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SPEAKER: THE HONOURABLE M. JAMES RUSSELL

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

I would like to welcome to the Speaker's gallery today the Hon. Member for St. John's West in the House of Commons, with his son. I sincerely on behalf of all honourable members welcome you to the Speaker's gallery.

The Hon. Member for Burgeo-LaPoile.

MR. A. EVANS: Mr. Speaker, I wish to rise on a point of personal privilege on a statement made by the member for Bell Island this morning regarding a so-called letter that he had from the people in LaPoile regarding the lack of phone services in their area.

Mr. Speaker, the first thing that occurs to me is how crazy can someone get and still live! Has he got any idea at all -

MR. S. A. NEARY: (Inaudible).

MR. EVANS: You!

MR. SPEAKER: Order, please!

MR. EVANS: Has he got any idea whatsoever regarding the fact that this government is not responsible for installations by C.N.T.? Or if so, how can you excuse the fact that after twenty-three years of Liberal, so-called Liberal mis-government in this Province that it is passed along to us today?

MR. NEARY: (Inaudible).

MR. SPEAKER: Order, please!

MR. EVANS: And that goes along, Mr. Speaker, with the pattern of what we see today, anarchy as advocated by adversaries of this government. They are advocating to the people of this Province that polluted water after living in the worst state of pollution of Liberal government in this Province for twenty-three years -

MR. NEARY: (Inaudible).

MR. SPEAKER: Order, please!

The Chair does not consider the point raised by the Hon. Member for Burgeo-La Poile to be a point of privilege.

SOME HON. MEMBERS: (Inaudible).

MR. SPEAKER: Order, please!

STATEMENTS BY MINISTERS:

HON. T. V. HICKEY (Minister of Tourism): Mr. Speaker, I have a statement which was issued to the press today, and I think it is fitting that it be placed in the records of this honourable House.

HON. E. M. ROBERTS (Leader of the Opposition): Mr. Speaker, to a point of order.

MR. HICKEY: It was made -

MR. SPEAKER: Order, please!

MR. ROBERTS: To a point of order. This matter I believe has been adjudicated in Ottawa, but I do not know whether or not it has ever been raised in this House. A minister who makes a statement outside the House is risking the possibility that he may be found in breach of the privileges of the House, because it is a minister's duty Sir, especially when the House is sitting, to make statements first to that House. The Minister of Tourism has chosen to make a statement outside the House. I do not criticize him for that. But, Sir, if he is to make the statement outside the House, and it was not a chance one, it was all very nicely arranged, then I do not think, Sir, that it is a proper subject for a ministerial statement within the House. Surely, Sir, that is a breach of the privileges of the House and that, Sir, is my point of order.

MR. SPEAKER: The Hon. Minister of Fisheries.

HON. J. C. CROSBIE (Minister of Fisheries): Mr. Speaker, on that point of order. There is absolutely no rule whatsoever that circumscribes a ministerial statement. If the minister has a statement to make, whether anything has been said about the subject outside the House or not is quite irrelevant to the ministerial statement, and there is no authority cited by my learned friend, the Leader of the Opposition and I, therefore, suggest, Your Honour, that the minister should be allowed to continue with his statement.

MR. SPEAKER: Order, please!

The Chair is not aware of any procedural points that prevents a member from making statements once a statement is made outside the House from making a ministerial statement in the House. It may be a matter of opinion between the Hon. Leader of the Opposition and the honourable member as to a matter of courtesy or something like that but the Chair does not feel that it is a procedural point.

The Hon. Minister of Tourism.

MR. HICKEY: Thank you, Mr. Speaker. I may say as a point of clarification before I start with my statement, the fact that it was made outside the House, Your Honour, is not necessarily my decision but one which was made jointly by the federal government and the provincial government. It was the desire especially of the federal government that it be made in the manner in which it was made this morning. My only purpose in rising to make it today or to repeat it at this particular time was for the benefit of honourable members but especially because of the significance it has for the Province, and I think it is fitting that it should be recorded in the records of this honourable House.

Mr. Speaker, it is with a great deal of personal pride that in conjunction with the Hon. Allan MacEachen, Secretary of State for External Affairs, Government of Canada, I announce the planned world voyage of the Newfoundland banking schooner, the Norma and Gladys.

I take further pride in announcing that the Norma and Gladys, at the invitation of the federal government, would be Canada's feature exhibit during Canada Week at the International Ocean Exposition Expo 1975 in Okinawa, Japan later this year. The Norma and Gladys will depart from St. John's in mid-August, the exact date has yet to be decided. Her tentative schedule for her world voyage will be as follows: the Straits of Canso, Boston, New York, Panama Canal, San Francisco, Honolulu, Yokohama, Okinawa, Singapore, Aden, Suez Canal, Greece, Italy, France, Spain, Portugal, Germany, Great Britain and back to St. John's.

For several years, Mr. Speaker, my department has been searching for a suitable vessel which would stand as a permanent reminder of our heritage and a way of life which has evolved around Newfoundland's fisheries over the last four hundred years. In late 1972 it was learned that Captain Charles Kean, due to his retirement, was reluctantly offering the Norma and Gladys for sale. The Historic Resources Division of my department immediately entered into negotiations with the National Museums Secretariat of the Department of the Secretary of State regarding means of acquisition of the vessel. The outcome of the negotiations was a grant from the National Museums Secretariat to purchase the vessel and an agreement that the federal and provincial governments would share the cost involved in restoration of the schooner to its original condition and profile to be used as a floating museum. I might add, Mr. Speaker, that the cost-sharing of the restoration was indeed a very generous one.

Under the supervision of the Historic Resources Division restoration of the schooner was undertaken at the Clarenville Shipyard by some of the few remaining craftsmen familiar with this type of vessel. All of the exterior work returning her to her original design, as a Grand Bank schooner, has been completed and she was re-commissioned on November 23, 1974. On completion of the modifications to her lower

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decks, including the museum exhibit area, and installation of the exhibits, she will be ready to go into service in her new role as a floating museum and as an ambassador of the Newfoundland fisheries.

Prior to

the schooner's departure on her historic world voyage she will make a provincial tour. This tour is now in the planning stage and the itinerary will be announced within the next few weeks. The itinerary for the provincial tour will be depend on such factors as the training period for her crew, and, of course, ice conditions on the coast which will govern the date she will leave the shipyards at Clarenville.

The signifiacnce of this endeavour has many facets. In the first place the schooner is an important historical on such factors as the Newfoundland and to Canada generally. It is the last of its kind in seaworthy condition. It has earned its place in Newfoundland's history by contributing to the development of the economy of our Province in the prosecution of the fishery and as a cargo carrier to remote communities around our coastline.

In its new role as a floating museum it will be carrying exhibits which depict aspects of the Newfoundland fishery and will be a living reminder of the importance, past, present, and future of the fishing industry to our Province and Canada. The federal and provincial governments share the view that the vessel, its background, history and exhibits all present tremendous opportunities to promote the future development of the Tourist Industries of Newfoundland and Canada.

My staff and I intend to see that maximum use is made of the voyage in relation to its ports of call by way of promoting this Province, its unique way of life, its beautiful scenery, the warmth and hospitality of its people, and the signifiacnce of its culture and historical past. The Norma and Gladys is a tangible symbol of Canada's concern for the protection of the fishing industry and is therefore directly relevant to the position taken by Canada at the recent Law of the Sea Conference. The need for established limits, resource controls, and preservation of the quality of the ocean has long been recognized by both levels of government to prevent further depletion of the fish stocks by foreign fishing fleets, and the adverse affects to our own fishery, particularly the inshore fishery. This facet of the project is obviously of extreme interest to the government and the people of the

Province who depend, and will continue to do so in the future, on the fishing industry a key component of the Newfoundland economy.

I am pleased that my Historic Resources Division initiated the Norma and Gladys project, and that they have been so enthusiastically involved in this venture. We in the provincial government are gratified because of the significance of this endeavour in terms of our historic past, and the recognition it gives to our heritage and culture. It is important, too, that the children, grandchildren, and great grandchildren of Newfoundlanders will have the opportunity to see at first-hand this living monument to a way of life which is fast disappearing. We in Canada's youngest Province should feel proud to have been singled out and given this opportunity to represent our country by displaying our extensive knowledge and experience of the fishery gained from over 400 years of involvement.

In closing I take this opportunity to offer my personal thanks, and those of my colleagues in the provincial government, especially my predecessor, the Hon. T.M. Doyle who in his wisdom approved a recommendation of his staff to acquire this vessel, to the staff of the National Museum Secretariat, Our thanks also go to the Minister and staff of the Federal Department of External Affairs. Last, Mr. Speaker, but by no means least I would like to thank those members of my staff who were involved in any way with this venture. A very special thanks is due to the members of the Historic Resources Division of my department, with special mention for its Director, Mr. Martin L. Bove without whom this venture would not have taken place. It is because of his concern for the preservation of Newfoundland's heritage and culture that this project was initiated. The potential value of this schooner and its historic voyage will be felt by Canadians and especially the people of this Province for many years to come.

My department will be issuing further releases as details are finalized for both the provincial and local voyages. We will also be advising the media and the people of this Province on a continuing basis regarding the vessel's progress and her ports of call.

Mr. Speaker, I think this is a very significant moment for this Province and its people, especially in relation to the fishery, and also

in relation to the tourist industry as well. I think that it is an opportunity that we could not have missed, we should not have missed. Our involvement financially is negligible almost when you realize the fantastic amount that is involved by the federal government. It is my pleasure to make this announcement today and I know that we will gain much publicity and surely increase the tourist industry in this Province.

MR. SPEAKER: The honourable Member for Bell Island.

MR. NEARY: Mr. Speaker, after this earth-shattering announcement in the ministerial statement given by the Minister of Tourism, Sir, I am completely limp. I am completely limp. I can hardly, I am so overcome I can hardly express my feelings about this matter, Sir. I am sure, Mr. Speaker, that the struggling taxpayers of this Province who cannot cope with the cost of living will welcome this announcement by the minister today. All those people who are faced with increases in gasoline and oil will welcome this announcement made by the minister today, Sir, throughout the Province. There will be dancing in the streets tonight in the various communities where fishermen cannot get out to do a little fishing this year. They will be delighted with this announcement, Sir, and our people who are worried sick about the Provincial debt, they will welcome this announcement made by the minister today.

Sir, there were a few things that the minister did not make clear in his ministerial statement. The minister did not tell us about the Cabot Group 4 Limited that put together a brochure and a package and put together the minister's press conference that he held today. How much did that cost the taxpayers of Newfoundland? Who is this Cabot Group? Are they under contract with the minister's department and if so, were public tenders called? What about the cost of the brochure that will accompany the Norma and Gladys on her cruise around the world? Were public tenders -

AN HONOURABLE MEMBER: Inaudible.

MR. SPEAKER: Order, please!

MR. NEARY: Were public tenders called for the putting together and the printing of this brochure and what other little gimmicks, Sir, like compliments of the honourable T.V. Hickey, Minister of Tourism, Newfoundland, will the Norma and Gladys be carrying a load of this sort of gimmicks and propaganda? If so, the minister did not tell us how much these little things are going to cost.

Now, Sir, from the minister's statement, it would appear to me that he completely misunderstands the nature of his job. This minister, Sir, is responsible for attracting tourists into Newfoundland, not encouraging tourists to travel all over the world, especially to Japan.

MR. SPEAKER: Order, please! Order, please! Order, please! The honourable Member for Bell Island speaking to the ministerial statement presented by the Minister of Tourism, the Chair feels, has strayed somewhat from the rule of relevancy with regards to the statement itself and has almost reached the realm of debate.

MR. NEARY: Mr. Speaker, obviously, Sir, this is merely a grandstand gesture on the part of the minister to announcing this world tour of the banker that really has no significance except in Newfoundland, Sir. The people in Japan, our biggest competitor as a matter of fact for the fish markets in the United States, one of our biggest competitors is Japan and we are sending this banker to Japan to try to drum up a little business.

Mr. Speaker, I am amazed, Sir, I am amazed that the honourable the Premier of this Province would permit one of his ministers, Sir, to get away with such a ridiculous waste of public money, especially, Sir, at a time when the taxpayers of this Province are struggling to keep body and soul together and are worried sick about the provincial debt that has -

MR. CROSBIE: Mr. Speaker, to a point of order.

MR. SPEAKER: Order, please!

MR. CROSBIE: This is a complete violation of the rules that govern ministerial statements and the right of honourable gentlemen opposite to say a few words, comment upon them or to ask them questions in connection with it. These comments are far more apt for a budget speech or some general debate.

MR. ROBERTS: To that point of order, Mr. Speaker. I submit that the honourable gentleman from Bell Island is entirely in order, Sir. He is making a few comments. He is asking a -

AN HONOURABLE MEMBER: Inaudible.

MR. SPEAKER: Order, please!

MR. ROBERTS: He is asking a few questions. He may be doing it in a manner which annoys the House Leader and for that I am deeply apologetic and grieve grievously indeed, But the fact remains I submit the gentleman is in order and he should be allowed to draw his brief remarks to a conclusion, his comments upon quite a lengthy statement which the minister made, a statement which he had already made outside the House.

MR. HICKEY: I think I should not wait any longer to raise this point. The honourable gentleman from Bell Island in his usual callous manner has drawn some personal observations into this project which I take strong exception to and I would like to answer them right now. It is typical of his intellectual bankruptcy which he has displayed for so many years.

MR. ROBERTS: On a point of order, Mr. Speaker.

Mr. Hickey.

The point of principle, Mr. Speaker, is simply this -

SOME HON. MEMBERS: (Inaudible).

MR. SPEAKER: Order, please!

MR. HICKEY: - he referred to my use of funds, of departmental funds, of waste of funds.

MR. ROBERTS: To a point of order, Mr. Speaker.

MR. SPEAKER: Order, please!

The Hon. Minister of Tourism rose to a point of privilege which takes precedence over a point of order. The Chair is trying to determine the point of privilege being raised by the minister. When the Chair has the opportunity to hear it, it will rule on it then.

MR. HICKEY: He also raises the question of a company, Mr. Speaker, which has all sorts of connotations. If the honourable gentleman wishes to provide -

MR. ROBERTS: Point of order.

MR. HICKEY: Please let me finish. If the honourable gentleman -

MR. SPEAKER: Order, please!

MR. HICKEY: - wishes me to provide any or all details with regards to what that company has done for the department that I am responsible for, I would be more than willing to hold a full-scale debate on it.

AN HON. MEMBER: (Inaudible).

MR. HICKEY: Well why do you not be man enough to get up and take back your inflammatory remarks?

MR. ROBERTS: (Inaudible).

MR. SPEAKER: Order, please!

There was a point of order raised and subsequently the Minister of Tourism rose on a point of privilege which the Chair feels perhaps was a difference of opinion between two honourable members. The point of order raised by the Hon. Minister of Fisheries with regard to the Hon. Member for Bell Island entering into the realm of debate on a ministerial statement, the Chair had already cautioned

the Hon. Member for Bell Island that the Chair felt he was entering into the realm of debate and certainly feels that he probably was, but shall permit him to continue.

MR. NEARY: Mr. Speaker, the minister did not make it clear, Sir, in his ministerial statement although he did state, I think, in the statement that the government of Canada shared the feelings of the minister but the minister did not make it clear whether the Government of Canada shared the financial costs of sending this -

MR. HICKEY: (Inaudible).

MR. NEARY: No, the minister -

MR. HICKEY: (Inaudible).

MR. NEARY: I beg your pardon?

MR. HICKEY: (Inaudible).

MR. ROBERTS: Yes.

MR. NEARY: I would like to see yes Sir. That is what I am asking the minister. He did not make it clear to me - I do not know if he did to the other members of the House - whether or not

SOME HON. MEMBERS: (Inaudible).

MR. SPEAKER: Order, please!

MR. NEARY: - the cost of sending this little schooner around the world was shared jointly by the provincial government and the government of Canada. Neither did the minister make it clear, Sir, how many people were going to accompany the Norma and Gladys from this Province on her trip to Honolulu on her way around the world? How many ministers? How many deputy ministers would be going? Would the minister himself be going? How long would he be out of the Province? Would he be out of the Province in the height of the tourist season?

MR. ROBERTS: Will he be coming back?

MR. NEARY: No, not will he be coming back. Will the minister be out of the Province during the height of the tourist season at a time when our record over the last few years shows that it is virtually impossible to get people -

MR. CROSBIE: Mr. Speaker -

MR. SPEAKER: Order, please!

MR. CROSBIE: Mr. Speaker, this has gone far beyond the bounds of anything that is permitted. I refer to Beauchesne, page eighty-four, "When a minister makes a statement on government policy or ministerial administration, it is now firmly established that the Leader of the Opposition or the Chiefs of recognized groups¹¹ - now the Hon. Member for Bell Island is not the Leader of the Opposition, although that might surprise some people. He certainly acts as though he is - "the Leader of the Opposition or the Chiefs of recognized groups are entitled to ask explanations and make a few remarks, but no debate is then allowed."

Now this is becoming a full-fledged debate and the Hon. Member for Bell Island is not the Leader of the Opposition.

MR. NEARY: I was asking a few questions.

MR. CROSBIE: This is not the right time to ask them.

MR. NEARY: (Inaudible).

MR. SPEAKER: Order, please!

MR. NEARY: (Inaudible).

MR. SPEAKER: Order, please!

MR. NEARY: (Inaudible).

MR. SPEAKER: Order, please!

For the third time the Chair is to remind the Leader, I am sorry, not the Leader of the Opposition but the Hon. Member for Bell Island that the Chair feels that he is getting into the realm of debate and perhaps indeed was into a debate on the whole thing and if he persists in continuing this way the Chair will have to recognize another member.

MR. NEARY: Mr. Speaker, I will wind up my few remarks by merely saying, Sir, that in my opinion and in the opinion of the Opposition, my colleagues, that this is nothing but a barefaced rip-off of the taxpayers of this Province without any hope of recouping any of the money that is being spent or making a profit on the deal.

SOME HON. MEMBERS: Hear! Hear!

MR. SPEAKER: The Hon. Minister of Tourism.

MR. HICKEY: What does the honourable gentleman refer to as a complete rip-off? What kind of a connotation is attached to that?

MR. ROBERTS: (Inaudible).

MR. HICKEY: Does he want to explain? Or does he sit there in silence?

MR. NEARY: Tell us who Cabinet -

MR. SPEAKER: Order, please!

MR. NEARY: (Inaudible).

MR. SPEAKER: Order, please!

This whole matter has wandered far enough, and I recognize another honourable minister if he has a ministerial statement. If not, presenting petitions.

PRESENTING PETITIONS:

MR. SPEAKER: The honourable Member for Placentia East.

MR. AYLWARD: Mr. Speaker, I would like to present a petition on behalf of the residents of Fair Haven. The prayer of the petition is to have the road connecting the Community of Fair Haven to the Trans-Canada paved. The present condition of the road is deplorable, Mr. Speaker. As all members of the House already know during the recent severe storms during the winter, Fair Haven, like Branch, was one of the communities that was really isolated for a period of in excess of one week. This is a very short piece of road. It is important to the number of workers who live in the community and who are obliged to travel from, say, Fair Haven to Long Harbour or Come-By-Chance and also, of course, they have to leave Fair Haven to go to nursing stations and hospitals. It is extremely important that this road be upgraded and paved.

The concern of the citizens of the community is understandable, and they are very, very annoyed and disturbed with the condition of the road, and they tell us that if they do not have this road upgraded and paved, they will not even accept a ballot box in their community the next time. This is one way, I take it, Mr. Speaker, that they want to drive home to all concerned the condition of the road in that community.

This petition is signed by about 100 residents of the community and I am sure has the complete endorsement of every one who has ever had occasion to travel on that particular piece of road. So, I sincerely trust that the Minister of Transport and Communications will within the near future find time to meet with a delegation from Fair Haven and give them some assurance as to when this road will be upgraded and paved. I ask that this petition be tabled and referred to the department to which it relates.

AN HONOURABLE MEMBER: How many people?

MR. AYLWARD: How many people are in the community?

AN HONOURABLE MEMBER: How many people signed the petition?

MR. AYLWARD: Oh, about 100. If you care to count them, you can certainly

have the petition.

MR. SPEAKER: Order, please!

MR. AYLWARD: In excess of 100, yes.

MR. SPEAKER: The honourable Member for Labrador North.

MR. WOODWARD: Mr. Speaker, we on this side of the House support the prayer of the petition from the honourable Member for Placentia East. We too feel, Sir, that the road from Fair Haven to the Trans-Canada Highway should be upgraded and paved. We sympathize with the residents of Fair Haven where the member said that they are very annoyed at the condition of the road. No doubt the member is concerned. We feel that the Minister of Transportation and Communications in his wisdom when he presents his estimates before the House, we would like to think in terms of him having some funds in his estimates and some allotment for the paving and upgrading of the road from Fair Haven to the Trans-Canada Highway.

I would also like to say, if I may be permitted, Mr. Speaker, today we have in the lobby of the House a fine display of handicrafts from Labrador. I would like for all the members of the House -

MR. SPEAKER: Order, please!

MR. WOODWARD: - to take the opportunity to view that and to contribute to Labrador handicrafts.

MR. SPEAKER: Order, please! Order, please!

The honourable Member from Labrador North perhaps feels that he will be ruled out of order in continuing to take the opportunity in speaking to the prayer of the petition to expound on the topic which he just did.

The honourable Minister of Transportation and Communications.

HON. J. ROUSSEAU (MINISTER OF TRANSPORTATION AND COMMUNICATIONS): I thought the Labrador handicrafts thing was right good too, actually. The prices are pretty good too I understand, very good prices.

AN HONOURABLE MEMBER: Inaudible.

MR. SPEAKER: Order, please!

MR. ROUSSEAU: Anyway, Mr. Speaker, I would like to assure the honourable

member that any time that the delegation wishes to come in, certainly we will sit down and we will talk to them and see what can be done. There is only a limited amount of funds. We cannot do everything in the Province we would like to do, but we are certainly willing to sit down and try and work out something to assist the people and to keep their roads in as good a position as any. So, any time the member would like to arrange for the meeting I can assure him that we are prepared to meet with the delegation.

MR. SPEAKER: Are there any other petitions?

The honourable Member for St. John's North.

MR. CARTER: Mr. Speaker, I beg leave to present a petition on behalf of some eighty-five residents of the Tolt Road in the District of St. John's North, and the prayer of the petition reads: To the honourable the House of Assembly, we the undersigned residents of the electoral district of St. John's North; that your petitioners who live on the Tolt Road which runs from the Thorburn Road to the Old Broad Cove Road; that thirty-five families live along the Tolt Road with many new homes being built each year; that the number of vehicles making use of this road is increasing rapidly; and that the amount of traffic is increasing even more rapidly. The Tolt Road is not paved and it is the only major residential road in the immediate area of St. Philips and Portugal Cove that is not paved; and that this causes grave inconvenience and even hardship to our petitioners; that the government have announced they intend to spend more than \$100 million on roads this year; therefore, your petitioners request that the government cause this Tolt Road to be paved during this coming construction season in the Summer of 1975; and your petitioners, as in duty bound, will ever be grateful.

The petitioners are the heads of the families who live along that road. I would guess that all the heads of all the families have signed because I notice even the honourable Minister of Fisheries' signature is on this petition. Therefore, I commend it, and certainly believe that this would help in commending it to the - I would like to make the point at this time though, that although two honourable members of this House live practically

on or near the Tote Road, that they have had no conversation or influence, no influence has been brought to bear upon me to present this petition. I do so firmly believing in the justice of the petition itself and I would like to point out while I am on my feet, Mr. Speaker, that although the western part of the Tote Road is a fairly developed highway, the eastern end is practically only a cart track and therefore deserves immediate upgrading, if not paving. At the same time, I certainly agree with the petitioners who suggest that there is a great deal of tourist traffic, especially in the summertime when the road is dusty and this causes a great deal of inconvenience for people who live along the road. This particular area in St. John's North is becoming more and more residential and the area is certainly permitted for residential. It is in no way restricted by the agricultural land policy that the Minister of Agriculture announced some months ago.

Therefore, it is an area that I expect to be built up very soon and would be a very pleasant, a very worthwhile area to live in. I recommend all possible effort on the part of the government to upgrade, and not only to upgrade, but to pave as well. I would appreciate as much attention as possible on this road. I realize that because it is not a main highway that it may have escaped the attention of the department, but I am, as a member should, I bring now to the attention of the government publicly and recommend that this road be upgraded and paved this coming year. Thank you.

MR. SPEAKER: The honourable Minister of Fisheries.

MR. CROSBIE: I certainly want to support this petition since I signed it and to point out that the Tote Road is a very, very important road. It connects the Thorburn Road to the Old Broad Cove Road and that along that road live a great many liviers, in addition to some people who live there just for the summer. It is a road that is now being built up on its eastern end. It is now becoming extensively built up by people who live there all year round. This time of the year it is a sea of mud. It is a little on the muddy side. In the summertime it is a bit on the dusty side. It is a road that is in the metropolitan area of St. John's and needs attention. Now, if the Minister of Transportation

and Communications has got any humanity in him at all or any feeling of consideration for the people who live along the Tote Road, I know that he will reconstruct and pave the Tote Road this year as a work of urgent necessity. If we -

AN HONOURABLE MEMBER: Inaudible.

MR. SPEAKER: Order, please!

MR. CROSBIE: I can only say this. On behalf of the people who live on the Tote Road, Mr. Speaker, if it is not paved this year, we will be thinking very carefully how we are going to vote in the next election.

MR. SPEAKER: The honourable Leader of the Opposition.

MR. ROBERTS: Mr. Speaker, may I say a word or two in support of this and in so doing I hasten to assure the House that I do not have the naked, unrevealed, hidden self-interest of the honourable the Member for St. John's West who, as he often will admit when pressed, lives along the Tote Road. He is not a livier, he is rather a floater, floats in and floats out, sometimes across the water, sometimes not. But Sir, this petition deserves the support of every honourable member in this House. I want to congratulate the Member for St. John's North on the exquisitely able wording of the petition. I think it is one of the few petitions that has ever been brought before the House this session that was worded in the correct form and I want to thank the gentleman from St. John's North for the consideration he has shown the House.

Now, Sir, with reference to the supporting remarks made by the Minister of Fisheries, I appreciate his concern and I do hope his colleague in the transportation portfolio shows a little common humanity, a little heart for the people who live along the Tote Road, in addition to those who float in and out with the good weather and go out with the bad weather. My one regard about

that is that while the honourable the Minister of Fisheries briefly held the Finance portfolio for a year or so, he did not use his influence there to get this important artery paved.

Sir, the Tolt Road is one of the few roads left in the Metropolitan St. John's Area that is not paved. Bennetts Road was done last year. The Old Broad Cove Road is done. The Dogberry Hill Road is not done as yet. I was over it the other day, it is just about impassible. The Tolt Road has been closed to traffic the last few days because of the Spring breakup. There are a substantial number of people living along that road. And while there are many places in Newfoundland that need pavement and while there are many places which I hope will get pavement, I think that the case of the people along the Tolt Road is a good one and I would hope the Minister of Transportation and Communications will find it in his heart this year to spring the few hundred thousand dollars that are necessary, whatever that may be, to pave that road and thus to enable the Minister of Fisheries to get in and out in comfort and in ease. And if while he is doing it if the Minister of Transportation has a few hundred ounces of asphalt left, there is a road which he has finally recognized, put a big sign on it called The Hogan's Pond Road, and there are eight or ten families living up there on a livier basis, not a floater or a stationer basis, and they too would be grateful. I will not make any rash predictions about how they will vote, Sir, that is up to them, but I can assure the minister that they will certainly be grateful to him and give him every consideration and when he becomes on the employment market again, whenever that is, we would certainly be willing to consider asking him to go to work on the Hogan's Pond Road for those of us who live there. But I think the Tolt Road, Sir, have a good case. I hope the road will be paved this year. The people there are expecting it. They were assured two or three years ago the road would be paved immediately the Old Broad Cove Road has been done. The Old Broad Cove Road and Bennetts Road are now finished but the Tolt's Road turn, you know, the time has come.

MR. SPEAKER: The honourable Minister of Transportation and Communications.

MR. ROUSSEAU: As I recall, Mr. Speaker, last year this road was a topic of great discussion and certainly we will consider the petition. Of course excepting the two honourable members of this House, I think that the people out in the area probably - but I am sure that the honourable the Minister of Fisheries and the honourable the Leader of the Opposition, walking over the water as they do, have no need of paved road - but I am sure there are other people over there who do and we certainly will give every sympathetic consideration to the petition and if funds are available we will see what we can do.

ORAL QUESTIONS:

MR. SPEAKER: The honourable Member for Bell Island.

MR. NEARY: Mr. Speaker, I have a question for the Minister of Manpower and Industrial Relations, Sir, I wonder if the minister could inform the House whether he has received a request from the representatives of the St. Lawrence Miners' Protective Union in connection with their current negotiations with Alcan in St. Lawrence?

MR. SPEAKER: The honourable Minister of Manpower and Industrial Relations.

MR. MAYNARD: Mr. Speaker, I am not entirely sure of what the honourable gentleman is asking. If he is talking about a request for conciliation services? Yes we did some time ago and as a matter of fact we have had a conciliation officer in the area for some weeks now. I do not know what other requests could be referred to.

MR. NEARY: Mr. Speaker, maybe I could enlighten the honourable gentleman, Is the honourable minister aware that Mr. Curtis, the international representative of the union, has made a public statement that he has asked the minister personally to become involved in discussions to try to avert a strike that may take place in the next twenty-four or forty-eight hours in St. Lawrence?

MR. MAYNARD: Well, Mr. Speaker, I am not aware of any statements made by Mr. Curtis. He did call me this morning and he asked for a meeting with me which I have arranged, or as far as I know my Deputy

Minister has arranged for tomorrow. But he has not indicated as to what specifically he wanted to talk about at the meeting, but certainly I am willing to meet with him and the executive of his union at any time.

MR. MURPHY: It might be a fishing trip or something.

MR. NEARY: That is precisely the question I put to the minister in the first place, Sir.

MR. MAYNARD: No, you did not.

MR. NEARY: Sir, I wonder if the honourable the Premier could tell the House whether he has received a request from the City of Corner Brook for the honourable the Premier to meet with representatives of the City Council in Corner Brook to discuss this matter of taxes in lieu of a grant from Bowaters to the City of Corner Brook.

MR. SPEAKER: The honourable the Premier.

MR. MOORES:

The answer is yes, Mr. Speaker, and I will be meeting with the City of Corner Brook when they come to St. John's as I usually do when they come in. Hopefully, it will be in the next week or so.

MR. NEARY: Mr. Speaker, I wonder if the honourable the Premier would tell the House what action his government has taken or he himself has taken to set up a separate branch of consumer affairs, one of the recommendations outlined in the Food Prices Review Board, November, 1974?

MR. MOORES: Basically, Mr. Speaker, very little has been done in actually establishing the branch. I think it is important that the government does take a hard look at what can be done in this regard.

I know that the Opposition and others I suppose would say that time is of the essence as far as consumer affairs interests are concerned in this Province. It is something that the government is very aware of, and are working towards as quickly as possible.

MR. NEARY: Mr. Speaker, I am dissatisfied with the Premier's answer, Sir, and I wish to discuss that matter tomorrow afternoon, or Thursday afternoon, at the late show.

Sir, I wonder if the Minister of Provincial Affairs can inform the House if he has received a request from the Community of Burgeo on the South Coast to have his department, the branch of consumer affairs of his department, investigate food prices in that community of Burgeo?

MR. DAWE: Yes.

MR. NEARY: Yes! Well what has the minister done about it? Has the minister taken any action apart from pawning it off on Ottawa?

Is the minister's own officials going to go down to Burgeo to look into this matter?

MR. DAWE: We are considering it.

MR. NEARY: Mr. Speaker, the arrogance. Will the minister stand up and answer the questions?

SOME HONOURABLE MEMBERS: Inaudible.

MR. SPEAKER: Order, please!

MR. NEARY: Sir, a supplementary to the minister. Would the minister tell the House what action he has taken on a request from the people of Burgeo to have food prices investigated in that community, and if the

officials of the minister's department will be sent to Burgeo to investigate, make an on the spot investigation into this matter of the high cost of living in Burgeo?

MR. EVANS: Do not be so pushy, boy.

MR. SPEAKER: Order, please!

MR. DAWE: Mr. Speaker, we are as much concerned about the people in Burgeo as we are about the people in St. Anthony and the people in this Province in general. But, if I were to go around making announcements before we make investigations, what do you think would happen? It would be purposeless for me to send anybody anywhere in this Province to make an investigation if prior to doing so I am going to announce the fact that they are going to be there investigating. It is just not done. It only serves to defeat the purpose.

MR. NEARY: Well, Mr. Speaker, a supplementary. Is the minister aware that he is being quoted widely on radio today as having stated that he has asked Beryl Plumptre, the Chairman of the Food Prices Review Committee to go to Burgeo to investigate this matter? Is the minister aware of that?

Mr. Speaker, I have a question for the Minister of Municipal Affairs and Housing. Would the minister care to tell the House whether or not his department has yet taken a decision on a water and a badly needed water system for the community of Rose Blanche?

HON. B. PECKFORD (MINISTER OF MUNICIPAL AFFAIRS AND HOUSING): Mr. Speaker, about three weeks ago a number of people, councillors and a clergyman from Rose Blanche called my office requesting a meeting to discuss the business of a water and sewer system for Rose Blanche. We agreed on a time and a date, and they indicated to me that they would wire Mr. Jamieson's office in Ottawa and have a representative of his office present for the meeting. The meeting transpired last week. There was nobody present from Mr. Jamieson's office in Ottawa. I understand that a number of his representatives were in the Port Aux Basques area that same day that we had the meeting in here.

The day before that meeting we received communication by way of a phone call from Ottawa, from Mr. Jamieson's office indicating

that they had a proposal ready on the water and sewer system and that they would be presenting that proposal for the Department of Municipal Affairs the next week. This is Tuesday, is it, of the next week and we have not received to my knowledge yet the proposal mentioned in that phone call. I indicated to the people, the delegation that were in to see me, that it was a little premature for them to come to see me because we did not have any representation from Ottawa, and furthermore, because we were awaiting the proposals referred to in that telephone conversation.

So, we are eagerly waiting to receive that proposal from DREE and CMIC so that we can get on with the job in Rose Blanche.

MR. NEARY: A supplementary, Mr. Speaker. Would the minister care to indicate to the House how far the Provincial Government, the Department of Municipal Affairs, how far they are prepared to go financially to help on this project? Will the minister make any commitment to the people of Rose Blanche?

MR. PECKFORD:

Mr. Speaker, a couple of years ago DREE indicated that they were going to pay 100 per cent of the cost of the system. Now it seems that they have a different proposal. I suspect that the proposal involves provincial money. I am not going to indicate to the delegation or to anybody in Rose Blanche or to the honourable member just exactly what percentage of a commitment the Department of Municipal Affairs will make until I see the proposal.

MR. NEARY: Mr. Speaker, I have a question for the Minister of Transportation and Communications or the Minister of Intergovernmental Affairs. Would either minister care to tell the House whether or not the long overdue agreement on the Harbour Arterial Road has yet been signed between the Province and the Government of Canada?

MR. SPEAKER: The honourable the Minister of Fisheries.

MR. CROSBIE: Mr. Chairman, the agreement is not yet signed, but honourable gentlemen need not fear. It will be signed in due course and when it is there will be the usual announcement.

MR. NEARY: Mr. Speaker, a supplementary: Is the minister aware that we were given the same answer five or six weeks ago that the agreement would be signed momentarily? Could the minister indicate now, be a little more specific, and indicate what date or what period he is talking about?

MR. SPEAKER: The honourable Minister of Fisheries.

MR. CROSBIE: Mr. Speaker, I wish the honourable gentleman would - he should get this answer from the honourable Donald Jamieson. The agreement is all ready to be signed as far as the Provincial Government is concerned. The agreement has been - it is all agreed upon in principle. We are waiting for the Federal Government to tell us when they are ready to sign. The agreement has been agreed to by the honourable Mr. Jamieson. Presumably it has to go through the Federal Treasury Board and the usual processes up there and this is taking some time. So, any delay is not caused by the Provincial Government. It is caused by the normal processes of government at Ottawa and we are not making any fuss about it because we do not intend to be critical of Mr. Jamieson or the Government of Canada unless we have good cause to be. So, as soon as we hear from the Federal

Government they are ready to sign, our pens will be ready. With one stroke of the pen we can be ready to sign. It is agreed to by our government here and it is going through the usual processes at Ottawa.

So, the honourable gentleman need not be concerned, but if he has any special concern he can call Mr. Jamieson and ask him how it is coming along.

MR. NEARY: Mr. Speaker, a supplementary: Would the minister then care to tell the House whether all the matters in connection with the Harbour Arterial Road are at a standstill at the moment or is the purchasing and expropriation of property along the Harbour Arterial Road route still going ahead? Are properties still being purchased, and if so, who is paying the bill?

MR. CROSBIE: Mr. Chairman, there has never been any standstill insofar as that aspect of the matter is concerned. The Department of Transportation and Communications of this government has been acquiring properties along that route for the last year or two years. That process is still continuing. The Province is responsible, as I understand it, for acquiring the land and the right of ways and the federal contribution is in connection with construction of the facilities. So that has been proceeding just as it was, presumably, in the days when the honourable gentleman was in the government before 1971.

MR. NEARY: Mr. Speaker, I have a question for the Minister of Transportation and Communications, Sir. In view of the traffic deaths on our highways, and we understand that the toll is worsening, would the minister care to indicate just what action his department is taking on this matter? Has the advisory board that was set up recently by the minister started work yet, and if so, when will they be reporting to the minister on this matter of highway safety and deaths on our highway?

MR. SPEAKER: The honourable Minister of Transportation and Communications.

MR. ROUSSEAU: Yes, the advisory board has been set up. It has not yet held its first meeting. I had a meeting with the Safety Council last week and I mentioned to them that government had indeed run ahead with the formation of this board. We would hope that, of course, they would have

many subjects in respect to highway safety to look at and bring to the attention of the government. It is a wide ranging board and I will be making a formal announcement on it in the next few days. I would assume that the first meeting will be held insofar as the board is concerned as soon as possible, as soon as the board can get together and I would not anticipate that would be a long period of time.

MR. NEARY: I have a question for the Minister of Finance, Sir. Would the Minister of Finance care to tell the House if it is possible to avert a strike amongst the 200 liquor store employees in this Province? What action is the minister taking on that? Is the minister dealing with it at the moment? Will there be a strike? If so, will we be cut off completely or will there be alternative arrangements made to get a drop of stuff?

AN HONOURABLE MEMBER: Inaudible.

MR. SPEAKER: Order, please!

MR. SPEAKER: The Hon. Minister of Finance.

MR. EARLE: Mr. Speaker, the last advice I had was that negotiations are still continuing. There is no breakdown. I have not been notified of any breakdown. Until such time as there is a breakdown, of course, we will take no action.

MR. NEARY: A supplementary. Is the minister aware that all the members of that branch of NAPE have received a letter stating that the last offer from the Treasury Board was final, that negotiations have stopped and that a strike ballot is being taken? Is the minister aware of that? If so, would he care to comment on that?

MR. EARLE: Yes, Mr. Speaker, I am aware that a strike ballot has been taken. As I stated in my previous statement, there has been no action further than that. The fact that a strike ballot has been taken does not necessarily mean that a strike will take place. Negotiations are still going on.

ORDERS OF THE DAY:

MR. NEARY: Mr. Speaker, under Standing Order 23, Sir. Mr. Speaker, under the provisions of Standing Order 23, I ask leave of the House to move the adjournment of the House to discuss a definite matter of urgent, public importance, namely, the failure of this government to take appropriate action and implement measures to deal with the alarming geometric increases in vandalism and serious crime in this Province over the past three years. In view of the obvious fact that the government, Sir, especially the Minister of Justice, is no longer capable of dealing with this major problem the House as a whole is forced to come to grips with this most unfortunate situation immediately.

SOME HON. MEMBERS: Hear! Hear!

MR. CROSBIE: Mr. Speaker, as Your Honour well knows the question is whether this is a matter not only of urgent, public importance but of great urgency. In view of the fact that the estimates of the Department of Justice were only discussed a few days ago

when this very matter was raised then and dealt with, and in view of the fact that other occasions that arise during this session and the Budget Speech and the Address in Reply when the same topics can be discussed again, and due to the fact that there is no great emergency in respect to vandalism at the present time, for all of these reasons, and there must be at least several hundred other such reasons, I would request Your Honour to rule that the matter is not one to be dealt with now.

MR. SPEAKER: Order, please!

As honourable members have stated, of course, it is not whether the matter is important and people are interested in it but whether it is important or not to warrant an immediate debate and whether the debate is the urgent thing. The Chair does not feel that debate is the urgent matter at the present moment and thus does not accept this motion.

ORDERS OF THE DAY:

On motion of the Hon. Minister of Justice, a bill, "An Act Respecting Adult Corrections," read a first time, ordered read a second time on tomorrow.

On motion of the Hon. Minister of Finance, a bill, "An Act To Remove Legal Restrictions On The Assignment By Her Majesty Of Certain Rights To The Newfoundland and Labrador Hydro Electric Corporation," read a first time, ordered read a second time on tomorrow.

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

MR. CHAIRMAN: Page 116, Head 1901-01, Municipal Affairs and Housing.

The Member for St. Barbe North.

MR. F. ROWE: Mr. Chairman, my colleague and myself were not going to have much more to say about this general heading under salaries for the minister's office because we felt it very important that we get along to debate the estimates of the Department of Mines and Energy. We said that however important Municipal Affairs and Housing is, that it is important that we get along to discuss a department which is very important to the future economic development of this Province.

However, Sir, it was obvious yesterday that certain members on the government side were conducting a filibuster. It is not for that reason, however, that I am speaking to this particular vote for the third time. The reason that I am speaking to this particular vote for the third time, Sir, is that yesterday, in my preliminary remarks, I mentioned that one of the single greatest indicators of the failure of this present P.C. administration to help and assist and lead in regional and local government and to guide municipalities in such a way that they could cope with their local problems, the greatest single indicator of this government's failure in that respect was the fact that most municipalities have announced increased taxes or have announced that they will increase their taxes.

MR. PECKFORD: Incorrect statement.

MR. ROWE: The minister says an incorrect statement, Sir. The incorrect statement is the statement that the minister just made because the minister in answer to one of my questions provided me with the following information, that eight to ten municipalities have had substantial increases or will have substantial increases in their taxes this year.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Now, eight to ten municipalities. We can talk about most in many different ways, Mr. Chairman. We can talk about most or just -

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Now if I can be -

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Okay, now if I am - Am I going to be heard in silence, or what, Mr. Chairman? Am I going to be accorded that courtesy, or what?

We can talk about numbers of municipalities in a number of different ways. We can talk about the municipality of Cook's Harbour, which has a very small population, and we can talk about the municipality of St. John's which has one-fifth, almost, of the population of this Province. Now, okay, the minister has said that eight to ten municipalities or councils will or are having a substantial increase in their taxes. Fifteen to twenty municipalities, fifteen to twenty municipalities will have moderate tax increases.

AN HONOURABLE MEMBER: Out of 286.

MR. ROWE: Out of 286, okay. If I can continue my speech, I will yield briefly to the minister to indicate the names of these eight to ten with substantial increases and fifteen to twenty with moderate increases, if the minister wishes to provide the Committee with that information at the present time. No, I can see why. Because these eight to ten and these fifteen to twenty, Sir, probably represent the greatest and the largest municipalities in this Province. Such places -

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: This is why I am asking the minister. This is why. Is it St. John's? Is it Corner Brook? Is it Gander? Is it Grand Falls? Well, is it?

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: Well, this is exactly what I am saying, Sir, that the municipalities involved in these substantial increases represent, not in all cases, but in some cases, the largest municipalities in this Province. Now, okay - so, Sir, -

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN: Order, please! Order, please! Order, please!

MR. NEARY: Go back to Ottawa, boy, and make a fool of yourself.

MR. CHAIRMAN: The honourable gentleman from St. Barbe North -

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN: If

the honourable gentlemen are going to treat the Chair with contempt we would prefer that it were silent contempt. The honourable gentleman from St. Barbe North has the floor, and he has the right to be heard in silence and honourable gentlemen to my left seem to be over-anxious to contradict his arguments or to confuse the honourable member. And I suggest that he be heard in silence.

AN HON. MEMBER: The honourable member is shell-shocked. He is confused, bewildered, confused.

MR. F. ROWE: Now, Sir, the Hon. Minister of Municipal Affairs and Housing will have ample opportunity to contradict or rebut the points that I am trying to make, Sir, and I hope that he does so.

Now, Sir, I submit that the failure of this government and the department, and my sincerest wishes go to the minister in the hope that he will be able to rectify the problem, but the majority of the people of this Province, Sir, will have to pay higher taxes to their local governments this coming year.

AN HON. MEMBER: That is true. Hear! Hear!

MR. F. ROWE: The majority of the people.

AN HON. MEMBER: Right.

MR. F. ROWE: We can play around with figures. I will not say the majority of numbers because you can add up 150 little tiny municipalities or you can add up ten large municipalities which cover the majority of the people of this Province. Sir, the minister rebutted my argument on that point yesterday in fine debating style, and I said that, you know, I made my point and the minister made his and any further debate would really be a matter of trying to win debating points, and why pursue it if we are not going to get the answers.

Sir, I would suggest that the situation is much more serious than most people realize and that this government has not only forced or caused municipalities to raise their taxes because of this government's failure to provide revenue or to get revenue because of its own failure in industrial and economic development and, therefore,

the buck is being passed along to the local governments in this Province. But in fact the Riot Act has been read to the municipalities, the Riot Act has been read to the municipalities. And, Sir, if that is bordering parliamentary language, I am quite willing to provide the documentation to back up what I just said.

Sir, I submit further that this government and the Minister of Municipal Affairs and Housing has told almost directly, has ordered almost directly - I will say indirectly, but I will say almost directly - has ordered the municipalities and the mayors of this Province to raise their taxes because the government is not going to provide them with adequate funds -

SOME HON. MEMBERS: Hear! Hear!

MR. F. ROWE: - to provide adequate services in this Province.

AN HON. MEMBER: That is right.

MR. F. ROWE: And, Sir, I refer, and I quote from a letter dated April 4, 1975 from the minister's office, which the minister was kind enough to provide me with after I requested it yesterday, and, Sir, I will read a few relevant paragraphs from that letter. Sir, the first paragraph reads as follows: "In the past many municipal authorities have relied heavily on this department for financial assistance to meet emergency situations and even to assist with ordinary housekeeping expenses. In fact there has been an increasing tendency in this direction resulting in a notable lessening of local efforts to meet normal, municipal responsibilities. Many councils have not made any significant adjustments in their tax structures for several years and have not taken action to collect revenues." That is a pretty severe indictment of local councils, Sir. "Consequently the financial position of local governments generally has deteriorated which cannot be allowed to continue."

Now, Sir, the minister goes into some detail on requesting municipalities to raise their imposed rate to not less than \$12 per month for water services and so forth and goes into the importance of proper bookkeeping, which I go along with 100 per cent,

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but, Sir, proper bookkeeping with proper guidance from the Department of Municipal Affairs and Housing, proper education and guidance from the Department of Municipal Affairs and Housing.

But, Sir, after that in the closing three paragraphs the minister says: "In summary,

therefore, I wish to impress upon all municipal authorities the absolute importance of insuring that sufficient revenues are raised at the local level to meet the cost of providing a reasonable standard of services. It is imperative that a thorough assessment of the adequacies of the existing tax structure must be carried out and that adequate allowance be made in the budget for unforeseen expenditures or emergencies."

What the government and the minister and the Department of Municipal Affairs and Housing, Sir, are telling the Mayors of this Province is, raise your taxes because we are not prepared to provide you with adequate funds to meet a reasonable standard of services. "Particular attention" - quoting from the letter, Sir - "Particular attention should be given to existing property rates which is the principal source of revenue available to a municipality. Municipal authorities which have not imposed a real property tax and which have limited revenue should consider the imposition of this tax at the earliest possible date so that this source of revenue will be available during 1976. I have to repeat, therefore, that municipal authorities should accept greater fiscal responsibility in the management of the affairs of local government and should not rely on the provincial government grants to replace tax revenues available from local sources."

Sir, I would say that any mayor in this Province can only interpret this letter as saying, jack up your taxes, gentlemen, jack up your taxes. And thousands of people in this Province are taking issue with responsible, dedicated mayors and councillors in this Province, many of whom are working without pay, are having to take criticism and sometimes abuse from their citizens in their own communities because this government have passed the buck to all of the Town Councils in this Province to collect revenue for a reasonable service.

Sir, I submit that it is the responsibility of this government to provide the revenue for a reasonable service. It is this letter that says a reasonable service, not beyond a reasonable service, but a reasonable service. It is the government's

responsibility to see to it that councils are able to provide a reasonable service to the people in their communities. Sir, the minister, I repeat, has ordered councils, the mayors, to raise their taxes because this government would no longer accept the responsibility. And, Sir, why is this? This is because this government in its three-and-a-half or so years of office have been an abysmal and dismal failure in industrial and economic development and consequently they have not been able to derive revenue, to get the revenue to help our citizens. And they have done precisely the same, Sir, with Municipal Affairs and Housing as they have done in Education. They got together in their cabinet room -

MR. MARSHALL: On a point of order, Mr. Chairman. As an ordinary backbencher, it is pretty hard to take, as the honourable member has been obviously irrelevant. He is talking about the Minister of Municipal Affairs and the Minister of Municipal Affairs being responsible with respect to the taxes which are assessed by local governments. He is also talking about getting into the realm now of industrial development, the government's whole process of industrial development.

Now as I think I said on hour 15 of those estimates, which was the last time I spoke, and it is now about hour 15 nearer zero hour as it was, I am interested as a member of the backbench of hearing all departments of government discussed, including such departments as the Department of Tourism, the Department of Public Works, the Department of Health and what have you. And I have to object, Your Honour, as a member of the backbenches who is interested in hearing all government departments discussed, in hearing the time of this committee being taken up, as far as I am concerned, in complete and absolute irrelevancy on the part of the Opposition.

Now I realize the

Member for St. Barbe North probably thinks he is making a point, but he is not really making a point. He is delving and he is dwelling upon irrelevancies and in accordance with article, I think it is, Order 51(a), I would ask Your Honour as Chairman of the Committees to direct the Member for St. Barbe North that he is in the realm of irrelevancies and ask him to stop talking because after all, it was the Opposition last Friday, and I was somewhat encouraged, which had indicated that it was interested in discussing other departments such as Mines and Energy and other areas that I also am interested in hearing discussed.

MR. ROWE: To that point of order, Mr. Chairman. It is obvious that the only thing the Member for St. John's East is doing is raising an objection to the statements that I have been making. That is all and with respect to consuming the hours of this Committee, it was yesterday, Sir, that the honourable the Leader of the Opposition stood in his place and said that we will have very little of anything else to say about the Department of Municipal Affairs and Housing so that we can get on to other departments. Then honourable members on the other side started off with a filibuster. Four or five members got up to speak and we were accused of not speaking on the subject and the honourable member gets up now and, I mean, you cannot have your cake and eat it too. I submit, Mr. Chairman, that this is simply a difference of opinion between two different members and not a point of order.

MR. MARSHALL: Your Honour, if I may for just one quick moment. If the Opposition was really sincere in what it said on Friday in having the estimates of Municipal Affairs and Housing gone through so they could get to something else, the honourable Member for St. Barbe North would sit down and keep his seat and let Municipal Affairs and Housing go through so that the rest of us could hear, in the limited time available, an examination of the rest of the departments which ought to be examined.

MR. OTTENHEIMER: Mr. Chairman, if I may add a word to this very relevant point of order. I can only see one way out of this impasse and that is that there should be unanimous draft, I know proposed

by honourable gentlemen on the opposite side, and I would think seconded by at least some honourable gentleman on this side, that the honourable Dr. Smallwood be asked back to take over the functions of Leader of the Opposition so that he could instruct us all upon the proper functions and I certainly look forward to Dr. Smallwood, whom I have had the honour of sitting opposite for a few years, I will look forward to seeing him back here as Leader of the Opposition and I would hope, Mr. Chairman, that you will invite the honourable doctor on behalf of the Legislature to come back and take up his rightful place in this Legislature.

MR. CHAIRMAN: Order, please! Order, please! Well, honourable gentlemen have consumed about ten minutes on this point of order. I am not sure if the honourable member was being irrelevant when the point of order was raised by the Member for St. John's East. However, I did detect certain phrases entering his speech that had little relevance to Municipal Affairs and Housing, although I think he was striving mightily to make them relevant. He was attempting to relate the raising of taxes to government's failure to raise money in other fields which may or may not be relevant, but he was attempting to do that. Of course, if that were to be expanded as it could be, he could spend a considerable number of hours on that and I think I would have had to interrupt him had he gone on much further.

Now, with reference to the point of order itself, it is basically a disagreement between two honourable members as to what is relevant or irrelevant and the three honourable gentlemen who have spoken on it have made their points. The point made by the Minister of Education had the least relevance to the point of order. However, it is another indication of how the point of order can be used to score debating points.

MR. ROWE: Thank you, Mr. Chairman.

AN HONOURABLE MEMBER: Inaudible.

MR. ROWE: The Chairman just ruled that I was not quite relevant and it was a difference of opinion between two different members.

Now, Mr. Chairman, I was about ready to finish my remarks but I am almost provoked now to re-emphasize them, but of course, I will not.

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The point that I was making, Sir, is this. The minister has through a four page letter to the mayors of this Province, has virtually ordered the councils to increase their taxes.

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The Minister of Municipal Affairs and Housing, A. Brian Peckford, the Minister of Municipal Affairs and Housing, signature. And, Sir, I was drawing the analogy that the Department of Municipal Affairs and Housing and the minister himself has done exactly the same thing as was done by the Minister of Education when he set up and allowed to continue these school tax authorities. The buck is being passed from the provincial government to local government or local authorities in trying to raise revenue for, in the case of the Minister of Education, educational purposes, and in the case of the Minister of Municipal Affairs, for servicing to the various local governments in this Province.

Now, Sir, I bring this to the attention of the Committee because I think it is the government's responsibility to assist local government to provide what they call a reasonable level of social services. Because, Sir, some local governments do not have the tax bases that other local governments had. You cannot compare the tax base of, for example, Cook's Harbour, Sandy Cove, and Flower's Cove, and Anchor Point -

AN HON. MEMBER: Inaudible.

MR. F. ROWE: You cannot compare their tax bases, Sir, with that of Corner Brook, where only a few years ago the average income of the inhabitants of Corner Brook was listed second highest of all towns and cities in Canada. How can you tell Corner Brook and tell Sandy Cove to raise their taxes to provide water systems, adequate water systems?

MR. PECKFORD: (Inaudible). He is misunderstanding the whole point.

MR. F. ROWE: Well if I am misunderstanding the whole point the minister will have his opportunity to clarify it, and I sincerely hope that he will do so.

AN HON. MEMBER: Inaudible.

MR. F. ROWE: But, Sir, I maintain that the councils of this Province have been ordered to raise taxes because of the failure of the government through their own floundering around in industrial and economic development to get revenue into the treasury of this Province to provide municipal services and other services such as education.

MR. CHAIRMAN: The Minister of Finance.

MR. EARLE: Mr. Chairman, I will not delay this Committee any length of time, but I cannot resist the temptation to get up and say a few words

on the minister's salary vote here. First of all, I would like to say, as the honourable minister succeeded me in that portfolio, I would like to take the opportunity of congratulating him in wishing him well in the portfolio because I know probably better than anyone else in the House the onerous task which he took on, the many projects which were started while I was minister there and which he has so energetically and faithfully and with enthusiasm followed up, I have been simply amazed at the time and energy that he has been able to put into it, such matters as the new water system for St. John's, which got underway during my term of office, and now he is following up very energetically. There is also, of course, in the city of St. John's the need of a very greatly enlarged sewer system which is going to cost tens of millions of dollars and it is something else which is giving him a great deal of concern. Right throughout the country you can name twenty or thirty places where projects were gotten underway which the minister has now to rack his brains to try and complete. And the statement by the honourable Member for St. Barbe North in the light of all of all of this is most unfair. Because these small municipalities, and some of the larger ones even, the amount of assistance which this government have given to these settlements, these towns and villages has increased very, very substantially. Some of these water systems, for instance, are being subsidized up to the extent of \$200,000 a year. Talk about assisting different areas, when there was the amalgamation of Stephenville and Harmon the grant to that particular area was immediately doubled from \$100,000 to \$200,000. And so the story

goes all the way along the line, through special grants and regular assistance grants and subsidies on water and sewer systems. There has been a steady increase of assistance to all of these settlements, on top of which last year we brought in, and the minister is also following this up, a new system of assistance for upgrading and paving roads within a community. This is far greater assistance than these communities ever had. There is a new formula worked out where, I just forget the figures now, but I think it was \$600 for the first five miles and \$500 for the following number of miles.

AN HON. MEMBER: \$800.

MR. EARLE: I am sorry, \$800 for the first five miles and \$600 for over five miles.

AN HON. MEMBER: Per what?

MR. EARLE: Per mile, this is something which is completely overlooked but it is of great assistance to the municipalities and something which I know from the experience I had with them, they were extremely grateful. Also the paving grant was raised from sixty per cent participation by the government from fifty per cent. So it goes on and on. I just want to say that criticism of what the government is doing in this respect is most illtimed and illplaced. But there is one vital point which people all over the Province have to realize, and I am sure that the minister brings this home to various delegations that come in to see him, that it is virtually impossible, in fact it is impossible for any government to meet the demands of services which the people are putting on them.

We see petitions brought in this House practically every few days, for water and sewer systems and many other things, improvements to roads and so on. While the government is doing its utmost to cope with the most serious of these, and there are many very serious ones around the Province, there is no possible way that any government can tackle these things all at once or even bring them up to a reasonable standard.

The last estimate that I had on water and sewer systems alone was \$300 million, to bring them up to proper standards and that had probably escalated beyond that today. So to criticize the minister for not being able to do everything for everyone is extremely unfair.

MR. ROWE: Point of order, just on a brief point of order, I would like it firmly understood by the Committee that I did not criticize the minister. Any criticisms that I directed to anything or anybody was towards this administration and the Department of Municipal Affairs and Housing and in fact I wish the minister every success in rectifying the problems that he has to contend with. At no time did I actually criticize the minister personally or anything like that. I just wish that to go on record.

MR. EARLE: Mr. Chairman, the same thing is true because the minister can only do according to the funds which the government allocates to his department to do, and criticism of the government, of course, is criticism of the minister's work also.

But I will just conclude my remarks by saying that in my opinion this minister has demonstrated great enthusiasm, great ability to undertake the job. And with the funds which the government is making available to him, he is doing an extremely good job. As I will repeat, there is no government, no matter who it is, can possibly cope with the demands which the people are making and the fact that local governments, such as municipalities and school tax boards and so on are being asked to share, to take their share of the responsibility, in my opinion is only a proper democratic process which if the people of the Province want services and demand services, they have to be prepared to bear a proportion of paying for them.

MR. CHAIRMAN: The honourable Minister of Municipal Affairs and Housing.

MR. PECKFORD: Mr. Chairman, in relation to that letter that the honourable Member for St. Barbe North mentioned, he is misunderstanding the whole thrust, and the whole tone and tenor of that circular. And if I can just reiterate again, and I will try to do it as briefly as I can

Mr. Chairman, that the whole thrust and tone of that letter is this; nobody expects a small municipality, Cooks Harbour or Savage Cove or Green Island Cove, whatever it is down on the North Coast, any small municipality, to ever have to pay the kinds of taxes that they are paying in an urban region like Corner Brook or St. John's.

What the circular is trying to get across to municipalities, there are a number of things, but the thing that the honourable member brought up is that if your service fee now, this past year is \$10 a year and you have a very small business tax, you might only have two or three businesses in that municipality anyway, so you are not going to get too much revenue from them. If that municipality is requesting of government capital expenditures in the tune of \$1 million or \$2 million, is it not reasonable to expect that municipality to make extra efforts to expand its tax base to bring in more tax revenue if the government is going to outlay capital funds of \$1 million or \$2 million for a water and sewer system and what we are saying in that regard is in that circular, that the municipality must agree to a \$12 a month water and sewer rate. And Mr. Chairman, I have to reiterate that \$12 per month water and sewer rate will only, and some cases will not,

maintain that water and sewer system once it is installed. It will not pay one nickel on the interest on that capital outlay and it will not pay one nickel on the repayment of the principal of that outlay. So, all we are trying to say to municipalities is: (1) You have to use better bookkeeping practices. You cannot transfer funds out of the utility of a budget to use for some other purpose in the municipality. If you set up an account for utility, use the money in that account for utility and another one for roads and another one for whatever. So, it is a matter of bookkeeping and it is essential if municipalities are going to try to be more responsible in looking after large sums of money that are passed over from the Province to the municipalities. This is all we are saying, that you cannot expect, it is unreasonable to expect government to not say to a municipality, look, you have got a \$10 or \$12 a year service fee. Make more reasonable efforts to increase that service fee over a period of time so that you will be in a position when that water and sewer system is in to, at least, accumulate enough dollars to maintain that system. It is just vitally necessary. It is basic, sound economics. It has to be done because in the first instance, talking about Cook's Harbour, talking about Cook's Harbour, last year this administration subsidized a water system in Cook's Harbour to the tune of \$42,806.59, that this Tory administration subsidized the water system in Flowers Cove to the tune of \$24,531.62, that this government last year subsidized the system in Goose Cove, down in that same area, to the tune of \$19,352.51 and we are going to continue to have to subsidize new systems. Nobody is saying we are not.

This administration is not passing the buck, because in saying that the implication is that no longer will you need all of these various subheads from the Department of Municipal Affairs for outlay of money, no longer will you need that. That kind of a statement indicates quite clearly that the government is not going to put any more dollars into these municipalities for any kinds of programmes and that is wrong. This year, I think the subhead here for subsidies on systems is increased

from \$7 million to \$9 million or something, \$9 million to subsidize water and sewer systems in this Province, \$9 million, up from \$7 million last year. All the programmes that we have in the department are expanding financially and in other ways, the various conditions that are put on these programmes and that we will continue to provide additional revenue grants over the next few years, and we will continue to have a firefighting programme, and we will continue to have a reconstruction of paving programme, and we will continue to raise capital funds for new projects in which we are going to have to pay a subsidy on that system. But it is only reasonable to say to municipalities, you must increase your tax revenue when you get into heavily capitalized projects of \$1 million or \$2 million because otherwise, the municipality is going to find itself in the unfortunate dilemma down the road in a year or two of not only having to turn to the government to subsidize the system or pay off the interest and principal, but we are going to have to give it, that municipality, special grants to maintain that system.

So, all the way along the line you are finding the problems of the department involved and somewhere the municipality must recognize that they are going to have to gradually increase their taxes in line with the increased services that they are receiving. You cannot expect to get improved and more and increased services and at the same time keep your tax rate and base at the same level as it was two or three years ago. As you move ahead so must everything else go up. In other words, you cannot get something for nothing. As you get a new town hall or as you get a new fire truck or as you get an extension to your water system, these are capital projects involving

large expenditures of money. If you want those things then you are going to have to pay your share of them. We will still pay our share and be heavily involved in it hence that is the whole reason for this kind of a circular to try to impress upon municipalities the importance of good, sound bookkeeping practices in relation to the money that they spend, number one, and number two, to indicate to them when they get involved in capital projects that they must recognize that they have a financial responsibility in this regard and if they want to see improved services and more services then they are going to have to pay more taxes. That does not mean that we are not still going to be subsidizing the system. That does not mean that we are still not going to be putting out huge expenditures for them. But it does mean that we must co-operate together financially in the whole effort. But it is recognized by this government that for many years to come the Department of Municipal Affairs is going to be taking ninety to one hundred per cent of the finances for any of these projects.

Now on property taxes, which will become, no doubt, the chief revenue generating procedure of a municipality, if a municipality today in this Province decided that it wanted to go into property tax, that it wanted to implement a property tax, this is 1975, April, it is quite conceivable with the work load and all right now that if they requested that today, it would be the Spring of 1977 before taxes would actually be collected, property taxes would actually be collected. It would take perhaps that long.

AN HON. MEMBER: To assess.

MR. PECKFORD: That is right, and assess the property in a municipality and get it set up. So even if a lot of municipalities started just today, it would take that long for the citizens in that municipality to be actually paying a property tax. And in the larger centres of the Province, in the larger municipalities, you know, not just Cook's Harbour or even any of the smaller places, but there are some large municipalities around this Province right now that do not have a property tax, and they are losing valuable and many dollars because of

it. And it is difficult for a large municipality of 3,000 or 4,000 people or more, even 2,000 people or more, to really progress because if it is a large municipality it is going to need that many more services very often, right, proportionately. You know, if you only got 500 people in a community, the area of that community and its boundary might be less than a larger municipality and you have more roads and so on and so, therefore, it is to their advantage to get into the property tax field. So the whole purpose of that letter, Mr. Chairman, is as I have just outlined, and it is not meant that the government is passing the buck or anything like that. We are not passing the buck, but we are trying to impress upon councils that when you get involved in capital, heavy capital outlays, that correspondingly their tax rate base must be either increased or enlarged or both in order to handle it. Otherwise that vote now that we are talking about right now, existing systems, forget about that new systems this year, \$9 million on existing systems that this government is paying in subsidies.

You know I can go down over some of them. For last year, you know, subsidies on existing systems, \$12,000, \$75,000, \$77,000, \$38,000, \$35,000, \$126,000, \$5,000, \$30,000, \$35,000, \$38,000 \$10,000, \$49,000, \$47,000, \$87,000, \$7,000, \$42,000, \$8,000 \$35,000, \$29,000, \$67,000, you know, and on it goes. These are subsidies being paid by the department on existing water systems, not to mention new capital outlays as will be necessary and then the result of subsidies on those. So it is a pretty massive task. And as I mentioned, Mr. Chairman, I will just reiterate it again for the record, as I mentioned yesterday, over \$100 million in the last three years, \$86 million of new projects have been started by this administration. That does not indicate to me that this administration is trying to pass the buck, nothing of the kind.

But as we move now ahead even further, everybody is aware of it, and I am just stating the obvious that as society gets more complicated as it is in the rural parts of the Province, as the requests and demands grow, and want the same services as they have

in Corner Brook or Grand Falls or in St. John's as they get into development controls and so on and wanting housing developments and all the rest resulting from that logically is the fact that that municipality then must expand its tax base and increase its tax rates in order to bring about those necessary services, not forgetting for a moment that the main leadership financially in every other way must be taken by the Department of Municipal Affairs and Housing.

MR. F. B. ROWE: The minister said that I misunderstood the letter.

I submit that the minister misunderstood me, and for my part

I have made my statements. The minister has made his. I do not think the minister nor the government or any member can deny the fact that the government have asked the councils to increase their taxes. The minister interprets it as sharing. I interpret it as asking for an increase. We can continue on for a great number of hours, you know, who is right and who is wrong. I submit once again that we will be only trying to win debating points. I would suggest, Sir, that we have both made our points. It is up to the Committee and the people of the Province to determine who is right or who is wrong or partially right or wrong. I, in agreement with the Member for St. John's East, would submit that we now try to get through the estimates of the Department of Municipal Affairs and Housing as quickly as possible in order that we may debate a very important matter, such as Mines and Energy.

Now, if members opposite continue to filibuster as they did yesterday, I will get up and speak on every head and subhead in this department. But, for my part and my colleagues' part, we are quite willing to go ahead and let it go through with a few minor questions.

MR. PECKFORD: Just one thing for the record, Mr. Chairman, very briefly. Here is an excerpt from that circular which says this - it is the second paragraph: "This department of course recognizes the fact that in many instances municipalities are unable to raise sufficient revenues from the operation of the water and sewer systems to meet maintenance and operating costs as well as debt charges. In such circumstances, the principle has been well established that where a special subsidy has been approved, financial assistance will be made available to municipalities if there has been a genuine attempt to maximize local revenues."

MR. WOODWARD: Mr. Chairman, just a very few brief comments on what I would like to bring to the attention of the minister and the Committee. Although the minister has indeed given notice to the municipalities that they should raise their taxes, and indeed a lot of the municipalities have given notice and it has been approved that their taxes have been increased to the minister, I do not think the big danger lies with the

increase in taxes, Mr. Chairman. But there is another danger, and I think it is prevalent throughout the whole of the Province, where there are a number of community councils with delinquent accounts that have not been collected for a long period of time.

I have detected in a number of communities a lot of concern by people who are paying taxes and helping to subsidize people who are not paying taxes and are left in arrears for a long period of time, and then indeed the taxes are written off and then the people with the delinquent accounts are let go free.

Now, I looked at an article in The Telegram yesterday with regards to the Town of Happy Valley having a tax increase on the water and sewerage from \$8.00 a month to \$12.00 a month and the other related taxes, a net increase of some fifty per cent. When you look at this type of a situation and you look at the good citizens of the community who have been paying taxes regularly and you see a large percentage of the community who are not paying taxes, then the day will arrive when it will be very difficult unless you go through the legal procedures, to collect any taxes in the community.

In the event of this - in the case of the Town of Happy Valley, I think they have delinquent accounts to the extent of some \$300,000 for one municipality. So -

AN HONOURABLE MEMBER: Why do you not pay your taxes down there?

MR. WOODWARD: All I have left - I am paying them every year.

But, Mr. Chairman, I think this is a very serious matter. The attitudes, I think, of community councils today is the fact that they are creatures of the provincial government and they expect guidance and to be monitored by the provincial government. Indeed, I feel that if all the delinquent accounts were collected in the communities, everyone will share in the burden of taxes in the community. Then there would not be a need today to increase

taxes to the extent that they have been increased. And I say that there should be some system of control that is set by the Department of Municipal Affairs, and by the minister, in effect, that any delinquent accounts that are delinquent for over a period of three months should be indeed collected, and not be allowed to accumulate for a period of years and years. They will find it very difficult in a lot of communities to collect taxes in the event that the delinquent accounts are not recovered. I sympathize with the minister, I know he has a monumental task and the number of community councils is a problem that he is faced with. And I think in terms, Sir, that we will always have that particular problem in the event that we do not go to in this Province some regional system of government. I think it is indeed needed. I think the communities that are far away do not get the attention from government that they should get. We have appointed now a very good friend of mine, a person whom I know very well, as the regional supervisor for the West Coast of Newfoundland and Labrador, and he has established an office in Corner Brook, we have not yet seen him in Labrador. There is no doubt he is dealing with problems some place else. But if this is allowed to go on then I suspect that, Mr. Chairman, that the whole system of taxation would break down and then we will be faced with more problems. It is a serious problem. Maybe the minister as he goes through the subheads can comment on it. But there is no way that a number of people if they know the taxes are delinquent are going to pay taxes, because they feel there is no way that a community where they have taxpayers, fifty per cent are paying, fifty per cent are delinquent, there is no way that fifty per cent of the taxpayers, the assessed taxpayers in that community should support their community. And neither will they. You will see a lot of troubled areas in this respect, Mr. Chairman, and I suspect that the minister should come to grips with that very problem.

AN HON. MEMBER: Hear! Hear!

MR. GILLET: Hear! Hear!

MR. PECKFORD: Mr. Chairman, just to clue up on those few comments I could not agree with the honourable member more than - and I mentioned yesterday one of the factors that of tax delinquency and the things that that causes. And what we have been doing in a lot of cases -

AN HON. MEMBER: Inaudible.

MR. PECKFORD: Exactly. And living in a small municipality myself I, you know, am pretty well aware of that situation. And what we have been saying recently in the last three or four months in a lot of cases where we have municipalities who are coming in and saying look, you know, Mr. Minister, we have to finish this waterline and we need more money for snow clearing or whatever, and we take a look at their tax collections, which we can do now, see, with this financial division, this is why it is so important, you know, this is why we can get this circular together and back it up with people out in the field to help the different municipalities. We have been saying to them, let us take a look at your tax collections. And when we find that their tax collections are down, we say, okay rather than give you a special grant right now, let us just go for two weeks, you go back, and for two weeks really put on a determined effort to collect more taxes, to collect the back ones. And many times they have come back and instead of needing a special grant of \$5,000 very often they might only need \$1,000 and they can borrow the rest without a guaranteed loan or anything, because now they are going to have the revenue to take it.

AN HON. MEMBER: Inaudible.

MR. PECKFORD: Yes. And, you know, I am very keen on that. And where it can be done it must be pushed.

The other thing is on regional government, I suspect there will be a lot said about that in the next three or four months, very definitely -

AN HON. MEMBER: Inaudible.

MR. PECKFORD: it is going to be zeroed in on, and in many cases is going to, I think, help the whole situation.

The business of Labrador and the area administrator - we have planned now for some time after our seminar in Deer Lake, if that is where we have it, to go down to Labrador, Mr. Colbourne and myself and do a tour of the coast down there, and contact the members involved before we

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go and to help us out in that. So hopefully before the last of June we will be down in your area and you can show us firsthand some of the problems if you are available, or if you can give us some notes on it. So we will try and do what we can there for you.

The other thing, Mr. Chairman, before we get off of this first subhead. I would just like to point out to the Committee just as a matter of information that since the 1st. of January I have seen 193 Delegations from councils in the Province, I saw forty Delegations in January; sixty-six in February; forty-six in March; and already in April forty, that is forty-one now as of this morning. So

AN HON. MEMBER: Inaudible.

MR. PECKFORD: No. No. So that is one hundred -

MR. NEARY: - you are up in your office pawning them off -

MR. PECKFORD: No, I do not. I have no committee to pawn them off on anyway. I see them all. If anybody wants to see me, I see them. The door is always open. Always open, Sir.

MR. NEARY: You need to get the Premier to open his door now.

MR. PECKFORD: I just want to point out to the Committee that since January I have seen 193 delegations and I have handled 1,594 pieces of mail. It breaks down; in January 407 pieces; February 439; March 507, and up to April 14, in April 241 that I have handled there. So this will give you some idea of the workload of the department and we are trying to do what we can about it.

MR. MURPHY: Are you looking for a raise or something now?

MR. NEARY: Could the minister tell us before he takes his seat why, in his opinion, so many members of town councils throughout the Province are resigning? Is it due to pressure of work? Is it due to lack of finances? Is it due to lack of co-operation from the Minister and the government? Is it due to the fact that they are being abused or criticized locally? Why is it? This is something that concerns me greatly, why is it that so many members of town councils, mayors, deputy mayors and councillors throughout the Province are resigning and sometimes resigning en masse? Is it because they are not getting paid for doing their job? What is the reason for it? Because, you know, you are not going to get anybody to serve in these jobs if this continues. Obviously, they are developing a bad reputation. Could the minister tell us what the reason for it is?

MR. PECKFORD: Mr. Chairman, I cannot give you a definitive answer on that. I think you have to take each case individually and take a look at it and see, because it varies from place to place. In some places it is a matter of pretty intense petty rivalry between councillors. One councillor or the mayor lives in one section of town and the rest of the councillors the other section of town. And when they start a capital project and the

mayor's section is done first or something, everybody gets on their high horse that he knows of a sort of conflict of interest sort of thing, he had it done first. Other times it might be because we are not communicating properly although I do not know of any cases right now between the department and the councils.

But there are all the factors that the honourable member mentioned and more. All I would say is, that right now in order to really assess it you would have to take each municipality as it happens there and look at it -

MR. NEARY: It would be worth doing a study on and seeing the reason.

MR. PECKFORD: Yes. Somebody over at the university should be able to do a thesis on that.

AN HON. MEMBER: (Inaudible)

MR. BARRY: Ho ho, that is a mistake.

AN HON. MEMBER: Vocational school.

MR. PECKFORD: Okay, I will buy that.

MR. CHAIRMAN (Dunphy): The honourable the Member for Twillingate.

MR. GILLETT: I shall not detain the Committee for very long, Mr. Chairman, but I would like to support my colleague from Labrador North. I think that is one of the major problems, Mr. Chairman, in the financing of the municipalities. I am thinking of a municipality within my own district now, and a delegation is coming in to see the honourable minister on Tuesday of next week. That is their main problem, collecting the fees. And the least little excuse the people can get, you know, perhaps to refuse to pay, they will use.

I believe with the honourable Member for Labrador North that three months should be long enough to allow a householder to be delinquent in his payments. I am wondering, Mr. Chairman, if it would not be a good idea to have some sort of a central collection system to which the municipality would submit a list of the delinquent amounts due that council. For instance, at the end of every three months a list of accounts would go in. It cannot be

three months, I suppose, because it is paid on a yearly basis. But that collection committee would have more weight behind it, would have more push than the local authority. I say this because in a small community the councillors are in very many cases related to a lot of the inhabitants of that community. They do not want

to get in dutch with them. They do not want to have a lot of enemies in the area. But if some sort of a legislation if necessary to be brought down and then a system set up whereby the accounts would be collected and drastic measures would be taken to collect those accounts by a collection committee, not for profit necessarily, but an arm of the government, of the administration, perhaps Mr. Smallwood would call it. If an arm of the administration were to collect those fees or the community or the council, then I think, Mr. Chairman, there would not be the necessity for delegations to be coming here so often and approaching the minister for grants, for loans. Neither would they be faced with the problem of having their street lights turned off by the Newfoundland Light and Power which I understand has been a big threat to some municipalities.

I support wholeheartedly, Mr. Chairman, the suggestion made by the honourable Member for Labrador North. It is something that I have been thinking of for quite a while. I think it is the only way that they are going to finance it, and that is to be very strict with the delinquents because we have thousands and thousands and thousands.

MR. PECKFORD: Mr. Chairman, you know, the tax delinquency thing is an important element in tax revenues in a municipality, but I have to reiterate and I agree that a lot could be collected. When you are talking about a municipality, community council or even the town council in some cases where you only have an \$8.00 or \$9.00 a year service fee, you do not have a water and sewer installation there. So, you do not have any water and sewer rates. Tax collections are important and delinquency should not be allowed. Perhaps we should think about some way of getting at it. But, there should not, we should not have -

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: Well, the garbage thing comes under the service fee usually if they are incorporated. That is where they get the -

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: Yes, but the point still should be made that right

now as it stands even with these delinquencies because the rates are very low in many communities, you do not, even though there are a lot of delinquent taxpayers, because the rate is as low as it is, it would not enhance the financial position of the community to such a degree that it would permit it to do anything major in the way of expansion in the town, that it is twofold. It is tax delinquency and a very low tax base.

It is strange though, outside of those two factors, it is strange that some communities involved are five miles apart. One community has a tax collection rate of up to ninety, ninety-five per cent and the community next door has only a fifty or sixty per cent tax collection rate. You often ask. You wonder why. Sometimes it is the kind of people who inhabit those communities, number one. Number two, it is very often the case of a very strong council, very strong council where very often the town clerk or the town manager or whoever will go from door to door each month and almost demand, you know, that this service fee be paid. I have seen many cases in my own district where the difference is just startling. Two communities right alongside of each other. One community with even a higher tax rate sometimes, will have a high collection and the next community will have a low. I guess it has something to do with the people and also with the kind of leadership and strength of the municipal body.

MR. NEARY: Does the minister have any idea how much the taxes in arrears would amount to? It must be in the millions and millions of dollars. It would be an interesting exercise for the minister to get one of his officials to run it through the computers to find out just what the total taxes in arrears of all the municipalities, town councils, community councils and so forth is in Newfoundland. It would be very interesting to find out. I will bet it amounts to millions and millions of dollars.

MR. PECKFORD: It would not really tell the story because if you just took the sum of the tax arrears you would get so many millions of dollars. It would sound like a fantastic amount of money.

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: Yes,

but then if you raise it per municipality and so on, it would be a more realistic appraisal of the whole situation. You know by just taking the sum total and saying there was \$7 million tax arrears in municipalities in 1974, you would say, my gracious, all the work that could do. You would have to relate it to the given municipality to just see how much better off they would be or not be or whatever.

On motion 1901-01 through to 1902-02-04 carried.

MR. MURPHY: As a matter of interest, the public information programme, Mr. Chairman, is that your own -

AN HON. MEMBER: (Inaudible).

MR. MURPHY: No, I do not think. No. It is the silent five who sing all the favourite numbers.

AN HON. MEMBER: George McLean.

MR. PECKFORD: The public information programme is just to provide brochures, prepare exhibitions, produce slides, video tapes, when necessary - they have not been doing anything on that lately - and pamphlets on planning and other controls.

MR. MURPHY: Pamphlets and that sort of thing, yes.

MR. PECKFORD: We just did a brochure, Mr. Chairman, and, of course, we will be sending it around to all honourable members.

MR. MURPHY: Yes. That is what I was thinking of.

MR. PECKFORD: Explaining the department -

MR. MURPHY: Excellent.

MR. PECKFORD: - a bit more. And all the delegations who come in we try to make sure that they get a copy of it so they can go back explaining the divisions and so on.

MR. MURPHY: Excellent.

MR. PECKFORD: So it is mostly brochures and pamphlets.

MR. MURPHY: Good.

On motion 08 through to 1903-03-03 carried.

MR. CHAIRMAN: Shall 04 carry?

MR. NEARY: Is there an increase in pay for the Chairman and members of the board or what?

MR. MURPHY: Yes, an extra \$70,000 a year for the chairman.

MR. CHAIRMAN: Shall 05 carry?

MR. NEARY: Wait now.

MR. MURPHY: Hold it.

MR. PECKFORD: The Metropolitan Area Board you are on now, is it?

MR. MURPHY: Do you want your deputy minister in with you?

MR. PECKFORD: No, it is quite all right.

It is up from \$415,000 from \$348,000. That increase is due to an increase in staff for development control purposes in the areas within the jurisdiction.

MR. NEARY: Who is the chairman and who are the members of the board?

MR. PECKFORD: I can get that information for you shortly. I have not got it right at my finger tips here now, but I will have it in a second, and I will get the members of the board and that for you. Okay?

On motion 04 to 06 carried.

MR. CHAIRMAN: Shall 07 carry?

MR. NEARY: Can the minister give us a list of paving projects for the various municipalities for this coming year?

MR. PECKFORD: For this coming year, Mr. Chairman, we have not done up our capital works programme for paving or for water and sewer projects yet. There are quite a few requests down there which we are hoping to meet within the next week or two to finalize, you know, the requests in line with the money. So we do not have any list at all right now and where that money is to be spent. We have a lot of requests in.

MR. NEARY: I wonder if the minister could tell us on what basis the various communities will be listed in order of priority? How will they be selected? Will they be put in a hat and will the draw be independent? Will it be like playing the slot machine? You know, you put your nickel in and you pull the handle and you take your chance. Or will it be done on a political basis? Will the members of the government and the backbenchers get first priority, first preference?

MR. CHAIRMAN (Mr. Dunphy): Order, please!

AN HON. MEMBER: Alphabetical order.

MR. NEARY: What do you mean order, Sir? Are you talking to me, Your Honour, or the Premier?

MR. CHAIRMAN (Mr. Dunphy): The Hon. Member for Bell Island was referring to - the line of questioning I do not think is relevant to 03-07 at all.

MR. NEARY: Paving grants - I am trying to find out the list.

MR. CHAIRMAN: I am aware of -

MR. NEARY: Yes, Sir.

Could Your Honour give me a citation for that ruling? Sir, I am trying to get a list. I am trying to find out how the minister will arrive at his list. Will he just flip a coin and say, here is who is going to get the paving? Or will he put the names of the communities in a hat?

MR. CHAIRMAN (Mr. Dunphy): Order, please!

I think the honourable gentleman is being, if it is possible to be repetitious and then repetitious again, I think one question would suffice to the minister for any forthcoming answer. It is not necessary to go out outside of that particular question or to get an answer to the question that he seeks.

MR. NEARY: Sir, I am merely asking the minister

MR. NEARY: how he will arrive at the list of those municipalities and communities that will get paving grants on a sixty-forty basis from this grant in this coming year? End of question. Now I will turn it over to the minister and no doubt, Sir, I will get the answer.

AN HON. MEMBER: Hear! Hear!

MR. MURPHY: That is right. That is the proper way to ask a question.

MR. PECKFORD: Mr. Chairman, I do not know how many requests we have in but the normal procedure is that if a municipality wants to pave a number of roads under its jurisdiction, they make a request in writing to the department and we might have enough capital funds to do just about all the requests that are in from all the municipalities. If we have to choose, pick and choose or decide on what criteria to use because we are getting short of money and we have more requests, we will do it on the basis of, very often, need. If we have a municipality where they are really in bad shape because they have no paved roads at all and there is a dust problem and this kind of thing, we will definitely give that some priority over another municipality that has quite a few paved roads and just want a few side streets done. As long as they can come with their forty per cent we will come up with our sixty then, automatically.

So, you know, there is no flipping the coin and so on. When we can we will do it on need.

AN HON. MEMBER: Not like playing the slot machines.

MR. PECKFORD: Not like playing the slot machines.

MR. EVANS: If they are stupid enough to vote Liberal they would not know if it were paved or not.

MR. CHAIRMAN (Dunphy): The honourable the Member for Twillingate.

MR. GILLET: Mr. Chairman, I noticed the remark you made about the side streets in the community and I am thinking about the Community Council of Twillingate now. We do have the pavement, as you know, around the Department of Highways' roads, or Transportation. The side streets are not paved and we do have the machinery there.

And I do hope that you have a request to pave it and I pray it will be done.

MR. CHAIRMAN (Dunphy): Shall 07 carry?

MR. PECKFORD: Mr. Chairman, just to reply there. Very often, and I would just like to impress upon the Committee this point right now, what I found in the last two or three months is that a number of councils, quite a few all around the Province irrespective of what district or whatever, it is everywhere, councils come in verbally with requests and I told them in very strong terms; look, get your request in in writing indicating the number of miles of road that you are talking about, try to get some kind of a price from the contractor whom you know is going to be in the area. If you cannot do that get a price from the Department of Highways, the local foreman and get it into us as fast as you can.

In the Twillingate case I hope that they have the request in because the requests are coming in fast and furious and the quicker they get it in the better. So perhaps the honourable member could get in touch with the Council in Twillingate to ensure that they have a request in and it will be given every consideration.

AN HON. MEMBER: Get it in early or you are liable to get killed in the rush.

MR. PECKFORD: There is a lot of pavement down that way and I think a lot of it is good P.C. pavement of the last two or three years and I do not think we would like to stop now.

AN HON. MEMBER: Hear! Hear!

MR. MURPHY: First time it was down there.

Mr. Chairman, just a short question. These paving grants, what did St. John's get? In these paving grants do we get a street or a road done?

AN HON. MEMBER: (Inaudible)

MR. MURPHY: No, we do not get a bit of paving at all. Is there anything available for St. John's? I do represent a St. John's

District and it might be nice to see a bit of free paving in St. John's Center.

MR. NEARY: All you get are Dottie's potties.

MR. MURPHY: Who?

MR. NEARY: Dottie's potties.

MR. MURPHY: Dottie's potties. I thought you were talking about McCain's pies for a minute. Does the minister have any information on that? In other words, you go out to an outside district and you pave certain streets at no cost to the taxpayer and in the City of St. John's we have to pay?

SOME HON. MEMBERS: Sixty-forty.

MR. MURPHY: Sixty-forty. And we do not get that in -

AN HON. MEMBER: Yes, we do.

MR. MURPHY: Do we in St. John's?

AN HON. MEMBER: More than that. A federal grant.

MR. MURPHY: Do we?

AN HON. MEMBER: Oh yes.

MR. MURPHY: Oh I see.

MR. PECKFORD: Yes. Yes.

MR. MURPHY: We do eh?

MR. PECKFORD: Oh yes, that applies to all the municipalities.

MR. MURPHY: Eh?

MR. PECKFORD: That applies to all the municipalities. The main thrust now of the Department of Municipal Affairs comes under another subhead here. The main thrust now financially in St. John's comes under another subhead. When we talk about the regional water supply and the Rennie's Mill River trunk sewer. The massive amounts of money that the provincial government are putting into St. John's in that particular development -

MR. MURPHY: Sixty-forty to spend.

On motion 07, carried.

MR. CHAIRMAN (Dunphy): Shall 08, carry?

MR. NEARY: Mr. Chairman, I am going to try my luck again, Sir.

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MR. CHAIRMAN (Dunphy): The honourable the Minister of Fisheries.

MR. CROSBIE: Mr. Chairman, the honourable gentleman for -

MR. NEARY: That is pretty barefaced, I must say.

MR. CROSBIE: The honourable gentleman will have to wait -

MR. NEARY: Pretty barefaced that is.

MR. CROSBIE: I want to speak on this vote in connection
with the St. John's water system.

MR. CHAIRMAN (Dunphy): Order, please!

MR. NEARY: Are you going to take your advice from the hired help
in the House, Sir?

MR. NEARY: Make up your mind.

MR. CHAIRMAN: (DUNPHY): Order, please!

MR. NEARY: The flunkies in here do not -

MR. CHAIRMAN: (DUNPHY): Order, please! I would like for the honourable gentleman to withdraw that statement that the Chair is barefaced.

MR. NEARY: No, Sir, I did not say the Chair was barefaced.

MR. CHAIRMAN: (DUNPHY): Well, the gentleman in the Chair.

MR. NEARY: I was referring to the Minister of Fisheries- pretty barefaced.

I appreciate the authority -

MR. CHAIRMAN: (DUNPHY): I think the honourable gentleman would be out of order in referring to the other honourable gentleman of Fisheries as being barefaced.

MR. NEARY: Well, okay. I will withdraw it.

MR. CHAIRMAN: (DUNPHY): I would ask him to withdraw it.

MR. NEARY: I apologize to the honourable Minister of Fisheries, Sir, he is not barefaced. He did shave this morning, although he looks like his beard is growing out now, Sir. He looked barefaced to me.

MR. CHAIRMAN: (DUNPHY): The Hon. Minister of Fisheries.

MR. STAGG: On a point of order, Mr. Chairman. I think one of the other statements made by the honourable member that attention should be drawn to is to refer to the gentlemen at the Table as flunkies. These are gentlemen who are here they are educated men, they give good advice to the Chair. And it is unheard of, as far as I am concerned, to have them referred to in the derogatory way in which the honourable member did. That should be withdrawn as well.

MR. F. ROWE: To that point of order, Mr. Chairman. It may well be a good point of order, but I would submit to the Committee that participation of the Deputy Speaker or the Chairman of Committees in an instance like this, you know, this is probably the reason for some of the problems that we have run into over the past few months. Now I would just like to make that point. I am not questioning the motives or anything of the Member for - Port au Port is it?

AN HON. MEMBER: Port au Port.

MR. F. ROWE: But, you know, I would submit, Sir, that when it comes to partisan exchanges like this across the floor that the Deputy Speaker and the Chairman of the Committees would more properly refrain from getting involved, and just to give at least the feeling that things are conducted in a most objective and nonpartisan fashion. I am not, you know, questioning the motives of the honourable member at the present time.

AN HON. MEMBER: Inaudible.

MR. A. MURPHY: Mr. Chairman, to that point of order, if I may?

AN HON. MEMBER: Inaudible.

MR. MURPHY: The Chairman of Committees is not in the Chair, he is sitting in his seat in the House. He is an elected member. He has every right to exercise the rights of this House, Sir, as an elected member of this House. When he is in this Chair it is a different occupation entirely, but when he is in his seat he has as much right has anybody else to rise to a point of order.

AN HON. MEMBER: Inaudible.

MR. NEARY: Mr. Chairman, to that point of order, Sir. Mr. Chairman, the minister is right. The member does have a seat in this honourable House as an elected representative.

AN HON. MEMBER: Good!

MR. NEARY: But, Sir, I would hope that the Speaker of this honourable House, the Deputy Speaker of this House, and the Chairman of Committees, Sir, would not have to resort to taking little jibes, and little suggestions, and little remarks from the hired staff of this House, that they are capable and well trained -

AN HON. MEMBER: Inaudible.

MR. NEARY: - to be able to make their own decisions, Sir.

AN HON. MEMBER: Inaudible.

MR. NEARY: And I hope that neither one of these three gentlemen would be provoked or motivated by any of the hired staff of this House into making rulings, because that is the job for the Chairman, the Deputy Speaker, and the Speaker of this honourable House. And I presume they are all capable of making their own decisions. And if there is any consultation necessary, Sir, it can be held out in the Speaker's office

and not on the floor of this honourable House.

MR. CROSBIE: Mr. Chairman, there is a point of order before you that the honourable Member for Bell Island has outraged every convention of parliamentary practice by insulting the staff of the House in calling them flunkies.

AN HON. MEMBER: Inaudible.

MR. CROSBIE: Now that is the point of order. The point of order is not whether the Chairman of Committees should do this, that or the other. And the point of order is not whether the Speaker or the Deputy Speaker or the Chairman of Committees should or should not get advice from the staff on the floor of the House. What else are they there for if it is not to give the Speaker, the Deputy Speaker, and the Chairman of Committees advice? That is exactly what their function is -

AN HON. MEMBER: Inaudible.

MR. CROSBIE: advice, they advise them of what in their view the rules call for. Now the point is, Mr. Chairman, that these gentlemen have been insulted and called flunkies, and we are asking for a retraction of that comment and an apology.

MR. NEARY: Mr. Chairman, I will retract, Sir, and I apologize. I will get down on my hands and knees and apologize to the staff of the House, Sir. But I hope, Sir, that it is advice and not instructions that the Speaker and Deputy Speaker and the Chairman would take from these honourable gentlemen,

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN (DUNPHY): Order, please!

MR. NEARY: and not told by these gentlemen what to do.

MR. CHAIRMAN (DUNPHY): Order, please! The Chairman of - your present Chairman of Committees did hear the utterance by the Member for Bell Island referring to the clerks here, who assist in the Chair, as flunkies. I do not know whether this could be classified rather as unparliamentary. I think it is. These gentlemen are not

members of the House, have no way to defend themselves and I believe that each statement like that coming from the Member from Bell Island should be retracted immediately.

MR. NEARY: Well, Mr. Chairman, I made my point and I retract.

MR. ROUSSEAU: On a point of order, Mr. Chairman. There is a second point of order here that may have been missed, the fact that the honourable Member from Bell Island suggests that, impugning the Chair really, and saying that they have taken what may have suggested as being wrong, and I think certainly the honourable member would owe an apology to the Chair, be it the Chairman of Committees or be it the Deputy Chairman of Committees. Certainly, they are not able to handle their own situation in the Chair and I think it is one that the honourable member should retract as well.

MR. CHAIRMAN (Dunphy): Order, please! The Chair has ruled on that and has accepted the apologies of the honourable member.

MR. CROSBIE: Mr. Chairman, there is nothing much more to be said about that point, of course. The honourable Member for St. John's Centre spoke on the very thing yesterday and the day before. Now, to get on to this vote which is a water and sewerage system -

MR. NEARY: Inaudible.

MR. CHAIRMAN (Dunphy): Order, please!

MR. CROSBIE: Just because one member gets on with disgusting conduct, the rest of us will ignore the temptation to do the same. Now, Mr. Chairman, -

MR. NEARY: We learned it all from you.

MR. CROSBIE: Listen to him. I am quite prepared to stand here and be abused. If that is what you have to go through to be in public life in this Province, I am prepared to make the sacrifice. You have got to tolerate conduct like that from the honourable gentleman from Bell Island. You can choose your friends but you cannot choose your associates in this House, Mr. Chairman. Only the electorate will do that for you.

Now, on this vote on water and sewerage systems, I would like to say a few words, Mr. Chairman, about the St. John's regional water system because it was a major coup and a major accomplishment for the Minister of Municipal Affairs and Housing and other members of the government to

have succeeded in having the Government of Canada through the Department of Regional and Economic Expansion agree to participate in the financing of the St. John's regional water system and that was only achieved because we put such a convincing case forward to them on grounds, on economic development grounds that they accepted it as a project that would come within their criteria for DREE infrastructure grants.

Now, that means when this agreement is signed, and it will be signed that approximately seventy per cent of the cost is going to come by way of a grant from the Department of Regional and Economic Expansion. If that were not the case, the cost of getting water from Bay Bulls to St. John's, Mount Pearl and the New Town and eventually to Conception Bay South and other communities, would have been so expensive and the water rates would have had to be so high to repay the principal and interest of loans incurred to do that, that I do not know if there is any way at all it could ever have been done. It was a major triumph for the action of the Provincial Government, and its action by the Province, not by the municipality, that has enabled this to come about.

Now, when I noticed the other day the Mayor of the city of St. John's for some reason attacking the St. John's members and saying that St. John's did not need any members, that all of the work was done by the municipal councillors, it really made me chuckle because the work that was done to achieve DREE participation in the St. John's regional water system was certainly participated in by the members of the House of Assembly for St. John's and particularly the ones who were in the Cabinet. It was their work and that of the Minister of Municipal Affairs that made that possible and without this water the city of St. John's would not be able to grow after 1977. They would not have the water for home building, commercial expansion or industrial expansion, what have you. The thanks that we get for that are insults and denigration by the mayor of St. John's for some reason as to the role of the St. John's members in the House of Assembly and how they are unnecessary and only municipal councillors are necessary.

There is not one cent of money, as far as I know, from the city of

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St. John's going into the regional water system to bring water from Bay Bulls out to New Town, out to Mundy Pond and so into the City of St. John's, not a cent. The money is going to be federal and the money is going to be provincial. Yet, rather than any public expression of appreciation for the fact that this is being brought about, we had insults from the Mayor for some reason. Then, we have some kind of claim made by the Mayor that the city of St. John's should be paid \$150 million for the pipes that are here in the city, within the city limits of St. John's, that they should be paid \$150 million for these pipes which are still going to be used by the city in the future to distribute the water from Twenty Mile Pond in Bay Bulls, the Big Pond throughout the city of St. John's. It is really a most extraordinary -

AN HONOURABLE MEMBER: Why does Marystown have to -

MR. CROSBIE: I do not know.

Well, I will come to that in a moment. So, I hope that the mayor will clarify her views on this matter and set the record straight. Then I was in turn amazed to look at the television and radio and hear the mayor blast and assault the Government of Canada, that they had not signed this agreement, that the Minister of Municipal Affairs had said that the agreement was imminent, would be signed, you know, was going to be signed or would be imminent. But to have the Government of Canada attacked and ridiculed and the mayor would go to Ottawa to make sure they signed it immediately. She had nothing to do with the agreement from DREE to enter into such an agreement. She has nothing to do with getting it signed. It will be signed when the Department of Regional and Economic Expansion has done all the necessary work in Ottawa to get it accepted and passed through Treasury Board and the rest.

So, it is really extraordinary for the mayor of the City of St. John's to look a gift horse in the mouth in the manner that she did just two weeks ago. I cannot understand it, and I do not think that she could have really considered her remarks. It is a great step forward for this whole region.

Now, it would not be done, Mr. Chairman, if it were only being done for the City of St. John's. It is a regional water system that is necessary for the Town of Mount Pearl, the New Town and the Mount Pearl area. It is necessary to provide water for St. John's and it will enable water later on to be brought to the whole metropolitan area including places, I believe, like Torbay, Penetanguishene, and all these various areas, and Paradise and so on will all be joined in in the future.

AN HONOURABLE MEMBER: The Goulds.

MR. CROSBIE: The Goulds to this system. So, if it were only for the City of St. John's, it would never have been accepted by the Department of Regional and Economic Expansion. It is a system for approximately one-fifth of the people of the Province. In this area, one-quarter, I imagine, perhaps even a third. Certainly one-quarter. Let us see. We have a population of 530,000 of whom in that area, I am sure, must

be 160,000 at least, in that area that we are talking about. So, it is an area that is covering the population of about one-quarter of the Province. It is a major step forward, a major assistance to that whole region. Without it the region could not grow and develop at all, not just St. John's but the other communities I have mentioned. I think that that is a major step forward and it helps the Province because the Province can use its credit to go ahead and do more water and sewerage systems in other municipalities where we cannot get DREE assistance.

Now, in connection with infrastructure so-called, Mr. Chairman, and DREE assistance, DREE - we have been working out with DREE some set of criteria under which they will do infrastructure and help out in this Province in municipal services, water and sewerage and roads and the like, services in local areas that comes under the description of infrastructure. Now, we hope soon to have agreed with them on what the infrastructure will be because DREE of course takes the position that they cannot be the municipal loan fund for the whole of Canada. They take the position that they have to relate their contribution to development opportunities. What we are trying to do is work out infrastructure criteria so that certain areas of the Province which pass those criteria - they would be probably eight or nine or ten of the larger centers. For example, Goose Bay-Happy Valley, that area, are areas like Grand Falls and Gander. I do not know how many will suit the criteria - and St. John's. If they meet those criteria, they would be eligible for this kind of assistance from DREE when it is related to a development opportunity.

We are hoping to have these criteria agreed and settled soon, in the next month or two at the latest. That would mean that the DREE assistance for that kind of service will only be in these certain area, for the most part the larger urban centers, leaving the Province free to concentrate on assisting municipalities in providing, in the other hundreds of communities, in providing water and sewerage and the other services which are now done by that department and which the minister has elaborated on in his estimates.

So, I just want to point that out, Mr. Chairman, and to say

that it is a major assistance that we are receiving from DREE in the St. John's Metropolitan area regional water system. Without it we could have no development. Without it Conception Bay South could never have their own water and sewerage system, and without it none of these other communities in this whole area could have it either. It is major assistance. It is a major triumph that we are able to get it. We are able to get it because the minister and the members of St. John's who are in this House and in the government, who are doing their job to help the city as well as the rest of the Province - I hope that the St. John's City Council realizes that, and that the mayor's expression of views the other day were off the cuff and not really meant as she expressed them.

MR. MURPHY: Mr. Chairman, I would be remiss in my duty as a member for a St. John's District if I did not support fully the words as voiced by the honourable Minister of Fisheries. I feel, Sir, it is a tremendous step forward. It is not only the City of St. John's as the honourable minister said, but covers a very wide area outside the City of St. John's, Some 170,000 people they tell me, will be affected by this. I would like, as minister said, to thank the present Minister of Municipal Affairs for the work he has done on it, Sir, but I believe the Minister of Fisheries himself, and other ministers are responsible for bringing to a conclusion, Sir, so many DREE deals this past year or so -

AN HON. MEMBER: DREE deals.

MR. MURPHY: Deals with DREE, bringing the money in here. Sir, I think it is a wonderful accomplishment, I think it shows - and I do not think, Sir, quite frankly, that we should forget our representative in Ottawa, Mr. Jamieson, I think he has been very co-operative and I think all of us here will say that, to a great many deals that through Mr. Jamieson, a true Newfoundlander, Sir, that he has helped us out considerably. But I will just say that, Sir, and I do not wish to start here the fight or create any separation between anybody but I am somewhat amazed at some of the attitudes taken by some of the people with very loud mouths, down on New Gower Street there, at the City Hall, that are constantly wanting to get out and try to create troubles, try to create dissension. I think this is the last one. If you remember they kept the school tax on the go for quite a while, Sir, and I am not trying to be irrelevant, but I am just saying this, Sir, that I hope, not only that City Council here in the City of St. John's, but every council throughout the Province will work together with not only the government but with every member here, because I think we are all trying to go the same way, Sir. There are hundreds of millions of dollars to be spent, and I heard the Member representing Labrador North and the great problems

they have in Happy Valley - Goose Bay there and I think the only way to cure all problems and to bring to the people what they deserve in this day and age, is the co-operation of all of us. Let us sit down and work with the council.

The Member for Bell Island has his problems over there with his council group, but we cannot do it by sort of going different ways, Sir. We have all got to get together and I want to say this again, Sir, that as far as the regional area here, this regional water supply for the St. John's area, I think it is a marvellous step forward, because as we all know, without it growth of this City which has expanded some three times its size in the past twenty or twenty-five years, would be absolutely stifled, Sir, and a great many many young people looking forward to new homes would have to do without.

So again I would like to congratulate the minister on it and also the Minister of Fisheries for the work he has done and to ask for the co-operation of the City Council and all other councils to help us do the work that we are trying to do.

MR. NEARY: Mr. Chairman, honourable members will remember in this honourable House yesterday, Sir, that it was none other than the Minister of Social Services that gave the House the great lecture on the decorum of the House, how we can lower the debate in this honourable House. Today, supported by the Minister of Fisheries, when he spoke, and we hear none other than the Minister of Social Services, a few moments ago, refer to members of the City Council, down there on Gower Street he said, as a crowd of loud mouths.

MR. MURPHY: I never said a crowd -

MR. NEARY: No, Sir, that is not what the minister said. Now, Sir, there is good example being set by the minister if I ever saw it, Sir, a good example. These people are not in this honourable House to defend themselves. They are people outside the House and I challenge the minister now to make these statements he just made outside of this honourable House. If he has the courage of his convictions, make the statements outside the House that the minister just made in this honourable House about that crowd down there on Gower Street -

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MR. MURPHY: I never mentioned a crowd.

MR. NEARY: - being a bunch of loud mouths.

Sir, I do not have to defend poor old Dottie. She is quite able and quite capable of defending herself. Neither do I have to defend the Deputy Mayor, Mr. Murphy, Brian Higgins or Ray O'Neill or Dave Barrett, or Dave Riche or any of these gentlemen. They are all able gentlemen, all able to take care of themselves. One thing I will say for Dottie, Sir, I have to single her out, that she tells it as it is.

She shoots from the hips. She has the courage of her convictions.

AN HON. MEMBER: What hips?

MR. NEARY: Pardon?

AN HON. MEMBER: What hips?

MR. NEARY: My colleague says, what hips? Well, we will not go into that now, Sir.

AN HON. MEMBER: (Inaudible).

MR. NEARY: No, not me, I did not say it. But she tells it as it is, Sir. She speaks her mind. She speaks her mind, and she pulls no punches. She pulls no punches with anybody and when she is speaking on behalf of the taxpayers in the city of St. John's she speaks her mind, and we all know that, Sir, from watching Her Worship the Mayor on television on Sunday afternoons in Report from City Hall. She does not put on. She does not try to detract from the problems. She tells it as it is. If Her Worship, Sir, and members of the city council say that they are doing a lot of work that should be done by the St. John's M. H. A.'s, by the members of this House who represent St. John's districts, then I am sort of half inclined to agree, Sir, that there might be something there - where there is smoke, there is fire - that Her Worship and members of the council are doing work that the M. H. A.'s should be doing.

MR. CHAIRMAN (Mr. Stagg): Order, please!

08 water and sewerage systems: I think the honourable member has wandered so far afield now that he can be interrupted and told that he is totally irrelevant.

MR. NEARY: Well, what about the Hon. Minister of Social Services, he interrupted?

MR. MURPHY: (Inaudible).

MR. CHAIRMAN (Mr. Stagg): The honourable member well knows that on occasion an honourable member who is speaking may make an irrelevant comment. It may be a provocative comment as well.

AN HON. MEMBER: The Hon. Minister of Fisheries.

MR. CHAIRMAN (Mr. Stagg): If the honourable member would permit, the Chair is attempting to explain why he was being interrupted and

does not particularly entertain further interjections from him of this type. Well the point of it all is that the honourable member was being irrelevant and two wrongs do not make a right. And if the minister was irrelevant earlier, or the minister of Fisheries or anybody else, this does not allow the honourable minister to expand upon that at great length.

MR. NEARY: Concerning the matter of approaching this government on behalf of the city of St. John's, whether it be for a water and sewer systems the Bay Bulls, Big Pond development, it will do the relationship, the deterioration if you want to call it that, Sir, the relationship between the Minister of Municipal Affairs and the city council, it will do that relationship irreparable harm, it will do the relationship no good. And I would sort of hope, Sir, that the remarks that were made by the Minister of Fisheries and the Minister of Social Services were made with tongue-in-cheek and that this will not start an all-out war between the minister, the provincial government and Her Worship the Mayor and the Deputy Mayor and the councillors down at City Hall.

SOME HON. MEMBERS: Hear! Hear!

MR. NEARY: I hope, Sir, that, as the minister said, that they can work together. But the kind of statements made by the Minister of Fisheries, Sir, will not endear this government to the city council or any other municipality. I hope that the minister in future will refrain, hold himself back. I know he likes to bully people around but, Sir, that Bay Bulls, Big Pond development was quite important to the city of St. John's and Her Worship had gone on public record on numerous occasions as telling this government and the people of St. John's that industrial development expansion of the city would grind to a halt if we did not expand our water supply. She made her point. Maybe the Minister of Fisheries did not like the way she did it. She criticized his administration. Maybe he did not like it. Maybe the criticism was justified, Sir, who is to say? But I do not think the kind of statements made by the Minister of Fisheries in this honourable House today is going to either endear him or his

administration to the St. John's City Council or any municipality in Newfoundland. And I hope that the minister in future will refrain, hold back, get himself under control, discipline himself and try to to refrain, Sir, from making these kind of provocative statements.

MR. CROSBIE: Mr. Chairman, just in case the honourable gentleman by some mis-chance gets quoted, you know, you have to respond to it. He was not very exact in pointing to what I said that should arouse any alarm in the city of St. John's. I quite believe that Her Worship or anybody on the city council or anybody in the provincial government or anybody in the House of Assembly or the federal government or the federal House should tell it as it is. But if they are telling it as it is, then they should tell it as it is and not in some fashion

that it is not when they tell it as it is.

MR. NEARY: This is in order?

MR. CROSBIE: Yes, I am responding to you. They should be accurate.

And the mayor -

MR. NEARY: On a point of order, Mr. Chairman, I want to draw to your attention, to Your Honour, that Your Honour made a ruling a few moments ago that I was being irrelevant and I was asked to get back on the track, which I did. I complied with Your Honour's request. Now I would like to submit to Your Honour that my learned friend, the Minister of Fisheries, is persuing the same line of thought and the same line of reasoning that I was on when I was ruled out of order and I do not think Your Honour really has much choice but to ask the minister to be relevant to this subhead that we are discussing, namely, water and sewerage systems.

MR. CROSBIE: I will certainly take any guidance the honourable Chairman will give me -

MR. NEARY: No, Mr. Chairman, I want a ruling from Your Honour. I do not want a ruling from the minister. The minister is not the Chairman.

MR. CHAIRMAN: Order, please! Order, please! Well the honourable minister had merely begun his remarks and any member is allowed a preamble to his remarks. I presume that the remarks were going to be relevant to the debate, the relevant portion of the debate introduced by the honourable member. If indeed the minister proves irrelevant the Chair has no fear of interrupting anybody in this honourable House.

MR. CROSBIE: The point is, Mr. Chairman, before I was interrupted by poor old warbler.

MR. NEARY: He is coming up again.

MR. CROSBIE: The honourable warbler from Wabana, the relationship between the City Council of St. John's and the Province is a good one and it will remain a good one, but when the Mayor, or anyone else, misinterprets a situation to the citizens of St. John's, I daresay that the Member for St. John's can explain to the public of St. John's, through their House of Assembly, what the facts are, and that is what

I have just done. The City has gotten substantial assistance from the provincial government and the federal government for their regional water system and without that assistance the City might well die. And it did not need us to have that pointed out by the City because these negotiations were started well over a year ago and successfully drawn to a conclusion about three months ago, all without any participation by the City of St. John's, other than to give some facts and figures and they went over the submissions that we had ready. We went over with the officials and the Mayor and other councillors from the City of St. John's to make sure we had their approval and that is not said to denigrate them in any way but to point out to the citizens of St. John's, and to the citizens of Mount Pearl and the New Town and Conception Bay South, and Penetanguishene and all the other areas that will enjoy that water at some time in the future, that it is being made possible by work done by the provincial government and by the financial assistance of the federal government, through the Department of Regional and Economic Expansion without a cent from any municipal body going into it, and it is being done because a fourth of the people of this Province live in this area and it is vital for their future security and strength.

So, Mr. Chairman, no one is making any attack on the Mayor or the Councillors. We are entitled, I think, to point out that the members for St. John's are accomplishing something for the people of St. John's and this area and that they are not just superfluous appendages of the Municipal Councillors of the City of St. John's and that that is a wrong impression to give anyone.

MR. PECKFORD: Mr. Chairman, just a few brief comments on this. In relation to the St. John's regional water supply has been amply taken care of by the minister responsible for Intergovernmental Affairs. I should like to say though, seeing we are talking about the St. John's regional water supply here under this subhead, although the amount voted comes under another one, but it is covered because of water and sewer systems anyway, that I should pay tribute, and I mean it pretty sincerely, to a lot of people who have done a lot of work on this

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regional water supply. There is a Water and Sewer Board in existence by Order-in-Council, representing the City and the Province and some of the municipalities in the area, and under that Water and Sewer Board we have a Technical Advisory Committee that meets every week, of whom the Chairman is Mr. Eric Mercer, the City Engineer, and they have had to do some pretty long, tiring discussions and work on this whole business of the St. John's regional water supply in consultation with the consulting engineer, of FENCO. And I would like to pay tribute to the members of the Water and Sewer Board and also more particularly to the Working Committee, which is the Technical Advisory Committee, of which Mr. Mercer is a member and Mr. Allston of my department, who has done a lot of the co-ordination of the Committee, and Mr. Cumming of

New Town is on it, an engineer in Mount Pearl is on it, a gentleman from Conception Bay South and so on. These people have done a lot of real hard work in the last five or six months on this regional water supply. Let me just point out also, Mr. Chairman, that in talking about the Mayor's comments in relation to the St. John's regional water supply, the signing of the agreement and more particularly the \$150 million worth of pipe that is under the ground, it is envisaged by the department right now that the Water and Sewer Board could be enlarged and have greater powers. It is not the intention of the Water and Sewer Board, when it becomes the Regional Water Board for the area, to take over individual systems. But rather, the Board will act as more or less the owner of the water and will sell, at a certain price, the water to the various jurisdictions, to the various municipalities.

So the contention that the Water and Sewer Board or the Province or somebody would have to take over and pay the city so many dollars, \$150 million or whatever it is, for the distribution system of the city is erroneous because it is envisaged that the Water and Sewer Board would be the overall Water Board for the region which would then allocate the volumes of water to the various jurisdictions. Then each jurisdiction would be left with the distribution system it now has or will have in the future. So to suggest that the Province has to pay various municipalities compensation for a distribution system now in place is erroneous. It is only envisaged that the Board will enlarge its jurisdiction and its powers and dispense the water to the various jurisdictions who would still be responsible in the first instance for the maintenance of the distribution system in that municipality.

A question was asked, if I could have the okay in the House, somebody asked me about the St. John's Metro Board and who were on it.

MR. DOODY: (Inaudible)

MR. PECKFORD: Yes. The names - Mr. O'Dea, of course, as you know is Chairman, Mrs. J. Roberts, Mr. J. Fagan, Mr. K. Ashford, Mr.

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Mr. R. Casey, Mr. W. Dalton, Mr. T. Green -

AN HON. MEMBER: W. Dalton?

MR. PECKFORD: Yes.

MR. MURPHY: Not Walter.

MR. PECKFORD: - Mr. T. Green and Mayor Wyatt, are the members of the St. John's Regional Water Board.

One other point the honourable the Member for Bell Island mentioned a little while ago about the list of water and sewer projects. About three weeks ago, and just let us put the record straight, we contacted all the consulting engineers who are doing surveys for different systems -

MR. NEARY: (Inaudible)

MR. PECKFORD: No, I am just trying to explain it now.

Just hold on a second. Be reasonable. Be reasonable. Just be reasonable now. It is getting near supper and everything, just be reasonable. I am trying to explain it for all the members, not just for the Member for Bell Island. We have contacted all the consulting engineers to give us 1975 cost estimates for the different surveys that have been done for the various municipalities that are requesting water and sewer systems. We are getting a trickle of the results that are coming in now and once we have all the cost estimates in, you know - because from October '74 when the survey was done until February '75 costs went up on the system of \$800,000, it went up to \$1,200,000, \$1,300,000 or \$1,400,000. So you need current costs so that you are able to accurately manage the amount of money you have. So this is the reason for it and there is no list in existence right now. We will be getting on with our capital works as soon as we get the latest costs in from the consulting engineers and go over the requests that we now have on hand.

On motion, 08, carried.

On motion, 09 through 1904-02-06, carried.

MR. CHAIRMAN: Shall 1906-01 carry?

MR. PECKFORD: Mr. Chairman, before that carries, we have said a fair amount

about the various sections of the estimates. On the water services one in particular here now, I just want to say that this division is increasing and expanding at a pretty rapid rate. I think most honourable members agree that it has performed a pretty valuable service, especially to communities that are unincorporated, and that is what it is envisaged for anyway, through artesian wells and other small water systems. I think that it has worked out very well in many cases.

Now, we have, for example, some engineers in the division who do design work themselves. Very seldom do you get any consulting engineers involved unless it is a little more complicated than normal in the system. We have some engineers who do the actual design work themselves for the community free of cost, of course. That is the design that is used in the application of the system, in putting in the system there. We have a gentleman in Grand Falls who works out of Grand Falls under the Water Services Division who does untiring work, a Mr. Anstey, for a lot of, even the municipalities. He has even designed systems for some of the municipalities out there which has really cut the cost in engineering and so on.

AN HONOURABLE MEMBER: Where?

MR. PECKFORD: Mr. Anstey is in Grand Falls. He has done a lot of work for municipalities as well as for unincorporated areas and designs the system himself and hence saves some money. It is, I think, a very important part of the department, and I just did not want it to slip by without saying a few words, that I think this division is doing a good job for those very small communities.

MR. CHAIRMAN (STAGG): The Member for Labrador North.

MR. WOODWARD: Mr. Chairman, while we are on community water services, maybe the minister can tell the Committee if there are any plans to develop the water system. We have a partial system in the Community of North West River. Is there any funding for that in his estimates for this year, the Community of North West River?

MR. PECKFORD: I cannot tell the honourable member the answer to that question yet because we have not completely defined what systems we are going to do this year and what ones are going to have to wait until the

next year. You know, I could talk to the honourable member -

MR. WOODWARD: This money is going to be carried over until next year, you are not going to spend it? Is that what you are saying?

MR. PECKFORD: No, no, no. We are in the process now of getting all the requests that are down in the department together, right, in a list -

MR. WOODWARD: Oh!

MR. PECKFORD: - getting the money and then comparing what the value is on this, you know, in North West River, what is the value for this year to finish that system and what is the value for this one and so on and so on.

MR. WOODWARD: How did you arrive at this figure?

MR. PECKFORD: Pardon?

MR. WOODWARD: How did you arrive at this figure?

MR. PECKFORD: We arrived at that figure in consultation with the amount of requests that are coming in from various water committees in communities around the Province.

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: As a matter of fact it is quite easy to arrive at a figure like that because I have here now all the communities that were assisted last year, how much money is left to be done on those systems.

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: Because of the number of requests that are in from communities. You can go down right now - it is closed right now - tomorrow morning and find those requests, and the amounts are all being calculated.

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: Not a figure. No way, no way. I have them all here that were done last year. I do not know how many communities are here.

MR. MURPHY: Thirty-seven, I think.

MR. PECKFORD: A fantastic number of communities that were assisted. Some are partially done. Like, for instance, you get in an area where you put down two or three artesian wells and you get sufficient water. It might have been late last Fall before they got the drill rig in there, \$10,000 might have been allotted there last year or there might be some

carry-over this year because only \$4,000 was used. The other \$6,000 will be used now by the local people to dig their lines from the well to their homes and for a pump and a pumping station or chlorinator to be put on the well in a house. But, in North West River's case, I will remember that for the honourable member and make sure it gets every due consideration in the next couple of weeks when we finally do that capital project.

On motion 01 carried.

MR. CHAIRMAN (STAGG): Shall 02-01 carry?

MR. WOODWARD: Mr. Chairman, before we go on, maybe the - chlorination and fluoridization - maybe there has been some controversy over the years as to some communities want to use fluoridization and more communities -

AN HONOURABLE MEMBER: We are not down to that yet.

MR. CHAIRMAN (STAGG): Order, please!

We have not reached that subhead yet.

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MR. WOODWARD: Oh yes. We were not down to 2.

MR. CHAIRMAN: 02-01, carried.

On motion, 02 through 03-01, carried.

MR. CHAIRMAN: Shall 03-02 carry?

MR. WOODWARD: Mr. Chairman, maybe the minister can tell the Committee what is the policy of government? Do you put it in if the community do not want it? Fluoridation? Or is it compulsory now to do it or will you put it in if the community elects to have it?

MR. PECKFORD: On chlorination there we get a study done by the Department of Health which tells us what the quality of the water is and whether you have to chlorinate or not. If we are told that we have to chlorinate, well then, we put in a chlorinator. In that regard, as I was saying, we have a gentleman in Grand Falls who was more engineering orientated but we have another gentleman in Deer Lake, who works out of Deer Lake, who is a chlorination specialist who does a lot of work on chlorinators all around that whole area, right from Central Newfoundland over to the West Coast for unincorporated areas. I do not think there is any fluoridation done there. It is in there as a subhead, chlorination and fluoridation, but it is all chlorination right now.

MR. WOODWARD: It is all chlorination.

MR. PECKFORD: Yes.

MR. WOODWARD: (Inaudible)

MR. PECKFORD: Right. I do not think there is any at all there. I checked it out just about a week or so ago just to - but I will mention that again somewhere among the Estimates if I get information to the contrary.

On motion 02, carried.

On motion 03, 04, carried.

MR. CHAIRMAN: Shall 19-07-01, carry?

MR. PECKFORD: Mr. Chairman, I am sorry, I missed a vote here, 1906-03-05. We -

AN HON. MEMBER: (Inaudible)

MR. PECKFORD: I wanted to have an amendment made there, Mr. Chairman, if the Committee is satisfied. So if the honourable the Minister of Fisheries will make that amendment.

MR. CROSBIE: I would like to move, Mr. Chairman, that 1906-03-04 be amended by the additional amount of \$425,000.

MR. MURPHY: That is repayment to DREE, is it?

AN HON. MEMBER: 05.

MR. CROSBIE: 05, sorry! 05, contributions to water systems. That is an error in the printing there. It should be the same amount as last year.

On motion, amendment carried.

On motion 1907-01 and 03, carried.

MR. CHAIRMAN: Shall 1907-04 carry?

MR. MURPHY: Mr. Chairman, I just want to say, and thank the department and the minister for how closely they worked with my department to provide housing for those people whom we find it necessary to find homes for. Within my department, Sir, we can assist people with materials and with labour to repair homes but no longer can we purchase under the capital system, under CAP. So I just want to say here, Sir, I would like it if the minister - I do not know if he has it - but to give the House some idea how many homes are provided to indigent people, people who are receiving social services. I would just like to go on record as saying, Sir, that we have a Standing Committee of my department with his that look over and decide on what help can be given to people who are looking for homes. And I do not know if the minister is ready now to tell us about it or -

MR. CHAIRMAN: Shall 04, carry?

1907-04

MR. NEARY: 1907-06, I presume it is, is it not?

SOME HON. MEMBERS: (Inaudible)

MR. NEARY: No. But I want to find out, Sir, why there is no vote here for the Harmon Corporation. What has happened? Has it been wiped out or what?

AN HON. MEMBER: (Inaudible)

MR. NEARY: It is gone under Industrial Development.

MR. PECKFORD: No. No, Mr. Chairman, the reason why there is no money there this year is because the Harmon Corporation under Mr. Spencer, now, I think is the Chairman, have -

MR. MURPHY: Industrial Development. Frank Spencer.

MR. PECKFORD: - have taken a real good look at the operations of the Harmon Corporation and have done a great bookkeeping job and economic job, and they do not need any money this year for the operation, the Harmon Corporation, It will pay for itself.

That is the reason for it. They have succeeded in being able to go ahead this year without any assistance from the department.

MR. MURPHY: (Inaudible).

MR. PECKFORD: It is arrears that they are after generating.

MR. MURPHY: Well done.

MR. NEARY: You made a smart move down there -

MR. MURPHY: Well done. That is what you did.

MR. PECKFORD: The people on that corporation out there are to be commended to no end for what they have been able to do.

MR. MURPHY: The member for the district I suppose helped.

MR. PECKFORD: Yes.

MR. NEARY: (Inaudible).

MR. PECKFORD: The Harmon Corporation, the Chairman is Mr. Frank Spencer, the Deputy Chairman is Mr. D.-

MR. NEARY: (Inaudible).

MR. PECKFORD: No.

MR. NEARY: It is completely independent.

MR. PECKFORD: That is right.

The Deputy Chairman is Mr. D. Powell. The members are Mr. A. Vivian, and Mayor J. Campbell, Stephenville, and they have had -

MR. NEARY: Mayor Campbell is a great Liberal.

MR. MURPHY: A good Tory.

MR. PECKFORD: - quite a few meetings over the last year and they have really straightened out the operations of the corporation, and they are to be highly commended for what they have been able to do in the last year so that this coming year they have been able to see no money voted at all for that corporation. It is a fantastic achievement by Mr. Spencer and his group.

MR. WOODWARD: (Inaudible).

MR. NEARY: Mr. Chairman, I do not know if Ben Alexander is still associated with the corporation or not, the Harmon Corporation, but he was there for the longest time. I believe he was chairman or acting chairman.

MR. MURPHY: He was, yes.

MR. NEARY: And certainly, Sir, a great deal of the credit for building up this great organization that was appointed by the much maligned previous Liberal Administration must go to Mr. Ben Alexander.

SOME HON. MEMBERS: Hear! Hear!

MR. PECKFORD: I agree.

MR. MURPHY: Hear! Hear!

MR. NEARY: Mr. Spencer is a Johnny-come-lately, Sir. He saw the job was done, the ground work was done, the hard work, the slugging, the sweat and the tears. It was all done, Sir -

MR. PECKFORD: It was not done up until last year -

MR. NEARY: - when Mr. Frank Spencer arrived on the scene, And I think Mr. Ben Alexander deserves a great deal of credit as well as the other honourable gentlemen on this Harmon Corporation. It is too bad, Sir, it is too bad that we could not have done the same thing with Argentia that we did with the Stephenville -

MR. MURPHY: It is underway.

MR. NEARY: No, it is not underway. No, Sir, that is the point, it is not underway. Everything will be demolished.

MR. MURPHY: I did not want to get into -

MR. NEARY: Everything is being levelled to the ground in Argentia.

MR. MURPHY: Is that right?

MR. NEARY: That is right.

MR. CHAIRMAN (Mr. Stagg): Order, please!

MR. MURPHY: I knew he would become irrelevant. That is the trouble.

MR. CHAIRMAN (Mr. Stagg): Order, please!

The debate on this item, this non-existent item really, is carried on at the sufferance of honourable members and can only be done by consent.

SOME HON. MEMBERS: (Inaudible).

MR. NEARY: Mr. Chairman, can we discuss it or can we not? Because, Sir, it has been a tradition in this honourable House when there was a vote in the previous year, no vote in the current year, you want to know why and the minister gave us an explanation.

MR. CHAIRMAN (Mr. Stagg): Order, please!

These items are there for reference only and strictly speaking are not to be called, and they are not called. You will note that the item called was 1907-07-04, and there are probably four items preceding that which, while they appear in the estimates, are not liable to be called since there is no money allocated for them in this year's estimates. However, it has been the tradition in the House to have some discussion on them, and I am not prepared to rule the discussion out of order at this time although I believe if a formal ruling had to be made and there were objections made and citations cited that any debate whatsoever would have to be ruled out of order. However the tradition has been to have some discussion on them.

MR. NEARY: Mr. Chairman, I think that is correct, Sir, because some minister has to report to the House for the Harmon Corporation. Now I do not know if the Minister of Municipal Affairs is going to continue to do that or whether it is going to be some other minister. but, Sir, some minister has to report for the Harmon Corporation and this is the only place that I can see in the estimates where the report is being made and, therefore, we should be able to comment on it. I think Your Honour is right in his ruling.

Sir, it just goes to show, Sir, the wisdom and the foresight of the former administration in appointing this Harmon Corporation. I presume, Mr. Chairman, I presume that the money, the revenue,

I presume the revenue to the Harmon Corporation is coming from rentals of houses, commercial establishments, and I do not know if anything is coming from the Linerboard Mill or not. There may be some revenue. But anyway, Sir, it is a good thing. We did the right thing at the time, and it is just another example of the -

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

MR. NEARY: It is just another example, Sir, of the great foresight and the planning, and the wonderful things that were done by the great Liberal Administration in this Province.

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: Shall 07-04 carry?

AN HON. MEMBER: Inaudible.

AN HON. MEMBER: Mr. Chairman.

MR. CHAIRMAN: I am not sure which honourable gentleman spoke because I had my eyes glued ...

AN HON. MEMBER: Inaudible.

MR. MARSHALL: Which one is Your Honour going to recognize? We are both, in anxious anticipation, on our feet, Your Honour.

MR. CHAIRMAN: Well, I saw the honourable Member for Labrador North first.

MR. MARSHALL: Shot down again, Your Honour.

MR. ROBERTS: He is bigger than you 'Mel'. He is bigger.

MR. WOODWARD: I am sorry about that.

MR. GILLETT: He was up first, Mr. Chairman.

MR. WOODWARD: Mr. Chairman, as I understand it, as far as the Harmon Corporation is concerned with the amalgamation of that portion of the community into the enlarged town of Stephenville, no doubt a lot of the responsibilities and the expenditures were taken away from the Corporation, such as running the existing water and sewerage system. And I suspect because of this the community now, if they do not have the responsibility and the expenditure the Harmon Corporation, can indeed maybe show a profit on the inheritance that they have come by over the years. But this was not explained to the Committee. And I suspect this

is the reason why there is no expenditure for the Harmon Corporation in this respect. Maybe the minister can that to the Committee.

MR. PECKFORD: Mr. Chairman, that is one of the factors that has contributed to the complete reduction -

MR. WOODWARD: Inaudible.

MR. PECKFORD: No, no exactly. They look like they are going to be able - perhaps in the revised estimates next year you might see that they have had to come back to the department for some assistance.

AN HON. MEMBER: Inaudible.

MR. PECKFORD: But as it looks right now, they think they might be able to get through the year without any assistance.

AN HON. MEMBER: Hear! Hear!

MR. PECKFORD: Six months from now they might need - but no doubt, unquestionably, it will never be up to what it was last year.

AN HON. MEMBER: Inaudible.

MR. PECKFORD: So, you know, a lot of progress has been made, but that is one of the factors that contributed to the reduction.

MR. MARSHALL: Mr. Chairman, I believe we on -

MR. CHAIRMAN: The Hon. Member for St. John's East.

MR. MARSHALL: - 1907-07-04.

AN HON. MEMBER: No we are not. No we are not.

MR. MARSHALL: No, That was the matter that was called, Mr. Chairman. I may not be here on time at 8:00 o'clock tonight, so I want to have in the few moments available -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: - a few words with respect to the item that was called.

MR. NEARY: On a point of order, Mr. Chairman. We are discussing, Mr. Chairman, now 1907-06 the Harmon Corporation.

MR. MARSHALL: No we are not.

AN HON. MEMBER: No we are not.

MR. NEARY: The Chairman has already given his opinion.

HON. MEMBERS: Inaudible.

MR. NEARY: And my colleague the Member for Labrador North is still speaking on the Harmon Corporation, and I think my colleague should be allowed to continue.

AN HON. MEMBER: Inaudible.

MR. NEARY: Because we are not going to jump over to 04 for the convenience of the Member for St. John's East. Well let him be in his seat tonight and discuss it if he wants to.

MR. CHAIRMAN: Order, please!

MR. MARSHALL: Inaudible.

MR. CHAIRMAN: The rule on this is somewhat unclear. The rule is clear. The practice is unclear. And strictly speaking the Member for St. John's East is quite correct, we have come to 1907-07-04.

AN HON. MEMBER: Hear! Hear!

MR. CHAIRMAN: However, preparatory to discussing it, we have entertained some discussion on the item 1907-06 Harmon Corporation. The Member for Labrador North as far as I know had made his remarks, the minister had replied, and I had recognized the Member for St. John's East on the item 1907-07-04. If honourable members wish to dispute that or other honourable members wish to speak -

MR. WOODWARD: The Committee should rise and report progress -

MR. CHAIRMAN: - on other items for which there is no vote -

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: We will have to cross that bridge when we come to it at 8:00 o'clock. Since it is now 6:00 o'clock I leave the Chair until 8:00 o'clock this evening.

The Committee resumed at 8:00 p.m.

Mr. Chairman in the Chair.

MR. CHAIRMAN (Dunphy): Order, please!

MR. NEARY: Mr. Chairman -

MR. CHAIRMAN (Dunphy): 1907-04.

The honourable the Member for Bell Island.

MR. NEARY: No, we were on 06, the Harmon Corporation and I have one simple question, Sir, for the Minister to answer.

MR. CHAIRMAN (Dunphy): I have been informed that we have been on 1907-04. That is where we left off.

MR. NEARY: No, Sir. No, no. No, Mr. Chairman, I beg to differ with Your Honour, but it will only take a moment anyway, Sir. I would like for the minister to tell the House whether or not the matter of the Harmon Corporation becoming a part of the municipality now of Stephenville, if that has been straightened out or if the controversy, you know, is still raging. What is the possibility of the Harmon Complex now being incorporated into the -

AN HON. MEMBER: It is.

MR. NEARY: It is?

AN HON. MEMBER: Yes.

MR. NEARY: That for the matter of paying taxes and all that sort of thing, paying water and sewer rates and all that sort of thing - so that whole matter now is straightened?

MR. PECKFORD: That is right.

MR. NEARY: So the Harmon Corporation really now serves no useful purpose except to rent, maybe, commercial premises.

AN HON. MEMBER: They own the buildings.

MR. NEARY: They own the buildings?

MR. PECKFORD: Right. (Remainder inaudible)

MR. NEARY: What does the Harmon Corporation do now? I mean now that the -

MR. PECKFORD: The Harmon Corporation -

MR. NEARY: Yes, go ahead.

MR. PECKFORD: The Harmon Corporation manages the buildings that they own and try to get tenants in the buildings that are vacant, or this kind of thing. They are responsible for quite a few buildings there on the old Base and they are managing those buildings. Rent -

MR. NEARY: - by the Newfoundland and Labrador Housing Corporation?

MR. PECKFORD: No, no. They are part of the Harmon - the houses? What do you mean, the houses?

MR. NEARY: The apartments.

MR. PECKFORD: The apartments are part of the Harmon - come under the Harmon Corporation.

MR. NEARY: Why do they not turn them over to the Newfoundland and Labrador Housing?

MR. PECKFORD: I do not know why. It has just been that the Harmon Corporation was established to take care of the buildings and that there, you know, which are the apartments.

MR. NEARY: Well, is it possible then that the Harmon Corporation in the foreseeable future may become defunct? You know, is there any need of it now?

MR. PECKFORD: Mr. Chairman, there is still a great need of it, as long as we need an agency right there on the spot, because you are talking about quite a few buildings and quite a few apartments. In order for a transfer to be made to Newfoundland and Labrador Housing, for example, you would have to set up staff out in Stephenville again, the same as you have there now for the Harmon Corporation, so you would only be changing words rather than any administrative procedures or the numbers of people you would have to use, you know.

MR. NEARY: The Newfoundland and Labrador Housing is in Corner Brook and in Stephenville.

MR. PECKFORD: It is there in housing, yes. Right! But you know, Mr. Chairman, the only reason is that because you are talking about a sort of unique situation. To have quite a few

buildings , we need good control on the buildings for maintenance and so on, and for the rent. And like I say, you could switch it over but the problem is that you would still have the number of people essentially, right, employed? You would just be putting another arm unto the Newfoundland and Labrador Housing Corporation so -

AN HON. MEMBER: No difference.

MR. PECKFORD: No. No different purpose would be served or anything by - but it might be something to look at in the future just the same.

MR. NEARY: I thank Your Honour for being so tolerant and patient and fair in this matter and giving me a chance to get this off my chest.

MR. CHAIRMAN (Dunphy): Shall 07-04 carry?

MR. MARSHALL: Mr. Chairman, I would like to say a few words about 07-04 which is the Neighbour Improvement, just a few words because I will be speaking about it more in the Budget Debate when I draw together certain observations with respect to housing. I do not want to trespass on the Opposition's traditional role of asking questions of the government when estimates come up. I just would like to observe for just a few seconds, though, that we have spent a lot of time, the Opposition have, asking questions about a matter that does not even appear in the Budget.

In other words, I suppose if one wanted to stretch the truth you could say that they were talking for about fifteen minutes or a half hour really about nothing. Now we are talking about neighbour improvement in which there is a \$660,000 grant here in -

SOME HON. MEMBERS: (Inaudible)

MR. CHAIRMAN (Dunphy): Order, please!

MR. MARSHALL: - the Budget. And this Neighbourhood Improvement Programme is, of course, a programme that is partially federal and partially municipal and partially provincial as well. In the district which I represent, St. John's East, there has been a very interesting movement, as it were, amongst the residents in the area

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to designate as a neighbour improvement area the area which is
south of Military Road,

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west of Ordnance Street, east of Cathedral Street and bounded on the south by Duckworth Street. And there have been numerous meetings with respect to the proposal. It is a very imaginative proposal which has been forth, really instigated by the federal government under the National Housing Act. It requires the co-operation of all governments and certainly in this particular case it is getting full co-operation, I understand, from the federal government, certainly from the provincial government and certainly also from the municipal government. Already three or four meetings have taken place in the area of residents in the area with respect to putting together an association in order to bring about this plan and to make it effective in the area. They have elected an executive. The application has been made as it must be. It has been initiated through the municipal council. The application came into the provincial government in accordance with its rules. It was promptly dealt with, with the great dispatch which the Department of Municipal Affairs has been subjected to, certainly for the past three years, and in particular since the present minister has had the reins of the department. It has gone to the federal government and now I understand that the application is now all ready to be signed by all parties and to get the plan operational.

So my question of the minister is really, I suppose, you might say, when the bite is going to be put into NIP because we want to see that it takes a big bite into the housing of the older parts of St. John's. It is a very imaginative programme, as I say, and one of the real programmes where the houses can be rehabilitated because it makes available loans of up to \$5,000 to people in the area for the upgrading of their houses on certain specific conditions. I do not think it is necessary really to take the time of this committee to describe in detail the programme of neighbourhood improvement and its associated programme of residential rehabilitation loans that are available for people. I have no intention of taking up the time of the committee on this. But I would like to, as I say, compliment the minister for his attention to this to date, and I would ask him this specific question. With respect to the application already on file for

St. John's East, for the area of St. John's East, I would like to know where it is at, where it is right now when the application might be deemed to have been approved, if it has not been approved already, when we might expect the programme to be operational and all other matters and details which he may deem relevant that he might like to tell the committee, because it is a very important programme. It is one that I am proud to say the initiation has come from this government for the first time in the older parts of St. John's to do something realistic about housing. And I would look forward to seeing that if this programme is satisfactory, as I have every reason to believe it is, that it will extend in years to come to all of the areas, the older areas of St. John's, and that area which I described as south of Empire Avenue which has been very, very, almost criminally negligently ignored over the years with respect to its need for housing.

SOME HON. MEMBERS: Hear! Hear!

MR. MARSEALL: Because when we talk about housing in this Province, we hear an awful lot, and I show all due deference at all times to many of the members who represent people, who represent rural districts, who represent outport districts, and there is a great tendency with everybody who represents outport or rural districts in this Province to turn around and say, St. John's has everything. But I challenge any member of any - I can show in my district, and I know the Hon. Minister of Social Services, representing St. John's Centre, particularly, that we can show any member of this House housing conditions not very much more than a stone's throw away from this building that are a disgrace, really, to twentieth century Canada let alone twentieth century Newfoundland. And I feel that while there has been a great impetus over the years, most of the monies that have come for housing in the St. John's area have been funnelled into the St. John's Housing Corporation, the Newfoundland and Labrador Housing Corporation which is more attuned, I think it is fair to say, towards new housing, which is all very well and very necessary certainly,

but this is one very imaginative programme with respect to the rehabilitation of the older areas, and I am very anxious, and I urge the government to see all they can do to bring about this programme as quickly as possible. As I say I am delighted with the progress. I already know that the energetic Minister of Municipal Affairs has already made in this direction, and I think perhaps he might like to tell the committee, as I say, the progress that has been made, and when the people, particularly of this Neighbourhood Improvement area, might expect the plan to be operational there whereby they will then be able to qualify for residential rehabilitation loans? Now all the minister

can obviously say is what it, what the government is doing because it will do everything it possibly can with respect to it. The implementation of this programme lies mainly with the municipal council. I do not say this for the purpose of passing the buck in any way because both the municipal council and the Provincial Government, and the federal member and the provincial member and the municipal council have worked hand in hand with respect to this. I think that all parties will agree that there has been good co-operation, certainly, on all sides.

So, I say that this government has taken the initiative with respect to bringing it about. The execution of it is mainly with the municipal council. But, I now ask the honourable minister if perhaps he might say a few words as to when we might expect this very beneficial programme to be implemented in a district that has been ignored, abysmally ignored, for so many years by the governments.

MR. CHAIRMAN (DUNPHY): The honourable Member for Bell Island.

MR. NEARY: Mr. Chairman, just to set the record straight, Sir, I want to correct a couple of wrong impressions that are being left as a result of the statements by the honourable Member for St. John's East. First of all, Sir, let me point out that if there are any bouquets, if there are any thank-you notes to be passed out on this programme, they should be passed out to Uncle Ottawa. This is an Ottawa programme. It is a Liberal concept. It is a concept developed by the Government of Canada.

I might say, Mr. Chairman, that it is a concept that has come into being since the days of the former Liberal Administration. So, how could the Liberal Administration take advantage of NIP, Neighbourhood Improvement Programme, when there was no NIP when we were the government.

AN HONOURABLE MEMBER: Instead evacuation.

MR. NEARY: I beg your pardon?

AN HONOURABLE MEMBER: Your programme was evacuation.

MR. NEARY: So, Mr. Chairman, if there are any thank-you notes or any thank-you cards to be sent out to anybody, they should be sent to the Government of Canada. Now, the Member for St. John's East, Sir, some time ago trying to get a little political mileage for himself, went

down and called a public meeting in that part of St. John's that he just described to see if the people in that area were interested in a NTP project right over the head, Sir, of the St. John's City Council, right completely -

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Yes, Sir, right over their heads and they were bitter and resentful because they had done a tremendous amount of spade work, they had done a tremendous amount of leg work. The member now tonight is trying to patch up that little bit of difference by saying they co-operated and they worked together when in actual fact the member went off on his own and tried to get a little political mileage when the St. John's City Council had that whole matter well in hand and were in the process of making an application. I think the member probably misled the group at that public meeting by telling them that they could make an application.

The application, Sir, the initiative, had to be taken by the St. John's City Council, not by the minister. The minister has not lifted a finger except to put \$660,000 in the estimates, and we do not know what that is for. Maybe we will find out from the minister when I sit down. But, the initiative, Sir, and the application has to come from the City of St. John's, from the municipality. They are the sponsoring group, not the Member for St. John's East. So, they are the ones who have to take the initiative, not this energetic Minister of Municipal Affairs and Housing. The Minister of Municipal Affairs and Housing, of course, will have to have his officials look over the submission, look over the proposal.

MR. PECKFORD: He had to sign it in block form for me.

MR. NEARY: That is right. Look over the proposal to see if it is feasible, if it is realistic. Then they will have to provide the money, whatever share of the money the Province has to put up. Probably put up 100 per cent and then recover whatever portion is paid by the Government of Canada. Well, that is just a matter of formality, Sir. The minister is merely acting in this case as a rubber stamp.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Yes, Sir, I do understand. I certainly do understand. But, Mr. Chairman, there are going to be problems immaterial of the nice rosy picture that the Member for St. John's East just presented. There are still going to be problems. There are still people in that area who cannot afford to borrow that \$5,000 even though it is spread out over a long period and the interest rates are very low, Sir. There are still a large number of people who will be afraid to get themselves involved financially, to put their name on the

dotted line for even \$5,000 over a long period.

AN HON. MEMBER: Inaudible.

MR. NEARY: Over twenty years. I did not know what it - I thought it was fifteen, but it is twenty the minister tells me - over a period of twenty years.

And there are some people in that - Sir, you have old age pensioners, you have people on social assistance, I imagine down in that area, perhaps the Minister of Social Services can tell us. And a lot of these homes in the area are rented. They are not being lived in by the owners, they are rented. Will the loans be made available to the landlords to fix up these homes? These are some of the questions, Sir, that I would like to see answered. There are still going to be a number of problems, but it is not as clear cut as the Member for St. John's East would lead us to believe. Now, mind you, it is a good concept, Sir. It is a good Liberal concept developed by the Government of Canada - LIP, NIP, all these programmes, OFY are all good, Sir, all good concepts. But I am afraid there is going to have to be a little more of a selling job done, because I have spoken to some of the people in that area, and they are still afraid of it. They are still afraid of the financial involvement and the financial commitment that they will have to make. And maybe, Sir, their fears are not justified. And perhaps the Minister of Municipal Affairs now can allay any fears that these people may have in that area. And perhaps the minister will make it all crystal clear to us. And then when the City of St. John's comes in with their application to the minister - because that is where it is now, down at City Hall - when they come in with their application then the minister may have no problem at all in approving the application, whipping it off to Ottawa, getting it approved, and getting our first NIP project underway.

MR. MARSHALL: Mr. Chairman, if I may, there are -

MR. CHAIRMAN: (Dunphy): The honourable Member for St. John's East.

MR. MARSHALL: I will not take the time of the Committee much more, but I have to answer a few of the statements that were made, you know. Honest to heavens, I think the honourable Member for Bell Island could be described really as nip because that is the extent of really the honourable member's bite. You know, I have never seen the like before,

To listen to him he would almost make a person, the receiver of his words, almost want to go out and take several nips in order to be able to listen to him. I mean how urbane, how foolish, how silly, how stupid is the honourable member when he gets up, you know, it is Ottawa, it is a Liberal concept. I do not care whether it is a Liberal concept or a Hindu concept, or a Communist concept or whoever's concept it is. The fact of the matter is, it is going to inject, as a result of a small amount of money from this Province, large amounts of money into St. John's for the purpose of rehabilitation of older houses that ought to have been done years and years ago. Because these programmes, or their sister programmes existed for quite a period of time, and there were other people who were quite capable of taking advantage of them if they wished to. So I give all credit to Ottawa, all credit to the City of St. John's, and I certainly give a great deal of credit also to the Minister of Municipal Affairs who is pushing this forward. I think, you know, it is stupid, silly, and you know, really, ridiculous. As for this business of my meeting, I held the meeting as any member, I suppose, in any district should do to acquaint -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: No, no, so as to acquaint the people in the area with the programme, with the nature of the programmes, since the honourable member brought it up, it was one of the worst days of the year, it was in December, about December 8, the Minister of Municipal Affairs was there -

AN HON. MEMBER: (Inaudible).

MR. MARSHALL: - in the evening down at Bishop's Field School and they came from all quarters of the neighbourhood area, many people, many elderly residents came out, it was a tremendously successful meeting. I had at the time a representative from the Roman Catholic Basilica there. I had not only a representative from the Anglican Cathedral, but indeed the whole Vestry came down to see it. I had memoers from all organizations throughout the city everywhere, and had a large number of people including many members of the City Council, all of whom were invited, most of whom turned up. There was no resentment or anything because the members of the City Council -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: - thankfully are not quite as small as the Member for Bell Island in their outlook towards things, because they are glad to see this type of thing -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: - they are glad to see this type of thing occur in the City just as much as the member is delighted to see this type of thing occur in the City. And I am sure the federal member is delighted and the federal government. So, you know, that is a lot of foolishness. Now the Member for Bell Island does not realize what this programme entails. As I say, I could go on to a great length of time describing it. He mentioned landlords. Yes, loans are available to landlords. By the way, at

this meeting, I might say, there was the CMHC, the Manager of CMHC, every official you could think of - I hate the word official, Mr. Speaker, because it has a certain connotation that I myself find distasteful - but certainly everybody who is interested in this programme both federally, provincially and municipally were there, all except, of course, the honourable Member for Bell Island. But they had one of their few people, who I think was a member of the Liberal Party, down there to attempt to heckle but he was put down by the good citizens of St. John's East.

But in any event, Mr. Speaker, with respect to this loan, we do not want to get into it, The loans are available to landlords as well as residents in the area, on the basis, but the rents are pegged. He talks about, people cannot afford a \$5,000 loan, I know they cannot afford a \$5,000 loan but if the honourable Member for Bell Island knew anything about the programme he would understand that it is not completely a \$5,000 loan. You can get up to \$5,000, but depending upon one's income \$2,500 of that can be forgiven over a five year period with \$500 a year being forgiven, depending upon the income. If the income is above \$6,000, between \$6,000 and \$12,000, less is forgiven but there is a certain amount of forgiveness. The interest rate is the lowest obtainable. It is down around eight per cent, seven per cent or eight per cent, and I certainly say that if any loan can be afforded, these are the loans which can be afforded.

The honourable Member for Bell Island would be delighted to know too that a minimum of legal work is involved. They give them out on promissory notes and I could go on and on and on, if I thought it would edify the honourable Member for Bell Island, but I know it is useless to attempt to edify the honourable Member for Bell Island on this programme or any other. It is sufficient to say that it is a very beneficial programme that has been unanimously endorsed by the residents of the area, that has the support of the provincial member, the fanatic support of the provincial member if you want to say, it has the equal support of the Minister of Municipal Affairs of this government. It also has the support of the federal government and also has the support

of the St. John's Municipal Council. All of whom are working in concert, rather than at each other's throats as we would be if a person like the honourable the person with the sentiments, let us put it this way, or the honourable Member for Bell Island, or most of the members of the Opposition were involved in it.

So it is a very, very beneficial programme that these people are looking forward to and I again renew the question that I know the Minister of Municipal Affairs is interested in answering rather than the churlish, childish questions of the honourable Member for Bell Island as to when we might expect this beneficial programme to become operational.

MR. PECKFORD: Mr. Chairman, one of the unfortunate things about the debate so far, our discussion on the estimates for this department, is the lack of debate so far on housing in general, and to get into the meat of housing, how it affects this Province, what the story is, on a whole bunch of different programmes that are ongoing, this kind of thing. Now dealing with these programme, the Neighbourhood Improvement Programme and the Residential Rehabilitation Assistance Programme, NIP and RRAP, these are perhaps the two most misunderstood housing programmes. They are the two most misunderstood housing programmes in the Province.

It has never been fully explained, I do not think by CMHC or the federal government. They have announced the programmes. They tend to leave the impression that municipalities all over the Province can get involved in these programmes, that you can rehabilitate a small section of a town somewhere, anywhere in the Province, and most of the money will be by way of a grant, that the municipality would not have to be involved in that much expenditure itself, and here is where the whole programmes breaks down.

First of all I agree with the honourable Member for St. John's East and the honourable Member for Bell Island in that it is a good programme, but it is only a good programme insofar as it applies to urban regions of Canada. It devised in the first instance for urban regions of Canada

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and it has no applicability really to ordinary, small, medium-sized municipalities around the Province because the amount of loan that the municipality would have to raise is too great if they are really going to do anything to rehabilitate housing for them to take advantage of it.

So I think that is the unfortunate part about it. What needs to be done now, what needs to be done now, Mr. Chairman, I suggest, is for CMHC to try to devise a programme like NIP and RRAP that would apply to rural areas of the Province

with some provincial input as well. And that is where this kind of programme falls down when it applies to Deer Lake or even a place like Grand Falls. Of course, that is fairly new, but Bonavista say, an older town. Perhaps even Gambo or places like that, older towns in the Province where you have a section of the community that needs rehabilitation where the house can -

AN HONOURABLE MEMBER: Bell Island.

MR. PECKFORD: Bell Island again is another example, any of the older towns in the Province. They really cannot qualify for this programme because they would not be able to come up with their share of the money. But, in a place like St. John's or Corner Brook, they can.

Now, up until this present year the NIP funds in the Province and the PRAP funds in the Province have been used to complete the urban renewal schemes that were started several years ago, the Corner Brook Urban Renewal Scheme, the Shea Heights and the Mundy Pond. These are almost completed. There are a few details. There is some more money to be spent in Mundy Pond, very little if any in Shea Heights and very little in Corner Brook. There are some outstanding claims relating to two or three houses in two of the areas. Mundy Pond is the only place that has to be completed.

When the federal government cancelled urban renewal schemes and brought in to replace it NIP and RRAP, these programmes could not really get off the ground for what they were devised to do in the beginning until the urban renewal schemes had been finished. It is the only money we could get to use to finish them. But, now this year we will begin to see the fruits of this concept, and hopefully, and I am pretty sure the fruits will be seen in St. John's East because the Member for St. John's East has done an awful lot of work, and I compliment him on the work that he has done to date to ensure that the housing programme gets started in his district this year.

AN HONOURABLE MEMBER: Be a model to the rest of us too.

MR. PECKFORD: And it will be a real model. It is an area of St. John's that really needs this kind of programme. It almost fits it right to a tee, the NIP and RRAP programmes. But, I wanted to say, Mr. Chairman, just

for clarification here that so many people misunderstand these two programmes - they are urban orientated. This is why the St. John's East application, of course, will be able to be accepted by the Province and I am sure by CMHC because through the city council, city council will be able to borrow their part of the agreement, their part of the money.

For the information of honourable members, if they want to get the details of the programme, I have some pamphlets here on the two programmes, the Neighbourhood Improvement Programme and the Residential Rehabilitation Assistance Programme. I have a number of sheets here of examples if they want to see how the programme works.

Just briefly, Mr. Chairman. On many items after the Province decides - the Province has the authority to decide to designate an area as a NIP area. After that is done then an application is made by the municipality to the Province to CMHC. The mechanics of it is that on a lot of the work, the federal government will give a grant of fifty per cent of the total cost. On some of the other work, they will give twenty-five per cent grant on the total cost. Then the remaining costs that remain are shared on a loan basis by the municipality and on a grant from the Province.

Now, the \$660,000 that are in my estimates, in the Department of Municipal Affairs and Housing estimates, are the provincial government's share towards any programmes that will get under way this year in NIP and RRAP.

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: Yes. It is around the -

AN HONOURABLE MEMBER: Inaudible.

AN HONOURABLE MEMBER: You are doing a good job, boy.

MR. PECKFORD: Yes. Yes. It differs with the - it is a rather complex programme here. Anyway, so the municipality still has a major role to play in financing the programmes.

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: I am coming to that in a second. But, I just wanted to explain the \$660,000 that is here in the estimates. That is the provincial government's share. With \$660,000 as our share under the

programme, we envisage that the grant from Central Mortgage and Housing will be \$1,340,000. The loan share from the various municipalities that can take part in the programme will be \$2 million, the loan will be. So, if you add all that up you will get about \$4 million. So, we are looking at a \$4 million NIP and RRAP programme really.

Provincial contribution towards that total \$4 million -

MR. WOODWARD: Inaudible.

MR. PECKFORD: I think Corner Brook are working on an application.

MR. MURPHY: Corner Brook West, Mundy Pond, Blackhead Road and now St. John's East.

MR. WOODWARD: Urban areas are not rural areas.

MR. PECKFORD: Exactly.

MR. WOODWARD: Urban, cities.

MR. PECKFORD: That is right.

MR. WOODWARD: (Inaudible)... criteria, a certain population?

MR. PECKFORD: No, it is not based on population at all. If a municipality has the wherewithal and can borrow, you know, if you get into a programme say of \$150,000, let us say, well their share of borrowing there might only be \$30,000 or \$40,000, eh? They might have to borrow, their share of the costing would be a loan from CMHC of around say \$30,000. Now if they could borrow the \$30,000 and be able to pay it off, then they could partake of the programme. But in many areas - see, here is the problem - in many areas where you have a core, even in a small community of say 2,000 or 3,000 people you get a core area and when you examine that core area to upgrade the services, not to put in new ones, upgrade the services that are there, to do anything reasonable with the houses you are going to be into \$200,000 or \$300,000, you see. So then it is out of the realm of the municipality to borrow their share of it. So here is what I am saying. Now even - Mr. Chairman, it is really hilarious because all of the federal members, and the Member for Gander-Twillingate, for instance, and the Member for Grand Falls-White Bay-Labrador especially, the rural members, and the Member for Humber-St. George's-St. Barbe are confused about this programme, because the Hon. Mr. Danson comes in to the House of Commons and talks in glowing terms about this great RRAP and LIP programme, you know, and starts telling about the grants that you can get from CMHC and everything. And they run away and start writing their constituents and their town councils and so on saying, look there is a great programme there, you know, the

Department of Municipal Affairs and Housing, and if you can get all these grants to do up this section of town - only to have their hopes crushed by us when we start telling them the conditions under which they have to operate in order to get that grant.

And it is destroyed.

AN HON. MEMBER: Inaudible.

MR. PECKFORD: There is no condition. It is simply that the Province has to designate an area as a NIP area, and it has the authority to do that. It is all here. "Be predominantly residential but may contain some non-residential uses such as local stores, schools, banks, churches, small business establishments and possibly other non-conforming uses. A significant proportion of the housing stock is in need of rehabilitation. Consequently, it is expected that NIP will operate with a matching rehabilitation programme." Now here is the other thing, NIP and RRAP go together really. They do not actually say so in so many words here but everywhere it says, you know, NIP really got to have a matching rehabilitation - well, there is only one real matching rehabilitation programme and that is RRAP, you see. "The non-residential elements of the physical environment are in need of some rehabilitation be inhabited for the most part by people with low or moderate incomes. The neighbourhood amenities such as playgrounds, community centres, etc. are sufficient to varying degrees. The neighbourhood is potentially stable in terms of land uses and densities." These are some of the conditions that they put down here. And then you go into fifty per cent of the cost of some of the things that you want to do; twenty-five per cent of the cost for other things that you want to do, as grants. Then the remainder is worked out as a loan by the municipality in a grant from the Province.

The grant from the Province will be in some cases 12.5 per cent. In other cases the grant will be 18.75 per cent depending on - still dealing with the individual householders.

MR. WOODWARD: It is not an outright grant. They have to pay it back.

MR. PECKFORD: Yes, the loan that the municipality makes. Yes, they have to pay, yes, right. Then the rehabilitation assistance programme

is different again, eh, where you can get a grant. "You see loans up to \$5,000 are available to homeowners with annual incomes of \$11,000 a year or less providing they live in a neighbourhood improvement area." Do you see the connection between the two programmes? I am talking about RRAP now which you must be in NIP area, you see, to get RRAP.

MR. MURPHY: (Inaudible).

MR. PECKFORD: Earnings - on it goes, all the different conditions here, and you can get a forgiveness on that \$5,000 loan of up to \$2,500 depending on your income.

MR. WOODWARD: (Inaudible). That is tax relief.

MR. PECKFORD: No, a grant. It will be transferred into a grant.

MR. MURPHY: Outright, they only pay about \$2,500.

MR. PECKFORD: It starts off as a loan of \$5,000 and depending upon your income during that period that you got the loan, and if your income is low enough really, fifty per cent of it will be forgiven. So you only have to pay back \$2,500. And so on it goes. Anyway, it is a complex programme.

My only point here now, Mr. Chairman, is simply to suggest and to contend that what we need in this Province now - NIP and RRAP are good for the urban areas, the large areas where you got a good tax base and all the rest - is some other kind of corresponding programme for some of the other older settlements in the Province that are rural where you need some

rehabilitation of housing, you see, because these do not fit. These programmes do not fit. That is what you need.

MR. WOODWARD: What is the criteria? What is the size (Inaudible).

MR. PECKFORD: There are no limits put on it as such.

MR. WOODWARD: Yes, but what particular area? Would you go in to rehabilitate 1,000 homes, 100 homes, 50 homes?

MR. PECKFORD: Well, depending on how much money you could get, you know.

MR. WOODWARD: Yes, but what is the criteria. How -

AN HONOURABLE MEMBER: That is no bother. Why do you not give him the great details?

MR. PECKFORD: There is no population size or anything like that put on it.

MR. WOODWARD: If you feel, if the municipal government feels free to designate a Neighbour Improvement -

MR. PECKFORD: The provincial government has to.

MR. WOODWARD: - then the community can set about to go and get the grants -

MR. PECKFORD: That is right.

MR. WOODWARD: - and try to do it.

MR. PECKFORD: That is right.

MR. WOODWARD: And it can apply to any community.

MR. PECKFORD: That is right. That is right.

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: That is right. But, the Province has to designate the areas. So now, it is in some town in Newfoundland that they think they have an area in their town that really needs, the housing needs to be rehabilitated and improved and so on. They can contact the provincial government, this department, and request that we designate their area as a NIP area. We will take a look at it and see if we think it would fit, if the housing is that deteriorated, if that whole block of houses in that town, you know, warrants this. If it does, we could go ahead and do it, always aware, though, that the municipality might have to come up with a fair share of money in the way of a loan from CMHC which they will have to pay back.

On the St. John's East application, that agreement now has reached

my office and we are taking a look at it and we will be sending it back to CMHC within a few days and hopefully within a month or so that agreement for that designated area can be signed so that the St. John's East NIP programme and RRAP programme can proceed this Summer in a big way. It will be interesting to see how that works out this year because this is the first time that NIP and RRAP funds are actually being used for what they were intended to be used for, because of the old urban renewal schemes, the money had to be used to finish off those.

So, the other thing rose on the Member for Bell Island's comments about money from CMHC and that. I do not know if he understands or not that each year the Newfoundland and Labrador Housing Corporation and the minister concerned negotiate with CMHC under the various sections of the act and fight for as much money as they can get under the various sections. You know, section 15 (e) of the National Housing Act, section 34, 58, 55, 40, 43, and 47 - some of those are public housing. Some of that is subsidized housing and so on. And, the same way under NIP and RRAP.

So, the Province has in the first instance to try to ensure that it will get a block of money under that section of the act to cover NIP and RRAP before the municipality has a chance of getting any funds for that programme, because that is how it is done. We negotiated our budget about a month and a half, two months ago. Then I went to Ottawa on two different occasions to try to get it increased, different parts of it that I wanted more money for. So, just to straighten that out, that the Province is responsible for trying to eke out of the federal government under the National Housing Act blocks of money for all the different programmes that it wants to see go. It is true for NIP and RRAP the same as it is for our Rural Loans Programme, for our subsidized rental, for our public housing, for land servicing, land banking and all the rest of it.

I think I will stop there, Mr. Chairman, and just see if there are any other questions on that subhead.

MR. WOODWARD: Mr. Chairman - some Adam's Ale - I find this programme to be very, very interesting. I can very well understand the enthusiasm of the Member for St. John's East. I think he recognized a good programme.

I see the need and the great need, and I suppose that we have to give high praise to the Liberal Federal Government, Mr. Chairman, for recognizing such a programme and presenting such a programme. On a number of occasions we see that programmes of this nature are not well publicized and do not get out into the areas where probably they could be very useful. When I think in terms of a neighbourhood programme of this nature, I am very enthused myself because we have a situation in, not an old community, but a relatively new community where the Town of Happy Valley grew up on the perimeter of the Goose Air Base where people over the years have gotten involved in building temporary accommodations for short periods of time.

One can take a look at the whole community and in fact say that the total community, with the exception of maybe a few houses, over a period of time

needs some rehabilitation. So a programme of this nature is very appealing and I am wondering if the minister is looking further afield in St. John's, although I recognize St. John's may be the oldest community in the Province, where some of the houses go back for quite a number of years. I am sure that the Members for St. John's Center and St. John's East have some record of the age of some of the houses that people are living in and I guess they go back 80, 90 maybe 100 years, and they are still occupied.

But there are other areas of the Province as well and I am sure that there are a number of municipalities throughout the Province that are looking at areas in their communities where such a programme could give a face-lifting to a total community, providing you could get the people or the occupants of the houses to agree that they want to accept the responsibility of taking on the loans and being responsible for having the houses rehabilitated.

This appeals to me because of the fact that when we look at a growth area or a center such as the community of Happy Valley, and looking down the road another maybe ten to fifteen years when a lot of the houses in the community will either have to be rehabilitated or torn down, because they were of a temporary nature to start with -

MR. PECKFORD: That will have to be decided, it will have to be decided then whether it is worthwhile. If the structure is sound enough to make it worthwhile to last another fifteen years or something. There is a limitation.

MR. WOODWARD: There is a limitation?

MR. PECKFORD: You know -

MR. WOODWARD: So if the houses are redundant over a period of ten years then they will not provide the funds -

MR. PECKFORD: If it is the opinion of the engineers that this house with, you know, some repairs can be a good structure for fifteen years, well, then they will put money into it. If the house is gone so far that it is useless to rehabilitate

it, well, then it would not qualify.

MR. WOODWARD: No, Mr. Chairman, I find this very interesting and I am wondering what publicity the federal government have given it. As the minister stated, I am sure that we have a very intelligent Member for Grand Falls - White Bay - Labrador, a federal M.P., it is hard to believe that there is any programme coming under that big machine in Ottawa that that man does not understand.

MR. PECKFORD: And initiate.

MR. WOODWARD: And initiate.

MR. PECKFORD: I agree with you there.

MR. WOODWARD: I am sure that if the minister is indeed going to try to sell this programme, or give the information to the municipalities throughout the Province, and make the communities aware of this particular programme - what is going on, Mr. Chairman? I am trying to talk to the minister and it is very annoying when he is chatting with someone else across the street -

MR. MURPHY: That is your own colleague over there talking about the relative merits of the federal members.

MR. PECKFORD: I am sorry -

MR. MURPHY: Mr. Baker, M.P.

AN HON. MEMBER: The Liberal member.

MR. PECKFORD: I have been eulogizing Grand Falls - White Bay - Labrador.

MR. WOODWARD: Are we finished? Shall we carry on?

MR. MURPHY: It is all up to you, Sir.

MR. NEARY: What is this, a filibuster?

MR. WOODWARD: The water hole is dried is it not? The drinking hole is dried up.

MR. EVANS: You can tell Tom Brennan to take off his hat.

MR. WOODWARD: Now, Mr. Chairman, I think it is a worthwhile programme. As the Member for St. John's East has said, he is quite enthused about it, he feels that it is a worthwhile programme, he sees some great benefits for his section of the city, and I see

some great benefits for towns or communities in my particular riding. And I am sure I want the minister to say how he is going to sell this programme or tell the Committee just how widespread and how much publicity he is going to give this programme in order for other communities to take advantage of it.

MR. PECKFORD: Mr. Chairman, the only problem you see with this, first of all, is that it is orientated, number one: number two is that up until this year, and even

including this year now, the total amount that the federal government allocates, CMHC allocates for the whole country for this programme has been rather low. And our share, of course, Newfoundland's share will be down that much more. The concentration for this kind of money would be zeroed in in Ontario and Quebec because of the many cities up there, so we do not get very much. So this year, for example, like I told you, the total programme including the municipal loan, the provincial grant and the federal grant will only be \$4 million. The whole works is only \$4 million. And the loan part of it that CMHC gives, well, you know, that is not really anything worth talking about because they are going to get their money back anyway. The federal grant is, you know, 1.1 or something. So we have to be careful when we publicize so that we point out all the facets of the programme, number one; and number two, that we are somewhat hamstrung because the allocation of funds is rather minimal. That is not to detract from the whole programme, and in a place like Happy Valley-Goose Bay I say about two years down the road, because then, I think, they will be more financially sound than they are, and they are going that way now, you know, that they could take advantage of this programme, because they will be able to borrow over a long period of time, right, you know, with a good interest rate of, you know, -

MR. WOODWARD: (Inaudible).

MR. PECKFORD: - say they might have to borrow \$100,000 or \$150,000, and they might be able to do it. So that is really all I have to say on that, Mr. Chairman, just to point out that it is an urban programme primarily, but that other larger municipalities can take advantage of it if they have the wherewithal, financially, to come up with their side of the bargain. And because the honourable member has showed somewhat of an interest in it, I will send over to him some information, not only the booklets, but a little analysis of it that I had done in case somebody asked me about it.

On motion 04 carried.

MR. CHAIRMAN: Shall 05 carry?

MR. PECKFORD: Mr. Chairman, before this passes, and I am sure that the honourable members for St. John's are going to want to say something about this, Rennie's River trunk sewer, this will show, this programme, will show once again the generosity of this administration in assisting -

AN HON. MEMBER: They have no money.

MR. PECKFORD: No, Ottawa.

- in assisting the city of St. John's. And as has been said in this House today, and the feeling is abroad around the city that this administration does not pay that much attention to the city council in trying to help it at all, that funds for water and sewer are going out to some little place and the city gets nothing. There is an outright grant to the city of \$692,000 to assist in the construction of the Rennie's River trunk sewer which is the sewer line that is going to go from the Health Sciences Complex to take care of the sewer there down to the Stadium, I think it is. There is a lift station down there which takes it on and pumps it out to the harbour area. Well the point about this is -

AN HON. MEMBER: (Inaudible).

MR. PECKFORD: Well, I think that is where they pump it.

SOME HON. MEMBERS: (Inaudible).

MR. PECKFORD: Well, you know that, sure.

Anyway the point about this is that the maximum -

SOME HON. MEMBERS: (Inaudible).

MR. BARRY: It is like the Opposition common room.

MR. PECKFORD: The capacity of the sewer line is to be around seventeen cubic feet or something or other, seventeen something, seventeen units, and the Health Sciences Complex is going to use a maximum over the next fifteen or twenty years of nine. That is all it is going to be allowed to use. Right now when the Health Sciences Complex gets into operation, it is anticipated by the engineers that they will only be using three units, three cubic feet or whatever it is of the total sewer. So what I am saying is that the difference between the nine and the seventeen is for the city to use in increasing development in that area

of the city down around the Stadium area and the Southeast area, is it?

What area is that?

MR. MURPHY: Northeast, I guess.

MR. PECKFORD: Northeast is it? I thought it was Southwest.

AN HON. MEMBER: (Inaudible).

MR. PECKFORD: - in that area of the city, and they are very keen on it because they want to see development go ahead and one of the reasons why it cannot is because they do not have the proper sewer facilities. So

here is a real, tangible indication of this administration's desire to assist the City of St. John's in providing some of the essential services which seem to be going to other parts of the Province.

MR. CHAIRMAN: The Hon. Member for St. John's East.

MR. MARSHALL: Mr. Chairman, I would just like to say a few words on this -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: I do not think the honourable Member for Bell Island now wants to say anything more -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: The only time the honourable Member for Bell Island is nice to me is when I do not necessarily agree with the government, then he welcomes me with open arms.

AN HON. MEMBER: Inaudible.

MR. MARSHALL: But he gets kind of nasty when I say nice things about the government.

HON. MEMBERS: Inaudible.

MR. MARSHALL: On this matter - this is not really relevant, of course, the honourable Member for Bell Island is not really relevant. But this is not -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: Mr. Chairman, on this Rennie's River trunk sewer I would like to draw to the minister's attention there was a - the state of Rennie's River itself, and I think this is the place to bring it in. In 1968 there was a study done called Environment 2001, and I would not expect the honourable minister to be familiar with it, although perhaps he is. It was done by a group called The Working Group on the Environment which was then a voluntary group, and I assume it still is, certainly it is still active because I saw a letter the other day in the paper from the secretary or treasurer of this group protesting access roads in and around the wilderness area, which, of course, is another subject.

But this particular study, which was a very beneficial study, related to the pollution that has occurred throughout Rennie's River itself, particularly as a result of effluent and sewerage that was flowing into Rennie's River from Leary's Brook, which is up there around O'Leary Avenue -

AN HON. MEMBER: The Avalon Mall area.

MR. MARSHALL: - and also from the Avalon Mall area -

AN HON. MEMBER: Inaudible.

MR. MARSHALL: - and also from the Virginia River, I guess eh?

AN HON. MEMBER: The Newfoundland Brewery

MR. MARSHALL: Of course, there is a lot less sewerage flowing in that area or from that area since 1971, but there is still a certain amount of it there.

Now when we were - Many years ago, or a few years ago, depending on your perspective on life, the Rennies River was used here in the City of St. John's quite extensively by people for swimming and for recreational activities. Unfortunately over a period of years it has become abysmally polluted as a result of various effluent and what have you. And in some cases this group, for instance, found that raw sewerage in the City of St. John's was flowing into this water stream. And consequently, I suppose for fifteen or twenty years anyway the favourite swimming place of many people who grew up in St. John's, which was Rennies River, certainly the people who grew up in the east end of St. John's, has been non-existent for the children as a result of it. And, you know, it is rather inexcusable, I mean they found that raw sewerage was flowing into the stream, they found that certain businesses were discharging effluent there, and generally speaking, you know, the mess that one would expect, you know, to occur occurred. Even the fish, the few fish that were in Rennies River, and there used to be a fair number of them some years ago, got to the stage where they were unfit for consumption if caught, it had gotten to that stage.

Now in 1968 there was a report made and it was filed then with the government, I believe, or with City Council, I am not sure, certainly it was a matter of some concern and some discussion. And amongst the many recommendations were, of course, the obvious ones that the sources of the pollution be halted and steps be taken to purify the water, that pathways be put in around Rennies River itself and to be made into a suitable recreation area within the City of St. John's. Now the paths have been put in in certain places and they are certainly beneficial and used by people. But there does not appear to be - and I am subject to correct on this - any appreciable change in the

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purification, if you wish, of the water certainly to the extent that it can be used. And from 1968 to now is quite a period of time, and I think that the situation ought to by now have been remedied. I realize that this is probably not entirely within the Department of Municipal Affairs, but I also realize that the minister would be very interested in it, and perhaps would like to take up this study and use the best efforts that can be used if this government, either through the Department of Provincial Affairs and the Environment or the Department of Health or the Municipal Council, the Federal Government or what have you to see

that this is done because it was a study, Mr. Chairman, as I say it was called Environment, 2001. It was a very intensive study and a very pointed one and a beneficial one. I think it is pretty well applicable today as it was then. So, the question is that, you know, what is to be done with it? That was 1968. It is now 1975, quite a long period of time. I think we should be taking steps to do this. Now, I do not know, I do not think - this trunk sewer may go a way towards curing the problem because some of these places were hooked up on septic tanks and what have you at the time, many, many years ago, and they were being discharged into the river. It has been apparently too costly or too involved to meet the problems. So, I would hope that this trunk sewer goes a long ways towards it.

If it does not, I would strongly urge that steps be taken as soon as possible to implement in its fullest those recommendations of the Working Group on the Environment and the study in Environment, 2001 to see if we cannot get pure water in Rennie's River certainly before 2001, and at the earliest possible opportunity. The honourable the minister wishes to comment on it -

MR. MURPHY: Mr. Chairman, before he does, there is just one point to this that I would like to speak on. But, first of all I would certainly support the remarks of the Member for St. John's East because those of us who can go back a few years remember Sandy Bottom at the head of Long Pond. We swam in Long Pond. We had the swimming pool in Rennie's River and also a swimming pool in Quidi Vidi Lake which are all gone now.

But, my point in rising, Sir, is that this sewer will pass through a section of my district in the Churchill Park area and the people, and the Member for St. John's North, I think, is very much aware of this too, because, I think, it was brought to his attention that the people in that area were a bit disturbed because of the fact that it would pass through some of their properties and they were wondering what the effect would be on it. I have already spoken privately to the minister and also to the Member for St. John's North on the thing. So, I thought, Sir, I would put it on the record again of the apprehension,

if you like, of a great number of residents of that area of Pine Bud Avenue and it cuts down through then, down to make for Rennies River. So, I have been assured that there will be no disturbance. But, I would just like to let know the people that I represent, and to have these people know that I have brought it again to the attention of the minister and I trust, Sir, that as you told me a few weeks ago, that if there is any disturbing of the properties of these people because of this sewer passing through their property, that everything will be restored to its previous, whatever the state was before that. I thought I would bring that out.

MR. CHAIRMAN: Two honourable gentlemen have risen simultaneously.

MR. DAWE: Just to elaborate a little further, Mr. Chairman: My engineers in the department or division of Environment of Provincial Affairs and Environment have been looking at the problem of the Quidi Vidi Lake pollution situation and the Rennies River pollution problem this past Summer, and they hope to get back at the work again this coming Summer. They have, of course, discovered, that there is quite a considerable amount of pollution in the lake itself, and they are taking remedial steps to try to remedy the problem within a short period of a few years. It takes time of course. Once a lake becomes polluted, it takes a period of time before the problem, if it is taken care of soon enough, rectifies itself. It has to be through natural attrition that this happens, without the addition of certain chemicals and so forth.

With the construction of the new sewer line as proposed, of course, will eliminate a lot of effluents being dumped into Rennies River which eventually ends up into the lake, in the Quidi Vidi Lake. Our people have had - last Summer we had university students working on the lake taking water quality tests and so on and trying to assess the degree to which the lake is polluted. This year, hopefully, we will be able to recommend certain remedial steps whereby the lake, after a period of time, will be restored to its original, natural state,

and although I have never lived in St. John's, I have always lived in Conception Bay South, my mother comes from St. John's, she used to swim in Rennie's River and down at Quidi Vidi Lake and so on. Of course she has always related to me the fact that she was able to do these activities in the old days, without fear of contamination in any manner through the waters in which she swam, and today of course this is restricted to the people of St. John's because of the pollutants that are contained within the waters.

But we in the Environment, I feel at this point we have the situation in hand, We are trying to overcome them. We are making recommendations. We will have a report later on, perhaps at the end of this year, which will be presented to government, certain recommendations and steps which should be taken. But in the meantime we are watching very, very carefully the development of the sewer line and also the various contaminant sources which are going into the river and eventually are sent down to the lake and we hope to be able to restrict these contaminant sources this coming year with the construction, of course, of the sewer line.

MR. CHAIRMAN: The Member for St. John's North.

MR. WELLS: Mr. Chairman, the Minister of Social Services mentioned the concern that some residents had of this trunk sewer line going through their property and I am assured, or have been assured that this sewer line will be constructed along the various streets and not through private property and I would like to take this opportunity to mention how happy I am that private property is not going to be interfered with.

But on another matter, I would like to take this opportunity to ask the minister if this sewer line and the various sewer lines that now go into Quidi Vidi and St. John's Harbour are going to be moved further out to sea? I believe there was some mention a while ago about bringing all this sewage into Freshwater Bay, If that is the case I would like to ask him if there is any intention of changing the name of the Bay? However, I do feel that this sewage should be

brought further out to sea and I was wondering if there has been any plan along those lines.

MR. PECKFORD: Mr. Chairman, a lot of these problems that are coming up in relation to the Rennie's River trunk sewer I am not fully familiar with because it is municipal as well as provincial. So I cannot provide the Committee at this moment with too much information on some of the real questions that have been asked, especially as it relates to the last speaker's questions, whether there are any moves afoot to try to divert the sewage from the harbour and from Quidi Vidi into what is now called Freshwater Bay. So I will have to take some of those questions under advisement.

As it relates to the right of way going down, I did do some preliminary checking into that and as the honourable member mentioned just then, it is hoped to avoid as much private property as possible if not all of it, and if they have to go through any private property of course they will have to ensure that the property is restored the way they found it before they started the digging and all the rest of it. It is a pretty major undertaking, and as a matter of fact the tenders have been called on this Rennie's River trunk sewer and they close on April 21, and the prices that came in were higher than was estimated and since the estimates were made up, it has been necessary to increase the government's share into that project from what it is shown here in the estimates, which will become clear, of course, in next year's estimates. So I would just like to point that out that it is up to about \$1 million or so that the Province is actually giving as a grant to the City for the construction of this sewer line and in addition to the \$30 million, none of which is City money, from the federal and provincial governments on the St. John's regional water supply. So one can see that,

you know, the governments, federal and provincial, they are doing a fair share in the St. John's area. On the honourable Member for St. John's East's question about environmental studies, the Minister of Provincial Affairs and Environment has replied to that to some degree. I would like to take that under advisement. I have not seen that study, but I would be interested in taking a look at it just to see what it does say and to talk to the city about it, but, not only talk to the city about it but to bring the problem to the Water and Sewer Board for the region as well, and get some action initiated on that front.

It suffices to say now in the sense of the environment and the sewerage going into the harbour and in the Quidi Vidi Lake, these are real concerns and they are going to have to be tackled. Many people will tell you, anybody who is close to the water front or goes down there fairly often, that that harbour is in real bad shape, and something is going to have to be done very soon to try to alleviate that problem. That is all I can say right now, Mr. Chairman. I am sorry, I regret that I cannot give any more information, good specific, hard facts on it at the present time as it relates to the environment and the right of way.

On motion 05 carried.

MR. CHAIRMAN: Shall 08 carry?

MR. PFCKFORD: Mr. Chairman, just for elaboration for the Committee. The chief - that is \$13,837,000 there. Of that \$13,837,000, \$10 million of it is \$10 million for the St. John's Regional Water Supply, so that we are not going to wait on the agreement that has to be signed and everything. We are going ahead with the money so that it will not slow the project down at all.

The other amounts of money there, just for the interest, Sir, of the Committee, involve expenditures that were entered into, agreements that were entered into under the Special Areas Agreement before that was cancelled, before DREE decided to consider the whole Province and then enter into separate agreements in different areas. So, the remainder of that money, of the difference between the \$10 million and the \$13,837,000 is money that was signed for under the old Special Areas Agreement and dealt

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with -

MR. WOODWARD: - programme for industrialization, is it an ongoing thing?

MR. PECKFORD: Yes, right.

AN HONOURABLE MEMBER: Give us a list of the projects.

MR. PECKFORD: Gander North East Land Assembly, phrase three and one and two, Gander Industrial Park, Stephenville Road Construction, Stephenville Land Acquisition, Gander Sewerage Treatment Plant, Burin Inlet Land Acquisition, Port Saunders Road Construction, Port Saunders Sewer System, Gander Water Supply, Donavans Industrial Park.

AN HONOURABLE MEMBER: Gander Water Supply, Donavans Industrial Park - what is that?

MR. PECKFORD: This was all part of an agreement signed years ago, and it took some time for the whole thing to get off the ground.

MR. WOODWARD: The programme, the work is not finished yet?

MR. PECKFORD: No, exactly, or is just being finished. Burin Water Supply, Burin Inlet Residential and Commercial Servicing, and then the other one is St. John's Urban Regional Water Supply. That is where we have gone and put in the estimates -

AN HONOURABLE MEMBER: Nothing for Conception Bay South?

MR. PECKFORD: Pardon?

AN HONOURABLE MEMBER: Nothing for Conception Bay South?

MR. PECKFORD: There was no Special Areas Agreement signed relating to that, you see. But, now what we have done - what has happened now, you see, is where the federal government are saying, we will sign a separate agreement for infrastructure for the Province if we can agree on criteria, sign a separate agreement for road construction and so on rather than just have special areas assigned for different things. Do you see what I mean? It is done on topic now.

AN HONOURABLE MEMBER: Inaudible.

MR. PECKFORD: Right, on whatever the -

MR. WOODWARD: Happy Valley road and water connection to -

MR. PECKFORD: I cannot hear you.

MR. WOODWARD: It is a project. The Happy Valley connection to -

MR. PECKFORD: There is nothing here on Happy Valley for that, no, no. But, that is an old agreement remember. But, that is what it is, and I thought that the Committee might be interested in knowing the breakdown on that money.

On motion 08 carried.

On motion Head XIX, Municipal Affairs and Housing, with some amendment, carried.

Head XI, Mines and Energy.

MR. CHAIRMAN: Mines and Energy, Head XI, 1101-01.

The Minister of Mines and Energy.

MR. BARRY: Mr. Chairman -

MR. MURPHY: Well done "Brian". You did a good job.

MR. BARRY: - I would like to start off with a few general opening remarks. I understand the Leader of the Opposition has been very eager to have these estimates brought on for discussion. He believes - he is very, very uptight about the position taken by this government at the recent First Minister's Conference. Where is he tonight? I have heard him for the last two days criticizing the government because they did not drop everything at his pleasure and permit urgent debate on this failure, Mr. Chairman, on the part of the government, this total failure, that we

experienced at the recent First Ministers' Conference to get the price of oil increased in Newfoundland and Labrador, the failure of the honourable Minister of Education to increase the burden on his constituents in St. Mary's, the failure of the honourable Minister of Finance to add hundreds of dollars to the price that his constituents are paying in Fortune Bay, my failure to increase the burden on my constituents in Placentia West. Mr. Chairman, we are crushed, this government is crushed by our failure to impose this additional burden on the taxpayer. This is all we have had in mind for the last year, Mr. Chairman, we have been plotting for months and months and months as to how we were going to get the consumer, how we were going to lay on an additional \$10, or \$20 or \$30 a month on their fuel bill and on their electricity bill and on their gasoline, Mr. Chairman.

And we have been rebuffed, we have been rebuffed, Mr. Chairman, not by the federal government who were prepared to enter into this conspiracy with us, this plot with us; not by Prince Edward Island, Mr. Chairman, who were also out to get the consumer, to get the man in the street, to impose this heavier burden on him. We were not rebuffed, Mr. Chairman, by Quebec who also engaged in this plot, in this conspiracy. We were not rebuffed, Mr. Chairman, by British Columbia who, when they got their increase in natural gas prices were also prepared to enter into this conspiracy against the consumers of Canada, nor of course, Mr. Chairman, were we rebuffed by Alberta and Saskatchewan who have been engaged in this conspiracy for some time against their consumers and, as the Opposition would have you think, against us down here in Newfoundland and Labrador as well.

So, Mr. Chairman, we were rebuffed though by Ontario who refused to engage in this conspiracy of getting the consumer. They would not have anything to do with it and they sent us home, Mr. Chairman, totally crushed, totally defeated, because we did not obtain our objective and our aim of increasing the cost of living here in Newfoundland and of putting a heavier burden on the consumer. That has been our sole objective, Mr. Chairman, for the last year almost, I believe.

Mr. Chairman, if you were to listen to the mouthings of the honourable clique opposite, I am sorry, the honourable members opposite

AN HON. MEMBER: Inaudible.

MR. BARRY: Withdrawn, Mr. Chairman, withdrawn -

MR. CHAIRMAN: Order, please!

SOME HON. MEMBER: The schoolboy debater!

MR. BARRY: Withdrawn, Mr. Chairman.

MR. CHAIRMAN: The honourable minister has just commenced his remarks and I suggest to him that his adjectives or whatever other phrases used to describe honourable members opposite or elsewhere for that matter, should be those which are parliamentary and I ask that he do that because I am sure that all honourable members are going to be especially vigilant while the minister is talking.

SOME HON. MEMBERS: Inaudible.

MR. NEARY: Sounds like a member of this House.

AN HON. MEMBER: You are in for a rough time.

MR. BARRY: Mr. Chairman, they are threatening me, Mr. Chairman. I am getting nervous here. I am getting weak. They are out to get me, Mr. Chairman.

MR. HICKEY: No wonder you give people the -

MR. BARRY: They are out to get me. They think that they are onto a good thing, Mr. Chairman. They think that their Smallwoodian ostrich-like type of politics still carries weight here in the Province, well they invite the citizens of our Province to stick their heads in the sand, to look for the short-term objective, forget the long-term, Mr. Chairman, they think that they are onto a good thing. They think that they have us on the run and they are out to get me.

Well, Mr. Chairman, here I am. Let them come. Mr. Chairman, we have - my few opening remarks is the scenario that the honourable members opposite have been attempting to paint in the Province since I came back from the First Ministers' Conference, and I do not know what they were saying while we were away but I assume it was on the same lines. Even worse was it?

AN HONOURABLE MEMBER: No better?

MR. BARRY: But, anyway, Mr. Chairman, this government believes in a few simple, basic facts, one of which is that the people of our Province expect honesty, expect and want to be told, not to have a fantasy land built up, not to have a dream world created for the political expediency of getting a few votes in the next election which I hope will be soon, Mr. Chairman.

I have been after the Premier for the last three days, urging him to go down to the Lieutenant-Governor because I think that the attitude of the honourable members opposite, the attitude of the Liberal Opposition on this issue, the dishonest position taken, Mr. Chairman - and I do not say that in terms of a personal character slur, but I say in terms of failing to be honest enough to meet the issue head-on that we have before us in this country today -

MR. F. ROWE: Mr. Chairman, a point of order. A minister nor any other member of this House cannot say indirectly what he is trying to say directly. I would suggest in his use of the word dishonesty reflects upon the integrity of members on this side of the House, and I ask the Chairman to ask the honourable the minister to withdraw that particular statement.

MR. BARRY: To that point of order, Mr. Chairman, and to save you time, if the term 'dishonest' - I think I made it quite clear there was no personal slur intended. I am using 'misleading'. Let me use the term 'misleading' okay? Let me use the term 'misleading'. Mr. Chairman, I will withdraw the term 'dishonest' if the honourable members opposite are that thin-skinned and sensitive. I will withdraw that, Mr. Chairman. I will rephrase my remarks.

Let me say that the position taken on this issue by the honourable members opposite is misleading. Now, if you want to rise on a point of order and debate whether or not that is parliamentary, go ahead. Otherwise, keep quiet and let me continue. Mr. Chairman, it is not unparliamentary to say that it is misleading. It may be unparliamentary to say that the honourable members opposite are intentionally trying to deceive this House. I think that is what the honourable member is thinking of. But it is not incorrect or unparliamentary to say that a position taken

by honourable members is misleading.

Now, why do I say that the honourable members opposite are trying to mislead the people of the Province and have taken a misleading position on this issue? If you will notice the remarks, Mr. Chairman, that have been made on the issue, and basically the issue that this Province took was that we have a situation where the federal government, before we went to the conference, had confirmed that it was prepared to reluctantly, reluctantly, they say, approve an increase in the price of oil and gas; we have a situation where Alberta had said that it was no longer prepared to go along with the arrangement, no longer prepared after June 1 of this year to go along with the interim arrangement they had entered into at the National Energy Conference last year where it agreed for a period of one year to hold prices at \$6.50 a barrel at the wellhead, crude oil prices, as opposed to the international price of anywhere from \$11.50, \$12.00, over \$12.00 depending on who you talk to.

Mr. Chairman, when we went to the conference, before we went to the conference, we had received the federal government's position, that they were prepared to reluctantly approve price increases, that Alberta required the price increase, and, Mr. Chairman,

and that we also had brought forcefully to our attention throughout the last year, through hearings of the National Energy Board, through revised projections which were coming forth from the federal government, from oil industries, from the oil industry, oil companies, and from the National Energy Board, that all of a sudden this country is not self-sufficient in oil and gas. That as of the end of this year, Canada, this country that has been pushing its very fortunate position of being self-sufficient in oil and gas, will no longer be. As of 1976 we will be consuming more oil, and I speak of oil alone now, I am not including natural gas, in Canada than will be produced in Canada.

MR. MORGAN: What, year?

MR. BARRY: As of 1976, or possibly by the end of 1975, depending on who you talk to -

MR. WOODWARD: 1975.

MR. BARRY: 1975, this year, as of the end of this year, we will not any longer be producing more oil than we are consuming. This is the year, this is the year of decision. This is the year when we decide as a nation -

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN (DUNPHY): Order, please!

MR. BARRY: - whether we are going to be satisfied to tie ourselves to the Arabs in the Middle East, to the Venezuelans, to other countries who will have foreign supplies of crude oil available.

AN HON. MEMBER: Inaudible.

MR. BARRY: To the Lebanese, yes, I am sorry honourable minister.

AN HON. MEMBER: What about the Arabs?

MR. BARRY: There is nothing wrong with the Arabs. But I am not sure that I want them calling the shots as to what I am paying for my oil and gas from here on in, or as to not only what I am paying for it, Mr. Chairman, but as to whether I am going to get any at all.

Canada was fortunate in that it did not experience the crunch

that some countries did. I am not sure if we were fortunate or not. Maybe it takes something like this, maybe it takes having to go to the gas station every second day, on odd days of the week, depending on whether your licence number ends with an odd or an even number, and not being able to get your car filled up if you go on the wrong day, maybe it takes something like that to have it brought to our attention as it was brought to the attention of the people of the United States, that the energy binge is over.

The United States, with six per cent of the world's population, is consuming thirty per cent of the world's petroleum products, six per cent of the population consuming, with a great maw, thirty per cent of the production of oil and gas, and Canada is only slightly behind the United States. We, along with the United States, in our per capita consumption of oil and gas are way ahead of any other nation, any other industrialized nation, even Japan, Germany. They do not have as high a consumption of energy per capita as we do.

We are in for a rude awakening if we as a nation, and that means every Province as well as the federal government, if we as a nation do not now start making decisions that are going to ensure that we have a certain security with respect to supplies of oil and gas, five, six, seven years down the road.

I mentioned the position with respect to oil alone, that as of this year we will no longer be self-sufficient, we will be consuming more than we will be producing. Now for a time Alberta will still be able to meet part of the Montreal market as well as the demand west of Montreal

and that situation will last until around 1982 and by that time it will not even be able to meet the demands of the Montreal market, much less the Atlantic Provinces down here. And with respect to natural gas, if we combine natural gas and oil, and we look at both, we are talking about the early 1980's by which time we will no longer be self-sufficient in oil and natural gas combined if you are looking at the total energy capability of Canada. Right now we have a surplus of natural gas in terms of our own particular domestic requirements. We also, unfortunately though, are locked in to long-term contracts at unbelievably low prices in the United States. I will give you an example. They have contracts for natural gas in the United States to sell gas at thirty-five cents per thousand cubic feet, when on the free market gas is getting up to \$2.00 per thousand cubic feet. That would be either British Columbia or Alberta, the two main gas producing provinces by pipeline to the United States. They are Provincial and American agreements but they had to be approved by the federal government with respect to export before they would permit export. Similar to the Upper Churchill situation, unfortunately, although the federal government was not really involved there with respect to exports. They are with respect to exports from Quebec of electricity across the border to the U. S.

MR. MURPHY: How long a term would they be, Mr. Chairman, the contracts?

MR. BARRY: Oh, you have contracts probably twenty, thirty, forty years, they are really long-term contracts. And this is where you have a very serious concern on the part of Ontario, and not just Ontario but manufacturers here in our Province as well who have to compete against United States industries that are getting our gas at thirty-five cents per thousand cubic feet whereas we, our industry in Canada, have to pay the market price, the going price. So you can see how not only are we giving away our birthright, our heritage, by letting this natural gas go for so much less than the market value,

but we are also creating greater competition for our industries by so doing. Now I am getting a little away from our local Newfoundland scene, Mr. Chairman, I will try to get back. What I am trying to do is to point out to honourable members that we are part of Canada, that when -

MR. MURPHY: At last.

MR. BARRY: - that when the Arabs have Canada by the nose as being the sole suppliers of oil and natural gas, if we do not find additional reserves, and when they rattle the chain we are going to rattle as well here in Newfoundland and Labrador as part of the Canadian nation. So it is in our interest, and we have a responsibility to do our share in ensuring that Canada is not totally at the mercy of the Arabs or any country. I have nothing against the Arabs, they are fine people. They have had their birthright for a long time taken at less than reasonable value, in my opinion, less than fair value. But we do not want to be at the mercy of any country, Mr. Chairman, in terms of having to go to them and asking, not just to sell at a reasonable price, but to sell us any at all. They can turn off the taps as they did with the United States when they put an oil embargo on, when people could not get gasoline for their cars, could not get heating fuel for their homes, for their factories. You talk about drastic weapons in warfare. Mr. Chairman, We have seen over the last two years the use of oil as probably the most effective method of warfare that we have experienced yet to date including nuclear weapons, because with one decision made thousands of miles away you have had the lives of every individual, I suppose, on this earth affected.

The power that now resides in the hands of those who control energy resources, Mr. Chairman, is phenomenal, is fantastic, and will increase. And that is why, Mr. Chairman, I get depressed, first, and then I get angry, when I hear the position that is taken by honourable members, responsible elected members of this House, Mr. Chairman, who have not at any time over the last several days in criticizing the position taken by this government, have not deigned to mention or refer to the situation that our country finds itself in, and we are fortunate compared to many countries. And as a Province, this Province is fortunate in that we have the potential here, Mr. Chairman, and with respect to energy resources some of the potential being somewhat further afield than others, but let me give you an example; we have the potential of Labrador, the hydro electric potential, which is energy, which can remove the need for certain quantities of oil and natural gas in our country. We have the fantastic potential for oil and gas on our Continental Shelf. We have the two gas discoveries by Eastcan last year, that it appears that everybody in the world, except some of our own people, consider to be the most significant development in the oil and gas -

AN HON. MEMBER: Inaudible.

MR. BARRY: world in the last year.

AN HON. MEMBER: Why did they move the rig, then?

MR. BARRY: Who has moved the rig? Eastcan will be back this year with a second rig, with an additional rig.

AN HON. MEMBER: (Inaudible). Amoco pulled their rigs off.

MR. BARRY: Mr. Chairman, that is an indication of the - what is it, lack of imagination, lack of foresight or just plain, petty partisan politics?

AN HON. MEMBER: Inaudible. They did not take Sedo I away, is that it?

MR. BARRY: What is it?

AN HON. MEMBER: (Inaudible). She is still out there, is she?

MR. BARRY: There it is, there it is, Mr. Chairman.

AN HON. MEMBER: Inaudible.

MR. BARRY: That will be as much attention as the honourable members opposite will give to our energy potential, if they ever get back in

office, and, Mr. Chairman, I can tell you if I have anything to do with it, it will never happen.

AN HON. MEMBER: Inaudible.

MR. BARRY: As I have said, Mr. Chairman, I have been pleading with the Premier over the last three or four days to go down to the Lieutenant-Governor, because I think the Opposition, the Liberal Party can be nailed and crucified for the unholy position that they have taken -

AN HON. MEMBER: Hear! Hear!

MR. BARRY: The misleading position they have taken on this question of - What! the security of our nation is involved, Mr. Chairman, and this question of whether we are going to see adequate supplies of oil and gas developed in this country or whether we are not.

PREMIER MOORS: I have been down to see him.

MR. BARRY: Have you been?

PREMIER MOORES: I am going to see him.

MR. BARRY: Mr. Chairman, well I guess this is all for nought then or you have just made an appointment for when I finish?

PREMIER MOORES: Inaudible.

MR. BARRY: Mr. Premier you could go to the country tomorrow on this issue and the honourable members opposite - well it would be a very lonely House because we would have to talk to a blank wall, Mr. Chairman.

AN HON. MEMBER: Inaudible.

MR. BARRY: There would be a shut-out.

AN HON. MEMBER: Inaudible.

MR. BARRY: Because here is what -

AN HON. MEMBER: That is right.

MR. BARRY: Because here is what the honourable members opposite are saying, Mr. Chairman, They are saying, as I started off in my opening remarks, that this Province has made a deal with Alberta, for some reason we made a deal with Alberta -

AN HON. MEMBER: Inaudible.

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MR. BARRY: - to get the consumer. There has been no reference made, Mr. Chairman, to the fact that the federal government have said, and confirmed after the conference, that whether or not Newfoundland agrees or Nova Scotia agrees or Prince Edward Island agrees or Quebec or Ontario that they are going to bring in legislation, and they are going to increase the price of oil and gas by legislation. Now, Mr. Chairman, what choice would you make?

AN HON. MEMBER: Inaudible.

MR. BARRY: Would you take the opportunity to be involved in negotiating an increase that could be phased in so as to have the least possible adverse affect on our consumer? Phased in

over as long a period of time as possible with, Mr. Chairman, countervailing and compensating fiscal policy brought in by the federal government in their next budget, which is being promised for May, to help to compensate for any adverse affects on our lower income groups, on our middle income groups, who will be hurt, Mr. Chairman, who will be hurt by any increase in the cost of living?

Would you take the opportunity to try and get involved and have an input into the final level that would be set or would you just wipe your hands of it and say, no, no increase at all? We will not talk about an increase and walk away from the table knowing that the federal government and Alberta are going to get together, they are going to agree upon an acceptable price for oil and gas and they are going to impose that upon the people of Canada by legislation?

Mr. Chairman, this government's decision was that it is in the interest of the people of this Province for us to have an input, to have an ability to ensure that any increase would be phased in. Well, what is the Opposition saying? They are, in my opinion, playing the smallest type of politics with this issue, Mr. Chairman, and if it was not so important an issue it would be laughable. Because they are playing on the natural reaction of every one of us and particularly the man in the street who is being deluged by the effects of inflation. He sees his paycheck being eroded every day by the effects of inflation by the increased cost of living, and any additional increase, his immediate reaction, and I would submit short-term reaction is going to be, it is bad, it is wrong. And when he looks up at the House of Assembly I suspect he says, a plague on both your Houses, what are you doing to help me feed and clothe my family? His short term instinctive reaction is any increase in price is wrong. And this is the emotional short-term instinctive reaction that the honourable members opposite are using, are playing with. They still go on the premise, Mr. Chairman, that Newfoundlanders are too green to burn. I believe, Mr. Chairman, that Newfoundlanders have been burnt so often by the government that these honourable members once supported, they have been burnt once too often and

they are no longer susceptible to this sort of petty politics.

I believe, Mr. Chairman, and this government believes, that we were elected to tell it to the people like it is, not to pass out pop, fantasy land, dream world, And the way it is today, Mr. Chairman, is that unless there is some increase in oil and gas prices in this country, that very quickly this country is going to be totally at the mercy of decisions made in foreign lands where they have supplies of oil and gas that they may, if we are nice to them, sell to us at their price.

Do our citizens want this? Is this what the Opposition want? and I challenge honourable members opposite to direct themselves to that question, Mr. Chairman. I challenge them to not just talk about the effect that this is going to have on the cost of living, because this government agrees that it is going to have an adverse effect, it is going to see an increase in the cost of living and that is unfortunate and that is not something that we want to see, but Mr. Chairman, the alternatives are worse, and this is the message that has to get out, the alternatives are worse.

Now I ask and I challenge honourable members opposite to direct themselves to this issue. What are they saying? Are they saying that they do not want this country to move towards a

position of security with respect to energy resources? Are they saying that they do not want to see the energy resources of this Province developed for the benefit of our citizens and for the benefit of all Canadians? I was brought off the track, Mr. Chairman. It brings me back to the point I was making before. We are at the crossroads. This year is a crucial year. This is the year that Canada loses its self-sufficiency with respect to oil. By the early 1980's it will have lost its self-sufficiency as far as oil energy resources are concerned, oil and natural gas.

This Province has the potential to make such a contribution to the welfare of our citizens and to the welfare of all Canadians by wise development of our energy resources, be it the hydro-electric potential of Labrador or the oil and gas potential of our Continental Shelf, Mr. Chairman. We should be working as a team. We should be asking how can we assist to ensure that our country, Canada, is not in a position to be throttled by the Arabs or by the Venezuelans or whoever wants to hold us at their mercy in a few years. How can we contribute to planning that will see the energy reserves, the energy potential of this nation developed, particularly when we have such great potential, such an advantage within Canada itself?

We look at Alberta today and we say, look at that wealthy Province. I submit that we look with a bit of envy, a bit of jealousy. I have to confess I get the occasional twinge when I see the Alberta Minister of Municipal Affairs writing a letter to each property owner in Alberta shortly before their election and refunding his property tax for that year. It was not needed. You know, I get a little envious about not having that particular monetary tool to employ at particular crucial periods. What is the situation in Alberta and Saskatchewan? Alberta is talking about another six or seven or eight years of conventional reserves of oil and gas at the rate we are consuming it today.

If the tar sands go on stream, and that is a very big if, a very big if, Mr. Chairman, we will see a better position than that. But, Alberta is saying, look, we have six or seven years of oil and

natural gas. What are we going to have when it is all gone? Now, can we not get a fair market value for our resources today so that we will have something with which to build on tomorrow? Now, let us compare ourselves to Alberta. We have the potential in Labrador. Now, I have to get the figures here. We had them brought out. I think the Premier brought them out in his remarks. This is the equivalent of 500 million barrels a year, Quebec and ourselves. In this Province the hydro-electric potential of Labrador, the known hydro-electric potential - this is not the possibility of commercial discoveries of oil and gas - the known hydro-electric potential of Labrador is equivalent to 150 million barrels a day - 150 million barrels a year of oil.

MR. MOORES: That does not include the Churchill part of it.

MR. BARRY: That does not include the Upper Churchill. That is the undeveloped hydro-electric potential. That is not only for six or seven years. that is forever, perpetual oil wells pumping out 150 million barrels a year. That includes Gull Island and it does not include the Upper Churchill.

Now, who should be fighting? Who should be up on their hind legs fighting to get proper attention paid to the development of Canada's energy resources?

Who should be out there fighting to see that the funds are made available for the development of Canada's energy resources? And this is forgetting the potential for oil and gas on our Continental Shelf. Where is this money going to come from, Mr. Chairman? The people of this Province do not believe that it will grow on trees. They know, every taxpayer in this Province knows that ultimately he is the one, he is the one who pays for the development of any resource of his country, whether it be mineral or forestry or energy, and he knows - he may not want to admit it, Mr. Chairman, when he sees his pay cheque cut into again by so many cents a gallon on gasoline or heating fuel or whatever, he may say a plague on both your houses. there it goes again, another increase in the cost of living - but he knows, Mr. Chairman, that he is the one who must pay for the development of future energy resources. And our government is saying to the taxpayers of Newfoundland and Labrador, to the consumers of Newfoundland and Labrador, if you want to see energy resources developed in Canada sufficient to meet our future demands then the consumer must pay, not just the consumers of this Province but on a national basis. And this, I think, is quite a significant point and one that has not been, I think, given the importance it should have; the fact that, Mr. Chairman, that this country at the last National Energy Conference in 1974 reached agreement on the principle that there should be one uniform price with respect to oil and gas right across this country, a position taken by this government before it went to that conference, fought for by this government, accepted in principle by other provinces and by the federal government and that, Mr. Chairman, is a very important principle.

Now the consumer knows that he is the one who must pay for the development of future energy reserves. How then, Mr. Chairman, are the honourable members opposite going to answer the question of our taxpayers and our consumers when they ask, where is the money going to come from to ensure that we have sufficient gasoline

for our cars, sufficient heating fuel for our homes if we decide we are not going to pay any more now or forever? I do not understand it. I do not understand how intelligent individuals can just speak to one side of the question and that, I submit, honourable members opposite have done and that is why I must challenge them to speak to the other side of the question. Tell us what is the great secret that you have discovered? What are we missing? Does money grow on trees? Will the dams sprout up on the rivers by themselves in Labrador? Will the transmission lines be built? Will the oil and gas spurt out of the Continental Shelf and come to us? What are we missing?

Mr. Chairman, I happened to have the misfortune of having the radio on when the Hon. Leader of the Opposition was speaking on an open line show this morning, but fortunately he was quickly cut off, and there was a caller on the line, and I had the opportunity to listen to a lady who I thought was genuinely concerned, and I think had some good questions, and I think did not get the answers from the Hon. Leader of the Opposition but had some good questions. And one question that was put was: Mr. Roberts can we afford to take the long-term view in Newfoundland

with our economic position, you know, with our high cost of living -

AN HONOURABLE MEMBER: Inaudible.

MR. BARRY: No, the long-term view. Can we afford to take the long-term view? Do we not have to take the short-term view because of the pressures of the cost of living and our economic conditions or the fact that we are behind other provinces in terms of per capita income and so on? Well, I do not know what the Leader of the Opposition answered. I could not understand it. But, if I can, Mr. Chairman, I would like to answer that lady. I would like to say that we cannot afford not to take the long-term view.

MR. CHAIRMAN (DUNPHY): If the honourable member would permit?

MR. BARRY: We cannot afford not to take the long-term view.

MR. CHAIRMAN (DUNPHY): I would like to inform you that you have approximately three minutes.

MR. BARRY: Approximately three minutes. I will not finish at this point and this time, Mr. Chairman, but hopefully I will have an opportunity to come back to it. This of course is only one aspect of our policy. I brought it up first as a policy of the Department of Mines and Energy because it is an area where honourable members opposite have expressed a lot of concern over the last few days.

Let me say that the fact that the federal government, the fact that a small Province like Prince Edward Island which does not have any energy potential that we know of, the fact that Quebec, British Columbia, as well as Saskatchewan and Alberta believe that some increase in oil and gas is necessary, does that indicate that they have made a deal with Alberta too? Is that what this is all about, this conspiracy to get the consumer?

Mr. Chairman, we have to remember another thing. In addition to getting our future energy resources developed, and this Province has a lot at stake there, we also have the fact that we have a responsibility to conserve. We have a responsibility to get rid of some of the wasteful habits that we have developed by having cheap energy, cheap energy over the last ten, fifteen, twenty years. And, the effect of an increase in price, Mr. Chairman, is the most democratic way that anybody has come up

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II - ?

with so far to ensure that there is conservation. Again this is a point that I need further time to develop, Mr. Chairman. I will have an opportunity afterwards.

I would like to just mention one other thing. That is the fact that the future energy resources of this country that will be developed are higher priced sources. There is enormous capital, quantities of capital needed to bring them on stream. That money, as I have said earlier, does not grow on trees. It will come from the consumer and the taxpayer of this country. I believe that our people realize this and are prepared to meet some short-term inconvenience today in order to avoid utter disaster tomorrow.

AN HON. MEMBER: Your time is up "Leo".

MR. NEARY: Mr. Chairman, when the -

MR. CHAIRMAN (Dunphy): The honourable the Member for Labrador North.

MR. NEARY: What! What is...

MR. EVANS: Shot down again!

AN HON. MEMBER: Who is the House Leader over there?

MR. WOODWARD: Mr. Chairman, looking and listening to the honourable minister in his remarks, and when you look at the heading and the Department of Mines and Resources and it states that the primary responsibility of the Department of Mines and Energy is to manage the problems of mineral and energy resources in a manner that will ensure optimum benefits for the people of Newfoundland and Labrador, the minister, as one can see, went far afield, well outside of the realms or the context of the department itself.

Mr. Chairman, I have here a copy of the release, the statement that the minister made at the First Ministers' Conference in Ottawa. I would like to read to the Committee a paragraph from that particular release. So, this is reference to

the fact that it is likely that there will be oil and gas production off the Coast of Newfoundland within the next few years. "Therefore, the argument goes that the only reason our Province is prepared to see an increase in oil and gas prices is because we can expect to benefit from increased revenue which our Province produces enough gas and oil."

MR. BARRY: Are you saying that that is a statement I made?

MR. WOODWARD: This is a statement from the Mines and Energy Minister, Leo Barry at the First Ministers' Conference.

AN HON. MEMBER: What?

MR. BARRY: Could I see a copy of that just for a moment? I will give it back to you. I have the question, Mr. Chairman, I would like to take a look at it.

MR. WOODWARD: Here is the context of the whole thing here, if you want to read it.

MR. BARRY: I do not know where you got that statement. That is not my statement for sure.

MR. WOODWARD: Well, Mr. Chairman, if it is not his statement maybe the minister -

MR. BARRY: To a point of order, or privilege or whatever, Mr. Chairman, I am sorry I do not mean to interrupt the honourable member but if I could, to avoid any misunderstanding, if I just might see a copy of the statement. It may be a transcript of some attributed verbal remarks that I made or something and it might avoid misunderstanding. But I am not going to stand here and have statements attributed to me that I did not make. Could I intercede for a moment "Mel"?

MR. WOODWARD: Mr. Chairman, may I continue? This is a transcript of the minister's remarks that was given by Newfoundland Information Services.

MR. SIMMONS: Comments made at the Conference.

MR. WOODWARD: Yes, comments made at the Conference. These are the remarks which the minister made.

MR. BARRY: Would you just read it again? I think they obviously did not proofread it.

MR. WOODWARD: Mr. Chairman, the minister can prove this information false or he can check with Information Services to see if there is a copy, but these are the remarks that were made at the Conference. I am led to believe, Mr. Chairman, after listening to the minister's opening remarks tonight, that if there was no bargaining going on in Ottawa with regards to the development of our resources here in Newfoundland, both our hydro resources by looking for some means of financing and by looking for a better deal somewhere a long way down the pipe-line, that the minister in his opening remarks has misled this Committee.

MR. BARRY: Misled them how?

MR. WOODWARD: Misled them, Mr. Chairman, in the fact that he was not sincere about the reserves. All that the minister was looking for -

MR. BARRY: Point of order -

MR. CHAIRMAN: Order, please! Before the honourable member goes any further, he has mentioned two things, that the honourable minister has misled the Committee and that he is not sincere. Both of these are questionable.

MR. BARRY: The first one is all right.

MR. CHAIRMAN: The usual interruption comes when one member says another is deliberately misleading the Committee, however when you rack the words 'not sincere; along with misleading the Committee, it becomes very close to that which is unparliamentary. So I ask the honourable member to keep these possible interruptions in mind as he proceeds.

MR. WOODWARD: It is a pleasure, Mr. Chairman. I will endeavour to be parliamentary. The minister's remarks with regards

to this particular statement and this statement is indeed true, it is to me, and I suspect to the members of this House, he was putting himself in a bargaining position. The other remarks that I would like to make in this respect, Mr. Chairman, is that the Province is no doubt aware, as this House is aware, that there is, after the conference, coming back from Ottawa, that there were glad tidings of the rich province of Alberta being willing to aid in the development of our hydro resources in the Province. So this indicates, Mr. Chairman, as well that there was indeed some bargaining with the province of Alberta. The other problems that we see, and indeed it was mentioned at the conference, is the need for a national grid, and no doubt it would indeed be welcome news for the minister to have a national grid that we can have a consumer or a user for the potential development or the hydro potential that the Province is looking at developing on the Lower Churchill. These are a number of areas where I say that the minister was looking for a bargaining position. And for that particular reason, Mr. Chairman, I feel, and indeed I believe, that the minister and his government were willing to sacrifice the people of this Province at agreeing to have the federal government and the producing provinces, the oil producing provinces of this country, agree to an increase in the oil rates, and it was conditional. They wanted to be phased in gradually, I could not say if it would be phased in over a period of a week, two weeks, three weeks or a month.

AN HON. MEMBER: Two years.

MR. WOODWARD: Or two years, one year. But it is not mentioned, Mr. Chairman.

AN HON. MEMBER: Where?

MR. WOODWARD: It is not mentioned in the release that the minister made.

MR. BARRY: It was not mentioned in that release, my son.

MR. WOODWARD: I am not your son, Leo.

MR. BARRY: Sorry (Inaudible).

MR. WOODWARD: Mr. Chairman, I have some statistics here of the amount of refined product that is consumed in the Province.

MR. BARRY: Hold on until I check this brief.

MR. WOODWARD: And looking at an increase of some ten cents per gallon for heating fuels and gases it will ultimately cost each consumer in this Province an average of \$60 to \$70 per year.

MR. BARRY: Did not the Leader of the Opposition say \$100 a year? Can you not get together and make up your minds?

AN HON. MEMBER: No, he did not. He said \$60.

MR. WOODWARD: Would you not like to reply after I am finished or do you want to go on with the garbage that you have been going on with during the forty-five minutes while you spoke to the committee?

Mr. Chairman, these facts, as I have them, are fairly accurate. I suspect that the people throughout the Province are very concerned and indeed they have cause to be concerned. When we look at the climatic conditions that exist in a number of areas of our Province where the

consumption of heating fuel, and indeed gasoline are much higher than in most parts of Canada.

AN HON. MEMBER: Whose fault is that, Imperial Oils?

MR. WOODWARD: No it is yours.

AN HON. MEMBER: Inaudible.

MR. WOODWARD: It is your fault. You should change the climatic condition.

AN HON. MEMBER: Inaudible.

MR. WOODWARD: Mr. Chairman, the minister failed to mention that the federal government were indeed restricting the flow of oil into the United States, and were indeed saying to the minister we will not have the royalties from 1978 to subsidize Eastern Canada as we are doing now at \$4.00 a barrel for your imports of oil coming in from Venezuela or from the Arabic countries.

So that was one of the reasons, Mr. Chairman, that the federal government are looking at increasing the cost of oil in trying to bring it up.

AN HON. MEMBER: Inaudible.

MR. WOODWARD: What yield are they getting?

MR. BARRY: What deal did they make with Alberta?

MR. WOODWARD: What deal did they make with Alberta? They made with Alberta - they got fifty per cent and Alberta got fifty per cent.

MR. BARRY: What deal are they making to get an increase in price?

MR. WOODWARD: They are not making any deals with Alberta to get an increase in price. The prices that they are getting - and it could have been continued for a period of time, Mr. Chairman. What I am saying, the minister went to Ottawa -

AN HON. MEMBER: Inaudible.

MR. WOODWARD: and he had a deal on the premise that this Province will be producing oil in five to six years.

AN HON. MEMBER: Inaudible.

MR. WOODWARD: But what guarantee, Mr. Chairman, can the minister give to this Committee that we will be producing oil in the next five to six years.

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AN HON. MEMBER: Inaudible.

MR. WOODWARD: Now where are the royalties going to come from nothing if we are not producing?

AN HON. MEMBER: Inaudible.

MR. BARRY: Do you want to see that developed, our hydro potential in Labrador?

MR. WOODWARD: We want to see the hydro developed in Labrador, Mr. Chairman, but indeed we want some incentive built in so that Labrador can benefit.

MR. BARRY: Inaudible.

MR. CHAIRMAN: Order, please! Order, please! Now debate in the House of Assembly is not the same as sitting around in your living room having a chat. There are certain rules that honourable members have to observe and one of them is that the honourable member speaking has the right to be heard in silence. And that rule is there so that an honourable member who is speaking can have an uninterrupted flow of thoughts so that he can make a coherent speech. And if he is interrupted then very frequently, of course, it leads to speech making which is less than the quality Houses of Assembly should have, and I would suggest to all honourable members that this rule is one more of courtesy than anything else to be observed.

MR. WOODWARD: Thank you, Mr. Chairman. I will go on to say, Mr. Chairman, that indeed it was not welcome news in this Province that the Moore's Administration along with its ministers in Ottawa fell behind the producing provinces, the have provinces of this country, and agreed that we should place an increased cost to the consumers of gas and oil industries in this Province. It was not welcome news. And if it is on the premise that I have just stated, Mr. Chairman, that we will be producing oil in five to six years, and indeed we will be looking for increased revenue as the minister have stated. There is no guarantee. There is no guarantee that we are going to be producing oil in the next ten years, and there will not be any revenue coming into the coffers of this Province.

AN HON. MEMBER: Inaudible.

MR. WOODWARD: Our hydro potential, Mr. Chairman, if I may add a few words to the hydro potential of this Province. The development that

the minister is looking at the Lower Churchill, and indeed as the Premier has said, all the rivers in Labrador that has the potential of some 6,000 megawatts. First, Mr. Chairman, we must find a consumer for that hydro potential.

and as the Minister of Intergovernmental Affairs has already stated, that the financing for the hydro potential, even the Lower Churchill, the some 500 megawatts that we are looking at to develop there, the financing has not been arranged, and it is going to go on for a long period of time, maybe up until October of this year before the financing and the agreements are concluded with regards to the development of the Lower Churchill.

So, Mr. Chairman, what is the minister saying? The minister is coming out and telling the Newfoundland people we have a development in our hands which is some ten years away, five to six years. It could lead on into ten years and possibly fifteen years. We have watched the exploration in the High Arctic, and we have seen the industry along with the federal government pour literally hundreds of millions of dollars into exploration. But, there is no producing date set, Mr. Chairman. I suspect that when we look at what the minister is saying it is not hard to see and it is not hard for our Newfoundland people to believe that there was some sort of a deal cooked up in order for the government to go ahead with the development of the Lower Churchill.

Mr. Chairman, with regards to the development of the Lower Churchill, as I have already stated, I would like to think in terms of the minister's policy with regards to the development of resources in Labrador. As we have went back, and I have stated here in this House on numerous occasions, this could possibly be another rape deal for the energy. The hydro is developed, shipped or exported out and there is very little benefit put back into the producing area. We would not want to see that happen, Mr. Chairman. Maybe the minister can tell the Committee what his government policy is in this respect.

MR. NEARY: Mr. Chairman -

AN HONOURABLE MEMBER: Inaudible.

MR. CHAIRMAN: Are honourable gentlemen going to resolve this among themselves?

MR. BARRY: How long are you going to go on for?

MR. NEARY: Oh, give me ten minutes anyway.

SOME HONOURABLE MEMBERS: Inaudible.

MR. CHAIRMAN: The Member for Bell Island.

MR. MURPHY: They want to get it through before eleven o'clock.

MR. NEARY: Mr. Chairman, I do not intend to delay the proceedings of the Committee, Sir, but this is a very important matter, and one which has really been brought on because the Leader of the Opposition, Sir, made a statement in the House yesterday that we should dispose of the estimates of the Department of Municipal Affairs and Housing and get on with this important matter of the energy policy adopted in Ottawa by the administration. The Leader of the Opposition is not here this evening, Mr. Chairman, because he is off to Corner Brook on urgent political business. But, Sir, the Leader of the Opposition -

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: - the Leader of the Opposition will be back in his seat, Sir, in time to take part in this debate.

Now, Mr. Chairman, my colleague and I rose at the same time because we are both -

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: No. We both have responsibility for shadowing this particular minister in this department. It takes two to shadow the minister, Sir. I have certain responsibilities and my colleague has certain responsibilities. I could think of no better expert in this Province, Sir, on the distribution of oil than my colleague. That is why we both stood at the same time.

Now, Mr. Chairman, when the minister made his introductory remarks this evening, we all sat back, very patient, hoping that the minister would give the House some justification for going flat out to support the federal government and the rich Provinces of Canada in their move to increase the cost of oil in Canada. We thought, Sir, that we would get some insight, we would find out something that we did not know, something

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that we did not know, something that we could not put our finger on when we saw the honourable the Premier on television in Ottawa going along with Alberta and Saskatchewan, no strings attached, not a bit wishy-washy about the whole thing, Sir, no ifs, ands and buts, just going flat out and saying yes, we agree there should be an increase in oil prices.

Now, Sir, when the honourable the Premier was making his statement before the delegates at the Energy Conference, the camera flashed over on the Prime Minister and the Prime Minister was looking over at our own Premier here in Newfoundland as if he had two heads. He could not believe that this statement was coming out of the Premier of Newfoundland, The Premier representing a Province where we have record unemployment, the second lowest per capita income in the nation, and galloping inflation. And the honourable the Prime Minister turned around and said something to his Minister of Finance. I only wish that we had that taped for posterity.

MR. MURPHY: Smart man.

MR. NEARY: I am sure, Sir, that would open up a few eyes. But not only, Sir, were all these people at that Energy Conference, not only did they hear our Premier make this absolutely weird statement, but every person in Canada who was watching that Energy Conference, every Canadian looking in on television, saw the Premier from Newfoundland make that statement. I have not heard any up-to-date Newfie jokes, Sir, but I am sure there will be a few come back to Newfoundland as a result of the position taken by this Province -

MR. EVANS: Inaudible.

MR. NEARY: - at that great Conference, Sir. It has to be the biggest Newfie joke of the century. And I expected tonight when the Minister of Mines and Energy stood in his place, Sir, that he would at least clarify the matter, that he would give us an explanation of why the delegation from Newfoundland felt moved to support the rich Provinces of Canada, or as I said a few days ago, adopt a reverse Robin Hood policy, take from the poor and give to the rich.

MR. EVANS: Like the old welfare days on Bell Island.

MR. NEARY: But, Sir, we did not get that explanation again tonight. The minister has followed the example of the Premier since they returned from that Conference. The Premier has been on television, more or less apologizing for the position that his government took in Ottawa. But I got the feeling listening to the Minister of Mines and Energy tonight that he was a little bit apologetic for the position that the government took at this Energy Conference. And the minister tried to drag in a number of red herring tonight that I hope that I will have time to deal with, Sir, but I got the impression that the minister was super-sensitive about the political implications, if nothing else, of this position that he and his government felt that they should take in Ottawa.

The minister, Sir, tonight was almost paranoid about this matter. And, Mr. Chairman, despite some of the figures that have been put out here tonight, and outside of the House about what it is going to cost the consumer in this Province if the price of a gallon of oil is increased to ten cents a gallon, the Premier of Nova Scotia, Premier Regan, told the Energy Conference that it would cost every householder in Nova Scotia \$180 a year.

MR. BARRY: That is because of their power.

MR. NEARY: No, Sir, not because of their power! My eyeball.

MR. BARRY: It is.

MR. NEARY: It is not.

MR. DOODY: You do not know what you are talking about.

MR. BARRY: Where does it come from?

MR. NEARY: Where does what come from?

MR. BARRY: The Nova Scotia power come from?

MR. NEARY: Mr. Chairman, we have already, Sir, I have already put a question, I already put a question to the Minister of Intergovernmental Affairs when he came back from Ottawa about the price of electricity in Newfoundland and he admitted, he said yes, yes to my question that the price of electricity in Newfoundland would automatically go up.

MR. BARRY: Inaudible.

MR. NEARY: Now the minister is saying no.

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AN HON. MEMBER: It is too complicated for you to understand.

MR. NEARY: It is not too complicated, Sir, I can understand it.

It is forecast already. That electricity would

automatically go up in price when the cost of oil goes up in this Province. Now, the Premier of Nova Scotia said it would cost each householder in Nova Scotia, it will boost family spending by \$188 a year. Well, let us say, Sir, in Newfoundland that it is only half of that. I think my colleague used the figure tonight of \$100. I think my colleague is very close to the right figure, very close to the truth. I beg your pardon?

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: No, I thought my colleague used \$100.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Oh! It was the Leader of the Opposition who used \$100.

Well, all right, Sir. Well, then the Leader of the Opposition is probably closer to the truth because my colleague probably did not take into consideration the increase in the cost of electricity. So, I would say, Sir, that it is a fair statement. It is a fair statement, Sir, that the cost to the consumer in Newfoundland, to each householder in Newfoundland will be at least \$100 a year, a minimum of \$100 a year. That is something, Sir, that the consumer of this Province cannot afford at this moment.

There was an editorial; Sir, in The Telegram, I think it was on Friday or Saturday, that strongly condemns the government's position at the Energy Conference and it starts off by saying it would, it starts off by saying, Sir, that it would be silly to suggest that Premier Moores and his associates could go to the First Ministers' Conference and hold down the price of oil and natural gas in Ottawa. Well, Sir, I agree with that.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Yes, I certainly do accept it. I do not think, Sir, it was possible for poor, little Newfoundland to be able to convince the rich Provinces of Canada and the Government of Canada that they should hold the line, that prices should be held down. But, Sir, that is one matter. I do not think they could do it, but at least, Mr. Chairman, you would expect the Premier and his delegation to argue against an increase

on the grounds that the Government of Canada, if all the Provinces, if all the Provinces outside of Saskatchewan and Alberta lined up to a man against an increase or grudgingly admitted that there might have to be a small increase or put an alternative proposal to the Government of Canada that if there was an increase that the equalization payments to the Provinces, the poorer Provinces, would be adjusted upwardly so that the Provincial Government, for instance, here in Newfoundland could subsidize the price of gasoline and oil, if that kind of a proposal had been put forward then it would have made some sense.

Newfoundland, granted, could not persuade the Government of Canada and these other two Provinces to hold the line. But we could have made it known, Sir, to the whole of Canada and to the Prime Minister of Canada and the Government of Canada that we were not in favour of an increase at this time, hoping, Sir, that it would have a psychological effect, that it would have some kind of political effect on the Government of Canada, if enough Provinces objected to it, dug in their heels and said no, our people cannot afford it. Then maybe, maybe ultimately there would have been an increase of one or two cents, but as it stands now, Mr. Chairman, with the poorest Province in Canada caving in and saying yes, increase the cost of oil to our people and gasoline by ten cents a gallon, that almost gives the Government of Canada, Sir, and the rich Provinces of Alberta and Saskatchewan a blank check to do what they like.

Even rich Ontario, industrialized Ontario, said no. Premier Davis, who is going to have an election very shortly, said no.

AN HON. MEMBER: (Inaudible).

MR. NEARY: I beg your pardon?

AN HON. MEMBER: (Inaudible).

MR. NEARY: Well, Mr. Chairman, are we not on the brink of an election in this Province?

SOME HON. MEMBERS: No way.

MR. NEARY: Well, Sir, we heard the Minister of Mines and Energy tonight stand in his place and say that he has gotten on his hands and knees in the last couple of days to the Premier to call an election on this issue.

AN HON. MEMBER: They are scared too much for that!

MR. NEARY: And the Premier apparently is not paying too much attention to the schoolboy debater these days -

AN HON. MEMBER: He is making a list of the guys on Bell Island.

MR. NEARY: - because the Premier has not granted his wish, and we are not about to have an election. At least, it would seem that way. But, Mr. Chairman, I am going to say this, that at the moment, Sir, if an election were called at this moment, there is no issue, no big issue in this Province on which to base an election up to the time the energy conference was called. If an election were called, Sir, it would boil down to a personality conflict between the Hon. Premier and the Hon. Leader of the Opposition.

MR. MURPHY: Personalities?

MR. NEARY: Yes, it would boil down -

MR. EVANS: Where do you get personalities?

MR. NEARY: It would be, Mr. Chairman, a battle of personalities because that is what happens in an election when you have no issues.

MR. EVANS: (Inaudible).

MR. NEARY: Sir, a week ago there would not have been a major issue in this Province on which to call an election. Well, there are all kinds

of issues, Sir. We could talk about inflation. We could talk about inflation, Sir, during an election, development of our energy resources, strikes, wildcat strikes, legal strikes, preservation of law and order, incentives to work, and so on. There would be some side issues but there would be no big issue, Sir, on which the election would be fought, and it would boil down to a personality contest between the Hon. Premier and the Hon. Leader of the Opposition.

MR. EVANS: Call that a contest?

MR. NEARY: Now, Mr. Chairman, we have had the issue dumped right in our laps, the issue being the stand taken in Ottawa at the Energy Conference by the Hon. Premier and the delegation representing the government of this Province. And, Sir, I can only, when I go home tonight, get down on my hands and knees and pray that the Premier will take the minister's advice and get into his gas-guzzling Cadillac in the wee hours of the morning and drive down to Government House and give our new Lieutenant-Governor down there the privilege and the honour of dissolving the House and let us get into a general election. Now we have the issue, Sir -

AN HON. MEMBER: (Inaudible).

MR. NEARY: Mr. Chairman, we have an issue that the people of this Province understand despite the fact that the minister tried to drag in a number of red herrings tonight. One of his red herrings was the fact that in 1976 we will be consuming more oil than Canada produces, in 1976. This year, he says, we will reach the break-even mark. In 1976 Canada will be consuming more oil than it produces.

Now, Mr. Chairman, what kind of a point was that? Why was that point raised in this debate? Why was that argument put forward? The minister just threw it out, Sir, hoping it would have some effect, and it would confuse and bewilder the poor old person who does not sit down to think for himself, who is not an economist, who does not know anything about simple economics.

AN HON. MEMBER: Like you.

MR. NEARY: Like myself, Sir. Yes, that is right. I can take myself as an example. I was trying to think why the minister would make such a statement that in 1976 - and this is one of the reasons for the position they took at the Energy Conference - because in 1976 Canada is going to be consuming more oil than it produces. Well, I will say to that, so what? What has the increase in price got to do with that? Does the minister think that this is going to deter people from buying oil and using gasoline? Does the minister think for one moment that the people of Newfoundland, who cannot afford to buy oil now at the price it is, are going to turn down their thermostats and be half frozen to death in their poor, cold, damp homes? Is that what the minister thinks is going to happen? Well, what

is going to happen. Well, what is he saying?

AN HONOURABLE MEMBER: We have to get new sources developed.

MR. NEARY: We have to get new sources developed. Sir, one issue, Sir, one issue, and I have watched on television over the last year, is the matter of oil reserves and I have read the magazines and I have followed the energy crisis a year ago, and do you know, Mr. Chairman, that even Mr. Macdonald who has been at this business, at this game a lot longer than our own Minister of Mines and Energy will not accept the word of the big oil companies about the reserves that are left.

MR. BARRY: This is the Federal Government I am quoting, not the oil companies.

MR. NEARY: No, Sir, not even Mr. Macdonald will not believe the oil companies. Mr. Macdonald, Sir, the last time I saw him on television -

MR. BARRY: These figures, you know, are 1975-1976.

MR. NEARY: Well, maybe they are. Maybe they are, Sir. But I am sure that Mr. Macdonald if he quoted these figures was quoting the oil companies, did so with tongue in cheek as he has done so often on television. But, Sir, it may be true. Let us say that we are consuming more oil in 1976 than we are producing. Does the minister think for one minute that by socking it to the consumers here in Newfoundland that that is going to cure the problem, that the consumers of Newfoundland and of Canada as a whole for that matter are going to provide the money that is going to do the offshore drilling down in Labrador. What foolish nonsense!

Sir, these big oil companies are so rich and so wealthy and so desperate to carry on with their great financial empires that they have, if they think there is oil and gas off Labrador, Sir, whether or not there was a penny increase in the next year or so on the cost of a gallon of oil in this country, the offshore drilling would go ahead, the exploration would go ahead. Mr. Chairman, if it did not go ahead then I would say to the Government of Canada kick out the oil companies and let the Government of Canada step in and do the exploration. They are into it up to their ears now anyway in the tar sands. If that, Sir, is why the minister is arguing

in favour of this increase, that is blackmail of the worst sort on the part of these big oil companies. I do not think that the Government of Canada is going to swallow that for one moment. The oil companies may be able to brainwash our own minister but I do not think they are going to be able to put it over on the Government of Canada. That is a very weak argument and a very weak position indeed, Sir.

You would not know but the oil companies were going to go on welfare tomorrow. You would not know but they were going to go on welfare. They need this money to do a little exploration and a little drilling to try to discover more gas and oil. I am not prepared to accept that argument, Sir, because I know it is not true.

MR. EVANS: You would give them welfare if you were Welfare Minister.

MR. NEARY: The minister says one of the reasons why we have to contribute another eight or ten cents towards the cost of a gallon of gasoline and a gallon of heating oil is to develop our own energy resources. I was watching Premier Lougheed on television the other night being cross-examined by a couple of news reporters and he hinted then, Sir, that some kind of a deal has been made with Newfoundland. He talked about the development, the hydro development in Labrador and how his government was prepared to pitch in and help out in this development. In other words, Sir, if Premier Lougheed is correct and our own Premier and the delegation that went up to Ottawa hinted at this earlier until they saw the fallacy of their argument, the weakness in their argument, if Alberta is going to loan this government money, I think the Premier hinted at \$500 million,

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\$500 million towards the -

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Yes, the honourable Premier did. The honourable Premier does not remember what he says when he gets on national television. he gets so carried away.

AN HONOURABLE MEMBER: 500 million barrels of oil.

MR. NEARY: Well, Sir, even if it is \$100 million, \$500 million or \$1 billion, what that argument does, Sir, is tax every consumer, every householder in Newfoundland to give Alberta the money so that they can loan it back to this Province at exorbitant interest rates.

AN HONOURABLE MEMBER: What crap!

MR. NEARY: That is not crap.

MR. EVANS: You do not believe that, do you?

MR. NEARY: I certainly do believe it because that is the implication, of a deal being made with Alberta.

MR. BARRY: Why are we doing this?

MR. NEARY: Pardon?

MR. BARRY: Why are we doing this?

MR. NEARY: Why are you doing this?

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: I do not know. Maybe the Premier has some interests out West. I do not know. Maybe he has. He seems to love the Western Provinces. Every time he goes to an energy conference he lines up with the wealthy, the rich provinces out West.

MR. MORGAN: Eight provinces in Canada did the same thing.

MR. NEARY: Eight provinces in Canada did not do the same thing, Sir. Nova Scotia said no to the increase. Ontario said no, and I saw Premier Bourassa, by the way, and Premier Bourassa did not come out, he did not. Sir, come out and say yes with no strings attached.

AN HONOURABLE MEMBER: He did.

MR. NEARY: No, he did not.

AN HONOURABLE MEMBER: New Brunswick said no.

MR. NEARY: New Brunswick said no. Yes, they did at the end.

Sir, I watched Premier Bourassa very, very closely and he is a

cagey man. He is a cagey man, and he, Sir, took the position, he took the position outlined here in the editorial in The Evening Telegram -

MR. BARRY: Your ten minutes are up, my boy.

MR. NEARY: No, Sir, my ten minutes are not up. I am good for forty-five minutes. Premier Bourassa, Sir, took the position that Quebec could probably not stop an increase in gasoline and heating fuel, but Premier Bourassa went on to say, but it should be a minimal increase. Our Premier did not even say that.

AN HONOURABLE MEMBER: He did.

MR. NEARY: No, he certainly did not. He opened up the flood gates and our Premier, the impression you would get from watching him on television is sock it to the consumer in Newfoundland.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Then the minister ended up his remarks by saying, the consumer knows he is the one who must pay for future development. All the consumer of this Province knows is that he is getting a royal shafting by the position taken by this government. I would not mind, Mr. -

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: He is getting a royal shafting. I would not mind, Sir, if every householder in Newfoundland was asked to contribute so much to the development of the Lower Churchill. I do not think they would have any hesitation at all in doing it. If the honourable the Premier had the courage and was man enough to stand up and say to Newfoundlanders, look, in order to develop the Lower Churchill we are going to need \$100 per householder a year until it is developed. He would probably get it.

MR. MOORES: How much do you think that would bring in?

MR. NEARY: How much would it bring in? It is not going to bring in any more than the increase in oil is going to bring in.

MR. MOORES: Inaudible.

MR. NEARY: Well, Mr. Chairman, the Minister of Energy is using that line of reasoning. I am not using it. He says, the consumer knows he is the one who must pay for future development. The Minister of Mines and Energy made that statement at the end of his remarks.

MR. MOORES: The consumer of Canada.

MR. NEARY: The consumer of Canada, that is not what the minister said. The minister was trying to justify the increases in Newfoundland.

Sir, if this administration ever made a political blunder in their lives, this is it. And watching the Premier on television the other night, he is still smarting under the attacks that have been made by the ordinary people of this Province, not by the Opposition, Sir.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: No, it is not by the - it may be good politics. It may be. I do not know whether it is or not. It may be good politics for us to argue that there should be no increase. But, Sir, the fact remains that there should be no increase, that our government should have went to Ottawa and argued against an increase.

AN HONOURABLE MEMBER: What difference would it have made?

MR. NEARY: Now, there may very well have been an increase on the basis that we have the second lowest personal per capita income in the whole of Canada, that we have record unemployment, and we have the highest rate of inflation in Canada. That would have been the basis. Then if the Government of Canada wanted to grant an increase to the rich oil provinces, then they should have compensated the people of Newfoundland.

MR. BARRY: That is what we are saying.

MR. NEARY: No, that is not what you are saying. No, Sir. No, it is not.

MR. BARRY: Inaudible.

MR. NEARY: Mr. Chairman, Mr. Chairman,

MR. NEARY: Mr. Chairman, -

AN HON. MEMBER: Inaudible.

MR. NEARY: Mr. Chairman, last year the Government of Canada increased the equalization payments to Newfoundland by over \$12 million. And the reason they did it was so that the government could subsidize the price of gasoline and heating fuel in this Province. That was the intent. That was the intention, Sir, of changing, adjusting, the equalization grants. And if they did it this time the money would go to the CFLCo jet, and the Premier's plane -

AN HON. MEMBER: Inaudible.

MR. NEARY: - and sending the Norma and Gladys off to Honolulu and Japan and all the other foolishness, all the other extravagance and waste, that is where the money will go.

AN HON. MEMBER: Hear! Hear!

AN HON. MEMBER: The Cadillac would eat it all up.

MR. NEARY: And the Cadillac would eat it all up. I wish the Premier would get in that Cadillac -

MR. MOORES: Inaudible.

MR. NEARY: - take the Minister of Energy's advice,

AN HON. MEMBER: Do not stand in his way.

MR. NEARY: hop down to Government House, go in and see our new Lieutenant-Governor who has not had the privilege and the honour yet of dissolving the House, and call an election on this issue, and let us have it out man-fashion,

MR. MOORES: We will.

MR. NEARY: and put it before the people.

AN HON. MEMBER: Inaudible.

MR. NEARY: Let the people decide.

MR. BARRY: Inaudible.

MR. NEARY: Let the people decide.

AN HON. MEMBER: Inaudible.

MR. MOORES: Where are you going to run?

MR. NEARY: Pardon?

MR. MOORES: Where are you going to run?

MR. NEARY: Where am I going to run?

AN HON. MEMBER: In a great district.

MR. NEARY: If I could find out where the Premier is going to run I would follow him, I would chase him there.

MR. MOORES: Ho! Ho! Ho!

MR. NEARY: Is the Hon. the Premier going back to Humber West?

AN HON. MEMBER: Inaudible.

MR. NEARY: Humber West.

MR. BARRY: There you go.

AN HON. MEMBER: Inaudible.

MR. MOORES: I am delighted to go ...

AN HON. MEMBER: Inaudible.

MR. NEARY: Conflict of Interest finally got back in the House again tonight, Sir.

AN HON. MEMBER: Inaudible.

MR. NEARY: Mr. Chairman, -

AN HON. MEMBER: Inaudible.

MR. NEARY: Oh, yes I have.

AN HON. MEMBER: Inaudible.

MR. NEARY: My colleague there, Sir, started to quote some figures on the amount of gasoline and heating fuel used in Newfoundland. And I might say, Sir, that the source of my figures are the Consumption of Petroleum Products, Statistics Canada.

AN HON. MEMBER: Inaudible.

MR. NEARY: I beg your pardon?

AN HON. MEMBER: Inaudible.

MR. NEARY: Well I submit the figures to the Committee, Sir, thinking that they are reasonably accurate, I do not know if they are right on the nose or not, and my honourable friend may have figures that can contradict mine. But according to these figures, Sir, and I am using the figure of an increase of \$0.10 a gallon, aviation gasoline the amount used in Newfoundland in the year 1973, and that will probably go up slightly in 1974, and maybe up a little more in 1975 - but these are

the latest figures available. Aviation gasoline there are 42,039 barrels used, approximately 1.5 million gallons - 1.5 million gallons. So the annual cost of the \$0.10 surcharge, Sir, would be \$147,000 approximately. Motor gasoline, the number of gallons used in this Province per year 113,761,000. So there would be additional revenue there of \$11,376,000 - the Premier's mathematics is very good tonight. Aviation turbo fuel 37,853 - \$3,785, kerosene and stove oil, which seems to be on the downgrade, about 50,000 gallons.

AN HON. MEMBER: What?

MR. NEARY: Fifty thousand gallons a year.

AN HON. MEMBER: Inaudible.

MR. NEARY: Pardon me?

AN HON. MEMBER: Inaudible.

MR. NEARY: No pardon me, 50 million gallons -

AN HON. MEMBER: Inaudible.

MR. NEARY: 4,992 -

AN HON. MEMBER: Inaudible.

MR. NEARY: \$4,992,000. Diesel fuel oil 99,310,000, \$9,931,000

AN HON. MEMBER: Inaudible.

MR. NEARY: Yes, 99 millions of diesel fuel oil, Light fuel oil, 115 million, 115.5 million gallons for a total increased revenue, if the \$0.10 is added on of \$11.5 million; heavy fuel oil, 144 million gallons approximately.

AN HON. MEMBER: Inaudible.

MR. NEARY: 144 million approximately for a total increase in revenue of \$14.5 million.

AN HON. MEMBER: Revenue?

MR. NEARY: Revenue. Adding on the \$0.10 surcharge, lubricating oil about 354,000 - 3,540,000

gallons, lubricating greases - 119,000 gallons for \$11,911.

MR. BARRY: - lubricating oil.

MR. NEARY: Lubricating greases -

MR. BARRY: Lubricating oil.

MR. NEARY: 119,000 gallons - \$11,000, approximately \$12,000.

SOME HON. MEMBERS: Inaudible.

MR. NEARY: Lubricating oil - 354,000.

MR. EVANS: What about the \$3 million.

MR. NEARY: No, that is gallons, 3,000,540 gallons, \$354,000. Asphalts - 7,764 gallons, \$776,500. The total of all this, Mr. Chairman, the total increase to Newfoundlanders, the total amount that would be taken out of the pockets of our hard pressed consumer, the amount that would be picked from the pockets of the ordinary Newfoundlanders to look after the rich Provinces of Alberta and Saskatchewan, would be approximately \$57,500,000, roughly \$570 per person as my colleague reminds me.

Absolutely fantastic, Sir.

AN HON. MEMBER: \$570 per person.

MR. NEARY: That is right.

MR. BARRY: Inaudible.

SOME HON. MEMBERS: Inaudible.

MR. NEARY: \$100 well -

SOME HON. MEMBERS: Inaudible.

AN HON. MEMBER: \$110 per person.

SOME HON. MEMBERS: Inaudible.

MR. NEARY: Well, that is the word, Sir, that we are getting, that is the word that we are getting from Ottawa, that the increase will be anywhere from six to ten cents a gallon, and the Premier says it is right and the minister says it is not right.

MR. BARRY: Three fifty a barrel you are saying there.

MR. NEARY: Mr. Chairman, no wonder, is it any wonder, Sir, that the people of this Province are puzzled over the position taken by this honourable crowd in Ottawa. Now, Mr. Chairman, the Energy Conference in

Ottawa was called for two reasons, there were two items on the agenda of the Energy Conference, and the Prime Minister of Canada, Sir, opened up the Conference by making a statement on the state of the economy and the second item on the agenda was oil prices. There was no provision on the agenda, Sir, for hydro development.

MR. BARRY: The figures are all wrong by the way, just for the record.

MR. NEARY: Well here they are. You can have a copy of them. There was no provision on the agenda, Sir, for hydro development and the honourable the Premier and the minister and his delegation tried to bully their way in to get this matter of hydro development on the agenda. I do not know whether or not they were successful. That seems to be very vague and general at the moment. But I think, Mr. Chairman, that if they did not get it on the agenda that they should certainly go back to Ottawa, even if they have to go it alone, to discuss this matter of the development of the Lower Churchill.

But the other issue, Sir, the other issue of oil prices, the government completely caved in, they sold out the people of Newfoundland and Sir, I would say that if there was ever an opportune time for an election in this Province, as far as the Liberal Party is concerned, this is the time and I hope that the Premier will take the minister's advice -

SOME HON. MEMBERS: Inaudible.

MR. NEARY: I hope the Premier will take the minister's advice and go down to Government House and I guarantee in twenty-one days from now that you would have a new administration in this Province.

MR. CROSBIE: Mr. Chairman, this is a perfect illustration, you know, of how the Opposition zeroes in on the estimates with their penetrating comments. It is a funny thing, you can always tell when there is going to be some shortsighted view taken of an issue. It is whenever the Opposition thinks they are on to something politically. Their noses start to twitch and twitter -

MR. MURPHY: Like what?

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MR. CROSBIE: Like rodents in heat, when they think they are on to something, you know, that is going to lead the votes. They are over there now like a - three rabbits over there, their noses are going. They think they are on a great issue you know, that this is a great political issue in Newfoundland.

Anything that is short-sighted, Mr. Chairman, anything where you are not even looking any further than your nose, anything that might have some political advantage they think to it, well, sure that is the side that they will be on. Mr. Chairman, let us be very clear about this. There is only one government in Canada that can prevent an increase in the price of oil and gas, that is if it should be prevented. There is only one government that can do that and that is the Government of Canada at Ottawa headed by the Right Honourable Pierre Elliot Trudeau. His government is the only government in Canada that can prevent an increase in the price of oil and gas. Plus, he happens I believe to be the leader of the Liberal Party of Canada to which all the honourable gentlemen opposite are slavish adherents. In fact, the Member for Bell Island has got his children named Pierre and Elliot or Pierrett and Elliot. One is a boy and one is a girl. The twins are named after Pierre Elliot who is now going to permit an increase in the oil and gas prices and do all these terrible things to the consumers that the honourable gentleman from Bell Island is talking about.

His speech tonight is a savage attack on the federal leader of his party, not on this government. This government cannot and has no, absolutely no power, none whatsoever over the price of oil and gas in Canada, none, not a twitch or a twitter or a twillick. It would not matter what Premier Moores said in Ottawa. It would have no more effect on the price of oil and gas in Canada than a twillick in a wind storm. It is the Prime Minister and the Government of Canada are the only ones who can stop an increase in the price of oil and gas or Saskatchewan and Alberta who have the oil and gas. For the Member for Bell Island to pretend that if there was an increase in the price of oil here in Newfoundland it will go to Alberta and Saskatchewan, is so far fetched that it is to be completely ludicrous. Our oil comes to us from Venezuela or from outside Canada. Western oil does not go any further than Ontario because it is not economic for them to ship it to Newfoundland and Nova Scotia and so on and so forth. So, if the price of oil goes up any cents a barrel it will not go from Newfoundland

to Saskatchewan to Alberta. It will go to the people who sell oil from Venezuela and the like.

So, number one fact, the Province cannot control oil and gas prices. Ontario cannot control them. Nova Scotia cannot control them. Only the Government of Canada can and they are going to have to accept the responsibility for it. They called this conference. The conference was cosmetics. That is all the conference was, cosmetics, to see if all the Provinces could be persuaded to reach a concensus so the Federal Government would not have to bear a responsibility alone of deciding that oil and gas prices should go up. They are going to go up because Canada is exporting less oil now from the Western Provinces and the export tax revenues are coming down and they are not getting sufficient to continue subsidizing the price of oil and gas here in Eastern Canada. So, the Federal Government is going to have to permit them to go up and by the end of June probably they will by themselves have to permit it because there will not be any concensus. There will not be any concensus in Ontario which is faced with an imminent election and they are thinking of politics and politics is their main concern at the moment. They have an election campaign on.

This Province is thinking of statesmanship.

MR. NEARY: What party is that in Ontario?

MR. CROSBIE: In Ontario that is the Progressive Conservative Party of Ontario, not the national party to whom we bear allegiance and adherence. Now, the honourable gentleman from Bell Island said there was a royal shafting, that the Premier had given the people of Newfoundland a royal shafting. Where was he when the royal shafting was going on in the Upper Churchill, and where was he when the royal shafting was going on in ERCO, and where was he when the royal shafting was going on in Javelin. He was heaving at the hilt of the shaft. He was helping the shaft. He was pushing the shaft. The royal shaft, there are not any royal shafts left in the Province. They all went out in 1972. There was a royal shaft, I think, with 1,000 little thingumajiggers on it. There used to be another

little date put on the royal shaft or the royal shovel every time it was used when there was that terrible epidemic of sod-omy across the Province. The sods were going everywhere. The royal shafting, what next? The honourable gentleman said that an election in the Province would be a personality contest between the Premier and the Leader of the Opposition. That would be what they call a no contest or a noto contendere because only one of the parties will have a personality and that is the Premier. That was a terrible thing to say. That would be a wipeout. We have got to pray that there will not be any personality contests between these two gentlemen. It would be too lopsided. The odds would be too great in the government's favour. We would have to tie the Premier down. We have to stop him from campaigning. There would be a wipeout. So, I hope we will not hear anymore of that from the honourable gentlemen opposite.

Now, who took the Liberal tax, when we talk about consumers, who took the Liberal tax off heating and fuel oil, the tax that the Liberal Party imposed on the consumer of Newfoundland? Who took the tax off a year and some months ago? The Progressive Conservative Party of Newfoundland removed the sales tax from heating and fuel oils, the Liberal sales tax that they were so proud of, that they wamped up year and year after year. It went from one per cent, there was a 600 per cent increase while they were in office from zero to six per cent. We removed it from heating and fuel oils, but there is no mention of that when they talk about the consumer.

And the honourable gentleman made some - the honourable Member for Bell Island made an incredible statement that the Leader of the Opposition was close to the truth. He has not been close to the truth in the last three years. He has been about ten miles away from the truth most of the time, And he said that he was close to the truth. I do not know what the occasion was. We would like to note it over here when that happened because it must have been an accident.

Now, these are only preliminary remarks, Mr. Chairman, because on Thursday we are going to ventilate this issue. If the honourable gentlemen opposite want to put this false issue before the people of Newfoundland it should be well ventilated in the peoples' House. And we are going to ventilate in on Thursday and ventilate the honourable gentlemen.

Now what did the other provinces say? By the way, Mr. Chairman, we have not supported an increase in the price of gas and oil. The Province has not supported it, we are not advocating it, we are just accepting the fact that there is going to be one. And the federal government have accepted the fact that there is going to be one. We accept what is economic sense. We accept what we see to be necessary in the long-run interest of Canada and of Newfoundland. So we are accepting the facts.

Here is an article from Wayfarer today in the Daily News. The Wayfarer has summarized the whole thing in his column today in the Daily News, the whole - the principles involved, what was at issue, and why the Newfoundland position was as it was. An independent, impartial observer, Wayfarer, with fifty years experience in journalism in Newfoundland - now this does not agree with the kind of statement that the Daily News has had in its news columns and in its editorials which are written by other people who have not got the talent nor the intelligence nor the background of Wayfarer, Mr. Albert Perlin, who summarized the whole thing. That should go to every household today. That explains the oil

question in Canada. And what does Wayfarer conclude? He starts out: "The key to the question of the price of oil in Canada is the statement of Energy Minister Macdonald, Liberal Energy Minister Macdonald, that the era of cheap energy has ended."

Then he goes on down a paragraph or two; "The Newfoundland position" - by the way he points out only Davis and his only firm ally, the Premier of Nova Scotia, two who came out against the oil increase and two only - "the Newfoundland position involves a number of important considerations that are concerned with the economic future of the Province." And then he goes into what those things are and sets them out.

In his concluding paragraph he says, Mr. Chairman, "The point is that whatever attitude Newfoundland might have taken on prices at last week's Conference would have made no difference."

AN HON. MEMBER: Hear! Hear!

MR. CROSBIE: This is what this impartial and astute observer of the Newfoundland scene who was at the Energy Conference has reported.

AN HON. MEMBER: It is eleven o'clock.

MR. CROSBIE: It is a minute shy of eleven o'clock now. I am only getting warmed up, Mr. Chairman, and I would like to be recognized Thursday because I want to speak while the Leader of the Opposition is here. I want to see how his nose is twitching when we get down to brass tacks on this matter and give the facts and figures to the House and the people of Newfoundland.

I therefore move that the Committee rise, report progress and ask leave to sit again.

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

MR. CHAIRMAN: Mr. Speaker, the Committee of Supply have directed me to report having passed Head XIX, having made further

progress and ask leave to sit again.

MR. SPEAKER: The Chairman of Committee of Supply reports that they have considered the matters to them referred and reports having passed Head XIX, all items, and made progress and ask leave to sit again.

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

MR. CROSBIE: Mr. Speaker, I move that the remaining orders of the Day do stand deferred and that the House at its rising do adjourn until three of the clock tomorrow Wednesday, April 16, 1975.

On motion, the House at its rising adjourned until tomorrow Wednesday, April 16, 1975 at 3:00 p.m.

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