

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
3:00 p.m. - 6:00 p.m.
MONDAY, APRIL 4, 1977

The House met at 3:00 p.m.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please.

PRESENTING PETITIONS

MR. SPEAKER: The hon. the member for Lewisporte.

MR. WHITE: Mr. Speaker, I rise to present a petition from 178 residents of Stoneville in my district of Lewisporte. Mr. Speaker, in case hon. members do not know where Stoneville is, it is part of what used to be the North and South sides of Horwood which is on the Gander Bay Road between Boyd's Cove and Gander Bay.

Mr. Speaker, I will read the prayer of the petition because I think it is quite concise and points out clearly what the residents want done. "During the election of 1975, we, the residents of Stoneville were promised that the paving of the road through Stoneville would be given every consideration when the road from Birchy Bay to Boyd's Cove would be paved. This road was paved during the Summer and Fall of 1976. However, our road was not paved. We now beg the government to fulfill its word and pave the road through our community. Dusty road conditions are a hazard to health as well as to drivers and pedestrians. Traffic to and from Port Albert has to pass through our community and when the ferry service from Change Islands to Fairwell is initiated, which I hope will be this year - the traffic will have to pass through Stoneville.

"We, the people of Stoneville, consider that it is about time the provincial government did something for our community since it has not spent any money here other than maintaining and plowing the roads. We are concerned that other paved roads will be worn out and paved the second time before ours is paved at all.

MR. WHITE: "We, the people of Stoneville, feel that it is time the people in the outports of Newfoundland saw some benefits from the taxes they are paying and were made to feel that they are indeed part of Newfoundland."

SOME HON. MEMBERS: Hear, hear!

MR. WHITE: Mr. Speaker, this is indeed a forgotten community in the Province. Besides the road that was built there I do not know of anything that has gone there with respect to the expenditure of public funds. There are no artesian wells there or anything of that nature and I fully support this petition, Mr. Speaker.

I took the Minister of Transportation and Communications down there last year to meet with the a delegation of people. At that time he made no promises to them but he gave them an indication he would see what he could do in the upcoming budget. I hope, Mr. Speaker, that the government sees fit to pave this road this year. I put the petition upon the table of the House and ask that it be referred to the department to which it relates.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the member for Bellevue.

MR. CALLAN: Mr. Speaker, any petition that has anything to do with upgrading, paving, roads and artesian wells and water and sewer and so on, I feel I have no other choice but get up and support it. Because

Mr. Callan.

as most members of the House are aware in the petition that I presented myself, the district of Bellevue is in a very similar situation to the district of Lewisporte and other rural districts. Mr. Speaker, I hope that the Minister of Transportation will find enough monies in his department this year when the budget is brought down or brought up or across wherever it comes from, and I hope that some of these roads that have been badly neglected in these areas of the Province will be looked after. I support the petition.

MR. SPEAKER: The hon. member for Eagle River.

MR. STRACHAN: Mr. Speaker, I would like to present a petition -

MR. ROBERTS: Hold on now. There may be others on the other side. Does the minister want to say a word on it? I thought the minister was rising to speak on it.

MR. MORGAN: No.

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

MR. ROBERTS: Mr. Speaker, I apologize. I thought the minister was about to stand to speak in support of the petition which my friend from Lewisporte presented in behalf of the people of Stoneville in Notre Dame Bay and the district of Lewisporte. I simply like to say a word in support of it, Sir. I would think there are a lot of communities in the same position as the people in the community of Stoneville in that they do not have paved roads, and they would like to have paved roads, and I think, Sir, that is entirely a reasonable request for them to make, and I think it is one which ought to be granted. Sir, I want to go on to say that I think the process would be much better, would be much more beneficial, much more effective, if the Minister of Transportation and Communications would announce each year exactly what is the government's intended programme for the year. And I believe, Sir, the minister is in a position to do this. One of his

Mr. Roberts.

innumerable predecessors in the present administration in that portfolio at one stage announced to the House - I think it was the gentleman from St. Barbe, as he now is. He was then the gentleman from St. Barbe South - announced that there would be a statement made of the roads programme in detail. Well that particular commitment has not been honoured. And what I am saying now is that I would say to the minister that I think he should make a statement along these lines. The ministry are aware of the roads which they intend to do this year. In fact, tenders are already being called for several projects. They have been in the papers the last few days even though we were assured by the Minister of Finance the other day in discussing the Interim Supply Bill that no tenders would be awarded and no money would be paid until after the main Supply had been passed by the House of Assembly. But be that as it may, Sir, the fact remains that -

MR. SPEAKER: Order, please!

I think I should point out to the hon. gentleman that the prayer of the petition is fairly precise. The paving of a road in Stoneville, would not in my opinion, open up the area of government policy with respect to the timing or method of announcement of the overall yearly roads programme. I think that would be much broader than the allegation of the petition.

MR. ROBERTS: Well thank you, Mr. Speaker. And the point I am trying to make is that I think that the community of Stoneville should get an assurance that their road is to be done. And I think if the assurance is to be meaningful, Sir, it should be given at the start of a construction season as part of an overall programme for the year. And in my submission if it is not out of order, Sir, if I have understood Your Honour's ruling correctly, it is in order for me to say that I believe the ministry could outline such a programme at this stage, including the road through the ~~community~~ of Stoneville.

Mr. Roberts.

I think it is a straightforward request. I think it is a reasonable request, Sir. Apparently a commitment was made. My friend from Lewisporte did not say by whom, but it is reasonable to assume that it was made by a candidate for an opposing political faction. Sir, I believe that is an additional reason why it should be honoured. I think, Sir, the petition should be granted, and I think it should be granted this year. ✕

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Eagle River.

MR. STRACHAN: Mr. Speaker, I beg leave to present a petition on behalf of the people of Cartwright, 112 signatures to the petition. And the prayer of the petition is as follows: "That we, the people of Cartwright, hereby petition the Government of Newfoundland and Labrador, and in particular the Department of Transportation and Communications, Highways Division, to take complete responsibility for our main road which extends from the government dock to Burdette's Brook around the harbour!" The prayer carries on: "The people of Cartwright

MR. STRACHAN: tolerated inadequate road conditions long enough and due to the fact that we have been paying for registration and licencing of vehicles as well as the gas taxes for years we feel that we should receive something in return."

In addressing myself to the prayer of the petition, Mr. Speaker, the community has no tax base whatsoever. The minister travelled with me last year and saw the roads which are in an extremely bad condition. The community has the responsibility of maintaining six miles of road and they find that with these small grants that they get, especially the snow clearing grants during the Winter, that they have very little funds from which they can maintain the road and the roads are deteriorating. In fact now there is nothing but pot holes and waves and bumps, and during the Winter the school buses cannot run, nor can an oil truck deliver fuel to the homes.

The community has gone through \$5,000 already. And only two miles of the six mile road has been opened. A third of the time the road is closed and they find that it is almost impossible to continue any longer. We were grateful earlier on that the Department of Municipal Affairs did make an additional grant available to the community, and we accept that willingly. But we feel that the community itself and the community council is under a great deal of pressure from the members of the community because they cannot maintain the roads and cannot keep them open for the school buses or for the fuel truck, and in Winter the cars and so on require shocks to be replaced every two or three weeks.

The community is asking in the prayer of the petition that the Department of Transportation and Communications, Division of Highways, take over the responsibility for the roads, to maintain the roads and put them into reasonable condition and to maintain the snow clearing during the Winter since the community can no longer afford to continue operating like this.

MR. STRACHAN: I should indicate that there has been a great deal of controversy earlier on, especially last year, where people in the community were starting to refuse to register their cars and they objected to the taxes they were having to pay for gasoline, because they felt that they were getting little back from the department on this basis. However, I feel that the whole situation needs to be resolved in a better fashion and I would hope that the minister would reply to this reasonable request, in my view, and try to assist an isolated community who are trying to carry out their function as a community and trying to get their children to school in the reasonable comfort of a school bus and I have no hesitation whatsoever in supporting the prayer of this petition and I table it in the House and refer it to the department to which it relates.

MR. ROBERTS: Hear! Hear!

MR. SPEAKER: The hon. member for Burgeo - Bay d'Espoir.

MR. SIMMONS: Mr. Speaker, just a word in support of the petition. The member for Eagle River (Mr. Strachan), the member for Lewisporte (Mr. White), and I had the opportunity last January, a year ago now, of realizing the stark truth of what the petition conveys, that it is a part-time road. It is a road that only gets used part of the year. Indeed, on one occasion we had no fewer than four politicians in a box sleigh behind a ski-doo. I thought it would have made quite a picture, not necessarily for an election campaign but four politicians all in the same box. We three, as I have mentioned, and the federal member for the area, Mr. Rompkey. But that mode of transportation is not only for politicians but also for the local residents and for groceries and produce and freight off the planes and anything or anybody else who has to be transported around the community. And the way to do it in the Winter there is not around the community but across the community, because in the absence of a road they use the ice surface and that is all very well for some months of the year but there are periods of interruption

MR. SIMMONS:

in the late Fall when the ice is forming and in the Spring when the ice is breaking up. That aside, of course, a community the size of Cartwright deserves at the very least a passable road connection to the various parts of the community. I am pleased to be able to rise and give my support to the petition presented by my colleague from Eagle River (Mr. Strachan).

MR. SPEAKER: The hon. member for Port au Port.

MR. HODDER: Mr. Speaker, I also support the petition from my colleague for Eagle River (Mr. Strachan) on behalf of residents of Cartwright. One of the things that I have noticed in my district as was mentioned by the member for Eagle River (Mr. Strachan) is that the tax base in many small communities is not such to be able to provide adequate services for side roads and roads in the communities, and that many of the local roads in those communities are falling down and are in bad condition because of the grants given to the communities which are not adequate.

Now in one community, as an example, in my district, the snow clearing was done by the local community council or the local improvement district, but they had a piece of machinery which broke down and the repairs of that piece of machinery put the council into financial difficulties. Now yet in that particular community the main roads are done by the Department of Highways who have the facilities to repair machinery, who have the depots and one thing and the other. Now I think the government would save money if perhaps the Department of Highways looked after many of those side roads and looked after many of the roads, whether they be side roads or main roads, than to have councils getting grants, unable to look after them properly and having to sort of buy their own machinery and use methods of fixing up their roads and putting themselves in debt when this is not necessary at all. I think the Department of Highways in many of those rural areas should be looking after the local roads. I feel that probably this is the case not only in Cartwright but in many

MR. HODDER:

communities across this Province. I do support the petition and I hope that the minister will grant the prayer of the petition from Cartwright.

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

MR. MORGAN: Mr. Speaker, not to take away from the petition that was tabled from the hon. member for Lewisporte (Mr. White), I did not speak on the petition, but because I was familiar with the situation I felt there was no need to speak on it. But with regards to Cartwright, in fact any part of Labrador, any petition comes in I am always prompted to stand and say a few words on the petitions. Now in Cartwright the fact that the road there, I know, is in bad condition - I travelled the road last Summer - but the fact that that road is under the jurisdiction of the municipality, and the fact that the municipality has been receiving grants for that same road, called road revenue grants from the Department of Transportation over the past number of years, last Summer when I met with the council there I expressed the - not a recommendation, but a suggestion to the council that they make application to my colleague, the Minister of Municipal Affairs, to apply under the sixty-forty programme whereby if the council could supply forty per cent of the funds required to upgrade the road a grant of the remaining sixty per cent would be paid by municipal affairs.

In fact, it was annoying to me about approximately three or four months after while sitting in my office - a delegation from Rigolet and the hon. gentleman for Eagle River (Mr. Strachan) was in my office the same time - we get a call from the National press, National CBC in Toronto calls me in my office for me to comment on road conditions in Cartwright, Labrador. And my friend can recall this very conversation. A reporter wondering what the situation was in Cartwright, Labrador, a big uproar, a national press conference, more or less. A national press release was made by the council condemning the government for the lack of action in Cartwright. That was three months after I was in and met with the council, made a suggestion to them, outlined what could be done and in what means it could be done, yet it was only after the contractor was in

MR. MORGAN:

Cartwright building an airstrip for the Department of Transportation, with some funding from the federal level of government that only after that contractor had moved out of Cartwright, moved away, closed down for the season, did the council feel like making an uproar over the situation when they knew then it was too late to do anything at that time of the year.

If they had made application to my colleague in Municipal Affairs, and could have used the equipment that was available in the area that was being worked and being used by a contractor building the airstrip, there was every possibility that something could have been done to correct the situation. But they waited until the last minute, until after the - more than the last minute - until after the deadline, if you wish,

MR. MORGAN: to create an uproar over the situation. And I indicated many times in my travels that it is the wrong way to get things done is that form of confrontation. If they work in co-ordination with their MHA, and MHA with the ministry concerned, they get much more achieved.

The situation is in Cartwright - unfortunately it is under the Department of Municipal Affairs and Housing - hopefully the council can put their heads together and raise the forty per cent required and on the other hand hopefully some funds can be obtained while the contractor is in Cartwright building the air strip and get some improvements to the roads.

MR. SPEAKER: Hon. Leader of the Opposition.

MR. ROBERTS: Mr. Speaker, I would like to say a few words if I might in support of the petition from the people of Cartwright. I think their request, Sir, is an eminently reasonable one. Any of us who has had the opportunity to be in Cartwright is aware of the fact that the road around that community - and there is only the one road, there maybe a by-road or two. I think there is one running down by the school and another running the area where the Hudson Bay Store is located. But there is only the one main road through the community and anybody who has been there knows that the road is in absolutely terrible, terrible shape. In fact, I venture to say that if it were almost anywhere else in the Province except in the isolated community - or an isolated community such as Cartwright, there would be such a concentration of media attention on it we would have pickets and demonstrations and all the techniques of which we have become so familiar over the years.

I think the people in Cartwright have been more than patient. I am not so sure that it should be done entirely by the municipality. I think there is a long standing policy of the government of

MR. ROBERTS: this Province, Sir, which the present administration have carried on, that the main road through a community is the responsibility of the old Department of Highways, now the Department of Transportation and Communications. And I would submit that the main road through Cartwright is the road that runs from where Fecky's store used to be, right around the harbour up to the mission which happens - the Grenfell Mission happens to be on the other side of Cartwright entirely, as the minister is aware. I think, Sir, that is something the ministry should do. Not only is the need there, but all the more so because of the factor pointed out in the petition, Sir, that the people in Cartwright pay their full share of road taxes in the sense that they pay the gasoline tax and they pay, I believe, the full registration on their cars, although I may be - Do they pay the full registration on their cars or do they get a special rate?

MR. STRACHAN: No, they pay the full registration.

MR. ROBERTS: My friend from Eagle River says they pay the full registration on their cars and their motor vehicles. And, you know, there cannot be anywhere else in the Province, Sir, where people pay the twenty or thirty dollar charge, whatever it is, depending on the make of the car or the size of the vehicle, where they have so little road to drive upon. Well I think, Sir, that those factors taken together constitute a very strong case in support of this petition. I think it is justified as well, Sir, on the grounds that this is the road which the school children use, and there have been stories this winter, as the minister I know is aware, of a school bus having to be taken out of service because it was not physically possible for it to continue in service. So for all of these

MR. ROBERTS: reasons together I think the people in Cartwright, Sir, have an excellent case, a very strong case, and I do hope, Sir, the minister has enough money in his estimates this year, when they are approved by the House, has enough money to grant the prayer of this petition and to assign added departmental forces or to get a contractor to go in there to do the work, to provide the people in Cartwright with access to - if not a first class road, if not a paved road at this stage, at least a decent gravel road.

I think that is little enough to ask for, Sir, and it is certainly little enough for the government to do. I support the petition.

NOTICES OF MOTION

MR. SPEAKER: Hon. Minister of Industrial and Rural Developments.

MR. LUNDRIGAN: Mr. Speaker, I give notice that on tomorrow I will ask leave to introduce a bill "An Act to Amend the Department of Rural Development Act 1973"

MR. SPEAKER: The hon. the Minister of Justice.

MR. HICKMAN: Mr. Speaker, on behalf of my colleague, the hon. the Minister of Finance, I give notice that I will on tomorrow ask leave to move the House into Committee of Ways and Means to consider the raising of Supply to be granted to Her Majesty.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

MR. SPEAKER: The hon. the Minister of Municipal Affairs and Housing.

MR. DINN: Mr. Speaker, I have the answer to Question No. 208 asked by the hon. the member for LaPoile and it appeared in Orders of the Day dated 15th March 1977.

MR. SPEAKER: The hon. Minister of Justice.

MR. T. A. HICKMAN: Mr. Speaker, in answer to Question No. 224 on the Order Paper of Tuesday, March 29, asked by the hon. member from LaPoile, the answer is: the number of offences, ten; the number of juveniles charged, ten; that is, for 1974, 1975 the number of - I am sorry let me start all over again, I have them backwards. Question No. 224, the question is, the number of prosecutions in the years 1974, 1975, and 1976 involving retail stores selling cigarettes to juveniles under the age of sixteen years. The answer is whilst it is an offence under our Law for a store to sell cigarettes to a person under sixteen years of age, there is no record within the statistical analysis of numbers of prosecutions. This is not to say that there were no prosecutions. The answer to Question No. 225, by the same hon. gentleman, from the same Order Paper, the question is, the number of prosecutions for the year 1974 and 1975 and 1976 involving branches of the Newfoundland and Labrador Corporation, that should be Liquor Corporation selling liquor and other spirits to boys and girls under the age of eighteen. There is no breakdown in statistics as to between retail brewers agents and the Newfoundland Liquor Commission, and that answer applies as well to Question No. 226. But the statistics for 1974 and 1975 with respect to the prosecution of juveniles are as follows: 1974 - the number of offences, ten; the number of juveniles charged, ten; 1975, the number of offences, seventeen; and the number of juveniles charged, seventeen.

ORAL QUESTIONS

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

MR. ROBERTS: Mr. Speaker, a question hopefully to the Minister of Industrial Development, but if not - he was here, in his absence perhaps I could address it to the Premier, Sir, because I think it is a matter with which the Premier is - well here is the minister now, Sir - a question for the minister. By way of, I trust, an appropriate prefatory remark, the minister earlier announced the grant of \$1,000 to the concerned - what is their correct title? - The Concerned Citizens

Mr. Roberts:

Committee of St. Anthony to enable them to defray the expenses of their resistance, if you wish, to the Brian Davies-Greenpeace Group, and I am very happy to say they are peaceful in their peaceable resistance. The Committee have subsequently applied to the minister for an extra \$1,000 because their expenses have amounted to \$2,000. Can the minister tell us whether the government will agree to provide the extra grant that is necessary in that bills have been incurred and they must be paid?

MR. SPEAKER: The hon. Minister of Industrial and Rural Development.

MR. LUNDRIGAN: Mr. Speaker, actually I just received a very warm letter from the Committee in question, from Mr. Patey and Mr. Pilgrim, the people who are the leaders of the particular movement in St. Anthony. Originally the decision was made about a month ago or a little more than that to assist the Committee. We knew they could incur dollars and outlay funds that they could not really cover, they are all average working people. Mr. Pilgrim, I am advised by the Leader of the Opposition, is working in the -

MR. ROBERTS: Post Office.

MR. LUNDRIGAN: - Postmaster in the Post Office in the community.

MR. ROBERTS: He is not the Postmaster; he works in the post office.

MR. LUNDRIGAN: He works in the Post Office, and there is nobody certainly in the community that could help fund that kind of an endeavour, I think they did a very commendable job.

What we did when we approved the few dollars for the Committee, we approved \$2,000, and we made an allocation of \$1,000 in the hopes that that would defray the costs that had been incurred. I have been informed, as the Leader confirms, that there is excessive amounts beyond the amount of money so in essence to sum up -

MR. ROBERTS: Beyond the \$1,000.

MR. LUNDRIGAN: Beyond the \$1,000. To sum up, we are quite prepared to make the other \$1,000 available, and that again is a very small price to pay as a government for the level of involvement, the responsible endeavour by the Committee in St. Anthony. We also,

Mr. Lundrigan:

I might indicate, have worked with the Upper Trinity South Development Association that sort of tried with the development associations, quite a number of them, to re-enforce the leadership that was shown in St. Anthony, and we have been of some assistance to that committee as well.

MR. NEARY: A supplementary to the hon. Premier, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. NEARY: Would the hon. Premier tell the House if the government have yet put together the package for the worldwide advertising campaign to offset the adverse publicity that Newfoundland has gotten over the seal hunt? And if so, would the Premier tell the House if the government have selected an agency or individual to head this up and put together the package?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, no, that is not completed yet. There is a fair amount of work being done on it, and it would be seen at this time that it would be co-ordinated through some agency within government rather than some outside agency. We may get advice from outside people but it should be co-ordinated, we are hoping to co-ordinate it from within government itself.

MR. NEARY: A supplementary question, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. NEARY: Would the Premier tell the House if the representatives of the news media, the journalists that the Premier referred to in his statement in the House, have they been selected yet, and if so, would the Premier tell the House who they are?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: No, there is no one selected as such, Mr. Speaker. There were three members of the media who were doing some preparatory work in their own spare time and they have been very helpful. And until such time as the total programme is before us, I think it would be wrong to say what role each or all of us are going to be asked to play. Because we could very easily go off on an ad hoc basis and do one thing today and something else tomorrow. But I think it is very important that we have a full programme of what needs to be done between now and the next sealing season and also what government agencies, federal and provincial, and what individual members of the House, Sir, the Fishermens' Union or whatever, what distinct role each and every one will play.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: One additional supplementary, then the hon. the member for Port au Port.

MR. NEARY: Could the hon. the Premier give the House some kind of a ball-park figure of what the hon. the Premier thinks this publicity programme is going to cost?

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: It is impossible at the present moment, Mr. Speaker, until it is decided exactly what is going to be done. But I do not envisage that much outlay of monies. I think it is going to take a fair amount of time on some people's part. I think the subject itself is of such public interest that television exposure, articles in - magazine exposure, that sort of thing, I think it is of such public interest that hopefully this will be done just for its newsworthiness as opposed to a sales pitch and a campaign.

MR. SPEAKER: The hon. the member for Port au Port.

MR. HODDER: A question for the hon. the Minister of Transportation and Communications. Does the Department of Transportation and Communications intend to erect bilingual road signs on the Port au Port Peninsula?

MR. SPEAKER: The hon. the Minister of Transportation and Communications.

MR. MORGAN: Mr. Speaker, as I indicated last year, I think, while out in the area of Port au Port when a request came in that there was no intention, no consideration given to erecting bilingual signs. The reason given at that time still stands, based on the fact that we are changing over our signs this year 1976 and 1977, the deadline is the end of September to change over all signs to the metric system, and because of the very heavy demand on our sign shop and the work crews in the sign shop, there will be no

MR. MORGAN: bilingual signs for this year either, 1977.

MR. HODDER: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary.

MR. HODDER: In view of the number of French speaking people on the Peninsula, and in view of the fact that French is the language of instruction of a number of students on the Peninsula, and in view of the fact that the federal government has designated the Peninsula as a bilingual area of Canada and provided a French language television station, how does the minister reconcile his refusal of bilingual signs? Because last year -

MR. SPEAKER: Order, please!

I must point out to the hon. gentleman that the question as it developed did become argumentative. I would ask him to rephrase it in a orthodox manner.

MR. HODDER: How does the minister reconcile his refusal of bilingual signs since I have it in writing that he did refuse in writing last year forever, as far as I could see.

MR. SPEAKER: The hon. the Minister of Transportation and Communications.

MR. MORGAN: Mr. Speaker, any decision I make I hope is never to be interpreted as forever. The decision made last year -

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: - the decision made last year, Mr. Speaker, is the same decision made this year, in fact made just recently as I earlier indicated because of the very heavy workload on the sign shop we are not able to get involved in bilingual signs this year.

MR. HODDER: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. HODDER: Does the minister agree that French culture in Newfoundland needs to be protected?

MR. SPEAKER: The hon. the Minister of Transportation and Communications.

MR. MORGAN: Mr. Speaker, I agree that the French culture throughout the country of Canada needs to be protected. But also, looking at the situation in Quebec, the English culture needs protection.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the member for Eagle River.

MR. STRACHAN: A question for the Minister of Industrial and Rural Development. Could the minister confirm whether the three sites have been selected for the possible construction of concrete production platforms? And would he identify those sites?

MR. SPEAKER: The hon. the Minister of Industrial and Rural Development.

MR. LUNDRIGAN: Mr. Speaker we have identified a number of sites in the Province that lend themselves to the construction of the heavy technology

Mr. Lundrigan.

required for offshore oil and gas production. Now the work has been done by Nordco, our own corporation with the federal/provincial corporation. The Cabinet have been made aware of the sites, but I do not think it would be appropriate at this moment for the government to announce sites, because it might prematurely build up anticipation and hope in areas where really the potential is more long-term than immediate. But the sites have been identified, and in 1977 there will be some detailed engineering and soil testing and aggregate identification work done in the regions that have been selected as the prime sites. There are quite a number of sites that we are very happy to indicate that have been identified as areas, maybe the only parts of the North American East coast that lend themselves to this type of technological development.

MR. STRACHAN: A supplementary.

MR. SPEAKER: A supplementary.

MR. STRACHAN: Could the minister indicate whether oil related industries have shown any interest in any of these sites, whether they are oil related businesses and so on?

MR. SPEAKER: The hon. minister.

MR. LUNDRIGAN: Mr. Speaker, there has been some interest shown by some North American concerns where there are already existing oil and gas offshore development. There are a number of companies, Norwegian, French, British that have paid a particular interest to knowing and learning about the sites in our Province that can lend themselves to this heavy technology development we are talking about, literally hundreds of millions of dollars for one piece of technology in this particular case. There are at least three large companies that are very, very progressive and advanced in their work in this area that have participated with the Province and the government in trying to carry out some of the assessment that is now being done by Nordco.

MR. STRACHAN: A final supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. STRACHAN: Could the minister indicate whether there is any legislation contemplated to prevent the inevitable land speculation which will most certainly occur around these sites and which may be taking place already in view of the fact that these oil related companies know the sites, although we do not know them?

MR. SPEAKER: The hon. minister.

MR. LUNDRIGAN: Mr. Speaker, we are aware of the problem.

The member quite properly points out one of the problems that is always a related problem, whether it is developing technology for offshore oil and gas or any other kind of major development. But certainly the Province would not want to mislead the people in any way or the House in trying to give the indication that we are talking something that is really of an immediate kind of nature, and we are talking a number of years down the road. And this 1977 session will really refine the kinds of questions the member has presented like in final determination and all of the kinds of hundreds of questions that need to be answered so that the Province can have a proper package to present to industry that might be interested in the Province. But this question is being determined and being anticipated by the government at the moment.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. NEARY: Would the minister care to indicate to the House if the minister thinks now with the government on a disaster course as far as offshore oil drilling for gas and oil is concerned, if there will still be the same interest in building offshore platforms, with all the companies pulling out because of the government's policy?

MR. SPEAKER: The hon. minister.

MR. LUNDRIGAN: The premise of the member's question makes it difficult to answer. First of all, the government perhaps are taking the kinds of initiative - obviously the Opposition feel the same way - that it is absolutely essential to protect the resources for the betterment of the people of this Province, bearing in mind -

MR. NEARY: That is a phoney argument.

MR. SPEAKER: Order, please!

MR. LUNDRIGAN: Number two, Mr. Speaker, and this is not a phoney argument - if we had had the same argument ten years ago we would not have to be in court today with the Quebec Hydro situation. But on the other side of the coin, aside from what happens off the coast of Labrador and the coast of Greenland, there are potentials in the North American context existing already that could bring about developments in this Province that we are working towards. So his question on the one side is not relevant and on the other side I cannot agree with the premise of the question.

MR. NEARY: A supplementary question, Mr. Speaker.

MR. SPEAKER: One additional supplementary.

MR. NEARY: Mr. Speaker, would the Minister of Intergovernmental Affairs - I was hoping the Premier would be in his seat, Sir, so I could toss this one at him - would the Minister of Intergovernmental Affairs tell the House if it is possible to give the oil drilling companies a guarantee that their exploration and production rights would be protected after a settlement of the jurisdictional dispute is over so that they can continue with drilling off our coast? Is that possible, or is it not possible? This seems to be the hang-up, not than driving the oil companies away.

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: It may be possible, Mr. Speaker, but the real issue is whether or not it is desirable. I am not prepared to decide that.

MR. SPEAKER: The hon. member for Lewisporte followed by the hon. gentleman for Conception Bay South.

MR. WHITE: Mr. Speaker, my question is directed to the Minister of Transportation and Communications, and it comes from the continuing and ongoing debate between Ottawa and the Province with respect to the operations of ferry services along the North East Coast of Newfoundland. Could the minister

MR. WHITE: indicate whether or not the provincial government has come to an agreement with Ottawa at the moment with respect to the operations of ferry services?

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

MR. MORGAN: Mr. Speaker, I would not go so far as to say that we have come to an agreement with Ottawa, but on the vice versa. Ottawa has come to an agreement with us. On the fact it seems that they have recognized our position, and our position has always been that these ferry services are to be maintained, both the operational aspect and the capital outlay for facilities, both on the federal level of government. And a threat was left hanging over our heads for quite some time, and it was left obvious from the action taken in British Columbia, our position was then and is now that these ferry services, because they have been maintained and operated by the federal level of government since Confederation, and I am talking about the seven ferry services in our Province, that they should be still continue to be operated under a subsidy with the federal government and the services maintained and the facilities improved.

I am of the impression from statements made by the federal member for Gander - Twillingate, and I commend him for his interest in this matter, he has been quite helpful to me and to officials in my department, with regard to the pressing need for improved facilities that I think it was yesterday or this morning I heard him on a broadcast and voice tape saying that he had learned that funds are now being made available by the Treasury Board and Public Works to build new facilities. I am hoping that the facilities will include the required improvements at St. Brendan's service, on the Fogo service and on Change Islands in particular. Change Islands is in desperate need of improved facilities.

So in a very brief reply again, it seems that Ottawa has come to recognize that our position is the correct one, that these

MR. MORGAN: ferry services are the responsibility of the federal government and the indication is to date that they will carry on the operation of these ferries.

MR. WHITE: A supplementary, Mr. Speaker.

MR. SPEAKER: The original questioner.

MR. WHITE: Mr. Speaker, my supplementary is to the minister with respect to the so-called recognition by Ottawa. I wonder if the minister could tell me whether or not this recognition came in the form of writing before the March 31st. deadline, as I understand was sort of the understanding between Ottawa and the provinces, something would be arrived at before the end of March?

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

MR. MORGAN: Yes, Mr. Speaker, there was considerable correspondence over the past three weeks both from my level, as Minister of Transportation, to my counterpart the hon. Otto Lang, and also from the level of the Premier to the Prime Minister, and also from the level of my colleague, the Intergovernmental Affairs Minister to both the Prime Minister and the Minister for Transport in Ottawa, and in fact just one day before the deadline of five contracts to expire, and the five being St. Brendan's, Fogo, Change Islands, Greenspond and Long Island. These were due to expire, the contracts with the operators, March 31st. In fact the day before the deadline a telegram came to me from the hon. Otto Lang indicating that the subsidies will continue throughout 1977.

MR. WHITE: A supplementary, Mr. Speaker.

MR. SPEAKER: The original questioner.

MR. WHITE: Mr. Speaker, my supplementary is to the minister. I wonder if he could tell the House whether or not he has been informed that the federal government now intends to construct new ferry terminals at all the locations that have been mentioned today? Whether he has been officially notified that this will go ahead as I understand it will.

MR. SPEAKER: The hon. Minister of Transportation and Communicatons.

MR. MORGAN: No, Mr. Speaker, we have not been officially informed.

We have had some sort of vague indications that these improvements required will be carried out this year, but taking into context the statement made today I think by the Member of Parliament for the area concerned that funds have been approved, we will not be persuing through the official channels to get confirmation that these new facilities in some areas, and improvements and modifications to existing facilities in other areas will be carried out in 1977.

MR. SPEAKER: The hon. member for Conception Bay South.

MR. NOLAN: Mr. Speaker, I had hoped to ask a question of the Minister of Finance and President of the Treasury Board, however he is absent, then I would go to the Minister of Health, however he is absent; or the Minister of Manpower, and he is absent, so I will have to address the question to the hon. House Leader - or the Premier but he is absent. So I will go to the Minister of Justice and perhaps the Minister of Jutice may be in a position to bring us up-to-date on the current situation regarding the strike at the Waterford Hospital?

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, I think the only prudent thing for me to say at this time is that the hon. gentleman from Conception Bay South is very observant in noting the absence of the various ministers that he has listed.

MR. NOLAN: Responsible.

MR. HICKMAN: The reason for for their absence is I understand that they are presently meeting and ordinary prudence and responsibility would dictate, that that is where it should be left at this moment except -

MR. NOLAN: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary. The hon. member for Conception Bay South.

MR. HICKMAN: I have not finished yet.

MR. NOLAN: The hon. Premier is standing in the doorway.

MR. HICKMAN: I am not talking about the hon. Premier.

MR. NOLAN: But he is one of the ones I mentioned.

MR. HICKMAN: The hon. ministers, who I say are not here right now, are meeting and I think we can fervently hope and wish some success at their meetings. But that is where they are now.

MR. NOLAN: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. NOLAN: Perhaps the minister might be good enough to then tell us if the ministers concerned are meeting with the union on this matter.

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, they are meeting and it has been suggested that we should leave it at that if we are indeed anxious to see this matter resolved.

MR. SPEAKER: The hon. member for Trinity-Bay de Verde.

MR. ROWE: Mr. Speaker, my question is to the Minister of Municipal Affairs and Housing and it relates to individuals who are living in unincorporated communities and who work in incorporated communities. Do these people who live in unincorporated communities and work in incorporated communities, do they have to pay service fees to the community in which they are working for the full year although they may be only working part-time in that particular community?

MR. SPEAKER: The hon. Minister of Municipal Affairs and Housing.

MR. DINN: Mr. Speaker, it is my understanding that if they are there for three months then they have to pay the service fees.

MR. ROWE: Mr. Speaker -

MR. SPEAKER: A supplementary.

MR. ROWE: Is the minister aware of the fact that people who have worked for only eight weeks have been asked to pay the service fees for the whole year?

MR. SPEAKER: The hon. Minister of Municipal Affairs and Housing.

MR. DINN: Mr. Speaker, no, I am not aware of that fact and I will check it out and get back to the hon. member.

MR. SPEAKER: The hon. member for LaPoile followed by the hon. member for Lewisporte.

MR. NEARY: Mr. Speaker, again I was hoping the Premier would be in his seat. But in the absence of the Premier I would like to toss a question at the minister responsible for Intergovernmental Affairs because this is an intergovernmental matter. Would the minister tell the House if the government is now resolved to the fact that there will be no offshore drilling either off Labrador or off the Coast of Newfoundland in this calendar year?

MR. SPEAKER: The hon. Minister of Intergovernmental Affairs.

MR. HICKMAN: Mr. Speaker, I do not think we are resolved to any such fact. There has been a public indication from certain companies that they are not prepared to drill offshore this year. They have given various reasons and varying reasons. I have read with interest the comments of the hon. Alastair Gillespie, the Minister of Energy in Ottawa, and I can simply say that we are not on his wave length and most assuredly his position is not in the interests of Newfoundland and Newfoundlanders.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: The original questioner, a supplementary.

MR. NEARY: Mr. Speaker, obviously the minister read Mr. Gillespie's statement. What does the minister have to say about Mr. Gillespie's comment, that it is a very shortsighted policy, that the provincial government here is cutting off its nose to spite its face concerning this whole matter of offshore drilling? What does the minister have to say about that? It is a rather serious charge.

MR. SPEAKER: The hon. Minister of Intergovernmental Affairs.

MR. HICKMAN: It is not a very serious charge, Mr. Speaker, because the hon. Mr. Gillespie is not known as a very farsighted individual.

MR. NEARY: A supplementary.

MR. SPEAKER: A supplementary.

MR. NEARY: Would the minister be able to tell the House the names of the lawyers who are currently involved in preparing the government's case, the Province's case on offshore jurisdiction, I suppose that is coming

MR. NEARY:

before the Supreme Court? God only knows when.

MR. SPEAKER: The hon. Minister of Intergovernmental Affairs.

MR. HICKMAN: We are not going to fall into the trap that the Province of British Columbia fell into, Mr. Speaker. Just in case anybody is taking notes to send off to our mortal enemies in this issue, Ottawa, we will not fall into that trap. We have some very competent and able lawyers and there is at least one, particularly our lead counsel, who it would not be in the public interest for me to state at this time because I have no intention of letting Ottawa know some of the trump cards we have up our sleeve.

It has been announced - you know, I would hope there is not a Newfoundlander born or living today who would be prepared to go out and lay out on the table to Ottawa so that they can take advantage of this Province what our proposals are and our approach will be in this case. British Columbia made that mistake and we are not going to do it. It was announced in this House quite some time ago the names of some of the lawyers. One is Mr. Cabot Martin, who is a Newfoundlander, and that should not be a handicap. We are very proud of the fact that he is regarded as one of the authorities in offshore disputes. Another

Mr. Hickman:

is Mr. Leo Barry soon to become Professor Leo Barry, formerly a Professor of Constitutional Law at by far the best Law School in Canada, Dalhousie Law School -

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: He will be a Professor of Constitutional Law, which means that he too is no slouch in his knowledge of Canadian Constitutional Law. That is two. Mr. Keith Mercer, of my department, because in the final analysis it will go through my department, is involved, as has Mr. George B. Macauley, Q.C. The gentleman from Yale and another gentleman from Cambridge, one is Mr. Jenkins, their names escape me, they have been doing a great deal of work on it, and then Professor Forrest, the hon. Leader of the Opposition -

MR. ROBERTS: LaForrest,

MR. HICKMAN: LaForrest, not Forrest - and then we will have a very senior expert counsel with many years experience in the Supreme Court of Canada who has done a lot work on constitutional cases who will be the lead counsel when we appear in the Supreme Court of Canada, and I am not going to let the feds -

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: - and I am not going to let the feds know the name of that gentleman.

AN HON. MEMBER: A supplementary.

MR. NOLAN: The Lord himself would not know.

MR. SPEAKER: One additional supplementary from the original questioner.

MR. HICKMAN: You hope we lose it, eh?

MR. ROBERTS: No, no!

MR. NEARY: Would the minister tell the House if he has any idea when the Province's case will be ready for presentation to the Supreme Court of Canada? And could the minister give us some idea of how long it will take before this thing is finally settled? Can we look forward in our lifetime, that is what I am getting at -

MR. NOLAN: Before the hon. gentleman goes in the Hoyle's Home.

MR. NEARY: - to oil or gas being discovered off our coast?

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Well now, Mr. Speaker, that is a rather difficult question. The hon. gentleman from Conception Bay South (Mr. Nolan) says can we look forward to answer before the hon. gentleman opposite go to the Hoyles Home? Will that case come on? I say, No, because most of them are ready for it now.

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: But be that as it may, the position right now is that the Minister of Justice of Canada, Mr. Basford, asked if we would be prepared to sit with his officials, with his solicitors and start working on the terms of reference?

MR. NEARY: Only the terms of reference -

MR. HICKMAN: That is right. Because we are not -

MR. NEARY: Why do you not go and negotiate a settlement, boy, and get it over with?

AN HON. MEMBER: We are not going to rush.

MR. HICKMAN: That is right, we are not going to rush, most assuredly not. And if hon. gentlemen -

MR. NEARY: Procrastination is the thief of time.

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: If hon. gentleman are at all aware of what happened in the British Columbia case, what happened there was that the Province of British Columbia refused to negotiate on the terms of reference with the Government of Canada. The result was that the terms of reference that went before the Supreme Court of Canada were those prepared and submitted by the Government of Canada -

MR. NEARY: You are getting hoodwinked by the lawyers, boy!

MR. HICKMAN: - and that was a tragic mistake, and it is a mistake that this Province will not make nor will this Province be a party to.

MR. NEARY: The biggest mistake you are making is having a bunch of lawyers involved. Get them out of it.

MR. HICKMAN: Secondly, Mr. Speaker, we have indicated, and I indicated as late as two weeks ago when the hon. Ronald Basford P.C., that means Privy Councillor, when he was in St. John's and met with me, I assured him that our solicitors were ready, willing, and able,

MR. HICKMAN:

and will continue to work with him on preparing a terms of reference, a reference which would be satisfactory to us and would be guaranteed to insure that all the issues from Newfoundland's point of view were properly put before the Supreme Court of Canada.

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: At the same time, Mr. Speaker, - as part of our research - we asked many, many months ago if the Government of Canada would would with waive for our benefit, and for the benefit of our researchers, the so-called secrecy rule so that we could have a look at some of the documentation that is in the hands of the Government of Canada with respect to this issue. And as of today they have not said yes. And, you know, as far as I am concerned, and as far as the government of this Province is concerned, on this issue the phrase is "No surrender" and we are not going to -

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: - we are not going to sacrifice the position of this Province, and if the Government of Canada is prepared to co-operate,

MR. NEARY: Oh, oh!

MR. HICKMAN: If the Government of Canada is prepared to co-operate with us, we will co-operate with them in ensuring that the terms of reference are such as will bring all the issues before the Supreme Court of Canada.

MR. NEARY: We will all be in the Hoyles Home

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: Now what the outcome will be I do not know. But I hope, I would hope, Mr. Speaker, that there is no hon. member in this House, because if there is, he or she is all alone.

MR. NEARY: Start waving the flag now -

MR. HICKMAN: - He or she is all alone who would be prepared that we surrender in any way, any rights that we have without having this adjudicated by the Supreme Court of Canada. We are not going to do it, and if there is

MR. HICKMAN: any hon. member of this House who wants to surrender these rights I say, Stand up now so your fellow Newfoundlanders can condemn you.

AN HON. MEMBER: All lawyers, from the Law Society.

MR. SPEAKER: Order, please! I must direct hon. gentlemen to my right that they may not and should not interfere with answers in that manner.

The hon. member for Conception Bay South I had indicated I would recognize and the time being so short it will have to be now.

MR. NOLAN: Mr. Speaker -

MR. STRACHAN: Let me ask it.

MR. WHITE: Yield to Strachan.

MR. NOLAN: Yes, if I may I would like to yield to my hon. friend.

ORDERS OF THE DAY:

MR. HICKMAN: Order 7, Bill no. 25.

MR. SPEAKER: Order 7, the adjourned debate on Bill No. 25, adjourned by the hon. member for Eagle River.

MR. STRACHAN: I get the opportunity to speak now, or forever hold my peace.

The bill concerning the Burgeo Fish Industries Limited, which my friend from LaPoile (Mr. Neary) was so expansive last Friday on, seems to me to be complicated in a sense that it should be really two bills. It should be split in two. Because we feel very strongly in the first part of it that you would most definitely vote for it on the basis that it is a benefit to Burgeo, that Burgeo requires such a fish plant and it has a benefit to the people of the area and the fishermen and the future of the area.

So we have no argument whatsoever on that basis. We feel that we are happy for the people in Burgeo and that there is little argument that the people need it. However, the management agreement which is combined into it, if it was a separate bill we almost definitely would vote against it. And we have looked

MR. STRACHAN: at some of the reasons why we would vote against this part of it, and we find out for instance that the plant was bought from Lakes for \$2.6 million or close to \$3 million, and there will be put into it by the time the plant is completed another \$9 million, making a total then of \$12 million for the fish plant at Burgeo.

Our argument here is that the management clause gives to the company, National Sea Food, who essentially are Nickersons and Sobey's, and behind them are Westons, it gives to them almost a complete monopoly on the fishery of the Burgeo area. We find, for instance, that they have a management clause in which all they are putting into it, the government have put in \$12 million, but all they are putting into it is \$500,000, not as direct capital but \$500,000 which they are loaning into the operation. And we feel very definitely here that this is totally wrong, that what they are being given is a virtual gift. What we are doing here is that we have given away a great deal of other resources, fifty-two per cent of the Island belongs to outside corporations, forty-one per cent of Labrador is conceded away or rented away to outside corporations, and what we see happening with this bill here is that under the guise of a management clause we see the fisheries of this Province being given away to another corporation, and a corporation not from within the Province but a corporation from without the Province. They assume no losses whatsoever, should there be losses in the next seven or eight years they assume none of it. All they are responsible for is the management.

We find that they get a management fee, and I may be wrong on this, I have a figure of \$75,000 a year plus five per cent of profits, yet when I look through the management structure here I see a figure of forty per cent of the profits. However, it be where it may, it is immaterial what profits they take out of it.

MR. LUNDRIGAN: They get that for being a partner in the company.

MR. STRACHAN: That is their partnership, is it, the forty per cent? Be that what it may, what does happen is that this virtually gives away to an outside corporation

MR. STRACHAN:

a great deal of the fisheries of this Province. The member for LaPoile (Mr. Neary) made the case that surely there are people in Newfoundland, or Newfoundland businessmen, Newfoundland fishermen, fish processors, almost anyone who would love to get a sweetheart deal like this. Anyone could, given this kind of deal, operate under it. But what we have got to do is we have got to go outside and bring in an outside corporation and give to them a sweetheart package. They assume no losses and in seven or eight years time they have an option to buy, something into which the government has put \$12 million. They can get out of it at any time they wish. They pick up their \$75,000 plus five per cent, and if you examine the structure of these companies you can see that they also have a marketing package.

So what in essence happens is that a company is picking up a management fee, and a very fat management fee for running it. They are also purchasing and taking the fish products and marketing it through their own chain. So that Westons in the end will be marketing the fish and the fishery products coming out of the Burgeo fish plant. It means therefore that if they wish to, they could structure back as most vertically integrated companies do, they could structure back so that the operation in Burgeo never ever made a profit. They could make it so that it always just broke even, or if the most they get is a profit, it was a profit which fed them, just enough, no more. And they would pick their profit up not at Burgeo and not within this Province, but they would pick their profit up at the end point when they sell the fish products which leave this Province.

Therefore they could always keep it in a situation in which the Burgeo fish plant would always be requiring government subsidies, always requiring government funds, always requiring government capital, while they, at the other end of the deal in the marketplace in the states or whatever else they are selling, are picking up the profits which should really show in the books within this Province.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: All major decisions being made by some group Upalong.

MP. STRACHAN: Sure. I mean totally this hands it firmly into the National Sea and firmly into Westons' hands, exactly how they want to operate this. Virtually what has happened is that the government has handed it to them and said, "Here, you run it for us. We do not want to run it. You run it for us and here is a sweetheart management deal."

We are not arguing the fact that the plant should not be there or the fact that the people of Burgeo need it and we will vote for that. There is no question. But what we are saying is that if this was split into two, where the Burgeo fish plant was one bill and the management contract was another bill, we would vote for the first but we would not vote for the second. Because what it does is it gives away, as everything else has been given away, it now starts to give away the fishery. What is more important is that when we start looking at the makeup of some of these companies we will find that what we have in this Province, apart from a few independent Newfoundland fish processors, is the fishery virtually in the hands, firmly in the hands of two or three or four major corporations.

When you look behind the company structures you will find it to be Westons, or a corporation from the States, or a corporation from elsewhere who firmly have the fishery of Newfoundland in their hands, corporations who, if government subsidies are not prepared to come into it, can up and leave this Province and leave the fishery and leave that area absolutely devastated. What we are stating here is that we believe, firmly believe, that this plant here could be run by people from this Province, trained in this Province, with assistance and certainly if all is acquired for a \$12.5 million investment as a half a million dollars, surely there are some people in this Province who can put up half a million dollars for a \$12.5 million investment.

MR. NEARY: That is only by way of a loan, you know.

MR. STPACHAN: That is to say, it is only by way of a loan. The business is to pay that back to them. In fact in seven or eight years time they virtually have a plant with an option to purchase which they have paid nothing for, they have put no capital into, and they have picked up the produce, taken it to the marketplace and picked up the profit on the marketplace.

Furthermore there is a situation being created here that I guarantee you this company

MR. STRACHAN:

will come back in two or three year's time, two or three years at the latest, and come back and ask the government that because we do not have the draggers - we only have five on the list here - because we do not have the draggers to supply the fish plant in Burgeo we, therefore, require more draggers in order to supply the fish plant. And I will guarantee that it will show that they are operating at a sixty per cent or a seventy per cent capacity. Because they are operating at that capacity they are not making a profit. Their profits are being picked up at the other end. And they will indicate therefore that there is a need for trawlers to keep the Burgeo fish plant going. The next thing is we will be asked to make another investment, at \$3 million each for trawlers to supply the Burgeo fish plant or they will close down and leave. So what we got is a situation in which this company has got a beautiful sweetheart deal, as far as we are concerned, a beautiful sweetheart deal in trying to operate that fishery down in Burgeo. It has been taken away from the Province like another resource, taken away from the Province and handed out in a sweetheart deal to the fat cats from elsewhere. And we object strenuously to that part. And as we say - and I clearly repeat it time and time again - we are not against the bill on the basis that it gives a fish plant to Burgeo or that the people in Burgeo can work. But what it does indicate is that the fisheries of this Province are being handed over to a few, a very few national, multi national corporations who are eventually going to control the fisheries of this Province.

MR. NEARY: Our people are going to be sold into slavery, multi nationalism.

MR. STRACHAN: Sold down the drain.

This is a typical example of being sold down the drain, because we do not have the guts to go and do it ourselves.

MR. HICKMAN: Are you against Booth?

MR. NEARY: Am I against Booth?

MR. NEARY: Booth will pull out whenever they feel like it, too. They threatened to do it the other day.

MR. STRACHAN: Yes, they will threaten.

MR. NEARY: B. C. Packers will haul out. Atlantic pulled out.

MR. STRACHAN: What it is indicative of is that these companies and corporations will get us into such a situation and into such a bind that they will threaten to pull out and when they threaten to pull out we have to put more government money, more subsidization in order to keep them floating. Meanwhile I still say, and I say again, that these companies do pick up the profit not within this Province, but they pick up the profit outside at the other end, and that is the whole idea of vertically integrating your companies. That is the whole idea of why Weston's would not really care whether they made a profit here or not. What Weston's want is the produce to sell in the marketplace to pick up the profit there. And this is our major argument on this part here.

We feel also that - considering some of the statements from the Minister of Fisheries in which he has stated these plans require a certain quantity of fish, and the process of exclusive franchises, exclusive monopolies, a monopoly system is the only way it can work to keep the Burgeo fish plant going, or to keep National Sea Food out at Port au Port going, or to keep somebody else going somewhere else - eventually says to every Newfoundland processor, independent processor, eventually says to them that you cannot operate in that area, only the multi national corporations can operate. We think this is totally wrong, the splitting up of the coast, the splitting up of the fisheries and feeding it solely and totally to a multi-national corporation with no feeling for the Province, no intention when it runs into hard times of maintaining itself there, but will up and out of here and leave us holding the empty plant and nothing to do. We then are required to put more money back into it.

Mr. Strachan.

I also disagree with the basis that if the Province are going to put money in, and this amount of money in, then essentially the plant belongs to the people of the Province.

AN HON. MEMBER: What about management?

MR. STRACHAN: I will get to that. Management is no problem. You can find management people. But under this business here in which your management is Weston's Organization, you can train or you can bring in management, if you have to, to train your own people or you can train people here to run that plant. There are a lot of people here who have the ability within this Province to run that fish plant. I defy the fact that people here cannot do it. Charlie Martin from Bonavista went down to Atlantic Fish in Marystown, in Mooring Cove, and Charlie Martin essentially ran the Marystown fish plant for Atlantic fish. Charlie Martin did well at running the plant. The situation here - there are plenty of people around who have the ability, the experience, the expertise who could go in there and operate a fish plant like this.

MR. STRACHAN: Anyone -Oh! I am not saying for government, not at all, absolutely not, I am not saying that government should go in there. I am not talking about nationalization or provincialization, whatever you want to call it. Because I disagree with the process of government owning and operating businesses because what is done, whenever it is done, it always goes under, its always in there because it is forced to get in there and forced to be in there. I am not stating that at all. But what I am stating is that this management structure is a sweetheart deal for a corporation outside of this Province. And this management structure would have been better if it had been for someone within this Province who could operate the fish plant and the produce sold in the marketplace, and the profits and the revenue from the profits used to pay back the initial investment put in here by the government.

The government has essentially put in \$12 million and will virtually get none of it paid back. And I guarantee that will happen because companies organize their accounts, their books are made that way, and I will guarantee that not much of that \$12 million will ever be paid back in a seven or eight year period of time. In fact here, I think, was an excellent opportunity to get the people of Burgeo involved in the fish plant themselves, to get them involved even maybe in a participatory fashion. Some of our real problems with labour is because we push labour into an adversary position. we push them up against the wall and we do not look at the point of view that labour is as fundamental a part of a business as capital is, and as is the resource. There are three factors, the resource, capital and labour. And we have always had the

MR. STRACHAN: tendency to play down labour and think only of the capital and the resource. This is why we have the strife within the labour field that we have nowadays because we always push labour down and hold them to an adversary field. As soon as you have labour involved, directly involved in an operation, you will find that labour immediately change their attitude because they now have a stake in it, they now have a feeling that they have something to contribute. And if we could do that we have an excellent opportunity, starting with the Burgeo Fish Plant, to tear up the whole management contract here, build a plant, find some Newfoundland fish processor or someone who will manage it - and there are people available - ask for accountabilities in that the Province is putting the money into it, ask them to account to the Province for any capital expenditures, and allow the people of Burgeo to buy shares, to have some stake in the company themselves. Because if they do that, and this is not a socialist idea or a left-wing idea. ICI in Britain do it. Some companies in the States have a package deal for the workers in which they buy into the company. They feel then that they have part of the company, and I guarantee that if we got to the stage of having a labour force in Burgeo and the fishermen of Burgeo having a stake in their own company, having a stake in their own business, that you will not see strikes in Burgeo, you will not see labour strikes. You will see high production, higher production than you will by seeing an outside corporation force the people of Burgeo into some sticky position sometimes because they will not give them a raise in pay.

And I think that this would have been a good point, that this year with the 200 mile limit, the re-distribution of the fishery resource, this would have been a good point for

MR. STRACHAN: this Province to turn around and say "This is our fishery, it is going to be handled by us, not by outside corporations; it is going to be handled for the benefit of the people of this Province and we are going to retain control" But what this bill does, and I cannot see how anyone can think any different, what this bill does is essentially take our fisheries, a large chunk of our fisheries and hand it into Weston's hands through the conglomeration of Sobey's and Nickersons and National Sea, hand it into their hands and say "Here, you take it, and you run with it and you make what you can out of it"

We are virtually , absolutely, totally giving away our resource. We have given away our minerals, and now we are giving away the fishery because the deal is totally and absolutely a sweetheart deal. And I see the Minister of Municipal Affairs disagrees. Well it is a point of view that I would like to hear him debate and possibly he may want to give a few words on that. But I cannot see how you can look through this bill and think any different. The amount of capital that that corporation is putting in is next to nothing, absolutely next to nothing. The capital is being provided by this Province and by the federal government through DREE and Ottawa and so on.

So what we are saying here then is that there are two sides to this bill. We will vote for it, there is not question of it. I certainly will

Mr. Strachan:

and I would imagine most members will, almost all members, You would be foolish not to vote for it, Because how can you do anything else for the people at Burgeo.

MR. NEARY: We are in a real bind, We have to vote for it.

MR. STRACHAN: Oh sure, absolutely.

MR. NEARY: because we want to help Burgeo.

MR. STRACHAN: But if this bill had been split into two, a Burgeo Fish Plant bill, which we would vote for absolutely; and if it was a bill in which there was a management contract we would totally and absolutely vote against it.

SOME HON. MEMBERS: Hear, hear!

MR. STRACHAN: And that is why I say that by bulking it together the government is going to get us to vote for a bill which essentially takes the fishery of Newfoundland, and takes it and puts it into the hands of outside multi-national corporations. I think we should be jealously guarding, we should be jealously guarding our fishery, we should be ruthless in its management, absolutely totally ruthless, not like the past, and we should never change from our path. If we are going to be totally ruthless as the Minister of Justice states about our offshore position -

MR. NEARY: Let us be consistent.

MR. STRACHAN: - in a much more tenable position, then let us be consistent with our fisheries.

MR. NEARY: That is right.

MR. STRACHAN: Why do we not take the same ruthless position with our fisheries? What we are doing is virtually giving it away, handed it over on a plate to multi national corporations. And then the Minister of Fisheries stands up and states that no small processors in Newfoundland can operate close to these big businesses because he will be taking the fish away from these big businesses. It essentially removes all initiative, all initiative from the people of Newfoundland who had developed the fishery, and I should say, of course, Labrador, but we are talking here.

MR. NEARY: What they say is this, they ask a rhetorical question— would you prefer to have National Sea or T. J. Hardy? Well, I would rather have T. J. Hardy any time, a dozen of them.

MR. STRACHAN: Correct. The point of view is always to say, face us -

MR. SPEAKER (DR. COLLINS): Order, please! It is quite irregular for an hon. member to interrupt another hon. member who is addressing the House. He may ask if the hon. member may yield, that is quite in order. But to interrupt without so asking is quite irregular.

The hon. member from Eagle River.

MR. STRACHAN: Yes, the argument that we have here, and an argument that is always thrown back in our faces is, What is wrong do you not want National Sea?

AN HON. MEMBER: That is right.

MR. STRACHAN: Or do you want to kick them out? Do you want the fisheries to go down? Well I do not know, sometimes I feel that we may be even better off in the long term without National Sea. I sometimes feel that. You know, I sometimes feel that even if we did have a few bad years without them it may at least give the initiative to the fish processors within Newfoundland, who will have a stake in Newfoundland, who are going to remain in Newfoundland, who will stay with it come hell or high water, it may give them an initiative to develop a fish processing industry which means something. Now I am not stating—I think there are room for both— but I am sure that many, many companies if they saw the deal, many, many Newfoundland fish processors if they saw the kind of deal that National Sea is getting from this government, then they would be terribly, terribly angry.

I notice, for instance, that many of the small-time processors, and I do not have the minister's speech, he seems to have taken it to task, in parts of it, that they have some archaic viewpoints - the Minister of Fisheries, I am sorry, the Minister of Fisheries takes them to task if they have some archaic viewpoints and some of the small fish processors in this Province. And I wonder

Mr. Strachan:

exactly how much help, how much money goes into upgrading their fish processing facilities. I wonder what Arthur O'Brien, for instance, has got directly in the form of a large. huge subsidizes? Or P. J. Hardy, I wonder what he gets in this process?

What we see is that the multi national corporations, because of their smoothness, their slickness, their ability to negotiate -

MR. NEARY: They are slieveens.

MR. STRACHAN: - and because they treat us in many ways like hicks, that they can come down here and they can get the sweetheart deals and manage to tie this up, when the small-time processor here we do not have faith in him or believe him when he comes in and wants to develop a fishery, or to get in and develop another type of fish product, or try to diversify the fishery, which is the only answer for this Province. I still maintain that the only answer in the long term for this Province is not totally the huge deep-sea dragger fleet, but it is the inshore fishery. It is a most economical catching unit is the inshore fishermen, an inshore

MR. STRACHAN: fishery tied to the small processing plant. Again the Minister of Fisheries nails us on this and said, You cannot have a small processing plant in every community. We have never stated that, but what he is stating is that you cannot have a small processing plant wherever there are large corporations. In other words, what he is doing is chasing the small businessmen out of this province and what we need to do is develop it.

MR. ROBERTS: We need more small processing plants.

MR. STRACHAN: What we need to do is develop the entrepreneurs within this province, the private businessmen, the people who are prepared to gamble, the people who are prepared to take the risk and stay with it and stay here. I guarantee that giving Weston's two or three bad years, and this is all written in here, and they can walk away from it anyway.

I think the whole tack taken with it and to put them together in this rationalization of the fishing industry is totally wrong. We are going down the wrong road totally and absolutely. We start off with joint ventures, then we go to chartered vessels, and now we come full swing around and say we are going to start developing the inshore fishery. Then we start talking about the Hamilton Banks going to be closed off. How can you ever turn around and say you want the Hamilton Banks to be closed off when you are talking about joint ventures at the same time, or chartering vessels from Europe to go and fish the ice infested water? There is no sense to it. There is no policy. There is no direction. Everything goes, wanders around here, hither and thither. There is no direction to it. What we need to do, and it may be painful, but what we need to do is forget the short-term answer, or if we have to try and balance some short-term solutions-but that is not the way to balance your short-term solutions-and look down the road so that you give the opportunities to the Newfoundland fishermen, the Newfoundland fish processor and

MR. STRACHAN: develop it. If we are going to develop like Iceland like we tout around so often, then we must have a very wrong idea of how Iceland works. If we are going to develop them like Norway, then we still must have the wrong idea because this is not the way the Scandinavian countries have developed their fishery. And this is totally and absolutely a throw it out, giveaway. It is almost like government over the money, on the money, and for the money, rather than government of the people. It is giving everything right into the hands of the multinational corporations.

MR. NEARY: Heads you win, tails I lose.

MR. STRACHAN: You are always going to lose. The fishermen of this province continually under this kind of thing will lose. Now just in case my remarks are interpreted I will repeat it again: We are not against the bill and the building of the plant for Burgeo. We absolutely support it. It is of total benefit for the people there. It is needed, desperately needed. It will give a viable industry, create a viable industry down in Burgeo and as such it is therefore necessary. But what we do not like is the sweetheart management contract, and I still state that if someone can show me, can go through there and indicate to us where there is no sweetheart deal there, then I would be very interested in listening to the point of view. I hope the minister can reply to some of the points that we raised, reply to the management clauses, reply to the fact that they are vertically integrated companies. And I do not think that this province has ever been able, or many times has not been able, to understand how these vertically integrated companies often do not want to show a profit within this province but they want to pick it up at the other end. Everything is funneled or set aside and pushed into subsidiary companies, pushed into consulting fees, hidden where they can pick the profit up where it is not taxed or where they can show that the business is

MR. STRACHAN: running down, that it needs another injection of government money, and they come back to us again and three years down the line we give them another \$3 million of government money because we do not want to see Burgeo close down.

All they need to do is make a false hue and cry, say the business is going on the rocks, and come back to us, fight it for a few months and we put in another \$2 million, \$3 million without any of their direct capital going in.

MR. NEARY: Or if they do not give us four or five draggers we will pull out.

MR. STRACHAN: Oh yes, or threaten. You know the idea. They get very smart and very clever and what we should be doing, what we should be doing is developing a strategy, developing a negotiating strategy for all of these multinational corporations so that we tell them - we are the bosses, we are the rulers, we are handling all resources, no more concessions, no more shoving the profits down at this end and picking them up outside of this province. We want to see the real profits within this province and

MR. STRACHAN: we will get it within this province. If you cannot give it to us we do not want to see you. We do not want to deal with you. I do not intend to get into other topics. I feel strongly about this; on mineral resources I feel strongly about it and offshore oil and gas, because whenever you are involved in companies which are involved from the womb to the tomb, from birth to death, and that is what these companies are. Westons are now involved in catching the fish and processing the fish and shipping the fish out and marketing the fish and eventually sell it directly to the consumer at the end. So they now have control of the whole chain. What profits they do not want to show here they can pick up at some other end. Exactly the same as the oil companies do when they do not want to show a profit at the crude oil end. They do not want to show a profit at the gas going into the car. They get for instance less than one cent per gallon, oil companies in return, whereas the government takes most of it in taxes.

What they do within the refining process, and a control of the refining process, handle it totally and can manage to hide their profits. Exactly the same here, Weston's have now got full control through National Sea on the Port au Port Peninsula, Burgeo and a number of other areas of the fisheries here and they are going to take us to the cleaners. Absolutely take us to the cleaners! Keep the fish prices suppressed, keep the profits at the plant level suppressed, always squeal that they are losing money or coming close to losing money or just breaking even, or maybe just as they do in a good year break even enough to pay them their \$75,000, and no profits, nothing else left over for it, pick up all the profits at the end and continually run back to the province and ask the province to bail them out and threaten the province to build them three or four more draggers. Absolutely disgraceful, it is absolutely disgraceful that we can take our resource, our fisheries, the future of this province, the future of this province, and give it away so willingly to greedy,

MR. STRACHAN: greedy multi-national corporations. We could be processing that fish ourselves. We could be handling it on the market place through a fresh fish marketing organization, and which we are marketing and looking for the highest prices and of the guarantee that as the 200 mile limit effect comes into play that two or three or four years time down the road the marketplace will be looking for Burgeo fish. It will be demanding Burgeo fish. Westons know that. Otherwise Westons would not get involved in a deal like this. Westons are not interested in the Burgeo fish plant. They are interested in the fish coming out of it and they want control of it. This Bill has given in effect Westons total control from the fish swimming in the water to the fish in the plant to the fish on the truck to the fish eventually on the marketplace when the consumer goes into the supermarket. Total and absolute control and the Minister of Fisheries talks about, We are going to get back the fisheries for this province or the people of this province, Total, absolute nonsense!

The whole thing as I said, to me - I get very angry and very upset when I see this type of thing and that is how I believe this sets it up.

AN. HON. MEMBER: We have seen this happen before.

MR. STRACHAN: Yes, giving away the Upper Churchill. I cannot understand why we can get into this type of thing. We will vote for it, I imagine, I will vote for it because I certainly cannot, and nobody in his right senses can vote against the Burgeo people, or the Burgeo fishery. But had that Bill been split in two, then I would vote for the first part but I most definitely would vote against the second part which gives a sweetheart beautiful deal. They are a corporation outside of this province which does not give a damn, who does not care. By virtue of it, it almost looks as though our government does not care because it is giving away to them the resource, our finest resource, a renewable resource. Bad enough when we give away our minerals and we give away our land,

MR. STPACHAN: 52 per cent of the Island of Newfoundland is given away, 41 per cent of Labrador is given away, totally conceded away to outside corporations, almost totally outside corporations. Companies who can reap \$4000 million from the year 1949 to 1972, and only pay this province, although they took out \$4000 million out of it, only pay this province \$36 million in rent, \$36 million to the province and \$4000 million, \$3922 million actually, to outside corporations. Scandalous! We could be a have province if we handle our resources correctly, if we are ruthless, tough, fight. Do not listen to their bullying,

MR. STRACHAN: get out of the pockets, get out of the vested interests, stop selling our resources down the drain for a few shekles election time, and start viciously fighting to maintain the resources of this Province within this Province for the benefit of the people of this Province. And this bill to me is another example, it is another example, and worse even because it is dealing with the fisheries, the whole life blood of the Province, the whole heritage of the Province is in the fisheries. It is bad enough when we give away minerals, we can understand that we never had the expertise - well we can half excuse it - that we never had the expertise to handle the slick companies, these iron ore and power corporations and minerals. But to give the fisheries, which is ours, which is the peoples here, in which they have had that much experience, that we cannot hold our heads up, that we cannot toughen our attitude, that we cannot say it is ours and we are going to run it and we are going to own it and if you want it you come and see us. If you want our produce you come and see us and we will sell it to you. But we will operate it for the benefit of us here.

I do not see in the bill, apart from the jobs which are created in Burgeo, which is wonderful, apart from the jobs on the boats, we are still virtually taking the money of the people of this Province to finance almost totally, finance an outside corporation to control our fishery. As I said, it almost in some ways breaks your heart because you are torn between two things, of voting against it on the principle of it - the principle and management contract - and yet being forced because of the people of this Province, and because the benefit in jobs to the people of this Province, that you got to vote for it. But I think the day must be over when all we are looking for out of a business is the jobs. That is short-term development

MR. STRACHAN: in the narrowest sense. We must look for most definitely long term development for the benefit of the people, increase their pride, increase their courage, increase their initiative, increase their enterprise and get people of this Province running the Burgeo fish plant. Not getting the Weston's organization, call in a supermarket chain to come in and get its produce here and rape, virtually rape the fisheries of this Province, and that is exactly what this bill does.

AN HON. MEMBER: Do you want to speak John?

MR. NOLAN: Mr. Speaker, I would merely like to comment, and not to interrupt the hon. minister at all and I will not delay him very, very long believe me. My hon. friend from Eagle River has certainly summed up some of the major concerns that you would have to encounter when looking at this bill. Because the time is long gone when we can merely be the hand-basket here in this Province to make those - there are people in this world who are out to make a profit, This in itself is not sinful. What is sinful is that we have to examine how much is enough. Is it enough, for example, to put a million dollars into any kind of a project, public money, where we in this Province, and God knows we need every cent that we can get, where we take all the risk, where we finance them and where they have a contractual arrangement whereby the profit situation, such as my hon. friend referred to, can be controlled by dickering with the books, by fixing the books, by having inter-relationships with other companies, and how it is virtually impossible for us to examine exactly what is happening. If a company is not making a profit, are we willing - and this has been in many ways our history - to take the word or the information that is available in book form that is in this Province? But we have got to look closer than that. How often have many of us here talked privately and sometimes publically about certain

MR. NOLAN: areas where we have put substantial amounts of public money into one enterprise or another. What we have done is this, in some instances; we have taken perhaps a prominent civil servant and put him on the board of directors, so-called. But what has happened, Mr. Speaker, is this, unfortunately many of the people we have put on the board of directors in the past have been very busy men and women, very busy, and often times the only time they get to the directorship meetings is perhaps once a year. They really are not in touch with the totality of the situation that exists, and then at the end of the year when you get the audited statement, audited by a proper chartered accounting firm, you have to accept it of course. But the fact is too often we have left ourselves in a position where we have

MR. NOLAN:

huge amounts of public money invested. We have people who are coming to this Province for one reason and one reason only and that is to make a profit. Now as I said at the beginning there is nothing wrong with that. What is wrong is when we give them control that they are not entitled to, when we are prepared to pass over - I mean why is it, why, because someone is prominent in business on the mainland that we feel they are better at managing our resources, our plants, they have to have the ownership and so on and that there is no one of the 600,000 souls here that can do it. I mean what kind of a blind spot do we have? You know, it is frightening. We have got to forget this business if he is P.C. and I am Liberal and if the P.C.s do it everyone must say, Hurrah if you are a P.C. or if a Liberal does it we all must shout Hozannas, it is great. It is not great. And you have one crowd, as he mentioned, who has taken \$4,000 million out of this Province in the last few years. The return to us has been something in the vicinity of \$36 million. Now you do not have to have a degree in economics to figure out there is something rotten in Denmark here. Oh God, I know what some of the ministers go through. Believe me I know. This is not a Province where people flock to with investment money and so on. It is not a place, and I know how difficult it is to try to provide jobs. And who knows better right now than members of this House of Assembly. I am sure the Minister of Education, who is out there now, knows as sure as I am standing here that down the road this month, next month and the month after there are young people coming out of Memorial University, they are coming out of the Trades College, they are finishing grade eleven, they are finishing secretarial courses, they are finishing as electricians and so on - what are they going to do?

Now it seems to me that in this Province too often is a game of one-upmanship. That is if you are P.C., well fine. You have got

MR. NOLAN:

a better answer than I have and anything that I suggest must be examined and carefully scrutinized because you cannot trust those bloody Liberals, if that is parliamentary, Mr. Speaker, and vice versa in many instances. I could say the same of Liberals towards certain people who may because of their political philosophy look to the P.C. Party. But I feel that if we as Newfoundlanders were to spend a little more time concentrating on the main problems that we are faced with here, rather than calling each other names I think we would be farther down the road in the problems that we have to face up to. My God, it is enough to break your heart! No matter what side of the House you are on, when you have a situation as I have and as I am sure all members in this House have, how often do I speak to mothers, for example, whose husbands have had to go to Alberta or some other such place, and here they are out trying to make a living, trying to get home maybe at Christmas time. How often do I have calls from mothers saying that, you know, "I have spent good money. We have worked hard. We have skimped. We have gone without many necessities to put our children through school only to have them go away to work," whether it is in Toronto, Alberta, Boston or wherever, not because they want to go. We have failed to provide the opportunity. I have never subscribed to the theory that the world owes you a living, never. But I do feel that it is our job collectively and individually to attempt to provide opportunity. Is it any wonder, is it any wonder I have heard people complain that the galleries are not crowded. The people do not come in here. The House is irrelevant and so on. I mean, what have we done since we opened here in January or February or whatever it was?

AN HON. MEMBER: We have talked.

MR. NOLAN: Yes, we have talked.

MR NEARY: A talk shop.

MR. NOLAN: Well, it should be a talk shop. But surely it should be for the exchange of ideas. Surely that is the name of the game, the exchange of ideas, to examine where we have been, what was wrong and what, if any, lessons we have learned from the past and where we are going to go from here. I mean, what have we done in this current session of the House of Assembly where the people who are listening on radio or reading about it in the press can say, "Here is something that the hon. members have done

MR. NOLAN: that is going to be beneficial to me, my family this year and on into the future!"

I mean, is there anyone in this House, no matter what side he is on, who is not disturbed at all by the fact that \$4,000 million have gone out of this Province for a return of about \$36 million in the last few years? Is there anyone?

Newfoundland and Labrador Corporation, how much money - perhaps the Minister of Justice could inform me - how much have they taken out of here in the last few years? And what have they done for it? What service have they provided to the constituents in my hon. friend's district? What have they done? I believe in paying for service rendered, but how much is enough? As long as we continue to remain silent and are willing to merely nod our heads and shrug our shoulders and so on on these things, there is no way in God's world that the people of this Province can look to us with any respect as those who are interested in their future, that we represent as we are supposed to do, by the way, beyond the shadow of a doubt, we are only here for one reason, we were elected by the people for a certain period and we are here to try to protect their best interests, to change what laws and acts are bad and are working against them. We are here to see to it in conjunction with the consultation, obviously, from people not only in your own district, but throughout the Province.

When a member is elected here, while he is, Mr. Speaker, responsible to his own district, the fact is he represents all the people in this Province.

Now I have a little chiding remark or two to mention about my hon. friend opposite, the Minister of Rural Development. The Minister of

MR. NOLAN: Rural Development - no, I am not going to be very hard on him - the Minister of Rural Development needs an information officer. He needs something because I know of instances where he has done good work but it has not seen the light of day in terms of public recognition.

MR. LUNDRIGAN: A very poor politician.

MR. NOLAN: I am sorry to say that, but I think perhaps the hon. member might concede that I have a point.

MR. NEARY: He still thinks he is in opposition.

MR. LUNDRIGAN: I am one of the quiet politicians in the Province as far as flexing my political muscles and bragging about what I am doing. That is what the member is saying.

MR. NOLAN: No, not exactly. No, that is not exactly what the member is saying. What I am saying is that the minister perhaps all too frequently is keeping his good works well hidden. And as long as he continues to keep them well hidden there are those who will not merely accept facts that we have created 1,000 jobs this year or 500 jobs that year. They want to know where, how and why.

The minister, I know from personal experience, where he has - and it has never appeared in the press and it is not going to, not from me and I suspect not from the hon. minister - But there are times perhaps when I know - no perhaps about it, I do know - when he has gone beyond his normal ministerial jurisdiction - what I am saying is no direct responsibility, on his own, on a request from me for one that I know of - and he has gone and helped the poor soul.

Now I think the minister has

MR. NOLAN: to learn now that there are things being done in his department that he has to start speaking out about. I believe he has to do it better than he has in the past, and I offer this in the best, believe me, with the best of intentions. Because I think, for example, on Rural Development grants and so on, I know of good things that have been done within my own area. What I am saying is I believe the minister has to lay it on the line. All I say to the Minister, with respect, Mr. Speaker, is Coca Cola does not run one commercial a day. You have to tell the story of how it is done and where it is done and why and the follow-up and so on. So I hope he will consider that.

Now I do not know if my hon. friend was referring - was it NALCO you referring to on the \$4,000 million?

MR. STRACHAN: All the mineral companies.

MR. NOLAN: Oh, the mineral companies.

MR. STRACHAN: I.O.C.C.

MR. NOLAN: Yes, but I think in a recent T.V. broadcast you mentioned something in reference to NALCO was it? Labrador Mining, or what was it?

MR. STRACHAN: Labrador Mining.

MR. NOLAN: Yes.

MR. STRACHAN: Exploration. \$35 million.

MR. NOLAN: How much have they taken out?

MR. STRACHAN: \$30 million a year.

MR. NOLAN: They have taken \$30 million in what period?

MR. STRACHAN: Oh, just one year, last year.

MR. NOLAN: Okay, so Labrador mining took \$30 million -

MR. STRACHAN: Last year for shuffling paper.

MR. NOLAN: - last year for shuffling paper.

MR. NOLAN:

How much do we get back in return?

MR. LUNDRIGAN: \$5 million.

MR. NOLAN: \$5 million. Now I am asking the hon. Minister of Justice, the Minister of Rural Development, if they took \$30 million out does the minister feel that the service they provided to the people of this Province was worth \$30 million? To feel that our return of \$5 million - I mean is this the way we are going to develop this Province? Is this the way? There has got to be a better system that we are into.

MR. STRACHAN: Davis Sea Oil.

MR. NOLAN: Are my figures wrong, incidentally?

MR. LUNDRIGAN: (First part inaudible) - Burgeo.

can I? If I cannot -

MR. NOLAN: Oh, of course.

MR. LUNDRIGAN: I cannot.

MR. NOLAN: Sure you can. You can make reference to overall development, I would think. Sure.

Anyway, Mr. Speaker, I know the minister wants to speak and I do not want to delay him unduely. All I am saying is that in the fisheries or in anything else we have got - Are we admitting by the actions that we are taking that there is no one in this Province who is capable of taking a \$12 million deal on a fish plant and providing the same type of service as anyone? I mean, do you have to be from Ontario or somewhere else outside of this Province? My God, there are Newfoundlanders who have done phenomenally good jobs here at home. They have done it abroad as well. When we have situations where all the risk is ours, in this case say \$12 million plus the profits they are going to take out and so on and so on, plus their relationships with marketing, and I submit to the minister that by golly when you get books of another company being done on the mainland

MR. NOLAN:

and so on you have a tough time attempting to establish what the true profit picture is. It is virtually impossible to do so. It is not the only company that would have done that. There are lots of others as well. It has been done over the years. So I am hoping that when the minister stands on this particular matter that he will address himself to these points and let us see if we cannot start anew and take a look at what we have done and where we are going.

I would say something else to the minister too, that in the time within his own administration, that there are deals that have been consummated that on second reflection - they may not admit it here in the House-but I know they would not be done again. Ministers have been wrong in the past, on all sides, I might add. But there are situations where in certain cases already, privately - I am not saying the minister told me - but there are those who will tell you quite frankly that if they had a second look it would not be as it is. Well all right then. Where are we going to go from here? I mean, is this the kind of development we must nourish, continue to nourish? I mean are we going to continue down this path forever. Because if so there is no future in this Province, no future at all.

So I am hoping we will learn from the mistakes of the past, which we have all made, and take a good hard look at the situation, because it is all right to get up and make grand speeches about the future of the fishery and the 200 mile limit, and we are going to build trawlers, we are going to build this, that and the other thing. But I say it is time for the real money from the fisheries and so on to go into the pockets of the people to whom it belongs and that is right here in this Province. And as long as we continue to adopt an attitude that as long as you are some big wheeler-dealer from Toronto or somewhere else that you can do a better job, that you have the best

MR. NOLAN:

interests of this Province at heart, that they are the only ones who are going to come in here and take these risks, I think we are not looking hard enough. But I mean that collectively; all of us together have got to think about these things and speak out about them because on the face of it - for example, some of the figures that my friend referred to, if you were to look at the bare, bald facts as he related them-and the minister may very well object to some of the things he said and correct them, perhaps- but on the bare, bald facts as he outlines them you would have to ask yourself, What are we doing, what is the future? And in fact, if what he says is true, can there ever be any future at all other than merely the lowest type jobs where you have a crowd, you are in their hands completely and they can walk away from it anytime that they want to.

So I am not going to delay the minister beyond this point, Mr. Speaker. But it is a matter that questions are being asked by people in all walks of life in this Province, and they are wondering really to what extent have we in this House individually or collectively, honoured the commitments that we have made to represent their best interests when they hear remarks such as those, for example, as phrased by my hon. friend from Eagle River (Mr. Strachan). So, Mr. Speaker, I will certainly give way to the hon. minister.

SOME HON. MEMBERS: Hear, hear!

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

The hon. minister.

MR. LUNDRIGAN: Mr. Speaker, first of all, I want to thank hon. members for the remarks they have made, the member for Burgeo (Mr. Simmons) the member for LaPoile (Mr. Neary), the member for Eagle River (Mr. Strachan), and the member for

Mr. Lundrigan:

Conception Bay South (Mr. Nolan). All have had good, constructive, solid, comment and they have made some points that certainly were inspirational. The member from Eagle River (Mr. Strachan) was particularly inspirational because he certainly - I am sure the member from Conception Bay South really got to his feet on the inspiration of the member from Eagle River. And I want to sort of compliment him for such a moving speech.

I sometimes wonder listening to members across the way whether we are living here in the House of Assembly in the real world, because some of the remarks made by hon. gentlemen were made in economic isolation of the realities of the Province of Newfoundland and Labrador that we are living in today. They are sort of theoretical, they are almost like somebody who found their way into a library of a university after being on a graduate programme for half a dozen years and decided to pick up a pen and write a book having read some of the great works of some of the great socialist leaders. And that is the kind of thing which I sort of enjoy, I really enjoyed the member from Eagle River (Mr. Strachan) -

MR. STRACHAN: I enjoy you too.

MR. LUNDRIGAN: - because he is philosophically and down deep inside he says what has to be said on a continuous basis in this Province, and he said it, I hope sort of - he said it for his party. Now I will get on to that in a few moments.

But let me before saying anything in the sense of rebutting his general remarks I want to just tell him again, or repeat for him what is contained in the bill, and which I did not expect him to pick up and read in great detail and digest and regurgitate because this basically is a fait accompli already. It is a bill that really is brought here to give the members of the Legislature an opportunity to debate what is in essence an existing agreement. So on that basis it is only worth-while for the member to use the bill as a means of philosophically debating the principle that is involved, and that is in fact what the second reading is anyway

Mr. Lundrigan:

But there are a couple of points that I would like to mention. Number one, National Sea according to the existing premises that are presently in Burgeo, and the member if he has not visited Burgeo I am sure he will use the opportunity to travel with his colleague to visit and see that there is an existing plant, a herring plant that is valued at \$3.2 million, and that herring plant has depreciated now to be of a value of \$2.4 million which they have put into Burgeo Leasing Limited.

MR. NEARY: It was closed when the government brought out Spencer Take.

MR. LUNDRIGAN: They also put - yes, Mr. Speaker, it was closed, it is quite possible tomorrow morning to close the plant across the way, -

MR. NEARY: They took all the herring -

MR. LUNDRIGAN: - St. John's Harbour, the one across the St. John's Harbour and close it down. It does not mean that the value does not exist. You can close Confederation Building next week and move into a new building it does not mean that the value of Confederation Building has gone down to zero.

MR. NEARY: It breaks every herring -

MR. LUNDRIGAN: In rebuilding our new plant in Burgeo it was essential, number one, that we have the premises which belong to National Sea; number two, we are building a plant around the existing plant. If we did not have the new herring plant, it is only three years old, if we did not have the new herring plant there the plant would cost us several millions of dollars more than it will cost us today. Consequently they have made directly a contribution of \$2.4 million. As a matter of fact, there is an outstanding debt incurred by Burgeo Leasing of half a million dollars that was loaned Burgeo Leasing in order to pay off the building, the new herring plant, so that the Burgeo Leasing in fact owned it outright. That is the only basis on which the government would get involved in a fifty-fifty ownership position of Burgeo Leasing Limited.

Mr. Lundrigan:

Now, Mr. Speaker, number two - I am really in essence saying that the company have contributed through their plant and another loan of \$400,000, almost \$3 millions to Burgeo Leasing - Number two, the government purchased 50 per cent ownership in Burgeo Leasing, two forms of preference shares and common shares which go in the form of working capital to operate that particular company. This is outlined in the bill.

Number three, the Government of Newfoundland and Labrador are lending Burgeo Leasing \$3.5 millions for which they will receive a first mortgage on the premises and a floating charge on all of the assets of Burgeo Leasing. That particular \$3.5 million is to be paid off with the normal interest rate charged by government for a period of eighteen years. If in the event that that \$3.5 million, the regular payments are not met, the particular company Burgeo Leasing is in default which means that the agreement, technically I suppose, could be in default as well. Consequently there is an eighteen year first mortgage position held by the government.

MR. LUNDRIGAN: Even in the number eighth year, when National Sea will get the option to purchase, they still will be responsible for ten more years of repayment of the first mortgage on that particular property of \$3.5 millions. Number two, they will be responsible for picking up and liquidating the preference shares which the government have involved, and number three, outlined in the back—and I am no expert coming from Island Cove myself on these matters, but I have a fair understanding of the common sense involved in it — there is an indication of the basis on which Burgeo Leasing can be purchased by National, the net book value as determined by the profitability of the company at the end of eight years. If the company is not profitable, if it continues to lose money, if it cannot make an operating profit, obviously the Burgeo Leasing Limited will not be purchased by National. The next year the government have the option to purchase the premises.

Again the government will not be eager to purchase it in the event that the company is not profitable. And to date I might indicate for hon. members who must have forgotten, that since 1972 that we took over Burgeo Fish except for one year there has been a loss, forgetting any amortization of the original purchase price, there has been an operating loss in the particular fish plant. In 1975, Mr. Speaker, there was a \$1 million-plus loss in that particular plant. There has been an accrued, capitalized over the four year period, of \$1.5 million loss during these number of years that the government have been responsible for Burgeo Fish. Then a member asks —

MR. NEARY: Would the minister permit a question? Could the minister tell the House how much National Sea has contributed toward the losses? They took their profits, but did they contribute anything towards the losses?

MR. LUNDRIGAN: Mr. Speaker, the member obviously is not familiar

MR. LUNDRIGAN: with the setup in Burgeo.

MR. NEARY: I am.

MR. LUNDRIGAN: Burgeo Fish Industries are owned by the Government of Newfoundland and Labrador outright, and really what happened since 1972 is National Sea have been the managers and the salesmen for the Government of Newfoundland and Labrador.

MR. NEARY: They take profits. Do they contribute anything towards losses?

MR. LUNDRIGAN: Mr. Speaker, they did not take any profits.

MR. NEARY: They did.

MR. LUNDRIGAN: There were none except in one year.

MR. NEARY: They took five percent.

MR. LUNDRIGAN: They had a five percent return on the gross sales as a result of a management agreement that we had with the company based on the blue sheets in Boston and that is the normal cost that would have been incurred by the government, the member will agree, had we had that kind of responsibility to sell the fish through a government controlled corporation, had we had the determination to start such a corporation. And they received \$75,000 management fee and the management fee only in one year exceeded \$75,000, which was the minimum fee agreed because the only way they could get more of a management fee if the company were profitable. I have indicated to the House, I have put on paper that only one year -

MR. NEARY: Two years, two.

MR. LUNDRIGAN: One year, Mr. Speaker, 1974 did they make more than the \$75,000 minimum and in that year they made \$99,000 as the management fee.

MR. NEARY: They made \$1 million in one year profit.

MR. LUNDRIGAN: Mr. Speaker, the profit that the member for LaPoile is referring to could not exist and cannot exist until

MR. LUNDRIGAN: we get the plant completed and we have joint ownership of Burgeo Leasing, fifty per cent by the government and fifty per cent by National Sea. Up to this moment the facilities are owned by the Government of Newfoundland and Labrador, the people, through Burgeo Fish Industries.

Mr. Speaker, the member gets up and I have been around the system for a little while. I spent a few years kicking around schools and I learned a bit about socialism, I learned a bit about the various ideologies or ideologies as they call it today, about capitalism versus socialism and the like and, Mr. Speaker, the thing that strikes me, I have listened to the member very attentively, that philosophically it seems that the people who have become the most socialist usually are in the areas of the country or the world that can least afford socialism. Did anyone ever sit back to look at this? In Alberta today-and I know I am being broad in my comments, Mr. Speaker, I hope the House will permit me - in Alberta today you will hardly hear any conversation or talk about take over, about nationalizing, about setting up corporations to do the job -

MR. NEARY: How about the telephone company?

MR. LUNDRIGAN: About putting out multinational corporations and this sort of thing. You will hardly hear any comment at all, but in the House of Assembly -

MR. NEARY: They have the telephones.

MR. LUNDRIGAN: And the Province of Newfoundland and Labrador everybody all of a sudden is a socialist. Do not talk about foreign investment. Do not talk about big conglomerates. Do not talk about vertically integrated companies. Do not talk about investments from outside. Do not talk about management from offshore.

MR. NEARY: How about the tar sands?

MR. LUNDRIGAN: Boot them all out, get rid of them all and take it over on our own.

MR. NEARY: How about the tar sands?

MR. LUNDRIGAN: Now, Mr. Speaker, these are the kinds of comments that I sort of admire philosophically and I am so parochial as a Newfoundlander that Rene Levesque in his own domain does not have a patch on me. But sometimes I wonder if there is a realism attached to the comments of the hon. gentleman. Now I have another question I want to raise, Mr. Speaker; who on the other side of the House is speaking for the official opposition? The independent liberal from LaPoile got up and very properly came in the House, he brought his old buddy with him - what is his name, who wrote famous book, The Who's Who

SOME HON. MEMBERS: Peter Newman.

MR. LUNDRIGAN: Peter Newman, and he quoted and he told me something that I already knew, that he is a strong Newfoundlander, a very parochial Newfoundlander. He wants us to control our destiny, and I have said that so often that he reminded me of it. He said if the member for Grand Falls were in my place today he would be up doing the same thing as I am doing, and I agree with him. He raise the questions about the business of who contributes the trawlers to Burgeo. Should National eventually, who is a 50 per cent owner and who stand to derive benefits, should they be the ones - as I feel very much a conviction in that direction - should they be the ones to start today to plan and acquire and build up the catch capability to supply that particular fish plant?

And, of course, that is the question of the day, number (1) question, he raised that question, he raised the question about management fee, he said why can we not do it ourselves. And all these questions are very relevant. Nobody wants to stand up in the House and say that we have got somebody else doing it even if they are from Nova Scotia, even if they are from PEI

MR. LUNDRIGAN: or any part of the world. Naturally we have got to have a Newfoundland-first attitude in our efforts, but let me just get back to the politics of the day. The member for Burgeo stands in his place and he raised the question about the trawlers, that was his big concern, very properly; one of our big concerns, very properly. He does not talk about any sweetheart deals. He does not say that National should be dumped out of the Province, he does not say there should be a corporation set up to manage the affairs of Burgeo, independent of National - forget National, get rid of National, those foreign types, Westons, Nickerson's, National, Bill Morrow, and all of those wealthy people, he does not say any of this. Up gets the member today and he has got me all concerned.

MR. SIMMONS: A point of order.

MR. SPEAKER: A point of order.

MR. SIMMONS: Mr. Speaker, it goes without saying that in forty-five minutes there are a lot of things I did not say. A recital of things that I did not say, Mr. Speaker, can give the impression, can misconstrue some of the things I did say. I said, Mr. Speaker, I am very much in favour of the concept of a partnership between government and private enterprise in such a situation as Burgeo. I gave notice that in committee I would raise some questions about the management. My colleague from Eagle River has done me the favour of raising them in this debate. I may not need to raise them to such a degree. But the minister in trying to contrast the kinds of comments I made with those of my colleague from Eagle River, is doing both of us a disservice and in affect misquoting us badly.

MR. SPEAKER: Order, please! I must point to the hon. gentleman that there is a difference of opinion and a matter for debate between him and the hon. minister, but there is no

MR. SPEAKER: point of order before the House. The hon
minister.

MR. LUNDRIGAN: Mr. Speaker, then today the member for
Eagle River comes in - and I must admit, I am sure there was
nobody in the House who did not feel the drift of his
argument about our resources. As a matter of fact, I am
surprised that he is on the other side of the House, because
the drift of the argument of the hon. member is something
which philosophically has almost put the particular party
that we represent in this government in almost an unique
position in this Province for the last number of years. Because,
Mr. Speaker, this has been the whole burden of the thrust of
this government. We cannot have our cake and eat it too. And
we have taken some pretty dramatic positions in recent weeks.
Eastcan have gone their sweet way in recent weeks, they
have made their position known. Fortunately, I believe,
the members of the legislature and the people of the Province
support the thrust. We have taken a position again which is
trying to recapture the control of our destiny on the
Gull Island situation, which we believe, Mr. Speaker, is
proof positive of the philosophy, consistent philosophy of
the government of this Province today. This particular
document is the best

possible deal that any government that I contend could have gotten in order to meet the social and economic circumstances facing the people of Burgeo. Certainly the member would not suggest that we go back to what we had. I am not going to lambaste anybody in this House. But if you go to Burgeo today and try to reflect on past history and use it as a model or an example, I got a feeling you would not get very much hospitality in the community of Burgeo. The government, Mr. Speaker, in 1972 when they were faced with the social responsibility of picking up the economy at Burgeo and carrying it—1971 I believe it was—were faced with that responsibility. They were forced to buy into a fish plant. And that was a pretty dramatic move for a government to make. Had they not done it, if they had allowed the thing to just drift along and settle down and go by the way, my feeling is, and the feeling of my colleagues is, that today you would not have had a community of Burgeo. We would not have been rid of the Resettlement Programme because it would have taken the next several years to move people out of Burgeo. That is what we would have had. We would have had to boost and gear up the Resettlement Programme. The government, Mr. Speaker, went ahead and made the decision. Ever since 1972 we have not been run over by companies who have run in and said, "Look, you have got the plant now. We will buy the plant you have, your Burgeo fish plant. We will buy your supermarket. We will buy your administration building, your residences and we will build a plant ourselves." We have not exactly been run over by people from the Province in the fishing industry who have come in and said, "Let us get with it." As a result DREE, the Government of Newfoundland and Labrador and the company in question that has been managing and selling our fish for us, entered into an agreement in order to try and rebuild the plant and to keep the thing operational.

As a matter of fact, I would like to tell the member for Eagle River (Mr. Strachan) that it was DREE that were most insistent, and we were

MR. LUNDRIGAN:

just as eager to get the company tied in for at least eight years. The company cannot walk away tomorrow morning from the agreement that we have. For eight full years and thereafter for another ten years, they are locked into an agreement. And I feel, Mr. Speaker, this has been one of the real achievements that we have been able to get a large company, with some corporate presence in the Western World, to tie themselves in with us for a long period of time. We feel this is a big achievement on the part of the departments that have been negotiating this particular agreement. Now the member should not confuse two things. In his remarks, he did not say this - he left me with the impression that he is a bit confused about the inshore fishery, the longliner fleet, the small fish plant and the deep sea operations. I had that impression. And certainly the government of this Province recognizes that there are two major facets to the fishery of this Province. And I represented for a half dozen years in the House of Commons the inshore fishery, the most intensive inshore fishing district in the Province. And I hardly ever got involved in discussions about deep sea fishing. My colleague from Grand Bank frequently when we would be together, would make comments that, you know, you do not recognize there is another facet and aspect to the fishing industry. And you cannot in Burgeo talk about your small little operator and your small little plant. It is not a place for a small little operation and a small plant. And there is no small little operators, many as we have in the Province and as much as I feel inclined that way, can get involved in Burgeo and take \$10 million out of their pocket. It is more likely to be \$9 million or \$10 million rather than \$12 million that the member talks about.

Consequently, you have to rely on some large corporate enterprise, whether it is Fisheries Products or whatever the case might be, or National Sea that can help bring about the type of marriage between

MR. LUNDRIGAN:

government, industry and the people that we have in Burgeo. I think this is basically a step in the right direction. Now I would like to see the day come in this Province, I would like to see the day come - it is not today in 1977-when we can talk about the tough approach that the member talks about. I think we are as tough as we can be today in this Province. Some people accuse us, the member for LaPoile (Mr. Neary) accuses us, today he got up and said that - you know, the member for LaPoile sometimes has philosophical - what would you call it - contradictions, sort of an oxymoron type of a problem. Is that the word they use in English? Contradiction - is that the word, oxymoron? I believe that is the word they use, oxymoron. He is sort of oxymoronic in his comments. Like today he got up and he talked about Nickerson's, he talked about Weston; the last day he talked about - what is this fellow who wrote the book, The Who's Who, Peter Newman? And he said, "Look, you fellows have to be like; the member for Eagle River says this is how you have to be." Today he got up and he said, "I wonder would the Intergovernmental Affairs Minister like to comment on the fact that you have made such a mess of the offshore oil and gas, your position is so dead end

MR. LUNDRIGAN: so deadend, your position is so disastrous for the Province would he like to comment on this and that and something else?" What he is really saying, Mr. Speaker, is exactly what the day before yesterday or last week he wanted us to do, precisely that we take the tough stand. But the government has to toe a very, very thin line in a Province where you have 17 per cent or 18 per cent unemployed people.

The member for Eagle River (Mr. Strachan) and myself and a number of others of us, I think if we were in Alberta today with the income they have and the fat pockets and the pocket books, and the level of employment and the opportunities, I think we could get away with going to the extent that he is recommending and suggesting. Even in Sweden you could not get away with it, because they are today starting to pull back from this heavy socialist, leftist tendency which is biblical, ideal and the like. I think he has to get up everytime in the House and he has to say that. Because I believe his point of view is absolutely essential. I would like to see some of my own colleagues, and I would like to see more members get up and keep this kind of attitude before us. But I do not think when he spoke today I was a little bit confused because I was under the impression that he spoke as a representative of his party, as a representative of the Official Opposition, whereas I feel the member for Burgeo really sort of had the Official Opposition point of view and the contradiction seems to bother me a bit. I certainly would not want to suggest to the government today that we should boot out National and get rid of National. I hope that National does not decide to take cold feet and say, We will pack it in in Burgeo.

MR. NEARY: They are gone anyway.

MR. LUNDRIGAN: I certainly would not want to invite Mr. Spencer Lake back to fill the void.

Mr. Speaker, I appreciate the remarks of the hon. members. There are questions the member for Burgeo (Mr. Simmons) has. Undoubtedly there are questions here that need to be clarified. I will get the opportunity in Committee to maybe further enlighten members on this particular bill.

SOME HON. MEMBERS: Hear, hear!

On motion, a bill, "An Act To Ratify, Confirm And Adopt A Certain Agreement Entered Into Between The Government And Burgeo Fish Industries Limited And Others." read a second time, ordered referred to a Committee of the Whole House, presently by leave. (No.19).

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

MR. CHAIRMAN: Order, please!

MR. HICKMAN: Order 3, Bill No. 19

A bill, "An Act To Establish The Bay St. George Community College."

On motion clauses 1 through 19, carried.

MR. LUNDRIGAN: Mr. Chairman, on clause 19. The member - and I promised I would, and I have not had time with my colleague, the Minister of Education mentioned that the member for Port au Port, I believe it was, made a recommendation today which was in line with the - an accepted recommendation which he made on the -

MR. NEARY: The Polytechnical Institute.

MR. LUNDRIGAN: Yes.

MR. NEARY: The Polytechnical.

MR. LUNDRIGAN: Yes, I just wanted to draw it to the minister's attention.

On motion clauses 19 through 23 carried.

MR. CHAIRMAN: Does the title carry?

MR. NEARY: Mr. Chairman, before you carry the title, are we going to amend clause 19? Is that the idea? Is so, Sir, I would like to move that we amend the act in line with the polytechnical.

MR. HICKMAN: What is the amendment?

MR. NEARY: Well the amendment is - I do not know what it is. It has to do with the budget, that the budget has to be submitted to this House every year.

MR. HICKMAN: I so move.

MR. NEARY: No, I am moving it now.

MR. NOLAN: Are we going to do it? Because that is the point I am up on now, Mr. Chairman.

MR. CHAIRMAN: The hon. the Minister of Education.

MR. HOUSE: I understood - I was out of the House the other day and I understood that somebody mentioned it going through. I was of the opinion that somebody had made a recommendation that it be similar to that that we passed for the polytechnical institute.

MR. NOLAN: Right.

MR. HICKMAN: Mr. Chairman, I am advised by the Chair that I have to move the amendment. We do not have the wording but if hon. gentlemen will accept it it will be precisely the same as the Polytechnical bill. I so move.

MR. NEARY: But I have already moved it.

MR. HICKMAN: The Chair says I have to move it.

MR. CHAIRMAN: Order, please!

MR. CHAIRMAN: Is it agreed that we revert to clause 19? Agreed.

On motion, amendment carried.

Motion, that the Committee report having passed the bill with amendment, carried.

MR. HICKMAN: Order 4, Bill No. 37.

MR. CHAIRMAN: Bill No. 37.

A bill, "An Act Respecting Timber Scalers." (Bill No. 37).

On motion clauses 1 through 23, carried.

Motion, that the Committee report having passed the bill without amendment, carried.

MR. HICKMAN: Order 7, Bill No. 25.

MR. CHAIRMAN: Bill No. 25.

A bill, "An Act To Ratify, Confirm And Adopt A Certain Agreement Entered Into Between The Government And Burgeo Fish Industries Limited And Others." (Bill No. 25).

On motion clause 1 and 2, carried.

MR. CHAIRMAN: Shall clause 3, carry?

MR. SIMMONS: Mr. Chairman, clause 3 of bill No. 25. This is the clause that would ratify the agreement, so I would expect that this would be the appropriate time to have a few words on some of the details of the agreement. Actually the member for Eagle River (Mr. Strachan) and I had compared our notes and there would normally

MR. SIMMONS: not be much need for me to rise at this particular point. Indeed I am constrained to do so only after the minister, for whatever reason, attempted to construe that perhaps we were projecting different viewpoints over here. Mr. Chairman, just let me clear that there is nobody here, and I do not believe anybody in this House, who is against the concept - and I think I used that word at least a dozen times in my speech on this subject on Friday here in the House - there is nobody, there can be nobody who is against the concept of a partnership between government and private industry to further some industrial undertaking which will accrue some good to the people of a province or part of a province. That is axiomatic, it is elementary. I said it for the record on Friday because I felt it needed to be said. We are so often accused of being negative and that kind of thing that we felt it was important first to get into the record very clearly as being very much for any undertaking which represented a partnership to develop a basic industry, a resource industry, a partnership between government and private industry.

I do not care, Mr. Chairman, how much the minister or anybody else tries to misconstrue what we have said. We will be for that kind of agreement, we will be for that kind of partnership. Indeed, had the government been in a position to heed its own lessons retroactively, we would not be in the mess we are in in Stephenville. Had we had less bungling enthusiasm on the part of the now present member for St. John's West to take over everything he could get his clutches on, had we had less bungling enthusiasm there and instead a sane attempt to see if a government partnership could be applied to the Lab. Liner situation, I believe we would be facing considerably less uncertain times on the West Coast than we are facing right now because of that bungling enthusiasm. There are more accurate words than enthusiasm but perhaps less kind that I could use. Idiotic, what has happened there. That is another subject and if the government ever calls

MR. SIMMONS: that Bill we will get a chance to talk about it. Mr. Chairman, it needs to be said and if we have to say it ten, twelve, fifteen times to get it through some unwilling or thick skulls or both we will say it, that a partnership involving government and private industry where government has an equity position but where the private industry has some investment too is a reasonable approach, a reasonable strategy in developing our resources in this province.

Now, Mr. Chairman, like any general statement that one can be misconstrued and it can be carried to its ridiculous extreme, as is witnessed in this particular Bill. It is one thing to have a partnership, but if the partners or if the cards I ought to say - if the cards are so unevenly stacked that we have an elephant and a mouse situation, then the word partnership applies only semantically, only in terms of the language of the case. In effect you have destroyed the basic principle in which we all agree that government representing the people, private industry representing itself and its interest in making money, basic concept of these two, both have vested interest equity positions which force them to make the best of the business situation in which they are involved as partners.

When you have the kind of situation that is represented in this particular agreement, then of course

MR. SIMMONS: the concept essentially goes out the window, because you have the elephant and the mouse situation. You have one so-called partner getting all the benefits and the other partner taking all the knocks financially, taking all the risk financially, and so while in theory both have equity positions, in fact it is very much in the interest of the private partner, in this case National Sea, very much in their interest not to work their butt off making this industry work because they are covered anyway. As my colleague from Eagle River said this afternoon, because of the vertical integration of the National Sea chain of firms there are all kinds of unsavoury ramifications here, all kinds of possibilities, and whatever the set of possibilities you might want to cite the loser, it seems every time, is the taxpayer because he is not sitting in on the board meetings of Sobeyes and Nickerson's and Weston's.

So, Mr. Chairman, we articulate two particular concerns here and they are not at all contradictory. I can understand that in the fairly simplistic thinking of the Minister of Industrial Development they are contradictory but that does not come as any particular news to us. It comes as verification and confirmation of some things we have known for a long time about that minister. It confirms, as my colleague from Trinity-Bay de Verde words it, confirms some long-standing suspicions we have had. If any additional confirmation is needed - How often do you have to get hit over the head with blunt reality before it sinks in? - that that particular minister is not known especially, not outstandingly famous for his depth of mind or his adeptness with grappling with quasi serious ideas or concepts or philosophies or arguments. To state that kind of thing is like standing up here and telling everybody it is daylight out there.

So we do not get hung up, Mr. Speaker, if we are not getting through to some people. Indeed it is rather a compliment

MR. SIMMONS: to us, rather a compliment. Mr. Chairman, we get very hung up, Mr. Chairman, very hung up when somebody stands in his place and attempts to misconstrue our very deep and strongly held concerns for what is happening to the industrial and the resource development of this Province. Two concerns, Mr. Chairman, in speaking to Clause 3. One -- concept of a partnership between government and private industry is a good one. We are concerned that government give attention to forging that partnership more and more often. Two - we are concerned with the almost unbelievable extremes to which this bill goes, this agreement goes, in pandering to private industry irrespective of the cost.

Now, Mr. Chairman, these are not at all contradictory positions. Indeed I would suggest they are quite complementary. They fit glove in hand. To say that

MR. SIMMONS:

you want a partner in developing your Province, it does not at all say that you want an all-powerful partner who will be in the driver's seat. Mr. Chairman, while we are on this subject of National Sea and Nickerson's and Sobeys and Westons, let us draw attention to something that perhaps this Province has no jurisdiction over but it is a question that needs to be raised. And I am not sure any of my colleagues on this side particularly raised it although they certainly alluded to it.

The Weston Operation, which already owns B.C. Packers in Harbour Breton, by the way, now owns all the fish business on the Southwest Coast with the exception of T.J. Hardy and the Gaultois operation, Lake, and the Penney operation in Ramea. They have an entire monopoly on the Southwest Coast. Now, Mr. Speaker, first there is an obvious concern about corporate concentration. And my colleague from Eagle River (Mr. Strachan) has stated that one very well. The unsavoury implications of corporate concentration what the decisions about how many fish we are going to catch for the Burgeo plant is not made by JCNAF are not made by Canada or not made by the trawler owner or the plant owner, but is made in some board room in Chicago somewhere. That is our concern. We can preach all we want about how we are going to improve our catch capability. And the Minister of Fisheries can stand with all the sincerity he can muster and tell us about how through his efforts and the efforts of his department and through co-operation with the Federal Government, how we are going to catch more fish next year. But if our plants are in the clutches of the multi-nationals, who make their decisions about catching fish, for example, in terms of how it affects balance sheets and whether the profits which show in a given spot are inordinate or not, if these are the factors which dictate decisions about fish catch, I have very firm and very grave fears about the future of the trawler fishery on the Southwest Coast.

MR. SIMMONS:

I would like to hear somebody on the government side at some point speak to this whole question of corporate concentration as it is affecting the fishery. Now, Mr. Chairman, on that subject I raise an issue which, as I said a moment ago, is perhaps not within our provincial jurisdiction but is one that perhaps the Minister of Intergovernmental Affairs ought to be raising in his discussions with his colleagues in Ottawa, and that is the implications of this corporate concentration, the implications for anti-trust legislation. Are these people, the Weston people, for example, are they getting to the point where they are in effect flaunting, if not the letter of the law, then the spirit of the law? Mammy's Bakeries down on Alexander Street down in St. John's West, Mammy's, a good old local firm so everybody thinks, except it is owned by General Bakeries.

MR. NOLAN: That is not the only one they own here.

MR. SIMMONS: Exactly. General Bakeries owns some more firms like that in St. John's as well. But that is not enough. Do you know who owns General Bakeries? Dominion, yes, Dominion. If you look at the bakeries, the breweries in this Province, now the fish plants in this Province, the supermarkets in this Province - they are all in the clutches of a half dozen multi-nationals, huge conglomerates! And we can talk here all we want about our sovereignty as a House, the highest court in the land and that kind of thing, but if the real financial decisions, and therefore the real economic decisions, are being made in a half dozen board rooms in Chicago and New York and Boston and Montreal and those places,

Mr. Simmons:

then we can pass all of the laws we want here, and it may not have the desired affect in terms of turning around our economy. And that is a concern, Mr. Chairman, that we are not spending enough time on in this House. And I would hope that some government minister will, without the ballyragging, Mr. Chairman - we know over here we are not in the best books of the guys on the government side, and we know that, in their opinion, we do contradictory things and we do things that do not meet with their approval, you know, we accept that and we sleep nights nevertheless - but that aside, that aside, could we not for once have a good, intelligent, fairly mature discussion, debate, expressing our mutual concern on this whole bit of corporate concentration of what it is doing to our economy. And the whole subject of the implications of corporate concentration for anti-trust legislation, and even more important, the implications of that in terms of how it is hamstringing the economy, and in terms of how it is removing effectively, removing effectively the decision-making process from this House to some board room in Chicago.

Let us find out, Mr. Chairman, let us have a royal commission, if we would, or let us have the minister assign somebody in his Intergovernmental Affairs Secretariate, if that is the appropriate agency; let us have someone ferret out once and for all who owns what in this Province, effectively who owns what. Where does Dominion have its claws in? We know it has it in Mammy's and some of the bakeries in St. John's. Where does Sobey's and Weston's have their clutches in in this Province? Let us find out. Not only is it an interesting academic question, it is a most interesting practical question, a question that has an awful lot of implications for our power within this House, or the limit of that power to make decisions which will be carried through and can be implemented and begin to affect economic and financial realities.

MR. CHAIRMAN: Order, please! I do have to bring to the hon. member's attention that in Committee remarks do have to be strictly

Mr. Chairman:

relevant to the clause under consideration. I think that the hon. member's remarks may be straying into the area of the principle behind the bill, and I would ask him if he would endeavour to confine his remarks more to the clause under consideration.

MR. SIMMONS: Mr. Chairman, I appreciate your latitude, Sir, and I have said essentially what I want to say on this, and I may well have been getting into the principle because it is such an important principle. We do not at all disagree with the concept of the partnership, but we raised some very serious questions about the details of the agreement which are covered under 3(1), and I believe we have verbalized these sufficiently, I have done so in the last few minutes what my colleague has done so in second reading, and I believe the House is quite familiar with our concern. So we thank you for your indulgence and we will give it up right there.

MR. CHAIRMAN: The hon. member from Eagle River.

MR. STRACHAN: Clause 3?

MR. CHAIRMAN: Clause 3.

MR. STRACHAN: In Clause 3 here we have the section here the power of the parties, the power of the different parties and so on. And I was hoping in the minister's rebuttal, or the minister's coming back and getting on to some of the sections here, the minister would have picked a fundamental argument that we were after, But he seemed to miss that, He got involved in the philosophy of it and tended to talk about the ideology and threw it back at our faces as though we were spouting socialist doctrine, and we will leave that for the NDP Party to spout, Mr. Panting and so on.

What we are talking about here is the power of the parties is concerned in the ratification of this agreement. And the minister still did not answer or seem to get the message of what we are concerned about in the company's power. And although he just made passing reference to vertical integration that he did not seem to understand that it is obviously in this one party's best interests, and will always be, if I was in the Board of Directors of that company, it would be in

Mr. Strachan:

my best interest to make sure that the primary producing place would never make a profit, or a very small profit, and if I can use this simple analogy on it, if we are making candy bars here and we got ten people employed and I am selling the candy bars in the States, then I want to get the profit shifted it over to the States, and that is what

MR. STRACHAN: our argument is here with Weston's. The basic argument here is not the agreement, it is not in this but we are saying that it would always be in their benefit to try to make this operation a marginal operation so they can keep coming back for government subsidies. That is our main concern. I do not want to get side tracked with the minister he did not give me any rebuttal on that in that he was talking about as being philosophically dreaming or ideology and I think that what we are talking about is very practical politics, very practical.

MR. HICKMAN: Nobody is disagreeing with you.

MR. STRACHAN: He did not explain it and it is one of our major concerns with this Bill. It is the fact that this vertical integration of the company and that the company may over the next few years make sure that it is at a loss, make sure that it will not have to build the trawlers, the draggers. They will always come back to the government because it has built into the accounting system a method of picking up the profit at the other end. You have to repeat it you have to say it over and over again. But if the minister understood it he would have rebutted it but he did not.

AN. HON. MEMBER: (Inaudible) - accepted it what can you do about it?

MR. STRACHAN: There is a lot you can do about it. A great deal. So that is the main point that I want to make on the power of the parties. I think that there is a elephant-mouse relationship as shown. The power here is vested in somebody else and the board of directors whose main concern is answer to the board of directors and not to answer to the Province. That is what concerns me with this Bill the fact that they may not in the slightest bit be concerned with the people of the Province only in as much as how it helps to operate their business and manage to give them produce which they can sell elsewhere. I was hoping that the minister would discuss

MR. STRACHAN: that part and whether he could mention what kind of power we can put on there to make sure that the books of the company do actually reflect, reflect the true picture and that the prices are not depressed, that the losses are not shown or transferred from another section. I hope possibly the minister will naturally respond to them.

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, before we pass this Clause 3, the agreement the agreement that hereby ratifies and confirms, I believe it is incumbent upon the minister to tell us where the draggers are going to come from to supply this plant. Mr. Chairman, I have the floor if the minister will just —

MR. LUNDRIGAN: I am sorry. I thought you were asking a question.

MR. NEARY: Mr. Chairman, the other day I thought I laid out a pretty good case to explode the weaknesses in this agreement. I followed an address to the House that was made by the hon. member for Burgeo-Bay d'Espoir and I am very pleased this afternoon, Sir, after listening to the hon. member's remarks. Very pleased to hear that the hon. member now sees things my way. That is one of the good things Sir, about having Hansard delivered every day. On the April 1 edition of Hansard, says Mr. Simmons, referring to the agreement that was explained by the minister—and the minister was followed by the member for Burgeo-Bay d'Espoir (Mr. Simmons) — it says in Hansard, "Mr. Simmons: 'Mr. Speaker, the minister has never been stuck for something to say and usually says it very well as he did that particular night, I heard second hand. Mr. Speaker, seriously though the Burgeo combination is a good one. And the minister last night was wondering out loud about whether it was a wise decision. I do not think he was implying it was not. I think the government made a good decision on this one.'" That is what the hon. member for Burgeo-Bay d'Espoir (Mr. Simmons) said the other day.

I am not condemning the member for it. "I think the minister is prepared to stand by it. But I can see that it is a difficult, a rough decision for people in Cabinet to make, particularly people who have no immediate vested interest in the Burgeo situation.

MR. NEARY:

You know they are not the member there and they have nobody in their caucus who is the member there. Mr. Speaker, even if you try and say nice things--somebody interrupted the hon. member -

MR. NEARY: 'even if you try to say nice things you cannot get away with it in this House, you know it discourages one. It discourages one from leveling you see.' And then somebody else said this will be eleven question marks after the quotation I bet you in Hansard. "Mr. Simmons - 'Are you suggesting I help Harry edit the transcript or something?

Mr. Speaker, I recognize that the decision to make the agreement at Burgeo is a rough one but it is the kind of decision we are going to need more of from government, not government getting into management of enterprises but government interjecting where necessary the required encouragement, be it financial encouragement and the promotional expertise the leadership.' Then I interrupted and said, 'That crowd National Sea needs promotional expertise according to Peter Newman and needs all the expertise it can get.' "Mr. Simmons - 'Before we get bogged down, Mr. Speaker, into the minutiae of the agreement which I believe we will have a chance to address ourselves to during committee stage, I believe the overall concept that we are dealing with here is a very good one and I would be less than honest if I did not say it is a good one. Government at once is moving out of the management of an enterprise that I have always felt can be much better managed by private enterprise. Anyway I think that is a step in the right direction. Government is interjecting encouragement. Mr. Speaker, the formula used here I hope will get adopted and applied elsewhere. The formula used in Burgeo I hope will get adopted and applied elsewhere. I hope that one of the first places, if I might digress just for an example, I hope one of the first places it gets applied is at Stephenville."

Now, Mr. Speaker, I believe I have a convert. As a matter of fact I am sure I have after listening to the hon. member a few moments ago and that I am pleased about, Sir. Mr. Speaker, the hon. minister earlier, when addressing himself to

MR. NEARY: the rebuttal of some of the remarks that I made on Friday, I believe it was - Was it Friday we were debating this bill? Yes, Friday. The minister this afternoon said well talking about partnerships and so forth, said that I had contradicted myself by asking certain questions of the Minister of Justice this afternoon in connection with offshore oil drilling. Well now, Sir, I have no objection at all about government entering into partnerships with the private sector, with private enterprise. No objection at all providing that it works to the advantage of the Province as much as it does for private enterprise. This particular case, it is lopsided. It is heads you win, tails we lose. The taxpayers of this Province have to pay the losses and National Sea pick up the profits and contribute nothing to the losses and that is one of the great weaknesses in this particular bill. But the minister's reference to offshore, Mr. Speaker, the comment that I have to make is this that it is the minister and the administration who are contradicting themselves. Yes, here you have a situation where they have entered into a partnership with private enterprise to manage one of our resources, to manage the fish plant at Burgeo. Now if the government believes that private enterprise should develop our offshore resources then the government has no choice but to enter into a partnership with private enterprise which they are not prepared to do at this stage. Otherwise the Government of Canada and the Government of this Province will have to go it alone and that is not feasible at this time. It is not feasible.

And so, Mr. Speaker, to be a little more specific. If the minister thinks I am contradicting myself, if the Government of this Province believes in the philosophy of entering into partnerships with private enterprise then why not do it in the case of offshore as well as in the case of the Burgeo Fish Plant? It is better, Sir, to enter into some agreement than to have no

MR. NEARY: agreement at all and not have our natural resources developed. Mr. Speaker, I think the big question that has to be answered now that we are ratifying this agreement, the big question that has to be answered by the minister is where are the draggers going to come from to supply the fish to this plant on a year-round basis. Once we ratify this agreement then the government and the minister are right across a barrel. Back will come National Sea and a few months from now or wherever the plant is finished in 1978, as I said on Friday, and they will say to the government, look

MR. NEARY:

you have put a beautiful, magnificent, up to date, modern fish plant here in Burgeo that cost the taxpayers of Canada and of Newfoundland about \$13 million or \$14 million. But it is all no good unless we have a supply of fish on a year-round basis. So I beg the minister, would the minister please tell us before we get off of clause (3) where the draggers are going to come from, will the government be expected to provide the draggers. The minister told us the other day that the dragger now being constructed at Marystown, that National Sea were negotiating trying to get that dragger for Burgeo. If I understood the minister correctly there are other people negotiating for it. But the minister seemed to be favouring Burgeo. Well is this another gift we are going to give National Sea? Will National Sea contribute anything to the cost of that dragger or the other three or four draggers that are necessary to supply that fish plant? Once we ratify this agreement, Mr. Chairman, it is too late. Back they will come and they will say, "Oh, sure, now we have got them right across a barrel." Back they will come and say, "The plant is there. We will pull out of it." They can pull out any time they want to. "We will haul out if you do not provide us with the capability to catch enough fish to keep that plant operating on a year-round basis." And they will have such a heavy investment, such a tremendous investment in Burgeo in that plant, up around \$14 million by the time it is finished that the government will have no choice but to say, "Yes, we are going to supply four draggers." I think there will probably be a minimum of four that will be needed to supply that plant. And the taxpayers will have to put up every cent because as I said on Friday, Sir, National Sea do not have one red cent of cash, of new dollars in that plant. They put up a building that was closed. They had exploited the herring industry in the Southwest Coast. They had scraped every herring they could off the bottom of the ocean along

MR. NEARY:

the Southwest Coast and they had a plant there that was closed, probably never would have operated again. And the book value of it the minister told us was \$2.4 million - what \$2.5 million, \$2.4 million -

MR. LUNDRIGAN: \$2.4 million.

MR. NEARY: \$2.4 million, the book value. And that was the equity they put into the company plus the fact that they loaned the company a half million dollars that they will get back. Sir, it is no good of trying to cod anybody. It is a one-sided deal. It is a lop-sided deal. But now that we are into it and this crowd, I suppose, can walk away anytime they want to. Can they get out in less than eight years? Do they have to stay for eight years? Or can they get out anytime they want to? That is another question the minister should answer. They have the option to buy it after eight years. But what happens in between. Can they leave? They cannot leave. They are hooked for eight years. Well, Sir, let us hook them on the draggers too.

MR. STRACHAN: Two and-a-half thousand.

MR. NEARY: Two and a half thousand dollars. Mr. Speaker, that is a very, very important question that the minister has to answer. And I would like to hear the minister, not just brush it off as he did previously this afternoon but tell us where the draggers are going to come from to catch this fish to keep that plant going on a year round basis.

MR. LUNDRIGAN: Mr. Speaker, I can give a categorical answer on that situation right now regarding the draggers. I have indicated to the member in a general way that there are discussions taking place right now regarding the capacity to supply fish to that particular fish plant. Even with the existing old capacity which I have acknowledged is inadequate and will be more inadequate as time passes, last year we were able to land 22 million pounds of fish in that community with

MR. LUNDRIGAN:

a grand total of \$2.6 million to the work force in the form of the people on trawlers and the fish plant work force. So there are discussions taking place. It is our hope that we can negotiate an agreement whereby there will be a substantial amount of the capacity of the existing company that can be utilized to supply Burgeo. Certainly I feel the same anxiety as the member but there is no way with this agreement that we could have negotiated a commitment from a company, National being the example, along these lines in this particular agreement.

On motion clauses (3) through (5) carried.

Motion that the Committee report having passed the bill without amendment, carried.

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

MR. CHAIRMAN: Mr. Speaker.

MR. SPEAKER: The hon. Chairman.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report Bill No. 19 with amendment and ask leave to sit again.

MR. SPEAKER: The Chairman of the Committee of the Whole report that they have considered the matters to them referred and have directed him to report Bill No. 19 with amendment.

On motion report received and adopted.

On motion amendment read a first and second time, bill ordered read a third time now, by leave.

MR. SPEAKER: The hon. Chairman.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and have directed me to report Bills Nos. 37 and 25 without amendment and ask leave to sit again.

MR. SPEAKER: The Chairman of the Committee of the Whole report that they have considered the matters to them referred and have directed him to report Bills Nos. 37 and 25 without amendment.

On motion report received and adopted, bills ordered read a third time now, by leave.

On motion, that the following bills be read a third time ordered passed and titles be as on the Order Paper.

A bill, "An Act To Establish The Bay St. George Community College." (Bill No. 19).

A bill, "An Act Respecting Timber Scalers." (Bill No. 37).

A bill, "An Act To Ratify, Confirm And Adopt A Certain Agreement Entered Into Between The Government And Burgeo Fish Industries Limited And Others." (Bill No. 25).

MR. HICKMAN: Mr. Speaker, I move that the remaining orders of the day do stand deferred and that this House on its rising do adjourn until tomorrow Tuesday at 3:00 p.m. and that this House do now adjourn.

On motion the House at its rising adjourned until tomorrow, Tuesday, April 5, 1977, at 3:00 p.m.

I N D E X

ANSWERS TO QUESTIONS

TABLED

APRIL 4, 1977

QUESTION NO. 208 BY MR. NEARY (LA POILLE)
ORDERS OF THE DAY DATED 15TH MARCH, 1977

MR. NEARY (LA POILLE): To ask the Honourable the Minister of Municipal Affairs and Housing to lay upon the Table of the House the following information:

QUESTION:

- (1) Who are the current members of the Board of Directors of Elizabeth Towers Limited?
- (2) What is the salary and/or any other remuneration paid to the directors or shareholders of the Board?
- (3) What is the number of meetings of shareholders held since January 1, 1974?
- (4) Table copies of minutes of meetings held since above date,

ANSWER

See attached Schedules "A" and "B".

SCHEDULE A

- (1) Elizabeth Towers Limited was liquidated on March 31, 1976. Operations were taken over by the St. John's Housing Corporation on April 1, 1976.
- (2) No salary nor other remuneration was paid to the Directors or Shareholders.
- (3) Five (5) meetings of the directors were held from January 1, 1974, to March 31, 1976.

Minutes of Statutory Meeting of
Shareholders of Elizabeth Towers
Limited held at the Conference
Room, Elizabeth Towers, 100
Elizabeth Avenue, St. John's,
Newfoundland on the 29th day of
March A.D. 1974 at the hour of
10:30 o'clock in the forenoon.

PRESENT:

Mr. Frank J. O'Leary, Chairman
Mr. Alec G. Henley, Deputy Chairman
Mr. Robert Hall, Secretary
Mr. Maxwell G. Pottle

All the shareholders being present the notice calling the meeting which appears on the preceeding page of the Minute book was read and acknowledgment and receipt thereof signed and the meeting was declared to be regularly constituted.

Upon motion duly made and seconded and unanimously carried Messrs. Frank J. O'Leary, Alec G. Henley, Robert M. Hall and Maxwell G. Pottle were elected Directors of the Company.

Upon motion duly made and seconded and unanimously carried it was resolved that the Auditor General be the auditor of the company. Upon motion duly made and seconded and unanimously carried Mr. Frank J. O'Leary was appointed Chairman of the Board of Directors of the company, Mr. Alec G. Henley was appointed Deputy Chairman of the company, Robert M. Hall was appointed Secretary of the Company and Mr. Maxwell G. Pottle was appointed Asst. Deputy Chairman of the company.

The Secretary was instructed to prepare the list of shareholders in the company's register as required by The Companies Act and file same with the Registrar of Companies.

Upon motion duly made and seconded and unanimously carried it was resolved that all action taken or authorized by the shareholders or the Board of Directors of the company since the incorporation of the company be approved and ratified.

Upon motion duly made and seconded and unanimously carried it was resolved that a company bank account be kept with the Canadian Imperial Bank of Commerce and that the Directors of the company be empowered to enter into the necessary banking agreements as required by the bank in the form previously executed by the company.

Upon motion duly made seconded and unanimously resolved it was agreed that rents for commercial tenants be increased at the time of the next quarterly rent payment as per the provision in the lease allowing for increase of rent to compensate for municipal taxes. The Assistant Deputy Chairman to prepare a schedule of these rent increases and to advise tenants as required by law and under the lease.

The following memorandum was read and directed to be inserted in the Minutes:

We the shareholders of the above mentioned company hereby consent to this meeting being held at the above time and place and do hereby waive notice of this meeting and consent to the transaction of such business as may come before it or any adjournment thereof as testified by our signatures hereto.

There being no further business the meeting adjourned
at 11:00 A.M.

F. J. O'Keefe

Robert M. O'Keefe
Secretary

at

MINUTES OF A GENERAL MEETING OF SHAREHOLDERS OF ELIZABETH TOWERS LIMITED HELD AT THE CONFERENCE ROOM, ELIZABETH TOWERS 100 ELIZABETH AVENUE, ST. JOHN'S , NEWFOUNDLAND , ON THE 25th DAY OF NOVEMBER A.D. 1974 AT 10:00 IN THE FORENOON.

PRESENT:

MR. FRANK J. O'LEARY, Chairman
MR. ALEC G. HENLEY, Deputy Chairman
MR. ROBERT HALL, Secretary
MR. MAXWELL G. POTTLE, Assistant Deputy Ch.

All the shareholders being present the notice calling the meeting which appears on the preceeding page of this Minute was read and acknowledgment of receipt thereof signed at the meeting declared to be regularly constituted.

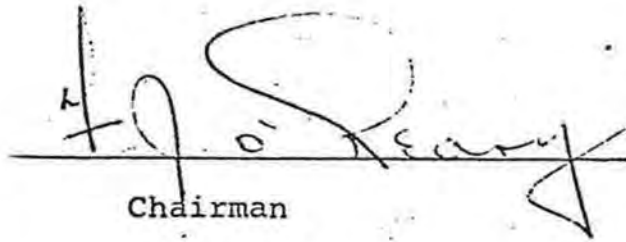
The Minutes of the Statutory Meeting of the Company held the 29th day of March A.D. 1974 were read confirmed and adopted.

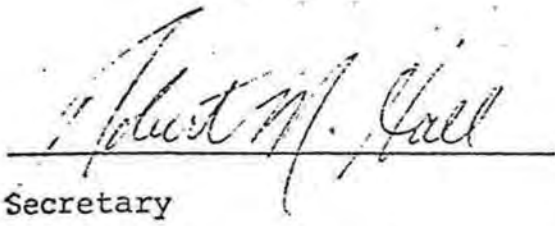
Mr. Alec G. Henley then read to the meeting a letter of resignation as a Director of Elizabeth Towers Limited and offering to transfer his one share in the company to the nominee of the St. John's Housing Corporation and presented to the meeting the said share certificate endorsed in street form. The meeting then unanimously approved a transfer of one common share from Mr. Alec G. Henley to Robert M. Hall of St. John's.

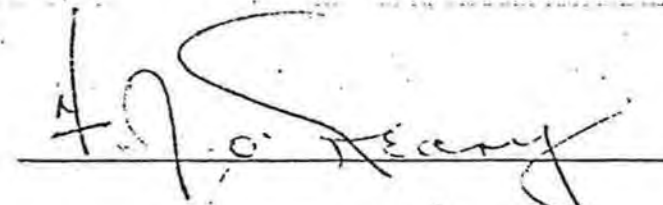

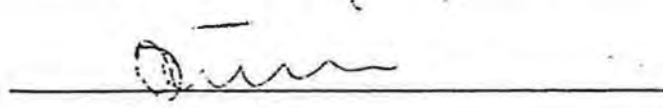


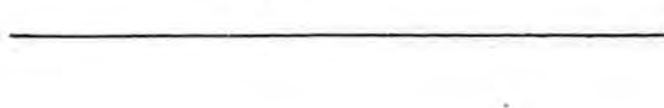
The following memorandum was read and directed to be inserted in the Minutes

" We the shareholders of the above mentioned company hereby consent to this meeting being held at the above time and place and do hereby waive notice of this meeting and consent to the transaction of such business as may come before it or any adjournment thereof as testified by our signatures hereto."

There being no further business the meeting adjourned
at 10:30 A.M.


Chairman


Secretary

MINUTES OF A STATUTORY MEETING OF SHAREHOLDERS OF ELIZABETH TOWERS LIMITED HELD AT THE CONFERENCE ROOM, ELIZABETH TOWERS, 100 ELIZABETH AVENUE, ST. JOHN'S, NEWFOUNDLAND, ON THE 30th DAY OF JANUARY, A.D. 1975 AT 10:30 O'CLOCK IN THE FORENOON.

PRESENT

MR. FRANK J. O'LEARY, Chairman
MR. ROBERT M. HALL, Secretary
MR. MAXWELL G. POTTLE, Assistant Deputy Chairman
MR. CLAUDE E. DAWE, representing St. John's Housing Corporation

All shareholders being present the notice calling the meeting which appears on the preceeding page of the Minute Book was read and acknowledgment and receipt thereof signed and the meeting was declared to be regularly constituted.

Upon motion duly made and seconded and unanimously carried Messrs. Frank J. O'Leary, Claude E. Dawe, Robert M. Hall and Mr. Maxwell G. Pottle were elected Directors of the Company.

Upon motion duly made and seconded and unanimously carried it was resolved that the Auditor General be the auditor of the company.

Upon motion duly made and seconded and unanimously carried Mr. Frank J. O'Leary was appointed Chairman of the Board of Directors of the Company, Mr. Robert M. Hall was appointed Secretary of the company and Mr. Maxwell G. Pottle was appointed Assistant Deputy Chairman of the Company.

The Secretary was instructed to prepare the list of shareholders in the company's register as required by the Companies Act and file same with the Registrar of Companies.

Upon motion duly made and seconded and unanimously carried it was resolved that all action taken or authorized by the

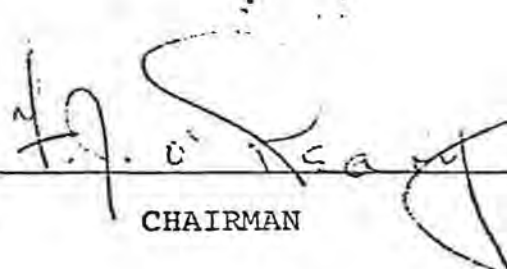
shareholders or the Board of Directors of the Company since the incorporation of the company be approved ratified and confirmed.

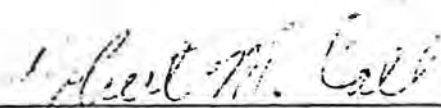
Upon motion duly made and seconded and unanimously carried it was resolved that the company account be kept with Canadian Imperial Bank of Commerce and that the Directors of the company be empowered to enter into any necessary banking agreements as required by the Bank in the form previously executed by the Company.


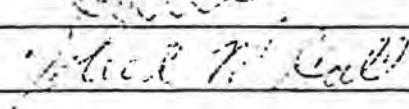
The following memorandum was read and directed to be inserted in the Minutes:

" We, the shareholders of the above mentioned company hereby consent to this meeting being held at the place and time above set forth and do hereby waive notice of this meeting and consent to the transaction of such business as may come before it or any adjournment thereof as testified by our signatures hereto."

There being no further business the meeting adjourned at 11:00 A.M.


CHAIRMAN


SECRETARY

MINUTES OF A GENERAL MEETING OF SHAREHOLDERS OF ELIZABETH TOWERS LIMITED HELD AT THE CONFERENCE ROOM ELIZABETH TOWERS, 100 ELIZABETH AVENUE, ST. JOHN'S, NEWFOUNDLAND, ON THE 1st DAY OF DECEMBER A.D. 1975 AT 10:00 O'CLOCK IN THE FORENOON

PRESENT:

MR. FRANK J. O'LEARY, Chairman
MR. ROBERT M. HALL, Secretary
MR. MAXWELL G. POTTLE, Assistant Deputy Chairman

And the following all representing St. John's Housing Corporation

HONOURABLE BRIAN PECKFORD
MR. S. J. HEFFERTON
MR. CLAUDE E. DAWE
MR. HUGH BIARD
MR. A. B. BUTT
MR. JOHN PALFREY

All Shareholders being present the notice calling the meeting which appears on the preceeding page of this Minute Book was read and acknowledgement of receipt thereof signed and the meeting was declared to be regularly constituted.

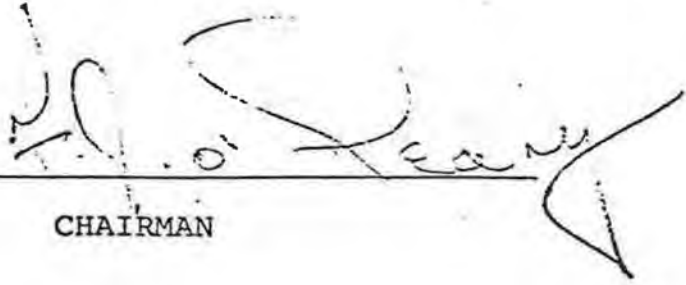
Upon motion duly made and seconded and unanimously carried it was resolved that commencing the 1st day of January A.D. 1974 the financial year of the Corporation shall be for the period from the 1st day of January A.D. 1974 to the 31st day of March A.D. 1975 and thereafter the said financial year shall be from the 1st day of April in each and every year to the 31st day of March in the following year.

The following memorandum was read and directed to be inserted in the minutes

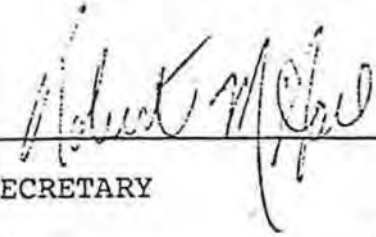
"We the shareholders of the above mentioned company hereby consent to this meeting being held at the above time and place and do hereby waive notice of this meeting and consent to the transaction of such business as may come before

it or any adjournment thereof as testified by
our signatures hereto."


There being no further business the meeting adjourned
at 10:30 A.M.

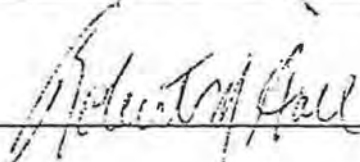


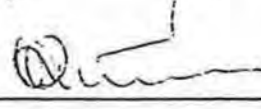
CHAIRMAN



SECRETARY







Minutes of an extraordinary general meeting of the shareholders of Elizabeth Towers Limited held at the offices of the Company, Elizabeth Towers, Elizabeth Avenue, St. John's Newfoundland on Wednesday, March 31st, 1976 at 11:15 a.m.

PRESENT

Mr. Frank J. O'Leary
Mr. Maxwell Pottle
Mr. Robert Hall

being the non-corporate shareholders of the Company.

ALSO PRESENT WERE

The Honourable Brian Peckford
Mr. Claude E. Dawe
Mr. John Palfrey
Mr. A. B. Butt
Mr. Hugh Baird

representing St. John's Housing Corporation, the major corporate shareholder in the Company.

UPON MOTION unanimously passed Mr. O'Leary acted as Chairman and Mr. Hall acted as Secretary of the meeting. The Chairman indicated that the purpose of the calling of the said meeting was to accept the resolution for the voluntary winding up of the Company. The Chairman indicated that St. John's Housing Corporation had on the same date of this meeting passed a resolution authorizing the taking over of the assets and liabilities in full of Elizabeth Towers Limited in the event that the members of Elizabeth Towers Limited should resolve that the Company be wound up.

A General discussion then followed regarding the mechanics of the winding up and the advantages to both Elizabeth Towers Limited and St. John's Housing Corporation and Mr. Maxwell Pottle was instructed to prepare closing balance sheets for the Company. The following motion was then unanimously passed:

"Moved that Elizabeth Towers Limited be wound up voluntarily and that Maxwell Pottle, C.G.A. of St. John's, Newfoundland, Canada, Accountant, be and he is hereby appointed Liquidator for the purpose of such winding up."

The Notice of waiver of meeting attached hereto was read and it was instructed to be inserted in the minutes of the meeting.

There being no further business the meeting adjourned at 12:00 noon.

H. J. O'Keefe

Robert M. Hall