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**VERBATIM REPORT**

**TUESDAY, MARCH 26, 1974**

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

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order please!

PETITIONS:

MR. W. N. ROWE: Mr. Speaker, I ask the leave of the House to present a petition which I received today from over 300 voters of the Town of Fleur de Lys in my District of White Bay South. The burden of the petition concerns the upgrading and/or paving of the road from Fleur de Lys to Baie Verte. It reads as follows:

"We the undersigned, concerned residents of Fleur de Lys, wish to protest the deplorable condition of the road from Fleur de Lys to Baie Verte. This road is a much travelled road for people working at Advocate Mines Limited, at the M. J. Boylen Hospital and most of all the three bus-loads of school children who have to travel this road daily. Approximately three years ago a sum of money was set aside to upgrade this road. Some work was done and for the past two years, (a significant period of time, Mr. Speaker) we have received nothing but the promises of a rock crusher. Finances should not be a problem since approximately \$114,000 was left over from the money allocated three years go.

"Please accept this petition, and as our representative do all in your power to either have this road paved or if not upgraded."

The facts cited in the petition, Sir, are basically correct. I believe it is not three years ago but four years ago that an allotment of money was made by the Department of Highways at that time, and I think the matter was mentioned in the House of Assembly here, that a public commitment was made to the people of Fleur de Lys that this road would be upgraded and, of course, eventually paved, although no money for paving was cut out in that particular allocation of funds.

I do not want to become argumentive, Sir, but I just state this as a fact. Perhaps the Minister of Transportation might have something

to say about that about what I am saying. When the present administration came into office, for some reason or other this allocation or the unspent portion of the allocation was disallocated, if that be a correct use of terms, and no further work was done on the road. A similar situation happened with regard to a road from Sop's Arm to Jackson's Arm, also in my district, on the other side of the bay. Work was going ahead on that road and when this administration got into power, work was stopped and the allocation was applied to other work or was not spent at all.

I support, Sir, the prayer of this petition wholeheartedly and I ask that the government, particularly the Minister of Transportation and Communications, take this petition under advisement and hopefully, when the main estimates are brought into the House, we can see an adequate amount of capital money to see the work resumed on this road from Fleur de Lys to Baie Verte once more.

I ask, Sir, that the petition be received by this honourable House and referred to the department to which it relates.

MR. H. YOUNG: Mr. Speaker, I beg leave to present a petition on behalf of some

voters in the town of Shearstown. This petition, Sir, has already had some coverage in the press. The prayer of the petition, Sir, is, I do not know if it is well stated or definitely stated, "We the undersigned, residents of Shearstown West and Butlerville wish to bring to the attention of our Provincial Department of Highways the absolutely deplorable condition of the highway, approximately two miles in length, extending from New Road Hill to Butlerville. The said piece of road is unfit and unsafe for vehicle or traffic, the huge washouts and sharp potholes knawed out of the chipseal, an experimental Government job of 1962 which failed as a form of pavement. There is a serious threat to the tires, springs and other parts of cars of the citizens of this area. The second fact, that persons trying to their darrest to curb away from the bad spots in the road create a real danger to human life especially to small children. We feel, as I find, that something should be done. If nobody will make the movement to fill these hollows with asphalt, then we humbly solicit and ask that the roads be filled with sand and gravel and bad spots graded down. Therefore we humbly petition whosoever is responsible to do something, for God sake, before a serious accident occurs on this road, before the people have to spend their hard-earned money on costly repairs on-car jobs just because we are being neglected and discriminated against! So, to repeat, let us have some action or let someone in power give some consideration to our plight." Humbly and respectably sumitted."

Now, Sir, I think this section of road in Shearstown is a victim of liberalism. Shearstown is in the district of Harbour Grace. It also comes under the town council of Bay Roberts. I have done some backwork on this, groundwork, and I find that the road is not the responsibility of the highways nor is it the responsibility of Municipal Affairs. Now, I think that the people of Shearstown should have some real explanation. Thank You!

MR. ROBERTS: Mr. Speaker, maybe I could say a word in support of what is a most eloquently worded and eloquently phrased petition. I am happy to lend our support to it but I was somewhat taken aback by the remarks of the gentleman from Harbour Grace. If he said he had done some groundwork

it is too bad he did not do some road work because I understood him to say that this road is neither the responsibility of the Department of Highways nor of the Department of Municipal Affairs. I wonder if he meant by that that it is not the responsibility of the Municipality of Bay Roberts? If it be the responsibility of the Municipality of Bay Roberts, the town of Bay Roberts, as it may well be, at least in part, then surely what is needed is for the Government to assist the part of the municipality to repair and to pave this road and if the Government's much-vaunted programme of paying half the cost of paving or upgrading and paving municipal roads is in effect for somewhere other than the Burin Peninsula where, combined with Jameison, they will sink her yet, then I would like to see it go in this part of Bay Roberts.

The petition is very eloquently worded. It was ineptly presented but that is not the fault of the petitioners, very eloquently worded, and I think it should be heeded and granted.

DR. A. T. ROWE: Mr. Speaker, I would like to present a petition from the residents of the community of Salmon Cove, district of Carbonear, a community of some 653 people. The prayer of the petition is that the community be incorporated as a municipality with its own town council and that is functioning under the act of the Department of Municipal Affairs. I have pleasure, Mr. Speaker, in supporting this application of the residents of Salmon Cove and I think it is indicative of the progress which communities seem to make when they come under the regulations of town councils. I think the evidence of the progress in Carbonear and Victoria, my district, where there are both town councils, has indicated to the people of Salmon Cove that it is very desirable to be an incorporated area.

In Salmon Cove, what we must realize is that it is the delightful community with the well-known Salmon Cove Sands. This is a very great tourist attraction and with the controls that the town council could exert, I am sure that it could be even a more important than the attractive tourist area that it is. I have much pleasure, Mr. Speaker, in supporting

this petition and ask it to be placed upon the table of the House and referred to the department to which it relates.

MR. SPEAKER: The honourable member for Fogo.

CAPT. E. W. WINSOR: Mr. Speaker, on behalf of the members on this side of the House I strongly support the petition so ably presented by the member for the district. However, I am not too sure whether it is necessary to bring in a petition in this honourable House to have a town incorporated. I feel that it is up to the people of the town to call a public meeting and get the feeling of the people, and if the majority are in favour of it then of course they make their proper procedure, proper negotiation with the Minister of Municipal Affairs.

However, having had the petition presented we certainly support it.

#### MOTIONS

MR. SPEAKER: The honourable Member for Twillingate.

MR. H. W. C. GILLET: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, "An Act To Amend The Emergency Compensation Of Employees Act, 1971."

HON. W. W. MARSHALL (MINISTER WITHOUT PORTFOLIO): Mr. Speaker, on behalf of the Hon. Minister of Mines and Energy I give notice that I will on tomorrow ask leave to introduce a bill, "An Act To Ratify, Confirm and Adopt An Agreement Made Between The Government And B P Minerals Limited."

#### QUESTIONS

MR. SPEAKER: The honourable Member for St. Barbe North.

MR. F. B. ROWE: Mr. Speaker, I would like to ask a question on behalf of the honourable Member for Bell Island who unfortunately is not in his seat today, Sir.

AN HON. MEMBER: Inaudible.

MR. ROWE, F. B. Would the Acting Premier, Sir, the Minister of Justice, inform the House what steps have been taken to repair the roads on Random Island so that the children can get to school without undue risk to their lives?

HON. T. A. HICKMAN (Acting Premier): Mr. Speaker, I will attempt to get this information for the honourable gentleman this afternoon from the Minister of Transportation and Communications, if he is



in St. John's, or his officials in Gander.

MR. ROWE, F. B. A supplementary question, Mr. Speaker. Would the minister attempt to get the answer to the question from the officials of the department concerned if the minister is not in town?

MR. HICKMAN: That is Gander.

MR. SPEAKER: The honourable Member for Fogo.

MR. WINSOR: Mr. Speaker, may I direct a question to the Minister of Justice or in his capacity as Deputy Premier? Can the minister inform the House when he expects to have thereport of the Labrador Commission tabled in this House? There are a great many persons, especially in Labrador, looking forward to that report.

MR. HICKMAN: If the honourable gentleman will recall, I gave the answer to that question last evening. One copy of the report -

MR. WINSOR: Inaudible.

MR. HICKMAN: No, no, no. It was delivered to the Hon. the Premier by the Chairman of the Commission just before he departed for the BRINCO meetings. It is anticipated that within the next few days the report, which is a very voluminous one I am told, will be studied by government and following the practice this administration will report at least to the public and to the House.

MR. SPEAKER: The Hon. Leader of the Opposition.

HON. E. M. ROBERTS (LEADER OF THE OPPOSITION): Mr. Speaker, while we are on the question of tabling documents, the Minister of Forestry undertook nearly a month ago to table the report of the or at least the summary report of the Task Force on Forestry. May I ask him when that in fact is to be made public?

MR. SPEAKER: The Hon. the Minister of Forestry and Agriculture.

HON. E. MAYNARD (MINISTER OF FORESTRY AND AGRICULTURE): As soon as the report is ready.

#### ORDERS OF THE DAY

On motion that the House go into Committee of the Whole To Consider Certain Resolutions For The Granting Of Supplementary Supply To Her Majesty, Mr. Speaker left the Chair.

#### COMMITTEE OF SUPPLY



MR. ROBERTS: Mr. Chairman, the committee rose last evening and the minister was in some little difficulty about his medicare expenditures. Now he since then has had the whole evening, the whole night, the whole morning as well as the lunch hour, to go into this. I wonder if he could give us some more information. Just to refresh his mind: As of last evening, we were being asked for about \$1 million more on the subhead of expenditure out of which the medicare votes are being paid and there was some confusion as to exactly what it was for. It appeared, as we looked at it I think, Mr. Chairman, it appeared fair to say to that, the money was being used for increased fees but that maybe to draw a conclusion which is not correct. Really what I want to know at this stage is whether the minister has discovered anything that could help the committee in deciding whether or not to give the government authority to spend this money?

DR. ROWE: Mr. Chairman, the amount is the underestimated amount of \$1.6 million. The first reason for this is that the medicare commission did underestimate, perhaps one could use the word, grossly underestimated. They have been using the federal guidelines, which they have used in previous years, of six per cent per year and obviously this past year it has been found to be less than realistic.

The main purpose of the \$1.6 million is due to the influx into the province over the past year of fifty-five new physicians of whom the majority worked fee-for-service for most of the year. This resulted in an additional 160,000 claims for new services up to the end of January, 1974. Of the fifty-five doctors who came into the province last year, the majority of these came early in the year and of those leaving, the majority seemed to leave late in the year, although we had a final increase or stabilization of a total increase of twenty. Over and above the 160,000 claims, the existing physicians on fee-for-service put in an amount for 60,000 more claims than the previous year. To take the present figures, the 160,000 new claims for these doctors and the extra 60,000 more claims of the physicians in practice, established,

in carrying on during the last year, the 220,000 claims account for the underestimated \$1.6 million.

MR. ROBERTS: I thank the minister, Mr. Chairman, but is he now to say that the fee increase (I mean I sound pejorative but I do not mean to be) last year did not account for this extra - let me get it straight. Last night the minister used the figure of \$1.2 million and then he used the figure of \$1.5 million and he has just given us the figure of \$1.6 million. Let me begin by asking the minister just how much have medicare over-expended their budget as it was presented? Unfortunately the minister declined to present it in the House, it was not presented but how much have medicare expended over and above their budget? How much are medicare going to spend in the year which ends three or four days from now and how much did they anticipate they would spend on their paying the doctors' fees and what is the different? Let us get that first of all.

DR. ROWE: Let me read again: The total amount of money under budget was \$1.8 million. The \$200,000, as we have explained, bringing it back to the \$1.6 that I mentioned today; the \$200,000 bringing it to the \$1.8 million is made up of the employment of additional physicians at the St. John's General, the Central Newfoundland Hospital, the Western Memorial Hospital for salaries in lieu of services, \$100,000, bringing it down to \$1.7 million. The large volume of dental services, in addition to the revision of dental fees, is \$50,000; an increase in the number of sessional clinics in hospitals, \$50,000, which brings us back to the figure I mentioned today of \$1.6 million. The \$1.6 million, made up of the number of claims I have given indicates that the figure of fifty-five new fee for service physicians, who commenced practice during that year - in giving the number of claims that I have outlined. It really means that as the medical services in the province increase so does the provincial part of the expenditure increases. When MCP first came in, we were getting back from Ottawa something like ninety

six per cent of our costs. This year it is going to be eighty per cent of our costs. As we increase the number of doctors, so the provincial portion will rise. I think that should have pretty well covered the situation as far as the amounts are concerned, Mr. Chairman.

MR. ROBERTS: Again I thank the minister, Mr. Chairman. I think we are all familiar with the fact that medicare which originally was quite a bargain in Newfoundland, we all knew and indeed the projections prepared, I assume by N.M.A. and by the government of the time when medicare became a reality in Newfoundland, indicated that after something like five years we would cease to be gainers and have to start paying for medicare, paying in the sense that we would be laying out more to provide medicare than we would have been laying out to provide the services which were formerly provided by the government before medicare, compulsory, provincewide health care insurance came in.

That is not the issue. What I am trying to get at is a rather staggering miscalculation in the medicare budget. Because the medicare budget this year, the total budget would be of the order of \$17 millions. Now, I do not have the precise figure. Indeed I am not sure that it is in the estimates. When I was Health Minister I made a point of insisting that it be listed but I think the present minister has taken it out. I do not know why. Possibly to hide how much the doctors are getting.

In any event, the Medicare Care Commission Annual Report would have the figure. But, it is of the order of \$17 million this year going to pay both, the fee-for service doctors but also the salary doctors all of whom are paid by medicare to the extent they are providing insured services within the definitions of that as laid down in the act and in the regulations.

So, on that estimate we have an underestimate of \$1.8 million, about ten per cent. Now, that is very staggering. I would like to know why. For the minister to say there was a great influx is a reason but it is not one that stands up I submit, Mr. Chairman, under examination because I am willing to bet - I do not have the figures here in front of me, Sir

but I spent some time at this and I do not think that I am entirely wrong - I am willing to bet that we have had, the last four or five years, each year, fifty-five or sixty new doctors come into practice in this province. I am willing to bet that most of them have been parctice for most of the year.

Why? Because doctors come into practice, Mr. Chairman, in July and in June. That is when they finish up their - my brother is a doctor at Roddickton in White Bay North and he entered practice in this province in July because he finished his internship and his qualification procedures in June month. July is only the third month of the government and the medicare financial year. That is quite normal. That has been going on all along.

Nor is it unusual that doctors leave late in the year. So, I would think that the number of new doctor months we have had in Newfoundland, quite a jargon phrase, during the 1973-1974 year, is probably not very much greater than we have experienced the past few years. Now, if that be so, Sir, then the reason does not stand up. The minister cannot bring that forth as the explanation of a ten per cent underestimate.

He has accounted satisfactorily for \$100,000, extra staff that the General here in St. John's, Western Memorial in Central Newfoundland - \$100,000, that is fine. That is about four salaried doctors or five or three depending on the type of work they are doing and what they are paid. He can account for about \$50,000 or \$100,000 by virtue of the new dental fee schedule and so forth but that still leaves, by his own figures, \$1.6 million. He has not given the committee, Mr. Chairman, any explanation.

Now, what I put to him is this, that either there was a shaving down of the medicare requests, for whatever reason, that the budget as submitted by the commission was not the budget as it was presented to the House, that there was a shaving down of a million or a million and a half dollars, for whatever reason, or that the fee schedule which the minister approved and negotiated last year and put into effect has resulted in far greater costs to the people of this province than was anticipated or

perhaps than was announced.

I am putting these forward as propositions. They may be wrong. If they are wrong, I shall certainly be quite pleased to know that they are wrong but I put them forth as propositions and ask the minister to address himself to them. If he says that they are wrong, I take his word, Sir, I have no reason not to but I would like him to explain and he has not explained, Sir, how the Medicare Commission have been by \$1.6 million overspent. That is a lot of money, Sir.

All our doctors have been working at close to a hundred per cent capacity. So, it is going to be difficult to convince anybody that they are now doing 110 per cent more work. I think the reason for it is either, as I have said, the deliberate downgrading of the amount of money, the lessening of the amount of money that was requested by medicare, requested by medicare of the government, to make up the difference between what they get from Ottawa



and what they must pay out to the doctors under the terms of the agreement or if the fee schedule was infinitely more generous than the minister led us to believe when he announced it here in this House a year past.

DR. ROWE: Now, Mr. Chairman, I have already explained that M.C.P. have informed me that they regret that they are grossly under-budgeted for this year. The number of claims increase for the period January 1972 to January 1973, for the period 1973-1974. As against 1972-1973, there was an increase of 220,000 claims put in to the Medicare Commission and this increase of 220,000 claims for medical services indicates the reason why the increased expenditure is of the order of \$1.6 million - \$1.8 million.

There is nobody trying to hide anything, Mr. Chairman. We have nothing to hide. We have put in our figure of \$2.5 million last year but this was found now in relation to the increased number of claims to have been underestimated by \$1.8 million because in that time, unknown to the people who forecast expenditure in the Medicare Commission, and they were unaware there was going to be an increase of 220,000 claims. They are made up of the 160,000 services by the doctors I have mentioned and the 60,000 claims over and above those for doctors already in practice.

If the average claim is \$5 to \$10, I think you can readily see with 200,000 claims how the amount of money was determined. So that is the answer as I have it and as I understand it.

MR. ROBERTS: Mr. Chairman, I do not want to pursue this needlessly but I do want to pursue it to the extent it should be pursued. Could the minister tell us what has been the average increase in claims over the last two or three years on Medicare and could he tell us what increase the commission did allow for?

DR. ROWE: Mr. Chairman, I have not got the figures but they worked this year on the basis of the previous year of the six per cent which was laid down by the federal government guidelines and they just told

me that it was found in the experience of the past year that it is not realistic. In fact when we go to another year we are going to have to be something like the same figures, so they informed me, so I can shed no more information than that.

If the honourable Leader of the Opposition would like me to have him meet the officials of Medicare, who are the same people who worked there in his day, and I am sure he is aware of the Executive Director, the Medical Director, they have not changed their personnel, they have not changed their method of work, I would be quite happy to arrange a meeting with him and M.C.P. if he should wish to come down and go through their statistics. But the figures that I have been given by them I have no reason to dispute. If surely the number of increases in medical services through the year has increased by a number of 200,000, that surely is the reason for the main increase

MR. ROBERTS: Well, Mr. Chairman, I would be delighted if the officials wanted to come to see me and if they were permitted by the minister to discuss with me this information, I would be delighted to talk with them and to learn. I know that Mr. Moores and Dr. Knowling and so forth, the personnel have not changed significantly, the executive personnel since I was Minister of Health. What has changed is their record of success and I do think it is very shoddy of the minister to blame his officials.

The whole basis of ministerial government is that ministers are responsible for their officials and -

DR. ROWE: Mr. Chairman, I am not saying I do not take responsibility. I am just giving the figures that were given to me.

MR. ROBERTS: Mr. Chairman, I have the floor and when I am done the minister is welcome to say what he wishes. I do think it is shoddy of him and I repeat that it is. Now I would be delighted to meet with the officials, if he wish to ask them to come to see me at any mutually convenient time. I do find it most astounding and if I have the minister's assurance that he would ask his officials, the Medicare officials to meet me, perhaps Mr. Moores, He is the head man and a



very competent and able man to my knowledge and to the best of my experience, I would be delighted to let the matter rest for the time being but it is disturbing, Sir, that a commission which has over three or four years of experience, I venture to suggest been pretty dead on in their estimates, pretty close to dead on in their estimates, all of a sudden in a year are ten per cent out. As the Minister of Finance last night, in discussing the overall supply, said, the government were one point six per cent on. I think that is pretty good, that is leaving aside the year of the linerboard mill and all that sort of thing, the experience has been pretty good in this province over the twenty-five years that we have been a province, of supplementary supply. It has been pretty good and all of a sudden we have Medicare, a very large chunk of expenditure, \$17 million, \$18 million a year being ten per cent out, and that is serious.

I do not begrudge a penny of the money and I am not saying that the money was misspent. I do not think it was

it was. The fact remains if this committee cannot have confidence in the estimates that are presented then that is a serious matter. I venture to suggest that nowhere else than the Department of Health has there been a ten per cent misestimate, nowhere else has there been a ten per cent misestimate.

The other amounts in this head I would suggest, Mr. Chairman, are amounts that were not foreseeable. Presumably. We have not talked about the other things in detail yet, have we?

Salary increases, where the government when they made up the estimates had no way to know what salary increases they would have to pay, indeed even as they went into bargaining they did not know and when they concluded bargaining they did not know, so that we can accept, but I am concerned, Sir, about what amounts to a ten per cent underestimate and I think the minister should find out the reason why because these men, the Medicare Commission in my experience were dead on, and this could be looked at, it could be proven, were dead on in their estimating all of a sudden they make a ten per cent goof.

Fine, if it is their fault something should be done, if it be not their fault then again something should be done but the matter has got to be looked into. I would be quite happy to conclude, if he would like me to see the officials, I would be happy to see them but until then or until he gives us some explanation, and he has not given us a satisfactory explanation of this great misestimate, then I for one am dissatisfied. I will vote for the money because it has been spent, I have no reason to think it has not been spent properly in accordance with the plan. It is a pretty heavy charge of incompetence to bring against the minister to say that on this large item of business for which he is responsible in this administration, we had a ten per cent underestimate and I am willing to wager that that is the first time in the four or five years of the Medicare Plan that we have had a ten per cent misestimate, a ten per cent underestimate in expenditures.

I also would be willing to wager that across the whole range of government expenditure there has not been a ten per cent misestimate in

the estimates before us now or in the estimates before us in say the last four or five or six years. Those things do not happen in the government, Sir; the civil service are too good, the officials are too good and as a rule the ministers are too good. It is really up to the minister to take some action to assure the committee and I am afraid he has not done it, at least not to my satisfaction as yet.

HON. J. C. CROSBIE (MINISTER OF FINANCE): Mr. Speaker, the honourable gentleman opposite is making a mountain out of a medicare molehill because the record of the Medicare Commission is good not only this year but was in previous years. If one want to look at what has happened in the past and what is happening now and if we just look at 1966-1967 to date we will see that supplementary supply in 1966-1967 was \$54 million. It had nothing to do with the Linerboard Mill. It came to 21.4 per cent of all gross expenditure in that year. That in 1967-1968 supplementary supply was \$54.5 million, for 16.7 per cent of gross expenditure; in 1968-1969 it was \$23 million, for seven per cent; 1969-1970 it was \$21 million or 6.2 per cent; in 1970-1971 it was \$42,742,000 or 10.6 per cent for the whole budget, not just for any one item. In 1971-1972 it was \$46.5 million or 8.8 per cent of the total gross expenditure. Last year it was \$7,646,000 or 1.3 per cent and this year it is \$10,380,000 or 1.6 per cent, as a percentage of the gross expenditure.

So it is quite obvious, Mr. Speaker, when one looks at those figures, that the honourable gentleman is trying to make a great cause célèbre, a great case, a great mountain out of a molehill. The amount of \$1.8 million as an underestimate or an additional expenditure under medicare is not a high amount. The minister has explained it in this House repeatedly, last night and today. The additional doctors, the additional units of service, the additional fee-for-service revision and so on, it has all been explained. So there is no great issue here. The minister should be congratulated on the small amount of supplementary supply there is in his department, \$5 million, in the second largest spending department of the government. Therefore the rest of this is mere puffery and not really germane.

MR. ROBERTS: Mr. Chairman, I think the Minister of Health and I have said all we can usefully say at this point, and that is fine. I have said what I have to say and he has said what he has to say; but let me reply to the point made by the Minister of Finance. I do not quarrel with his figures on supplementary supply. I notice the highest years in percentages were the years in which he was a member of the Cabinet, under Mr. Smallwood as Premier. They were somewhat considerably lower when others took up the torch that he had laid down or had taken from him.

But the fact of the historical record of supplementary -

MR. CROSBIE: I have to go back again now.

MR. ROBERTS: The honourable gentleman can go back to 1832 if he wish - which is the first time we had a House of Assembly. I am blamed for what happened in 1949, when I was eight years old, they might as well blame me for 1832, one hundred and eight years before conception. Even Tristram Shandy I believe started - did the novel not begin at the moment of conception?

I mean you know the minister has a new doctrine but to talk about the record of supplementary supply over the past four or five or ten years is entertaining and great fun and if it is in order let us do it but that does not take away from the fact that on a major predictable vote within the Medicare thing, for the first time in four or five or six years, whatever our historical experience of Medicare has been, we have had a very large misestimate, and that estimate is ten per cent under.

Now \$1,800,000 is not a lot of money when viewed against the total expenditures of the government. We are spending of the order of \$700 millions this year. \$1,800,000 is not an excessive amount of money but it is a lot of money, Sir. It is a lot of dollars. It is ten per cent of the total expenditures of Medicare. What I want to know and all I can do is state the question and we shall leave it be, the minister hopefully will send or I will take him up on his offer to send the Medicare people to see me and then I shall

chat with them and we will see, but all I can say is their performance under their present minister is not nearly as good as their performance under their previous minister or the minister previous to that or the minister previous to that, and that is as far back as the Medicare Commission goes.

It is a serious error. It is a ten per cent error and that is significant. More significant is the fact that there is no apparent reason for the error and all the ministers' comments here in the committee have not set it straight. Now if anybody should want to debate it at length I am glad to, but I certainly said what I have to say on the point for now, and the Minister of Finance has attempted to draw a red herring across our trail, which is not very good. It is not even a red caplin let alone a red herring. That should not take away from the fact, the Minister of Finance cannot take away from the fact that there is a ten per cent misestimate. If he wants to congratulate the Minister of Health for that, good, let him do it but he will certainly have shattered the confidence that a lot of people sometimes feel in the Minister of Finance when it comes to the more businesslike and machinelike functions of the government, the accounting machine functions.

I am really surprised to hear the Minister of Finance talk about a ten per cent misestimate as being something to be congratulated on. That is a new doctrine in public finance even in this province.

On motion Head X, carried.

Head XIII Tourism - \$890,200

MR. CHAIRMAN: The honourable the Minister of Tourism.

MR. DOYLE: Yes, Mr. Chairman, that amount is broken down as follows: Salaries - \$168,000; a grant from the Secretary of State, well there is an appropriation-in-aid against \$201,400 and that is for such items as follows: Travel funds for extension officers, this is under Historic Resources, extension, with travelling exhibits and with the museum mobile, to refurbish the 'Norma and Gladys' as a travelling

museum and for cataloguing, assistance funds for provincial collection of artifacts as well as archaeological collections. As I have said, that is offset with appropriation-in-aid.

An amount of \$520,800 which is for the various travelling units of the Confederation Celebration Committee: It will be recalled by members of the committee that when the committee was set up about fifteen months ago, in last year's estimates, an amount of \$100,000 was put in as nothing more than a guess because at that point in time nobody knew what was going to be developed. It has therefore been necessary, in order to get these travelling units ready to start next week, which they are, that we have to go back for more funds. I am referring here to the production of the "Celebration Time" units, that is the six units that travel around the province, the "Where it is at," programme, such things as the International Bicycle Race,



the various festivals, the Fisheries exhibition, the calendars which had been mailed out and in the process of being distributed in the city of St. John's this week, general public relations and billboards in the Atlantic Provinces and Toronto, Montreal area. That is the general breakdown of that total vote, Mr. Chairman.

MR. P. S. THOMS: Mr. Chairman, I wonder, as far as the twenty-fifth celebrations are concerned, could the minister inform us if any of this money, this block vote, \$520,000.00, is going to Horizon Communications or George McLean and also while he is on his feet could he tell us who was responsible for the calendars that were distributed to the public, The Twenty-Fifth Anniversary Calendars, start him off with that.

MR. DOYLE: Yes, Mr. Chairman. Under that block vote of \$520,800.00 there is an amount of \$43,200.00 being paid to a firm by the name of Horizon Communications Limited for provincial and national public relations. These are the commercials which have been on the media in the last few weeks and so on and so forth.

The second question; Mr. McLean's firm of Nacon Limited is the firm which is responsible for the complete production of the "Where It Is At" travelling caravan. That amount is \$108,600.00 which is approximately broken down into, or put it another way, approximately half of it, fifty odd thousand, was spent in Newfoundland for the direct purchasing of film, the processing of film done by local firms, the hiring of local technicians and hiring of people to go with the unit. These are all Newfoundlanders and therefore money that stays here.

The calendar, I do not know exactly what the honourable member was referring to but it was printed by Robinson Blackmore. The layout was done between our own department and our full-time advertising agency, which is McConnell Advertising, and the total figure for the calendar, which includes printing, envelopes, postage and in the urban areas, such as St. John's, instead of using the post office, we are using cadets and boy scouts and so on, and paying them so much a unit to deliver them. The total cost is \$112,800.00 for 350,000 calendars. The general



mailing for householders in the Province, including those distributed, is about 135,000. The balance will be used as another piece of tourist literature which will go out in the normal course of events with our regular tourist kits in response to the normal thousands of replies we get to the various advertisements we have in magazines, what have you.

MR. THOMS: Could the minister inform us, Mr. Chairman, if any of this work went on public tender.

MR. DOYLE: Some did and some did not, Mr. Chairman. The calendars went on public tender and the balance did not because of the very nature of the work. For example, "Celebration Time", which is the six units, the four caravans and two longliners, as I have said before, is the exclusive film process of the Czechoslovakian one, Tibor Rudas, who owns the right to the process and when we decided that we would go with this particular process, obviously you cannot put it on tender because he has the copy right to it. We are quite satisfied, as a matter of fact delighted, as I am sure honourable members will be in the next few weeks when they get an opportunity to see the current year's film which has not been released yet, it will be next week, of the Department of Tourism. It is entitled "Ocean Heritage". It is narrated by Gordon Pinsent. It is produced by Mr. McLean. As is well known, the department produces a film a year

This is over and above these anniversary celebrations now but I am referring to the fact that we are quite pleased with the work that Mr. McLean's firm does as far as production of film is concerned. This is why he put together the "Where It Is At" programme which is a combination of 5,000 slides and films.

In the case of the fisheries exhibition and the various festivals, we went to a firm called Internation Events which has experience in doing this type of thing and nothing else.

In the case of Horizon Communications we went to them. They are a new, young firm but they are made up of people who have come from larger firms who did specific items only. In other words, they had three or four people in Horizon Communications who had been assigned to this job for the six month or seven month period. It is not like getting involved with a large firm which has a dozen things going on at the one time. McConnell Advertising are our regular advertising agents.

MR. THOMS: Mr. Speaker, could the minister inform us who is taking care of the advertisements, say, for example in "Time Magazine" or magazine section of the "Weekend Telegram"?

MR. DOYLE: Yes, that is McConnel Advertising Limited which is just part of our normal annual Department of Tourism advertising.

MR. THOMS: Now, Mr. Speaker, I wonder could the minister - I notice he has \$168,000 there for salaries. First, I would like to know how many people that are on the payroll. From last year's budget, Mr. Nutbeam was to receive the salary of \$25,000. Is there any increase in this salary for Mr. Nutbeam?

MR. DOYLE: Now, just a second now. Mr. Nutbeam's salary is \$20,000 and has not been changed. On salaries the subheads I have here do not pertain to Head 13-08 which is the Anniversary Head. The salaries are all broken down. If he have your estimates book there, the blue one, it is the regular Department of Tourism salaries, regular staff, just normal increases in salaries and additions to staff. The honourable member will recall that the Department of Tourism is a brand new department

just barely a year old or it will be next week. We have been adding staff and hopefully will add more and this accounts for the increase in salaries. There is nothing in that salary vote that pertains to the Silver Anniversary Committee.

MR. THOMS: Yes, but the \$168,000 which you mentioned earlier, this is for the Twenty-Fifth Anniversary. Is that correct?

MR. DOYLE: No.

MR. THOMS: Oh, it is not.

MR. DOYLE: The \$168,000 is just salaries for the Department of Tourism.

MR. THOMS: Just for the department.

MR. DOYLE: Exclusive of the anniversary.

MR. THOMS: Okay. Well, how many of the staff are assigned to the Twenty-Fifth Anniversary?

MR. DOYLE: There are none of the full time staff of the department assigned, as it were, to the anniversary. The staff consists of Mr. Nutbeam, Mr. Fisher, his assistant who was hired in October for a twelve month period, and two or three field workers and Mrs. Williams, executive secretary, and Mrs. Auchinleck who had been my secretary in my other department, Rehabilitation and Recreation. I lent her, if you will, to the Confederation Celebration Committee for a few months because I use my Department of Tourism secretary, if you follow what I mean. Is that clear enough?

MR. THOMS: Could the minister inform us if any of this vote, the \$128,000, goes towards Wildlife, say, through increase in game wardens or anything like this?

MR. DOYLE: I was waiting for that one. I say I was waiting for that one.

13-05-01 - yes, an amount of \$40,000 represents salary increases and new staff under Wildlife and on that point I am sure the honourable member and other members will be happy to know that I hope and plan next week to be announcing for Wildlife,

the new programme referred to in the Throne Speech recently. To answer that question : Yes \$40,000 of that \$168,000 pertains to the Division of Wildlife.

MR. THOMS: Are there any new wardens appointed?

MR. DOYLE: There have been no new ones appointed, we have authority from treasury board for the hiring of four more which only came through recently but we are holding that off for a week or two until I make a full announcement on the new programme. It will unfold as a complete package. What I am saying in effect is that there will be more than four hired.

MR. ROWE, W.N. I was following the minister as closely as I could, Mr. Chairman. Did I understand him to say or if he did not say will he give us the information regarding the McLean people, \$108,600 I understand, paid to him last year under the Twenty-Fifth Anniversary Head? Was any of this work tendered? Were any tenders called for any of this work or were proposals invited for any of this work?

MR. DOYLE: It is hard to pinpoint it down to that one piece of work. We did make some enquiries at the university, back in March, as to any possible interest they might have in any film work that we were thinking about in terms of the anniversary. Now whether or which work it would be would depend on what their answer was.

I am informed that apparently there was not too much interest on the part of the university, due to lack of staff or whatever I do not know. But other than that there were no other proposals asked for. "No" is the answer.

MR. ROWE, W.N. In other words, the answer to the question is "No, tenders were called and no proposals were asked for on any of the work constituting over \$108,000 which have been paid out already to the McLean people." That is the answer to the question.

On the Horizons payout - I understood this is forty odd thousand dollars paid directly to Horizons. The \$112,000 for mailing calendars and that would not have been paid to Horizons?

MR. DOYLE: No.

MR. ROWE, W.N. It would have been paid to printers and for postage and that sort of thing.

MR. DOYLE: Right.

MR. ROWE, W.N. Forty thousand odd dollars -

MR. DOYLE: Forty-three thousand, two hundred dollars

MR. ROWE, W.N. Forty-three thousand, two hundred dollars paid to Horizon for doing what? For putting together the ideas, is that it?

MR. DOYLE: No. I should have been more explicit on that. In that \$43,200 and I have not got the breakdown here, approximately half of it is paid to Horizon who in turn pay the media. In other words, you probably have seen these advertisements in the last few weeks asking for various groups to send in, let us know when they are having an event or whatever. These advertisements are placed by Horizon on our behalf and they are billed to Horizon who in turn pay them. It is like an advertising agency in effect. In addition they are doing their own PR work as well.

MR. ROWE, W.N. A month or so ago in the House the Member for Bell Island asked the minister whether his department or any agency under the jurisdiction of his department had entered into any arrangement with Horizons and the minister said, "No." Are we to assume that in the short period of time that has elapsed since then that a deal was entered into with Horizons, that they put together the calendar or the idea for the calendar and \$43,000 has been paid out to them? Is that a correct statement of fact?

MR. DOYLE: No that is about half-and-half. First of all, there is no connection between Horizon and the calendar, these are two separate balls of wax completely.

The day that the honourable the Member for Bell Island asked me the question and I answered "No," I answered correctly. He subsequently asked the question on two or three days I believe and was asked by the Speaker to put it on the Order Papers, which he has not seen fit to do. At the time he asked, there had been no arrangement reached with "Horizon", I had been waiting to get it to cabinet to get

approval to employ them. A couple of the Horizon people were in town simply, to put it loosely, waiting to get word as to whether or not they were going to be hired. They subsequently were hired and in the last roughly four weeks have put together this PR programme, these advertisements and the bulk of that money, that \$43,200,



has gone to them for paid-out advertisements plus a down payment on their own work. To emphasize the point, the question from the honourable Member for Bell Island, at the time, and I am glad of this opportunity to do so, when he asked me the question they were not employed by my department nor by government. This is what he asked me and I said; "No."

MR. W.N. ROWE: Can the minister tell the committee whether a firm contract has now been entered into with McLeans regarding the various aspects of the Twenty-Fifth Anniversary Celebrations? What I am asking really is, this \$108,000, was there a firm contract entered into with McLeans for \$108,000 or various contracts for that amount or any other amounts? Are there now contracts entered into with McLeans? If so, how much are they worth? What are they for?

Or is the situation this? That McLeans sends into the department some stuff, not to give it any more specific description or designation, and then Harbin buys it off them by the expenditure of public funds? Or does McLean or his company call up the minister or some other official and say; "How about if we do this?" And he is given a verbal, okay? Exactly what is the procedure used in dealing with Mr. McLean and his companies?

Are there contracts entered into? It is a very loose, untidy arrangement? What happens? How do the government get into a deal with McLeans whereby bills are sent, presumably, to the government and the government send out public money to Mr. McLean?

MR. DOYLE: First of all, Mr. Chairman, Mr. McLean and all his firms' only involvement in the Anniversary Celebrations is for the "Where Its At" programme, which is being done by NACOM Limited, which is one of his firms.

There is, to the best of my knowledge, a letter on file of agreement between us and him to produce the programme which we put a name on and called "Where It Is At". It is made up of, as I said, five thousand slides and some film for which the firm sent photographers all over the province to get some of these things.



It is a multi-slide and movie presentation which tells of Newfoundlanders at work and at play. It pictures scenes both familiar and strange and includes some of the most spectacular underwater photography ever taken off our shores.

What I am saying, Mr. Chairman, is that we agreed with Mr. McLean that he would produce the programme, it would be called "Where Its At." Dickering back and forth we agreed on what it would cost, what we were prepared to pay for it and there is a letter on file to that effect. He went ahead and produced it and he is organizing or has organized, because the Premiere is next Wednesday night in the Holy Heart of Mary Auditorium. He has hired local people to travel with the thing and this comes out of his money that he is getting from us.

MR. W.N. ROWE: Would the minister care to tell the committee how much the price finally dickered at, how much was arrived at? Would the minister undertake to table the letter of commitment or letter of agreement in the committee?

MR. DOYLE: The price, Mr. Chairman, on the Supplementary Supply is \$108,600. I do not know offhand if that is the end of it, although I will undertake to find out. I would think that that is certainly the bulk of it because the bulk of the work is done. The thing is ready to go next week. Yes, I will undertake to get a copy of the letter and table it, the letter of agreement.

MR. W.N. ROWE: Well this is Supplementary Supply but I think this is a legitimate question to ask the minister, Mr. Chairman. The amount of \$108,600 is paid out or has been paid out to McLean above and beyond other monies which may have been paid out to him. I am surmising this now, the minister can set us straight on it when he rises again. \$108,000, over \$108,000, is the Supplementary Supply,

the amount needed to pay McLean Enterprises, call it McLean, to pay McLean for this "Where It Is At" thing. Is this the total amount paid to Mr. McLean from the minister's department or were other amounts paid to McLean out of funds which were approved in this House when the main estimates were brought in last year? Does the minister understand what I am asking?

MR. DOYLE: Yes. This is the total amount paid out to McLean or the McLean firms under supplementary supply. Mr. McLean (this is rehashing last year's estimates) produces a film, which I think is referred to, a year and which was approved in last year's estimates. Mr. McLean's firms are on a retainer basis of \$7,000 a month which was approved in last year's estimates, to produce various brochures and bring in various news writers and so on and sports writers from around the world, which has all been approved. The only involvement of McLean's firms in the anniversary is this "Where It Is At" programme. The only involvement in the supplementary supply, which is what we are talking about, is this \$108,600.

MR. W.N. ROWE: What we have coming from the minister's department alone and going to Mr. McLean is \$108,000 supplementary supply; \$7,000 a month, twelve months, that is \$84,000, which is nearly \$200,000 from the minister's department alone, plus a film - can the minister give us any idea of what was paid to McLean for the film last year? It is a legitimate question in supplementary supply, Mr. Speaker, because the minister is coming into this committee and asking for more money. His estimates last year were not sufficient. He brought them into this House, main estimates, and he said that this is what we will spend next year, estimated expenditure. Now he is asking for more money. For the minister to stand up and say that this was all rehashed last year, so it was all rehashed and rehashed last year, but we were given the impression that the amount asked for by the minister was the amount he was going to spend last year. He is now asking for more money, a total of nearly \$1 million, \$890,000. What I

want to know, if the minister would care to give it to us, is how much that film cost he is talking about. We are already nearly up to \$200,000 from his department alone to McLean. What other monies have been paid to McLean out of the estimates of his department? It is a legitimate question because if the money had not been paid to McLean or other monies had not been paid to McLean, he would not be coming in asking for further funds, supplementary supply. I do hope the minister does not try to worm out of giving information to the committee by saying that this is supplementary supply and things were hashed and rehashed last year in committee, Mr. Chairman.

MR. DOYLE: No, Mr. Chairman, I had no intention of worming out of anything. I thought I was being explicit and I will now be so. We are discussing Head 1308 under supplementary supply and 1308 is the heading for the "Silver Anniversary of Confederation Committee." Mr. McLean's involvement in that subhead, under supplementary supply, is for \$108,600, as I have said for the "Where It Is At" programme. Mr. McLean's only other involvement with the Department of Tourism is covered in subhead 1303, under tourist services, which includes the film of which we do one a year at least and his retainer of \$7,000 a month and that is it as far as the department is concerned.

Mr. Chairman, on the specific subhead which we are talking about, the only involvement in supplementary supply with Mr. McLean is this \$108,600 under the Silver Anniversary, head 1308.

MR. W. N. ROWE: As it happens, Mr. Speaker, what we are dealing with, to correct the minister, is not the subhead but head of expenditure XIII, Tourism, \$890,200. Now the minister comes into the House looking for that extra money. Now he has already been very generous with his information in telling us that \$108,000 or more has gone to McLean for "Where It Is At," and that \$84,000, not necessarily for supplementary supply but it came out of the estimates of his department, money from his department has gone to Mr. McLean for \$7,000 a month retainer for God knows what. Where It Is At? Mr. McLean has found out where it is at, Mr. Chairman.

It is the Minister of Tourism's department where it is at, \$200,000. Now I am asking the minister a simple question. How much was paid to Mr. McLean last year for a film he talks about? They are under some kind of a contractual obligation of one kind or another ( We have not seen it tabled or anything) for a film. How much was paid to Mr. McLean for that film?

Mr. Chairman, as the minister well realizes, if an amount of money were not paid to Mr. McLean for a film then he would not be coming into this House now ( I am assuming money was paid to him for a film, assuming that money was paid to Mr. McLean for a film, above and beyond the \$84,000) looking for \$890,000 worth of supplementary supply, Mr. Chairman. He would be coming in looking for a lesser amount. Would the minister kindly give the committee the information I asked for; namely, how much was paid to Mr. McLean for a film?

MR. DOYLE: Yes, Mr. Chairman, the amount is approximately \$50,000, which is documented in the estimates of last year's documentary films, \$90,000 total. The approximate price I would say is about \$50,000. It has not all be paid yet because the film has just recently been completed and that includes something like one hundred copies at several hundred dollars per copy for distribution throughout North America. It is the same as last year. There is no connection between the film that I believe the honourable member is talking about now, the Department of Tourism film and the "Where It Is At" film, other than the fact that they are both done by the same firm.

MR. W. N. ROWE: I could not care less, Mr. Chairman, whether the film Mr. McLean is producing for the Department of Tourism is; "Where It Is At" or "What Is It For?" or "Come Paint and Photograph" or anything else, all I am interested is finding how much money is paid by the Department of Tourism to Mr. McLean and his assorted companies. Now we are up to \$108,000, \$84,000, that is nearly \$200,000 and \$50,000 added on

to that, that is one quarter of a million dollars of public money, Mr. Chairman, gone to one individual or one individual's firms to produce questionable material at best for the government or presumably the people of Newfoundland. I just want to stress that point, Sir. I am not going to say anything further about it now. This is really not the time to get into full flung debate on the minister's estimates. When the main estimates come, I do hope the minister will obviously come prepared with information for the House because we do intend to talk about Mr. McLean and some of the other people, i.e., Horizon and how much will be wanted for them. The minister may not want to answer this question now but he may want to answer it if he wish to be frank with the committee, completely frank.

Mr. Chairman, it looks as if \$580,000 of supplementary supply, plus \$100,000 I believe, which was in the main estimates last year - I do not have the book before me. Was there \$100,000 in there for the Twenty-Fifth Anniversary?

MR. DOYLE: Yes. That is what we started out with.

MR. W. N. ROWE: One hundred thousand. So far \$680,000

have been spent on the Twenty-fifth Anniversary Celebrations. We will see the figures when the main estimates are brought in the House but can the minister now hazard any kind of a guess based on his departmental estimates as to how much his department will be spending? He obviously cannot be held accountable in committee for any expenditures made by other departments, but how much will his department spend, does he think, on the Twenty-fifth Anniversary Celebrations? Can he give us some kind of an estimate as to what that figure will be now?

MR. DOYLE: It is still a difficult total question to answer, Mr. Chairman. I am not trying to hedge around at all but it is difficult to answer from the point of view that there are still many unknowns such as we thought we had various hundreds of halls and so on booked around the Province. Now we find recently that the rates for some of the halls are going up all of a sudden, to give an indication. For instance, last year as the honourable member has said we started in the estimates with \$100,000.00 because obviously, last year at the start of the committee, nobody knew what we were going to be doing in the way of celebration plans. So, we started with \$100,000.00 which was really at best not even a educated guess, just a guess, enough to cover salaries.

I would find it difficult at this time and I would not want to say it. I would rather be sure of my ground which I will be when the estimates come, in that we are still awaiting a final decision on the Federal Government's total input into the celebration activities. We are aware of bits and pieces but we are not aware at this point in time of a total input and based on the Federal Government's input for which they have a formula will depend on how much we have to put in.

So, rather than go out on a limb at this time, Mr. Chairman, I prefer not to answer that question at this time. It will be fully debated by next month, whenever the estimates come up. I can only say at this time that the assumption the honourable member has made is quite correct, that the Silver Anniversary Committee in this current year has cost \$620,800.00.



MR. B. ROWE: That is fair enough, Mr. Chairman. The minister has said, as I understood him, when the main estimates come before the House in the next few weeks he will have an estimate as to how much it has cost to date. He will not only have an estimate but a figure as to how much it has cost as of that current date and an estimate as to how much it will cost in the future. So, we will find out that information.

One other question, Sir. A month or so ago there was a dispute of some sort reported quite fully in the "Evening Telegram". I forget many of the details now but there seemed to be a dispute between some artists and photographers and people involved in artistic pursuits and Mr. Nutbeam, when Mr. Nutbeam announced at a seminar of some sort, I believe it was at Memorial University, that McLeans Enterprises had been hired to do various things and there were all kinds of disputes. I have heard myself, for example, that certain things which Mr. McLean's companies are charging \$200.00, say, for, I heard that, from one source, the Extension Department of Memorial University could do it for twenty-five dollars.

Now, I admit quite readily that these are hearsay statements. I do not know and I am not technically expert enough to make any kind of a judgment on it but you do hear these kinds of rumblings throughout the Province, Mr. Chairman.

MR. MORGAN: Propaganda.

MR. ROWE: Propaganda. What is the yahoo from Bonavista South going on about now. I thought he was going to leave the House and do us all a favour, Mr. Chairman.

MR. CHAIRMAN: Order, please!

MR. ROWE: Mr. Chairman, my enjoyment of this House went up one thousand per cent two or three days ago when he said he was not going to grace us with his presence any more. I am sorry, indeed sorry to see him back in his seat.

Mr. Chairman, to carry on with what I was saying to the minister, you hear this kind of rumblings around. It may be the costs that Mr. McLean's Enterprises are charging for various things can be duplicated

or done as well as Mr. McLean and for a much cheaper price.

Could the minister give us some idea as to what this is all about and what the policy of his department is on some of the statements and allegations made by this group of artists and artisans and whatnot? I am sure he is well aware of it. I am sure he has had talks with Mr. Nutbeam about what went on there. Could he fill us in? I admit I am basically ignorant about the whole area. Perhaps he may be able to shed some light on some of the disputes and some of the questions raised.

MR DOYLE: Yes, I can shed some, Mr. Chairman. I was out of town that weekend. I understand that really what it boils down to is a difference of opinion or an opinion between people who were at the arts conference. I believe it was in late February this was sponsored by the Extension Service and Mr. Nutbeam went there on invitation, I believe, as I understand it, to tell the people what plans were envisaged for the celebration year.

Again as I get it, hearsay, from several sources, the thing sort of developed into a beerpit session. Really that is what happened. Tempers flared for a while, I am told, but really it boils down to a matter of personal opinion as to who can do a film better than somebody else.

As I have said before, I said it last year and I will say it again now, we happen to be quite content with the film work which is being produced for this department and for the government by Mr. McLean. Whether or not we can get as good work as cheaply either here or elsewhere is a matter again of personal choice, I suppose, but we are quite content with the work we are getting. Last year's film, the name of which brings a smile to many people, which happened to be called "Come Paint and Photograph Us" won several awards on the Mainland. This year's film "The Ocean Heritage" which I just referred to will be released next week and I am positive will win several first-place awards. Those who have seen it think it is a tremendous production. Really it is a matter of personal opinion as to whether Mr. "A" can do it better than Mr. "B".

That is all I have to say on that, Mr. Chairman.

I have not got much more information on the Arts Conference other than what Mr. Nutbeam told me and Mr. Perlin and Mr. Henley who were also there and a few other things that have come to me third and fourth hand.

MR. B. ROWE: The thing that concerns me, Mr. Chairman, and the minister might get some additional information for us on this.

David Blackwood, I believe was there and he

express an opinion as one of Canada's foremost artists that a lot of the things being done by McLean as a company could be done by local people. I do not know what he meant by that. Even Mr. Pratt, another foremost Canadian artist with decided political tastes, his taste in politics is not as good as his taste in art, even he, Sir, who has not been known to be outspoken against the present administration, expressed some distress, concern and anxiety over the fact that other people, Newfoundlanders with ability in various fields, had not been approached or had not been involved by Mr. Nutbeam and his committee but that everything seemed to be holus-bolus shifted over on Mr. McLean's broad shoulders.

Now, these concerns were expressed, Mr. Chairman, and as a member of the House I feel it my duty to express the same concern. I do hope that when main estimates come through the House, the minister comes prepared with the answers to some questions and between now and then I hope to speak to a number of people and find out what some of the expert opinion throughout this province is on the whole subject. I do hope the minister comes prepared to answer some of the questions which may be raised then.

MR. DOYLE: Yes, but, Mr. Chairman, just on that point - by that time we hope that many of us will have seen the productions. The people at the conference at the time had not seen the films that everybody was talking about. You know, I had not seen them myself until recently and I have not seen them all yet. They were talking about film production in general without being specific.

So, I feel that the films themselves will speak for themselves when they are seen by hopefully every Newfoundlander. I will certainly be prepared, obviously in more detail, for the estimates when that time comes around.

MR. WINSOR: Mr. Chairman, the minister made mention of the involvement of two long liners. Would he explain to the committee what the involvement is of those boats and if or what charter they are getting or were tenders

called for the charter of these longliners?

MR. DOYLE: I can answer the first part of the question, Mr. Chairman.

I cannot answer the second part but I will undertake to get it.

The involvement is simply that the Celebration Time Programme, which is the combination of film and live entertainment - in it there are six units, four are land caravans which will travel throughout the province, on the road, and two are boats, longliners which we engaged in order to get the programme to places in the province that have never before been able to see such a thing because they have been off the beaten track. We wanted to make sure that we covered the whole province, the Coast of Labrador, White Bay, parts of White Bay, the Southwest Coast, which are still inaccessible by road. We therefore engaged the services of two boats.

Now, as to what boats they are and what rate of charter, I do not have that information here but I will undertake to get it for the honourable member. I do not know whose boats they are but I know they have two boats engaged. I can get that information today or tomorrow for the honourable member if he wish.

MR. SIMMONS: Mr. Chairman. I think he was talking to Mr. McLean, Mr. Chairman.

Well, Mr. Chairman, listening to the Minister of Tourism there is no question that there is at least one fellow in this province or wherever he is at the moment who can afford to be overweight.

AN HONOURABLE MEMBER: We cannot hear -

MR. SIMMONS: I shall repeat it a couple of times.

I say, listening to the Minister of Tourism, there is no doubt in my mind that at least one gentleman in this province or wherever he is can afford to be overweight. That is my point. He is certainly being very well looked after. When all the truth is told, I imagine he is being even better looked after than is apparent here today. Before coming here, I heard some stories about these goings on, all the

stories, and the worst of my suspicions have been confirmed today and I am shocked but there is perhaps more to come.

I am also shocked, Mr. Chairman, to hear the minister indicate that he does not know what the celebration is going to cost. If I were planning a party, I would have some figure in mind. If I began to run over that figure, I would certainly keep tabs on the excesses, the overages. Here the minister indicated that he does not have any idea whatsoever - indeed the one idea he does have is off by several hundred per cent from a figure given by one of his officials, a figure given the public of \$1.8 million versus \$600,000 given by the minister today.

I would, if the member for White Bay South has not already asked this question specifically, I would certainly ask the minister to take it upon himself to find out, as soon as possible, as accurate an estimate as possible on what these celebrations are going to cost. Mr. Chairman, I also use the term celebration as a kind of habit. It is being bandied around. It is printed on the calender. It is used in the literature. I am not sure what it is we are celebrating.

The calender certainly has aesthetic value, a nice job done. Certainly some fairly professional layout people had a hand in it. The print job is adequate as we know Robinson Blackmore can do. Of course Robinson Blackmore cannot be blamed for the tone of the document, the emphasis in the document. I am proud of "Cupids in 1610." I do not think it is particularly related to Confederation, Mr. Chairman. I am proud of the schooners which are sheltered over in Bonne Bay but they do not particularly relate to Confederation, Mr. Chairman.

I am proud of "Marconi's Place In History In Newfoundland".

AN HONOURABLE MEMBER: When was that? 1953?

MR. SIMMONS: 1949 actually, 1949. One would think from looking at the emphasis being given here - but as I say, Mr. Chairman, I do not think the matter of Marconi is particularly related to celebrating twenty-five years of Confederation.

I am proud of Newfoundland's role in aviation, Mr. Chairman, but



do not think it is in any way directly related to Confederation in 1949.  
I am proud of the role that the Ayre family has played in Newfoundland.  
I do not think it is particularly related to Confederation.

AN HONOURABLE MEMBER: It is related.

MR. SIMMONS: I just picked at random, Mr. Chairman, five or six of the pictures that I saw as I glanced through that. Of course the overwhelming message there is this; at all cost let us not mention the unmentionable. Let us not ever address ourselves to the thing we are pretending to celebrate.

what a complete mockery. What a slap in the face to Newfoundlanders who either voted for Confederation in 1949 or for reasons known only to them, and good as far as they were concerned, voted against Confederation, those who participated.

I could tell the senior member for Harbour Main some persons and some events related to Confederation which they have pictures of which are quite available but they dared not print. I was saying, Mr. Speaker, before the member for Harbour Main made his first major contribution of this session, that it is a real slap in the face to the people who were so deeply involved in Confederation that a government of this day should spend \$112,000 on a document that purports to salute Confederation without making one solitary reference to it, one solitary reference except as you will find on the various dates, a state banquet here and that kind of thing but not one solitary reference - \$112,000 on a Confederation item and not one solitary reference other than the word "Confederation" on the cover, about the subject which it is being pretended is being celebrated. Mr. Chairman, that is the point that I want to get across to the minister at this time.

I do not mind us spending some of the public money. As one taxpayer I do not mind it as long as we spell out what we are celebrating, celebrate what we say we are celebrating and hold the whole thing within bounds. The biggest mockery of this entire thing of course, the biggest shambles of all is the vigorous effort that is being made by government, by the minister and by his department, not to mention the unmentionable, not at any time to give any undue attention to the event which we are celebrating. If we are going to celebrate Confederation let us celebrate it. If we are not, let us spend the \$112,000 plus the other hundreds of thousands we have heard about for some other worthwhile purpose.

Mr. Chairman, I am not surprised that the minister finds the rates are going up for halls around the country, I am not surprised at all. The word is out. The word is out. This is an extravaganza. There is

no limits on it. The minister does not know what it is going to cost or he will not tell us. The word is out. It is one big blowout, so if you intended to charge \$10, that is normal fee in Fleur de Lys or some small community, make it \$20, make it \$30 this time, the word out has gone out across this country. It is going to be the biggest blowout, the biggest bash that Newfoundland has seen. Of course another reason why it is going up, Mr. Chairman, is the minister himself intimated when he said we had a tentative figure of \$100,000, we did not quite know what it was going to cost. I would say that lack of knowing was too widely advertised and I think people like Horizons and like NACOM and McLean and McCallum, whatever else you will provided its kind, I would say that these fellows got the message pretty fast that you could sell almost any idea to this committee, the Confederation Committee, you could sell any idea at all. There were no budget limitations. If you came up with a good idea it might cost \$50,000, \$60,000, \$80,000 but try it and you will probably sell it and they found that they have been dealing with a very gullible lot on this particular subject.

Mr. Chairman, I have several questions I want to put to the minister. I trust my comments have served to provide a sufficient preamble to the questions I will put to him in a moment. I just want to say first and also that he took pains to emphasize the involvement of Newfoundlanders in this enterprise, how Newfoundlanders would word and how the advertisements would be printed in Newfoundland newspapers and therefore the receipts would go to Newfoundland newspaper owners and so on and so forth. He did not tell us, of course and unfortunately, that I believe the McLean people, though I stand to be corrected, people putting together some slides in connection with this event and it may be the same slide presentation that the minister referred to a moment ago, but that some people putting together a slide presentation have been approaching local artists, particularly in the Corner Brook and Deer Lake Area, seeking their gratis co-operation. So I cannot see that that nets too much into the Newfoundland pocket. I do not

see Mr. McLean doing much gratis on this particular subject and I was very disappointed, disgusted to find that people were being buttonholed and told that it was almost a sin against country not to have your painting photographed, no reimbursement for it mind you, but photographed so it could appear in a highly priced set of slides which would be passed over from the organization concerned to the government.

I was surprised to hear the minister imply that Horizon had been engaged without cabinet approval. He did not say that, Mr. Chairman, indeed he said the reason he could not answer the question was because there had not been cabinet approval. But I remember the instance quite well. I remember the events which led up to the member for Bell Island asking the question he did on the first day. He asked it on that first day because he had knowledge, as I did that morning, that Horizon was already acting on behalf of the committee, it was already placing advertising on behalf of the committee at that time when he first asked the question.

Now the minister's explanation is that he could not answer the question on that day or he answered as honestly as he could because there had been no contract. I would suggest, Mr. Chairman, that Horizons had been engaged without cabinet approval and I would like some clarification on that point and if the answer from the minister is going to be, "No, they were not engaged without cabinet approval," how does he explain that this very reputable firm which he lauded in his comments earlier were going around to the news media, booking advertising, making financial commitments on behalf of the Confederation Committee before, according to the minister, the company concerned, Horizon, had cabinet approval, cabinet authorization to do so. I would like clarification on that point and two or three others, Mr. Chairman.

The calendar fee again, the calendar figure of \$112,800

Would the minister indicate to the committee whether McConnell's fee is included in that \$112,800 or whether this is an addition to the \$112,800? He did indicate that the layout was done in part by McConnell. Would he also indicate in reference to that point, Mr. Chairman, whether there are other involvements of McConnell in the Confederation Celebrations which will mean an additional charge on the treasury which is not being reflected in the figures of the Tourism Department at the present time or not being reflected in the total amount which the minister is indicating as the overall cost of the celebrations?

I have some others but if he would address himself to the matter of cabinet approval for "Horizon", to the matter of whether McConnell's fee is included in the \$112,800 and whether there are other involvements of McConnell which will mean additional expenditure, additional charges on the treasury as a direct result of McConnell's involvement in aspects of the Confederation Celebrations:

MR. DOYLE: In the last question first, Mr. Chairman, I have already said - perhaps the honourable member was absent at the time - there is an amount of \$38,000 in the supplementary supply for McConnell advertising which amount is for billboards in the Atlantic Provinces and in Toronto and Montreal Area. These are specific billboards having to do with the anniversary.

As far as McConnell's involvement in the calendars is concerned, their only involvement was as advisers. There has been no fee from McConnell's or will there be for their involvement with our calendars. The McConnell advertising agency has been the advertising agency with the department for some two years and we use them for general assistance and advice on other matters over and above their regular budget.

On the question of the calendar while I am still on it, I would commend to the honourable gentleman that he would read first the cover of the calendar which I now plan to do for the edification of all members present. In these three or four lines he will see why the pictures which are in the calendar are there. I quote as follows:

"This year we celebrate the Twenty-Fifth Anniversary of Newfoundland's confederation with Canada. But the history of our province goes back far beyond that - farther back, in fact, than any other in Canada. It is a history of a proud and independent people - some native to the land, many drawn from foreign shores by the promise and the adventure of the sea. It is a story of constant hardship and frequent heroism, of perseverance and pluck, of a way of life that is fast changing. It is our heritage - a past that comes alive for us in songs and sayings, in great deeds and traditional folklore. As we plan for the future, we carry hopes of those who went before. And we remember. Herewith, a fond backward glance at some of the people and places that will be forever ours."

I think that speaks for itself and it gives the reason why we chose the particular pictures from the Archives of the province.

MR. SIMMONS: Excellent, Mr. Chairman, I agree.

MR. DOYLE: On the question of the total cost the honourable member is a bit off, I believe he was absent in the early part of my remarks. Am I not correct? Earlier on this evening?

MR. SIMMONS: I stepped out, Mr. Chairman, a couple of times. I quoted the figure, I heard the minister say, \$600,000 is our guesstimate, is that correct?

MR. DOYLE: That is in this current year which ends the end of March. The figure the honourable member mentions is a figure of \$1.6 million which apparently got tossed around in Central Newfoundland a few weeks ago or a month ago. But the figure of \$620,800 is the exact figure which the celebrations are costing us in this current year 1973-1974, which is the \$100,000 we started with plus the \$528,000 which we are now discussing.

I explained why - not that I was not able, I explained why I did not feel at this particular time like giving a total figure and I still am of the same opinion, that figure will come out in this honourable House during the course of the next few weeks when we have it pinned down.

The honourable member mentioned - yes, Horizon. The explanation for that I am quite aware of what he is getting at. One or two persons



from the Horizon Communications Company were here, as I have explained before, awaiting word as to whether or not they had been employed by government. I had a paper proposal, a paper up to cabinet. For some reason and which I forget right now, the cabinet did not meet for a week or so. In the meantime, these people were here, there were certain press releases at the time in connection with, if I recall correctly, the song contest, the finals of which were held on February 14, Valentine's Night.

Mr. Pellerine, the man from Horizons, delivered these press releases to the various media. It was around that same week that the honourable the Member for Bell asked me that question. But at that time, it is an actual fact that Horizons Communications were not employed. They were not employed until the following week but while they were here they did do a bit of work on behalf of the committee. Presumably had my submission to cabinet been turned down we might have been faced with some kind of a fee-for-service bill for a week's work or something. There was no agreement they were just sitting here waiting to get agreement from me, which I had to get from cabinet. It was delayed because there was not a cabinet meeting for a week or something. That is the explanation of that.

MR. SIMMONS: Mr. Chairman, I am glad the minister read to me the citation on the bottom of the calendar. I have read it already. I knew somewhere looking through the calendar there would be some rationale for what had been done inside of the calendar. I underestimated, I did not fully expect it to be slick, so, so slick, so eloquently worded as it was. But again I underestimate people sometimes and when I read it I had to admit to myself that it was by far the slickest way, in two sentences. listen to them again. "This year we celebrate the Twenty-Fifth Anniversary of Newfoundland's Confederation with Canada. But the history of our province goes back etc." There is your springboard to get away from the celebration per se or the immediate reasons for it.

We are not celebrating, Mr. Chairman, our next one hundred anniversary as a settled land, we are celebrating Twenty-Five Years of Confederation. I could not agree more with the little preamble on the cover that these are matters we ought to celebrate. Sure, but let us call a spade a spade. If that is what we are celebrating the four hundred or four hundred and fifty or the next one hundred year of our being here as a group of Newfoundlanders, let us do that but let us not purport to celebrate confederation when that is the very thing we are trying to shy away from. It is pretty evident from the two sentences I just mentioned there to you. It would say the same thing if it read as follows: "This year we celebrate the Twenty-Fifth Anniversary of Newfoundland's Confederation with Canada but..,"

say the same thing. The minister has indicated that the total figure he mentioned was for this year. I appreciate that. I appreciate the difficulty, Mr. Chairman, of not knowing exactly what the total figure will be but I do maintain that the simplest principles of fiscal responsibility would require the Government to make some hard and fast decisions. It has to be arbitrary I realize but some decisions are going to cost \$5 million, \$2 million, \$3 million, \$4 million. Is there some overall figure in mind? I cannot get tripped up about fiscal years - whether it is spent on March 31 or April 2. It is still an expenditure on the treasury and the fact that it is \$600,000.00 plus in this year does not ease the bill that we are going to get next year. Can the minister indicate to us what kind of figure, what projected figure he and his colleagues in Government have in mind as to what these celebrations in total ought to cost? I do not care what years it winds up in in terms of the book entries but what in total is it expected to be? Is it \$1 million, \$2 million, \$3 million, \$1.5 million? What total figure do Government intend, plan to expect to spend on the Confederation Celebrations?

MR. DOYLE: As I said before, twice this afternoon, I am not prepared to give that figure at this time because I do not know it. I can take a guess and an educated guess but I do not want to do that. I would rather be sure of my ground which I will be within a week or so and as we are just discussing supplementary supply, which is this figure here right now, and as the total figure will obviously have to come out in the estimates on the discussion during the coming months, the answer to that question I will give at that time when I have more information. I do not want to put a figure out now and have it misquoted and thrown all around the place. But for the purposes of this bill before us today I have already given the figures and that is as far as I plan to go. I am not been obstinate. I am just trying to say that I do not have the figure due to federal involvement. The actual involvement, there are several formulas going to be followed. One of several is going to be followed and depending on which one they take, could make a big

difference to the overall total figure. So, for the sake of a few weeks, I am going to hang off on the total figure.

MR. SIMMONS: Mr. Chairman, it is fine with me. I have heard the minister say now that he undertakes to get the answer in due time. I think the matter of federal involvement is certainly appropos, certainly relevant, insofar as it tells us provincial legislators what will come out of the provincial kitty directly. I would suggest that if the minister is saying that the only amount he is concerned about is the provincial amount and he does not care how much the bill goes up otherwise because the Feds are paying it anyway, I would suggest that that is irresponsible and I would still say that no matter now the pie gets divvied up, how the sharing arrangement works, what formula is used between Ottawa and St. John's, I would say that Government ought, before planning such a big binge as this, to know what it is going to cost in round terms. I can appreciate that because he does not know what formula is going to be applied vis-a-vis the Federal Government's involvement. Then I can see that he cannot very well put a figure on because if the total cost is \$3 million and the Province's share is half, that means \$1.5 million for the Province. If province's share is one-third, it means \$1 million and the difference in the two figures I have just mentioned is \$0.5 million, a substantial amount. I am not asking for that. I am saying that now or subsequently, and I am prepared to wait for the later occasion on which he has indicated he will give the answer.

At some point the public should know what the total figure will be. It would be also of interest to us, of course, to know what the involvement of the Federal Government is but I would certainly like to know what the overall celebration is going to cost.

I would like to get back, Mr. Chairman, to the matter of Horizon Communications. The minister indicated that this is a newly formed organization and that it drew on some expertise from other organizations in the field of public relations and advertising. He has indicated that the representatives of Horizon were here before the Government, before cabinet

did approve. By the way, Mr. Chairman, he has not indicated yet whether cabinet has given approval at this time. It is implied in his comment but I would certainly like for him to confirm that cabinet has now given approval for Horizon.

Also, he has indicated that the representatives of Horizon were in the Province before it was taken to cabinet and he did suggest that if his proposal were turned down by cabinet then, of course, somebody would be left holding the bag. That is true too, but by what route did Horizon get here? The tender route? Did they come because they were the lowest of several bidders in this? Did they come because they were told that it was a rubber stamp job and there is no problem in getting cabinet to approve this? Why were they optimistic enough to come, not only and plant themselves down here but start doing a few free favours for the Government while they are awaiting to get the approval? Somebody must have been awfully optimistic. Somebody must have told them that their chances were pretty good. Were their chances good because they were holding the lowest bid on a publicly tendered job? Were they optimistic because they were the only ones approached on the subject anyway? I would like the answers to those questions if the minister would care to answer.

I would also like to ask if there is any connection that he knows of between Horizon Communications and NACOM or any of the other McLean firms?

MR. DOYLE: To answer the last question first, Mr. Chairman: No there is no connection that I am aware of between Horizon Communications and McLean or any of his firms. The reason they were here is that they were asked to come by our Celebration Committee. They were asked to put in a proposal. We came upon them on the recommendation of our advertising agency, McConnell Advertising, who are well up in the business on the Mainland and in the States and who have reason to know people who are in this type of trade. The reason they were chosen, as I touched on before, they are a small firm but they have flexibility, they have had expertise in such things in

the past. They were involved, some of them, members of the firm were involved in the centennial of I believe it was Manitoba several years ago. As I said, they have been assigned now that we have cabinet approval which was obtained, I think it was a week after the honourable member from Bell Island asked me the question.

They have been assigned, three or four of them have been assigned to this specific task, to this job and they will be with it until it is finished, nothing else. It is not like an advertising agency or a large firm which one minute is trying to produce something for an advertisement for a Newfoundland Confederation Celebration and the next minute is producing an advertisement for sunlight soap or what have you.

One more question I would like to just refer to: The honourable member mentioned the pictures in the calender again. One of the other reasons for having the pictures is that we hope by having a historical significance to the pictures it would be a reason for people to keep the calender as a souvenir of the year after the year is finished. If these had been just ordinary pictures of icebergs or Cabot Tower or what have you, we felt, rightly or wrongly, that the calender would not be around as long as it would be, as it will be, we hope, with such pictures as we have in there, which really the originals of which are in the Archives and most of these pictures cannot easily be come upon by most Newfoundlanders. That is just another reason why those pictures were put there. I believe that is all the questions.

AN HONOURABLE MEMBER: So far.

MR. SIMMONS: Mr. Chairman, I did not at all suggest, of course, that they be ordinary pictures. I have a rather extraordinary picture at home, not of any of those in there, but I have a rather extraordinary picture showing the gentlemen, including the first Premier of this province and the next Lieutenant Governor of this province, pictures of these gentlemen up there involved in the terms of union. I do not think one of the gentlemen I mentioned got involved in the final picture but certainly we have



pictures which relate directly to the historical event of Confederation.

That was my point. Of course, in the national convention days there were so many events that could have been recorded. We cannot unprint the calender so I shall not pursue the point. I was not at all suggesting that the pictures that could have been embodied be any of the ordinary pictures, in the minister's words, but that they be pictures pertinent, pertinent pictures, pertinent to the subject at hand and the occasion at hand instead of apologizing for the occasion. That was my point and I do not think anything that the minister has said since has subtracted from it. All his points are interesting points on the subject of the calender but they do not at all subtract from the insult that is being done Newfoundlanders by this thing here.

It is so irrelevant that, like I said, if it were not for the wording on the cover, you would wonder what it was we were celebrating.

Mr. Chairman, the reference to Horizon once again and the explanation that they were a full-time outfit and able to do the job without divvying themselves up among several competing responsibilities: It is a fair argument but I believe that tenders ought to have been called in this province on this job. Then if Horizon were the only ones that could fill the bill, that is fair again. To my knowledge there were no public tenders on this in the province.

I gather that Horizon is not involved in the more creative aspects of this enterprise like this kind of thing here or the "Where It Is At" or that kind of thing. They are involved in, from what I gather from what I see of them publicly, they are involved in a fairly elementary part of public relations, feeding out press releases and appropriate photographs and that kind of thing. Now, they may have some other specialized responsibility assigned to them that we do not know about yet and the minister can certainly indicate this but in the absence of his doing so, I can only assume that they are really performing a rather unsophisticated - that is not to indict them or to say that their work is unsophisticated but they are performing a rather unsophisticated role,

one of the simplest roles in public relations, namely getting press releases typed up and fed out. I am sure that there are a lot of people in this province who could have done that. Certainly they should have been given the opportunity to do it.

As one Newfoundlander, I am not willing to buy the suggestion that we had to go all the way to Toronto to find this kind of expertise. Again I suggest that that is a further kick in the teeth for those of us here in Newfoundland who would like to feel that if we are going to celebrate, we can pretty much do it on our own. I hold - no I do not get upset about people from up along. I rather like them as a matter of fact. I married one of them. That is not the issue.

The issue is that the least we could do, Mr. Chairman, in this province is trust our fellow Newfoundlanders to do a fair job. If the kind of celebration we need in 1974 is so sophisticated that we cannot plan it ourselves, let us not have it. Let us have something that we can plan quite by ourselves. If we need a little expertise from outside, that is fair ball but I think \$100,000 here, \$43,000 here, some other figures we have not mentioned, it has kind of gotten out of hand and I would certainly appeal to the minister and his Confederation Committee to try and hold the rein before it gets completely ludicrous.

On the subject though, Mr. Chairman, I did want to ask a question. Was there any overt decision? Was there any deliberate decision on the part of the committee and/or government to go outside the province for this expertise in promotion and other matters involved in the production of the "Where It Is At" and the other items in your caravan? Was there a deliberate, conscious decision to go outside or is the minister maintaining that that kind of expertise could not be found in the province?

MR. DOYLE: In answer to that question, Mr. Chairman, no there was positively not any decision to go outside the province. The simplest way I can answer that is to break down the individual items again.

The Celebration Time is a copyrighted process of Mr. Rudas.

who is outside the province. We wanted his copyrighted process so we had to go out to get it. The "Where It Is At" production produced by NACOM, as I have said about four times before this afternoon, we are quite satisfied with the production work, the film work, the slides of Mr. McLean and his company. When the day comes you know that we are not satisfied with his work, we will look elsewhere.

As I have already said, as far as Horizon is concerned, these people came highly recommended to us as having expertise in their field and that was it but there was never any decision taken from day one not to employ locals.

There is one thing that I would like to refer to. The honourable member mentioned, if I heard him correctly, in his opinion that the calendar was sort of apologizing for the Confederation Celebration. Now certainly if anybody has been following the media in the last few months - I am sure the honourable member has - I cannot see how anybody can accuse the committee or the department or the government of apologizing for the celebration. If anything, we have been doing the exact opposite and as far as his referring to the calendar as an insult to Newfoundlanders, well, he is entitled to his own opinion. In my opinion he is completely out of step because the vast number, the vast majority of comments which are coming back to us from all over the province, in letters and comments, verbal comments are ones of commendation on the calendar. So, I would suggest that he is a minority in his opinion on the calendar but however, he is entitled to that.

MR. SIMMONS: Well, Mr. Chairman, I am amazed at the paraphrase of what I was supposed to have said that I just heard from the minister. I started out by commending those who laid out the calendar. I think it is a fairly sophisticated job. It is an eye-pleasing calendar. It has some nice pictures of a lot of things in it. It is a nice calendar. How many times does he want me to say it? It is a gorgeous calendar. I will write him a letter on the subject, a very nice calendar.

Mr. Chairman, that was not the comment, that was not the

concern which made me draw in the word insult. What is an insult? It is not the calendar as such but the suggestion that somehow this celebrates Confederation and expect the Newfoundland people to be gullible enough to believe it. It does not do that. That is the insult, that people are presumed to be that gullible that they will buy it. It is a nice calendar. Who takes a calendar and adjudicates it as I have done today? You get a calendar and you put it on the wall or you put it in the garbage. You do not sit down and discuss the pros and cons of calendars. Of course you do not. You take one look at it and it is nice or it is not nice. If it is nice, you tell someone.

It was given to you anyway so if it is not nice you do not go off and criticize if you are John Q. Public. I did not expect the minister to get a torrent of letters telling him what a shocking calendar it was. I do not expect that. It is a very nice calendar, nice ink used on it, some nice pictures used in it but nothing to do with Confederation. That is my point and that is where the insult is involved and I do not think that I am a minority on that particular subject if most people had thought about the subject to the degree that I had before making my comments.

It is not a major issue. A lot of people across the country can think of a lot of other things that can be done with \$112,000 but that is another story still.

Before I sit down, Mr. Chairman, I cannot help but make one more comment in reference to what the minister said earlier. I heard him say that government is pretty satisfied with McLean so we do not need any tenders. We are going to keep them, keep farming work out to them because we are satisfied with them without tender. Now, Mr. Chairman, I suggest to you that that is the equivalent of saying the construction company that built a road here or that built a hospital here, they were a pretty good outfit, I do not think we will call any tenders, I think we will just get them to build all the rest of the roads and send their billing, as McLean is doing.

That is not good enough, Mr. Chairman. I can hope that the minister and his colleagues have enough basic common sense that the day that McLean does not do a good job they will get rid of him. I would hope that they have enough basic common sense or I would credit them with that kind of sense, but that credit does not mean that they have the license to engage McLean to the exclusion of all others who might be able to do an equally good job were they given the chance in public tender.

MR. MARTIN: Mr. Chairman, I have only a very few comments to make. This being supplementary supply, I shall reserve comments for the main estimates.

We are though talking about \$890,000 plus, and some of the comments that were made in the main estimates to which these are supplementary I think deserve to be made again particularly with regard to the tendering or not tendering.

Now, I realize - the verbatim report of last year will show - that several honourable members made the same comments; that it is difficult to call for tenders on something like a public relations contract. However, it is standard procedure within the business and I know something whereof I speak, to go out and try to get the best for your money by asking whoever is involved in your particular area or outside the area, for that matter, to submit proposals. Of course, this presupposes that you have some idea of what you are going to do in the first place.

Now, I saw the film - we all saw the film I think - "Come Paint and Photograph Us" or something, a criticism of that particular work would not necessarily be subjected but I submit, Sir, that for \$84,000 we should be able to get a little more for our money. If we are talking about public spending, it is not a question of whether you spend more or less, it is also a question of whether you get your money's worth.

Now, that particular film, that unquestionably has served a



certain professionalism. It did not have a great deal of artistic merit. A man simply went out with a camera and shot landscapes and put a bit of voice over. Anybody who is familiar with the game will know that that certainly does not cost \$84,000. I wish that I had had the chance to bid on it myself.

The point I am trying to make, Mr. Chairman, is that there are local firms which can compete in the production of this type of film and in all other areas surrounding the celebration activities, public relation activities. If we are going to use public funds in this manner then I think the first obligation we have is to try to make those funds stretch as far across the province as we can by going to provincial firms and trying to help out those people who are creating jobs. One way of doing that is to make sure that everybody has a chance to either make a bid on a contract or to make a proposal on a particular piece of work.

This is no doubt going to come up again in this year's estimates and I think that this business of not asking for - this is after all, a contract bid, this is going to get a lot more airing in the estimates than it did last year.

The one other thing where I think we could be getting more for our money, out of this particular \$890,200 and whatever else is spent in Celebration Year, there are several things but one that comes to mind just from leafing through the calendar, the extraordinary number of state banquets, which are very expensive affairs. I think that there is no question that we should have this kind of celebration, but if we are going to get more for our money, spend the same kind of money and get more for it, then maybe we should have good old-fashioned soirees and let the people down on the street come celebrate with us too - \$890,000 spent is not the question but whether we are getting \$890,000 worth.

That is all I have to say on the supplementaries. I think we will get into more of it though in the estimates.

MR. DOYLE: I thank the honourable member very much for his comments.



MR. W.N. ROWE: Can the minister give us some idea as to who is involved in Horizons anyway? Is there any local director or shareholder that he is aware of? Would he mind flinging out a name or two? Who has he been dealing with on this?

MR. DOYLE: I have it all here, Sir, if the honourable member will be patient for a minute. A Miss Jane E. Cummings in Toronto is the head of the firm.

MR. W.N. ROWE: Miss Jane E. Cummings?

MR. DOYLE: Yes. I am not sure if she is Miss, Mrs. or Ms. The local representative is Mr. Denis Pelrine who has taken up residence here.

MR. W.N. ROWE: What is his name? Sorry!

MR. DOYLE: Denis Pelrine. P-e-l-r-i-n-e, I believe.

MR. W.N. ROWE: Is that a Ming's Bight name?

MR. DOYLE: Pardon?

MR. W.N. ROWE: Is that a Ming's Bight name? It sounds familiar.

MR. DOYLE: No. It is not Tor's Cove, either. Those are the two. It is Mrs. Jane Cummings. She is president of the company and Mr. Pelrine is the man who has been assigned to this particular job. Those are the two names that I have knowledge of.

MR. W.N. ROWE: One final question for me, Sir. Maybe the minister gave in some of the information he has already given to the committee the contract entered into. Presumably, there is a contract entered into which has been given government approval but what is the amount? What is the total amount? That is the one between Horizons and the government.

MR. DOYLE: Yes. We know that the figure for now is \$43,2 - the honourable member wants the total figure.

MR. W.N. ROWE: Yes.

MR. DOYLE: I do not have that here. I will get it. Yes, there is a letter of agreement between both bodies.

MR. W.N. ROWE: On that we have already had the undertaking of the minister, Mr. Chairman, that he would table the letter of, I

believe that was the letter of agreement, letter of commitment given to McLeans organization. Could we have a copy of the letter of commitment given to Horizons as well?

MR. DOYLE: Sure.

MR. W.N. ROWE: Do I understand the minister is undertaking to do that?

MR. DOYLE: Yes. Sure!

MR. W.N. ROWE: Fine!

On motion HEAD XIII, carried.

HEAD XVII. TRANSPORTATION AND COMMUNICATIONS. \$1,000,000.

MR. MARSHALL: XVII, the honourable Minister of Transportation and Communications is out of town, Mr. Chairman. This \$1 million is broken down into two amounts, one of \$800,000 and one of \$200,000. The \$800,000 relates to additional funds which are necessary for open vote employees, which was necessary because of the increases in wages which occurred over the past year, particularly, I think, because of our - in reference to our beneficial measure to increase the minimum wage and also the introduction of a three-day shift operation in certain areas to provide round-the-clock service in snow clearing operations.

The sum total of that is \$800,000 and the balance making up \$200,000 relates to winter maintenance and equipment. Apparently the estimates were out slightly and it was necessary for an extra \$200,000 to replace and repair equipment.

AN HON. MEMBER: Any of this capital?

MR. MARSHALL: No, it is all on current. Everything is on current. Current maintenance.

MR. SIMMONS: Mr. Chairman, my only regret is that the Minister of Transportation is not here. I am sure that the honourable House Leader, if he does not have the information he could probably undertake to get it for me. I have two or three questions which relate to my district. First of all would the minister indicate what amounts were spent on the road paving programmes in each of the following: Harbour Breton, Hermitage, Sandyville (Probably one job) and Seal Cove? Also, perhaps rather than have that question I can

come to another one quite separate.

MR. MARSHALL: I could say to the committee, Mr. Speaker, that I will certainly undertake to pass this on to the Minister of Transportation and Communications whom I know will be only too happy to supply the information. Of course this question does not relate directly to this particular request for supplementary supply because it is a request for additional funds for general winter maintenance and the winter maintenance of equipment. However, I feel quite sure that the honourable Minister of Transportation and Communications will be only too happy and I will pass the question on to the honourable minister when he comes.

MR. SIMMONS: Mr. Chairman, there is one thing that humbles me more than others in this House, it is the very conscientious attempt being made by honourable members opposite to educate me into the functions of the House. I am learning pretty quickly and I just had another little lesson on the subject so I will give the minister a question that relates directly to the subject at hand. Would he indicate or undertake to get the information as to whether the supplementary amounts asked for here involve any additional expenditures to provide additional maintenance services on the Bay D'Espoir Highway and the road from Morrisville to St. Alban's and on the road from Seal Cove to the Harbour Breton Road?

MR. MARSHALL: I can undertake to determine whether any additional- I do not know whether they would have the breakdown, Mr. Chairman, of this. You know this vote is for - The honourable member for Hermitage's question is certainly well taken but this vote is for the general amounts that were necessary in order to supply the overrun, if you will, for winter maintenance, for open-vote employees all throughout the province. So with respect to this, to that particular question, I do not think that - you know I can answer the question, that no, it does not necessarily relate to these particular areas in his district. I also know that the Department of Transportation and Communications could not really supply a breakdown of the figures for each district that this \$800,000

and \$200,000 represent because the winter maintenance and equipment, with respect to the equipment, I have no doubt that they could pinpoint what equipment was purchased but with respect to winter maintenance, you know it was all throughout the island, it was generally necessary for the whole area of the province.

MR. SIMMONS: Mr. Chairman, I can appreciate the difficulty there, I asked the question because one does not mind being asked to vote for supplementary amounts if one has the knowledge that already he had seen the improvement about him. The fact is, it has become fairly general knowledge around the country that this must be by far the worst winter we have experienced in a long time, not in so far as weather is concerned, I am not saying that, one of the better ones perhaps in that respect, but insofar as road maintenance is concerned, I identified three areas in my district which are having particular problems and I am sure the situation could be duplicated many times by the members in this House in their respective districts around the province.

I have another question that I would like to direct to the minister. Would he indicate to the committee whether the government has made any application to Ottawa for funds to construct a causeway across the Conne River and thus into the Community of Conne River, Burnt Woods?

MR. MARSHALL: Mr. Chairman, I can answer that question because now I say I have to answer it from the point of view I am sure, as the honourable member will appreciate, from memory rather than direct information coming from that department but I do recall that application was made to Ottawa for this very essential bridge that the government wishes to see in operation because it is very, very essential to the people of Conne River and I believe that the application has been made or in the course of the applications to the Department of Regional and Economic Expansion or Indian Affairs. I am not really sure of which specific department but I do know that an application has been made

to Ottawa and I do know that it was a matter of great concern to the honourable member's predecessor who was here in the government and indeed a matter of concern to the government itself that this essential link in the Conne River Area be realized as soon as possible as I am sure it is obviously of concern to the honourable member. I hope that answers his question.

MR. SIMMONS: Yes. I will not repeat that. I was going to ask one other question on the subject but the member for White Bay South gave me ideas on this subject which I perhaps ought not to pursue at this time, it being so late in the evening. Would the minister indicate whether the government has or can he indicate when the government will sign its highways agreement with the federal government? Is it reasonably soon or could he put a date on it?

MR. MARSHALL: I cannot say that, Mr. Speaker, because of course this will be dependent upon when the federal government is completely ready with respect to this area. All I can say is that we benefitted greatly by our year-and-a-half, two years, certainly the first year-and-a-half of the various task force studies and happily we are in the position, more so than any other province in Canada, of being

ready, willing and able to sign most of these agreements. I know that they are in the process. Now in answer to the question, the honourable member's question, we are just really waiting to sign it and we hope in the very near future but I could not give him in the interim date. It depends on Ottawa.

MR. SIMMONS: Just for clarification, Mr. Chairman, do I understand the minister as saying that the government are ready, that the government knows what it wants in that agreement and that the next move is up to the federal government? Is that correct?

MR. MARSHALL: This is my understanding of the situation, Mr. Chairman, yes. Substantially, you know it is substantially up to the federal government. We have a great deal of our background work done and we have spent a large amount of time formulating plans and policies and various approaches. We have a fairly good list of the needs of the people and of the province and in fact what we are waiting on is the federal government.

On motion Head XVII - Transportation and Communications carried.

HEAD XX - PROVINCIAL AFFAIRS AND ENVIRONMENT, \$775,000.

HON. W. G. DAWE (MINISTER OF PROVINCIAL AFFAIRS AND ENVIRONMENT): Calling for a quorum.

AN HON. MEMBER: Inaudible.

MR. DAWE: Oh, I am sorry.

Mr. Chairman, these amounts are broken down into, firstly, \$675,000 for Co-operative Registry Loans. These were loans to two co-operatives in particular, Midland Consumers Co-operative, Pasadena, and Carol Wabush Co-operative in Labrador City.

Midland's as we know went defunct last fall because of business and managements and other - actually patrons were not patronizing the place like they should have been doing. Perhaps out of a membership of somewhere in the vicinity of 130, 98 of these were purchasing at the Corner Brook Co-op, therefore it caused the Midland's to get into very serious difficulties.

Carol-Wabush never really got off to a proper start. As a result, to salvage that particular co-operative to keep it into business, we are



obliged to loan these people a total of \$525,000.

Salaries for the Environmental Management and Control is \$30,000. The operation of water systems under the former division which we had in our Department, which has now been transferred is \$50,000. The Rent Control Board required a further \$20,000. This is a rough breakdown of the - well it is not a rough breakdown, it is an exact breakdown of the total amount required by my department.

MR. H. W. C. GILLET: Mr. Chairman, may I ask the minister - I did not hear him very distinctly, how much monies were actually lost in the, I presume the bankruptcy of the Midland's Co-op? How much was on that loan?

MR. DAWE: The amount which is involved here is \$150,000 but that was not a total loss. There will be some monies realized when the liquidation has been finalized because of the building and the stocks which were in the building. I do not have any breakdown on that whatsoever because I do not think it has been finalized as yet. Stocks would have to be sold, the building, I do not know what would happen to the building at this point. No decision has been made on it but it is worth a certain amount of money, therefore the whole \$150,000 is not a total loss.

MR. ROBERTS: Mr. Chairman, I wonder if the minister could indicate to the committee when - I know about the Labrador West loans, I think they were probably advanced while we were the administration, I am not sure of that but I think they were, at least the agreements to advance the money were made. Could he tell us when the Midland one came up, when it was advanced? When it was agreed to advance, first of all?

MR. DAWE: If I am not mistaken, I have it here some place but it was October 1973. No, I am sorry the advance to Midland came shortly after we took over office, I think somewhere in the vicinity of \$125,000 guaranteed line of credit through the Terra Nova Credit Society.

MR. ROBERTS: Would that have been, Mr. Chairman, at some point say, pick a couple of dates from the air, between January 18 and March 1, 1972?

MR. DAWE: That is something I would have to check out. Offhand I do not have the dates.

MR. ROBERTS: Perhaps the minister could check it and while he is at it perhaps he would get it and table it for the committee, or will this on main estimates if he wish. The feasibility study and the reports recommending that this money be advanced to the co-op because it is an unusual situation: I know there are a number of people determined, in the hope to keep the co-op going out there. I have had representations from them but it is unusual that a loan is advanced. Within what? A year or a year-and-a-half we have a matter of a fair loss being sustained. What? Of the order of a couple of one hundred thousand dollars. The most mysterious types of stories about it, that the

member for that district, who unfortunately is not here - He is out of the province receiving medical treatment I am told - make one statement in Midland at a meeting. I think the minister was present at the meeting. Well, authenticated reports said that contrary orders are being given by the civil service, senior civil service here in St. John's. I think the minister knows whereof I speak. I do not intend to go into it because the ministry are responsible and what they do is what counts. But it is an unusual situation and one which would bear some comment if the facts are as they are alleged to be.

I am not saying anything more at this stage except that I would like some information on it. If the minister could perhaps table the feasibility study or whatever the background papers are - he was not the minister then of that department - before whoever was minister brought the matter in to whoever decided these things, the cabinet I assume. I think it is something we should look at because, to make a short story long, the public treasury has sustained a loss of a couple of hundred thousand dollars.

The people in the Midland Co-Op did not get the money, they did not take it and steal it or anything improper but it is a highly imprudent thing in the fact that it was advanced during a time of unusual political interest, shall I say. It makes it of some concern. I think we must be certain and sure that the public interest was thoroughly safeguarded by the cabinet at that time. So, I wonder if the minister would agree to make available some information so the committee could discuss the matter and discuss it with knowledge.

MR. DAWE: Mr. Chairman, the amount lost is \$150,000. Earlier in this administration it was seen fit to try to keep this co-op going, to keep it in business, and a line of credit was extended to them through the Terra Nova Co-Operative Society in the hopes that they would be able to pull themselves out of the problems they were experiencing.

The money, not the money but actually the credit was advanced to them. In October of last year they came back to government again

looking for more financial aid. We investigated the situation out there in Midland, looked into it but we discovered that, under the circumstances, no matter how much money would be advanced to this co-op it was a very likelihood that it could not succeed. It could not succeed, Mr. Chairman, because, as I said earlier, out of a membership of somewhere in the vicinity of 130, 98 of these people were shopping at the Corner Brook Co-Op. We all know how impossible it is for any co-op to sustain itself on approximately a third of the membership.

We therefore decided that we could not extend any further financial help to the co-op and I went out with the member for the district and met with the people there, the membership. We explained the situation, that we could no longer help support them financially. We suggested that the only thing was to put the co-op into receivership and proceed with liquidation.

However, we did offer to wait a certain period of time to give them some time to try to reorganize, to revitalize their co-op, to give them time to meet with their members privately, to try to raise more funds for the co-op from their own resources. We did wait a considerable period of time, Mr. Chairman. We waited I think it was somewhere around two months. It was getting to the point where the creditors of the co-op were becoming quite anxious about the situation and we decided that we could wait no longer. The membership had held several meetings and they discovered, much to their chagrin and sorrow, that it was not possible for them to raise any further funds and therefore the co-op had to be liquidated.

I would presume that the - well, many members of the former Midlands Co-Op of course were also members of the Corner Brook Co-Op and I would assume that they are just carrying on through Corner Brook since the Midland's Co-Operative had been closed down. That is a brief history of what transpired, Mr. Chairman.

MR. ROBERTS: Mr. Chairman, I thank the minister but he did not reply to

my question whether he would agree to provide the committee or members with some data on it. I wonder if he would respond to that question?

MR. DAWE: I will have another look at the report, Mr. Chairman, and possibly I will. I make no commitment.

MR. ROBERTS: Well, that is not good enough, Mr. Chairman, because let us look at what we have here and I put a submission to the minister, that the decision by the government to give this co-op money was an entirely political one in which the cabinet decided to put \$150,000 into this co-op for strictly political purposes, on the eve of an election, without any thought of any substantial nature at all being given to the condition of the co-op or whether or not it could afford to pay back the loan or whether or not it was wise to make the loan or whether or not it was good use of public money.

I say that and I say that the minister was in the cabinet at the time and thus shares the collective responsibility. He was not the minister? Who was the minister before the minister got the shaft?

AN HONOURABLE MEMBER: The honourable member for St. John's Center.

MR. ROBERTS: Oh, the honourable gentleman for St. John's Center who is also absent again, I understand receiving medical treatment or recovering from an operation. Was he the minister? Who was the Minister of Provincial Affairs at the time?

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Oh, yes, that is right. He was the Minister of Labrador Affairs and he went to Malawi. I had forgotten that happy incident. It is a clear and crass political decision. It is a sheer waste of \$150,000. It is close to an attempt

to buy a seat. I said close to an attempt to do that. I find it passing strange that my colleague for Bell Island was accused of that sort of conduct and had to request a judicial enquiry to clear his name and to hear the senior Member for Harbour Main, the Minister of Provincial Affairs stands up and says, he will, quite cavalierly he will have a look at the situation as to whether or not he will provide any documentation.

Well I will say to him that he has a duty to provide the documentation, if he should not, people will with reason draw the worst possible inferences, people will draw the envitable and natural conclusion that something is hidden, that the officials were never consulted or if they were consulted they did not recommend in favour of this, that it was an out-and-out political, partisan misuse of public funds by the Member for Humber East in his effort to get re-elected. The minister and all of his colleagues in the cabinet were party to that if the people of Newfoundland lost \$150,000, which might have not been a lot of money when we talk of \$700 million a year budget but is a lot of money. In any other sense, it would pay the honourable gentleman's salary and it would pay the salary of twelve like him. So it is a lot of money. Look at the monies worth we would have if twelve more like the honourable gentleman, Mr. Chairman.

If the minister will not table that evidence then people will draw that conclusion and will draw it with reason and it will reflect upon the minister's administration of the department. So I again ask the minister whether he will agree? Let the chips fall where they may, if it were a political decision, fine. It would not have been the first time nor will it be the last. Let it stand for what it is. Let it stand for what happened at - they went out there and the President of the Council as he now is went out and brought political pressure to bear. I am not saying anything improper, I am not saying there was any rake-offs or payoffs or grafts, it is nothing like that. I am just saying it is a clear misuse of public funds, the waste of \$150,000. It did not help the co-op. It did not help the members of the co-op. It did not help anybody. I do not even think it helped the gentleman for



Humber East, Mr. Chairman, because in my view he would have been elected anyway. But I think the minister owes it to himself, to his officials and to this committee, to the people of this province to set this matter straight.

So I again ask him, will he agree to table the information?

MR. DAWE: Mr. Chairman, it was not a matter of trying to help the member for Humber East. The Member for Humber East was going to be returned to office in any event. He was solid in his district as he will be the next time. Is the honourable member suggesting that we should have ignored the 130 members in Midland Co-op without even trying, without even giving them a chance, a fighting chance at all for the first times they had approached government? Were we to say, "No, go home out of it! Close her down! Forget about it!" Should we have done that also for Carol-Wabush? Is that what the honourable gentleman is suggesting? Is he saying now we made a mistake also by supporting Carol Wabush Co-operative, by keeping that co-operative going? It was the second time that Carol Wabush came to us but it certainly seems that they are going to survive their trials and problems.

He is saying to us now that we should have ignored the people in the Pasadena Area. We should ignored Midlands and tell them to go to heck some place without even giving them a fighting chance.

Mr. Chairman, the officials at the time did not advise against it. They did not feel that the co-op did not have a chance. They are there to try and help the co-operatives. That is the whole purpose for that division of Provincial Affairs, to try and assist them, to recommend to government to assist these people and they have done it many times but they no doubt will do it many more times in the future.

But I do not think the honourable gentleman is really serious when he suggests that we should have ignored these people. That we should have kept that \$150,000 without, or \$140,000 I suppose at the time I think, without giving these people a chance. Of course we should. A lot of people have lost money in that co-operative. We should have at least tried, which we did to give them a chance to get their operation

back on the tracts again and to salvage what investments they had in it.

MR. ROBERTS: Mr. Chairman, the honourable gentleman's attempt to twist

to distort and to mislead will not succeed. I did not suggest ignoring it, the first suggestion there was of ignoring it.

Now it is becoming obvious to me, Sir, the honourable gentleman has something to hide because what started as a perfectly straightforward and normal question is now becoming much more than that. I do not even think I need to say that the people from Midland and Pasadena do not need to be ignored. Nobody suggested that until the honourable gentleman brought it up as an attempt to divert it. Let us then come back to the point, Sir. This co-op came and asked for a loan, or whatever the circumstances, whether they were encouraged to or asked to or what, they came and asked for a loan; the government quite properly received them and dealt with them and considered it. But I say, Sir, the matter was never referred to the officials and I say that the officials were never asked and I say the officials never recommended that this loan be given. I say that the ministry, I did not say minister, I say ministry, interfered improperly in a political sense with this application and for the minister to say as he just did that people lost money and I ask, would they have lost money if the thing had been handled properly through years past.

The answer is maybe not, Sir. The minister's refusal to table any information is unworthy even of him. The fact remains - why does he not admit it? Why will he not admit the truth, Sir? It is not a matter of ignoring Midland-Pasadena. It is a matter that the government said, "Boys there is an election coming up. We got her! Now we got - " well I will not say that, that is not parliamentary. I will deal with that later. "We got an election coming by whatever means, and let us give them this money. Let us make sure old Tom gets in." By the way I agree with the honourable minister that the gentleman from Humber East would have been elected anyway. I think the people up there at that time had made up their minds to put him in. Another time we will see.

Why does he not admit that it was a straight political decision, that there was no thought at all given to \$150,000 of the public's money? It was just flung out, flung out for a political purpose and flung out without any thought of helping the people of Midland and Pasadena, the members of that co-op, because I say no thought was given to their best interests, no thought at all was given, Sir. I say that it was a straight political decision and the minister's refusal, initially his reluctance and now his refusal to deal with it.

The minister has had an ill-starred career in this House, Mr. Speaker. He has been removed from one position after another by the Premier and I say to him now that he is fast getting up to use his elegant phrase, "another shaft" and this sort of comment, let the minister be frank and open and let him disclose the facts, if there is nothing to hide. What is there to hide from this committee, Sir? Each of us here has been elected by the people. Each of us knows that politics is politics. Each of us without hesitation has taken part in political decisions and so should we. That is our job. That is the job of each one of the forty-two of us. Let the minister admit the truth instead of trying this quite uncalled for attempt to mislead and to deceive and to turn away the point of the question. Let him deal with the facts, Sir. Let him table the information or admit there is no such information.

MR. DAWE: I only wish the honourable member had been around, Mr. Chairman, when they came looking for this financial assistance because I am sure it would have been quite difficult at the time to convince them that it was not for their own best interests that we helped them out.

As far as consulting the officials are concerned, Mr. Speaker, they were consulted. They did not object to this. This was a decision which was made within the department. We made it to help people, not like the former administration who turned their backs on people unless it meant millions of dollars and unless it meant that the John Doyles -

MR. ROBERTS: John Shaheen. Right?

MR. DAWE: Yes, Shaheen. Yes, right, and the Vardys and all of them got a cut out of it.

MR. ROBERTS: If the honourable gentleman want to get on that line, we shall talk about construction companies and land development.

MR. DAWE: I am not a bit ashamed, Mr. Chairman, to support the decision

which was made back in 1972 to help these people, to give them the monies they required at the time, to at least give them a fighting chance to keep their co-operative going. There is nothing shameful in that, Sir. We are not trying to hide a thing. If we were trying to hide something it would not even come up today. It is crazy and ridiculous what the Hon. Leader is getting on with. Sure, and we will help other people too in the future when they come looking for it.

I hope that we will never see the day when this administration will ever turn their backs on a group of people who need financial assistance.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: No, Mr. Chairman, not quite yet. I mean the honourable gentleman if he wants to talk about events he is on tender ground because we would have to talk about land speculation and construction companies and that should be very interesting and very worthwhile. The fact remains that he is just trying to distort - I am sorry the gentleman for Green Bay say something.

MR. PECKFORD: ... innuendoes.

MR. ROBERTS: I did not think he said anything worthwhile but if he said something I would like to hear him.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: I am sorry.

MR. PECKFORD: Innuendoes.

MR. ROBERTS: No innuendoes. I said I would be delighted to talk about land speculation.

MR. CHAIRMAN: Order, please! Honourable members may be getting restless as six o'clock approaches. I caution the Hon. Leader of the Opposition to be relevant in his remarks. I think both he and the minister were beginning to range rather far afield from the topic under discussion or the items of expenditure which should be covered by Head XX. Certainly if their emotions carry them away they will get carried very far afield and have to be interrupted continuously.



MR. ROBERTS: Thank you, Mr. Chairman. I am glad you called me to relevancy and I have no doubt you will do exactly the same thing when the honourable minister, if and when he strays.

The loan to the Midland Co-operative I think is again, the minister is dodging the issue, evading it. He keeps saying the officials did not recommend against it. He has twice used that phrase in the committee, Sir, when speaking of this -

MR. DAWE: But why does not the honourable member prove that they did?

MR. ROBERTS: Mr. Chairman, the honourable gentleman asks why do I not prove that they did? I am trying to find out the truth of it.

MR. DAWE: Go ahead. Now prove that they did -

MR. ROBERTS: If the minister were not hiding - I shall find out the truth.

MR. DAWE: Sure the honourable member will.

MR. ROBERTS: Whether I do it today or ten years from now.

MR. DAWE: It does not concern me, I do not mind.

MR. ROBERTS: One thing is sure, Mr. Chairman, the truth will out, just as the truth will out in the Saunders case. Of course, it will out.

The minister obviously I submit, Mr. Chairman, is hiding something. He must be hiding something. Why will he not merely table the evidence? What could there possibly be? He has twice used an interesting and significant phrase, "The officials did not recommend against it." Now, Sir, that can only mean that the officials did not recommend in favour of it. The minister is not a man who chooses his words carelessly. He has obviously chosen those words with care. He has twice used the same phrase.

So I say again, what is the minister hiding? What is wrong with this loan? There is obviously something wrong. It started as a perfectly normal question from us, Sir, a perfectly proper question and a perfectly innocent question. Now everytime the minister says something it becomes more and more obvious that there is something rotten in the State of

Denmark, that there is something to hide here.

The minister, first of all, Mr. Chairman, tried the tactic of the best defence is attack. Well that did not work. Then he tried to get into all sorts of things which Your Honour has ruled cannot be debated, quite properly, because they are not relevant. Fine.

Let the minister deal with the co-op situation. What is he hiding? I say he is hiding. He says to me, "Prove it!" I am trying to get to the bottom of the situation.

MR. DAWE: The Hon. Leader seems to know all about it.

MR. ROBERTS: I know a great deal about it, Mr. Chairman. The minister, Mr. Chairman, might be somewhat astounded if he knew how much I know. What I am saying is, I want to know the truth from him. I ask him now again for about the fourth time to produce the evidence. He has said, "The officials did not recommend against it."

In other words, Mr. Chairman, it follows as the night follows the day that the officials did not recommend in favour of it. In other words, it follows that it was pushed through by the cabinet, by the gentleman for St. John's Centre who was then the minister responsible,

pushed through for political partisan reasons despite the position of the officials? It is second-class, to say the best of the minister, to try to drag the officials into it. He is responsible, let him produce the evidence. Let him produce it. If not, I for one, Sir, and I venture to suggest my colleagues on this side will draw the inevitable, the natural, the inescapable inference that something is wrong.

The minister is not acting like a man who has nothing to hide; he is acting exactly, exactly like a man who is hiding something. He is sitting over there now with an inane grin on his face and the inane grin only further re-inforces. This is a serious matter, Sir, \$150,000. No evidence, no suggestion of any impropriety but a great suggestion of partisanship, of unwise use of public funds of \$150,000 not being used with any intention of helping, helping the people of Midland and Pasadena. No. Used to try to help the Member for Humber East to get himself re-elected.

Again I say to the minister, will he produce the evidence? Will he produce the documents or will he let the matter stand as it now stands? Then it is obvious he has something to hide?

MR. DAWE: I would like to know what election was held in October of 1973? Because that is when the order-in-council authorized the loan to Midlands and simultaneously to Carol - Wabush. There was no loan in the spring of 1972. There was no loan whatsoever. Terra Nova Credit Society extended a line of credit to the co-operative and a loan was not made until that line of credit has been used up and the people made representation to this administration for financial assistance. Having gone into the matter we decided that we would lend them \$150,000, just to liquidate the loans against them, the outstanding indebtedness so that we could proceed with the closing down of the co-operative so that we could place it into administration and have the thing liquidated.

There was no election in October 1973, there was no loan granted until October 1973 so I just cannot understand what the honourable Leader is trying to get at.

MR. ROBERTS: Well, Mr. Chairman, the minister may not be able to understand and I cannot make him understand, but I can again state the facts. The loan certainly may not have been advanced until October 1973, but the minister is now on the verge of trying to mislead the House. He told us earlier, he told the committee earlier, Mr. Chairman, in response to a question, that the commitment was made. What happens in these things, as the minister full-well knows, and indeed if the Hansard be checked as he said, the minister knows, I submit, that the Terra Nova Co-op Society make these loans on the guarantee or on the assurance, on the undertaking, I do not know if there is a formal guarantee or not that the government will stand behind them.

What happened in October of 1973 was that the thing began to get into financial difficulty and could not service its loans, could not pay its obligations to the Terra Nova Co-op and then the government were called upon to make it good. So the minister is, at best, obfuscating the subject but unsuccessfully when he says that there was no election in October, 1973.

The only way it would have been relevant in 1973 was if it were in Harbour Breton. What I cannot figure is why they did not ask for it in Harbour Breton. At that stage they were getting anything the people wanted in Harbour Breton or in Hermitage. Sure there was \$100,000 being spent, promised the people in Francois for roads.

MR. CHAIRMAN: Order please!

MR. ROBERTS: Is that not relevant, Mr. Chairman?

MR. CHAIRMAN: No and the honourable member knows quite well that it certainly is not relevant.

MR. ROBERTS: I thought it was a matter of - surely it is as relevant to give \$100,000 to Francois as it is for the minister to refuse to table information. You know, the minister's defence every

sentence of defence which he makes of his own department, you know, the minister and his own colleagues handling it. It only puts him deeper in trouble. Now, I think the minister should do one of two things. Either he should say he will say nothing more on this or he should do the manly thing and say that he will table the information and then the facts will out and the truth will out and everybody will be satisfied. If the minister have nothing to hide, I shall be the first to say so and the first to proffer my apologies to him in this House or wherever he wants. If he have something to hide and if it comes out, I shall be the first to call him to task.

On motion Head 20, Provincial Affairs and Environment, carried:

A Bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending The Thirty-First Day Of March One Thousand Nine Hundred And Seventy-Four And For Other Purposes Relating To The Public Service."

On motion Clauses 1 and 2 carried:

On motion preamble carried:

On motion Resolution carried:

On Motion that the committee rise, report having passed the Resolution and recommend that a bill be brought in to give effect to the same, and ask leave to sit again, Mr. Speaker returned to the Chair:

On motion report received and adopted:

On motion Resolution read a first time:

MR ROBERTS: Mr. Speaker, I do not wish to debate the matter but just to note that second reading is a matter that can be debated. I just want to make sure we never sleep on our rights.

On motion Resolution read a second time:

On motion, a Bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending The Thirty-First Day Of March One Thousand Nine Hundred And Seventy-Four And For Other Purposes Relating To The Public Service," read a first, second, and third time, ordered passed and title be as on the Order Paper.

MR. SPEAKER: The honourable Minister of Justice.

MR. HICKMAN: Mr. Speaker, with leave of the House I undertook to get some information on the roads at Random Island for the honourable member for White Bay North.

AN HON. MEMBER: Inaudible.

MR. HICKMAN: Random Island. The report that I received from one of the senior officials in the Department of Transportation and Communications as follows: "All dirt roads on Random Island used as bus routes have been reported in rough condition. This is due in the main to mild weather and quick freeze up. We have checked with the schools on Random Island and the school busses are operating and children are being transported back and forth to school. Our superintendent of operations in Clarendville Area was on Random Island today and arranged where possible to have greater improved rough road conditions."

MR. SPEAKER: It being now six o'clock I do now leave the Chair until eight o'clock.

MR. MARSHALL: Mr. Speaker, if I may, originally we had intended to sit this evening but we have made such great progress today in passing supplementary supply, in addition to which there is certain business that is going to take certain members of the House away, they would not be able to be here tonight in the Legislative Assembly and we wanted to get on to the next item of business of interim supply which we will get to on the next sitting day. Consequently we will not be sitting tonight, consequently with those few words of explanation I move that the House at its rising do adjourn until



tomorrow Wednesday at three o'clock in the afternoon and that this House do now adjourn.

On motion that the House at its rising do adjourn until tomorrow, Wednesday at three o'clock, Mr. Speaker left the Chair.