The Government And The Public Service Of The Province And Respecting Matters Connected Therewith Or Arising Therefrom."

MR. MARSHALL: Mr. Speaker, this is a bill which might be styled the last of the restructuring bill. It is merely a bill to tidy up the various functions that have been distributed to certain ministries throughout the government. For example, there is one reference here that the Minister of Finance will take over the powers with respect to the Co-operative Development Loan Board and amend the act with reference to that minister and this is the general term of the act throughout.

MR. W. N. ROWE: Mr. Speaker, I thought we had seen the last of the reconstruction, reconstitution or restructural bills coming before this House. The government, Sir, have the unmitigated gall to go on the public airways or in the press and say the opposition is obstructing progress in this honourable House or in Committee. All they come in with during this session of the House is this kind of absolute tripe and nonsense, complete and utter waste of time. This is a waste of time of members of this House, Sir, this restructuring, this reconstitution of the government or the civil service, this shuffling about of responsibility between various public servants or various divisions of the government, Mr. Speaker, this is a waste of time, not the questions which the members of the opposition or any other private member might ask of the government to get information for the public, but this absolute nonsense and tripe which we have seen about fifteen or twenty bills of in the last couple of weeks.

AN HON. MEMBER: Well said, well said.

On motion bill, read a second time, ordered referred to a Committee of the Whole House on tomorrow,

Motion, second reading of a bill, "An Act To Amend The Tobacco Tax Act."

MR. CROSBIE: Mr. Speaker, this is a very, very heavy bill. It is to amend the act so that the minister can exchange certain confidential information with the Government of Canada or a province on a reciprocal basis. At the

present time apparently you cannot. Returns are available only to permit returns to be available only to persons authorized by the minister.

This is simply so that we can give information to other provinces about the Tobacco Tax, and they can with us.

MR ROBERTS: Sir, far be it from us to object to such a reasonable provision. The only thing I would ask with reference to this, since we are on the Tobacco Tax, can the minister tell us anything, in closing the debate, on the, well they are not rumors because there is some sort of investigation underway or apparently there has been some smuggling of cigarettes, on a large scale, into Newfoundland, without having bothered with the formality of paying the quite heavy provincial tax, which is about twenty cents a package. Since I have given up smoking it is no longer of any direct concern to me but there are these reports and the minister has told the House in response to questions on Orders that an investigation of some sort is underway. He also has told us that he will not table the reports, well we can understand that because as he says these reports may form the basis of prosecution if in fact it is found that there is evidence that the law has been broken.

Nonetheless, I wonder if the minister could tell us something, the rumours are around and it never does any good to have rumours around if they can be dispelled.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: I do not know, is it smuggled into Canada through Newfoundland or is it smuggling from another province into Newfoundland without paying the tax on it? There are rumours around, they have been in the newspapers, there have been questions in the House. Perhaps the minister could say something that would, not set us at rest but at least give us some indication of what is happening. Maybe he could light up the subject as it were.

MR. SPEAKER: If the honourable minister speak now, he closes the debate.

MR. CROSBIE: As the honourable gentleman would say "where there is smoke there is fire," Mr. Speaker. There is some evidence that cigarettes are

being brought into the province from the adjoining provinces and improperly sold. The person who brings cigarettes in and sells them to the retailers are suppose to collect the tobacco tax. In some instances, cigarettes are being sold without the tax being imposed. Now there may be three separate complaints. Anyway the matter is

in the hands of the Department of Justice, the police investigation and as far as I know, I have not seen any report back from them, but if there is sufficient evidence that this has occurred there would be prosecution. The investigation is still active.

As far as the tobacco tax itself is concerned, the increase in tax has decreased, I think, the use of cigarettes and so on and now more people are rolling their own. There is not the same tax on loose tobacco. I said to a woman today who was rolling her own and telling me how well she could do it and so on and the cigarettes looked pretty good and I said, "Well we are going to have to increase the tax on loose tobacco this year, I guess." So I have been warned that if I do that I will not be very popular. So if there is enough evidence for a prosecution, we would certainly tell the House.

AN HON. MEMBER: (Inaudible).

MR. CROSBIE: No, she is not rolling cigarettes.

On motion, a bill, "An Act To Amend The Tobacco Tax Act," read a second time, ordered referred to a committee of the whole House on tomorrow.

Motion, second reading of a bill, "An Act To Amend The Agreement Ratified, Confirmed And Adopted By And Set Forth In The Schedule To The Commodore Mining Company Limited (Agreement) Act, 1968, And To Make Certain Statutory Provisions Relating To That Agreement."

MR. MARSHALL: Mr. Speaker, this is a relatively routine act. In the zeal to accommodate the Commodore Mining Company Limited the previous administration included in the area of concession an area defined as the portion comprising the Castle Hill Historic Site at Placentia and this act is for the purpose of rectifying and curbing that zeal and deleting from the area granted to the Commodore Mining Company the Castle Hill Historic Site.

MR. ROWE (W.N.): This seems to be sensible enough, Mr. Speaker. This is the one and only the great Lew Murphy, is it? A tremendous character!

MR. MARSHALL: Used to be.

MR. ROWE (W.N.): Who owns it now?

AN HON. MEMBER: (Inaudible).

MR. ROWE (W.N.): (Inaudible). Mr. Speaker, I mean a tremendous character, one of the great Newfoundland characters, Lew Murphy, and I was going to suggest that maybe we should extend the reserved areas to the Argentic Base down there because I understand that he was doing some prospecting in there two or three years ago and nearly got blown up in an atomic war in the process. It was a wonder he was not shot. He came ashore in a dingy or something and climbed over a fence and evaded the nuclear war heads and dug a few holes, found no gold in the hills and then made his escape. Maybe during committee stage we should put in something reserving the Argentic Base from this lease as well.

MR. ROBERTS: Mr. Speaker, the Commodore Company had a five year period conferred in 1967 and it was extended, I do not have the act in front of me, I confess, by another act in 1971. I wonder if the minister could tell us when the Commodore period or whatever it is expires. I assume it is probably 1976 but could the minister tell us.

MR. MARSHALL: It is -

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

MR. MARSHALL: I believe it is 1976, Mr. Speaker. As I say I do not have the principle agreement before me now but I believe that this is the period when the agreement will expire.

On motion a bill, "An Act To Amend The Agreement Ratified, Confirmed And Adopted By And Set Forth In The Schedule To The Commodore Mining Company Limited (Agreement) Act, 1968, And To Make Certain Statutory Provisions Relating To That Agreement," read a second time, ordered referred to a committee of the whole House on tomorrow.

Motion, second reading of a bill, "An Act Further To Amend The Elevators Act."

MR. HICKMAN: Mr. Speaker, this bill does precisely what it says. It gives the minister the right to make regulations fixing the standards and design and construction of elevators.

MR. HICKMAN: throughout the province, I now move second reading.

MR. ROBERTS: Mr. Speaker, I rise to say that we will support the bill.

On motion a Bill, "An Act Further To Amend The Elevators Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Motion second reading of a Bill, "An Act To Amend The Health And Public Welfare Act."

MR. MARSHALL: This is a very routine bill, changing the renumbering of certain sections in the act in order to comply with the Revised Statutes of Newfoundland that have been recently put up.

On motion a Bill, "An Act To Amend The Health And Public Welfare Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Motion second reading a Bill, "An Act To Amend The Adoption Of Children Act, 1972."

MR. MURPHY: Mr. Speaker, this is basically a bill that would amend the principle act, to provide for the adoptions appeal board, and this board of course would be composed of people outside the department, to hear appeals against decisions, I think in the first instance by the director of adoptions and also the minister and they would have the right to appeal and then, following that, an appeal could be made to a judge of the Supreme Court. So basically I think it is patterned much on the same pattern as appeals against social services legislation itself where you have three people that would be appointed without the service, not a part of any part of the service that could hear appeals, would be entirely apart from any officer of the department to hear an appeals - we have had them over the years.

I know I have had people phone me and say they wanted to adopt a child and a director would make a decision, no. I do

think, I am not sure on this possibly there are other gentlemen here who might know, I do not think there had to be any reason given in any particular case on the thing, so basically this is an appeal board to hear these cases and to put forward their decision.

The board is patterned - I think there will be a chairman, and two members. A majority decision would win the day and the remuneration would be so much per day a sitting. I think basically that is all. I do not know if anybody wants to question it.

MR. NEARY: Mr. Chairman, I cannot see for the life of me how this bill is really going to work. For instance, let me give the House an example, let us assume that a couple made an application to adopt a specific child and under the present regulations, under the unwritten agreement would be denominations. The policy of the department is that they will not cut across denominational lines.

Now what would happen in the case of a couple wanting to - say a Protestant couple wanting to adopt a Roman Catholic child, would the Appeals Board then be brought into focus? Would they overrule? Would the Appeals Board have the authority to overrule the decision of the Director of Child Welfare in this particular case? If so, Mr. Chairman, then that would really constitute a major change of policy, something that many people in this province have been abdicating for a good many years.

What would happen also, Mr. Speaker, in the case of a couple say wanting to adopt a small baby and because of the age of the couple it is felt by the Director of Child Welfare, who has pretty wide authority in these cases - what would happen if he said "no" in keeping with good principles and good practices, good policy, that we are sorry but it is not possible in your particular case, then they would have the recourse to the Appeal Board, Would the Appeal Board then

overrule the Director of Child Welfare? So these are two examples, Mr. Speaker, that I see where it is going to be very difficult to enforce this bill. Now maybe the minister has the answers to these questions but these are a couple of things that have popped in my mind with my experience in that department. I do not think it is quite as simple as the minister said in his introductory remarks there that it would function the same as the Social Assistance Appeals Board. There is quite an emotional aspect to adopting a child, Sir, and it is not quite the same as making an appeal under the Social Assistance Appeals Board. Where emotional is involved I think it is a little bit different. I am not sure what prompted the minister to bring in this bill at this particular time. I do not know if they have an appeal board in other provinces or not. It is the first I have heard of it myself.

Then the question arises also, Mr. Speaker, what happens in the case where a child has been placed with adoptive parents in an adoptive home and the six month probation period expires and the court then grants the legal adoption papers on the child and then, say the mother of the child appeals to the appeal board to have the child returned to her, what happens in this particular case, Mr. Speaker? I would say that would create somewhat of an embarrassing situation. I do not know if the appeals board can overrule the Director of Child Welfare in this particular case or not. I would like for the minister to let us have his comments on it because I do not understand it, Sir, and personally I do not think it can work. In Newfoundland there are no independent agencies running the adoption programme. It is run by the province and in other provinces the procedure is a little bit different, you have child welfare agencies which are independent of government. I must say in my three years in that department I cannot think of one case where the Director of Child Welfare or the courts made a wrong decision. I cannot think of one, Sir, not one. I know of some

cases where applicants thought they had a grievance but in actual fact they did not and it was explained to them and they understood it.

The big problem, it seems to me, Sir, is the denominational one as far as adoptions are concerned. I would like to know how the appeals board are going to deal with this problem. If the hon. minister can clear it up to my satisfaction, well I will be very happy to support the bill but I think we should give this bill a little more thought and consideration before we put it through the House.

MR. ROWE (W.N.): Mr. Speaker, one or two general observations which I would like to make on it and this denominational one is one that arises again. When the hon. Minister of Provincial Affairs was the Minister of Social Services and Rehabilitation, when there was a consolidation of the Welfare Act I believe coming through the House, undertook or said that there was a study being done of this question of whether there should be some input by denominational authorities in respect of a three month old child for example, giving it some religious denomination and therefore perhaps inhibiting its chances of ever being adopted because of that one particular constraint. I would like to hear how far they have progressed on that because I think it has a bearing, as my hon. colleague has said, it has a bearing on the operations of this appeal board.

The second point I would like to make is a general observation and I do not propose to move an amendment or anything to this particular act, Mr. Chairman, but I do throw out for the minister's consideration and the consideration of the Minister of Justice this idea that is now going throughout North America and throughout most of Europe and that is to get away from this idea of treating children as having no legal rights whatsoever, children as personal property of somebody who happens to have custody of them, children as being chattels and have to be represented by some conflicting party or another. Now this problem arises to the greatest extent in custody cases when theoretically a child's rights are supposed to be held supreme and a judge is supposed to decide what is in the best interest of

the child. How in the name of heavens that ever arises when you have two parents of such a child who are vindictive perhaps and spiteful in trying to get at one another and trying to drag up every bit of scum and dirt they can in order to get custody away from one and into another, how the child's rights ever emerged is completely beyond me. I never practiced that kind of law, perhaps some lawyers who have been in court on that kind of a case can give us some elucidation.

But the theory and the practice are in direct conflict. The same sort of principle arises here. There is no provision in this bill, and this is not the minister's fault, I would say it is the same thing all across Canada, there is no provision in this bill which really has any effect of protecting a child's interest. I believe at the age of twelve a child can give consent or his consent will be taken into consideration. But there should be, and I am not saying we should start here, but we should start thinking about this, Mr. Speaker, in the future, in this type of bill, there should be some government agency whose sole job is to see that the interests of the child are represented, any kind of a court action or appeal to a board or any kind of administrative tribunal.

In other words, if somebody is trying to adopt a child or if somebody is trying to get custody of a child, it is all the same thing, whenever a child's rights and interests are at stake perhaps the government or the Supreme Court or somebody should appoint somebody, a lawyer or social worker or someone like that, whose sole function is to represent the interest of that child at any such hearing, for example, a hearing into the custody case or a hearing into an adoption or a hearing into anything to make sure that in the scuffle, in the conflicting evidence that may be given, in the vindictiveness and spite and conflicts that arise from not necessarily this type of a case adoption, particularly custody cases, that the child's interest is represented by someone who can speak for the child.

I throw that suggestion out because it happens to be an opportune time at this particular moment, Mr. Speaker, not that we hope to introduce it

into this bill. But I do hope that the minister's department and the Minister of Justice when they are bringing future social welfare programmes forward in the House that this type of a consideration, which is becoming now part of the received wisdom of our time, that this type of idea that I have just thrown out will be thought about, will be considered and possibly incorporated into any new, relevant legislation that comes before the House in the future.

MR. HICKEY: Mr. Speaker, I would just like to briefly comment on the matter raised by the member for White Bay South with regards to the religious aspect. As I understand the debate of that time that particular bill was going through the House, some members on the opposite side suggested that we include a section in that bill to provide for the placing of children in homes of other faiths. At the time I said that I did not think this was the right thing to do because negotiations were underway or discussions were underway that there was a very healthy relationship existing between the various churches and the government and the department in particular.

The situation to my knowledge, Mr. Speaker, has not changed on that particular subject as far as I know up to the time that I left that department. There was still a very good relationship existing. There was a very co-operative atmosphere wherein children were placed in homes of other faiths, and with the permission of the various clergy. I do not think we are in a position as yet to legislate that particular item. I think it would be a step backwards as opposed to progress.

And insofar as this particular bill is concerned, Mr. Speaker, the prime principle of this bill is to provide for a right of people, as far as I could ascertain with my officials at that time when I approved this recommendation before I left that department. In no other province was there a situation that existed here, when two people were refused a child or their application rejected, in no other province was the situation such where those people could not be told with reasonable detail as to why that application was rejected.

Up to the time of this administration taking office, that was the situation. In the majority of cases the application was rejected in a very vague way and inasmuch as the director had not approved the application.

this upset many people who found themselves involved in having their request rejected. It was felt by the officials that this was most unjust and I have to agree because I have recalled on a number of occasions when in the field myself having to face a situation where while I had to explain to the applicants they could not get a child yet I could not tell them why. So this is one of the things that this bill will do. It is now the policy of that department to inform applicants in reasonable detail as to why their application was not approved. It also provides for the appeal if the decision in the opinion of the applicant is an unjust one. A good case in point, Mr. Speaker, is the case where not too long ago a family in Central Newfoundland found themselves having an application rejected and for one solid twelve months incurred a cost of something like \$600.00, made numerous trips to St. John's attempting to do nothing else but find out why they could not keep the child which in fact had been in their home, and under that policy of that day that family were never told until I believe something like a year after and \$500.00 after. We felt that was most unfair and most unjust and so this bill is before the House today.

I do not share the fears as expressed by the member for Bell Island. I can concede that in certain areas there might be difficulty, there might be touchy areas so to speak in terms of religion and in terms of where the natural mother of the child may wish to make a claim but then again that mother, Mr. Speaker, has that right without this bill going through. The other thing is that surely we have faith in our courts and our judges and surely before any decision is made in the matter of an appeal, all matters and all pertinent information will be taken into account and hopefully a responsible and just decision rendered.

I think it is a very necessary piece of legislation and I have much pleasure in supporting it.

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

MR. MURPHY: Mr. Speaker, I have listened with much attention and perhaps getting much knowledge from the experience of those who had been far more familiar with the case than I am. My own officials in my department are in favour of this. I think one particular point was the point raised by both the hon. member for Bell Island and White Bay South, I think, with reference to the religious thing. I think a few years back that was a very, very contentious issue but as far as I can gather, and I have not had in my three months actually any experience with an adoption case -

MR. MARSHALL: I wonder if I could just be excused by the honourable member. I wonder if the hon. minister would like to adjourn the debate so that we can adjourn the House because it is nearly six o'clock.

MR. MURPHY: So in my opinion and listening to the arguments put forward I can only, on the advice of my own officials down there and with my own judgement, feel that my only action is to move the second reading of this bill.

On motion, a bill, "An Act To Amend The Adoption Of Children Act, 1972," read a second time, ordered referred to a committee of the whole House on tomorrow.

MR. MARSHALL: Mr. Speaker, I do move that the House at its rising do adjourn until tomorrow, Tuesday, at 3:00 P.M., and that this House do now adjourn.

On motion, the House at its rising adjourn until tomorrow, Tuesday, March 20, 1973, at 3:00 P.M.