

PRELIMINARY

UNEDITED

TRANSCRIPT

House of Assembly

For the period:

3:00 p.m. - 6:00 p.m.

February 10, 1977

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, it is with genuine regret I inform the House of the sudden passing of Magistrate James J.D. Smith who at the time of his death occupied the provincial bench in the magisterial district of St. George's. The late Magistrate Smith was appointed to the provincial court bench on October 24, 1966 and has served the provincial court of this Province with great devotion and ability since that date. The late Magistrate Smith served in the magisterial district of Bell Island for a number of years before being transferred to St. George's. I am sure this House will want to join with me in extending to the family of the late Magistrate Smith the sincerest condolences of the House.

MR. SPEAKER: The hon. member for St. George's.

MRS. MACISAAC: ^{MC} Mr. Speaker, it is with great regret too that I and my colleagues here on this side of the House have been informed of the passing away of Magistrate Smith. Magistrate Smith has made a great contribution to the magistracy. He has served well and is well respected in the area of St. George's and the surrounding districts. I too wish to extend to his family the condolences of this side of the House.

STATEMENTS BY MINISTERS:

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

MR. LUNDRIGAN: Mr. Speaker, I rise to make a statement in my capacity as Minister of Rural Development. For some time now we have been looking at the sawmill industries in terms of, particularly, the concern we have for the differential between the output of lumber that is in the Province as compared with the consumption of lumber. I do not think there has been a government for the last twenty-five years that have not been concerned with this problem. Of course it is our responsibility to take whatever action is appropriate and that we are capable of taking to provide some stimulation and incentive for the

MR. LUNDFIGAN:

further production of lumber in this Province.

The Department of Rural Development for a number of years now have been providing assistance to a lot of small sawmills, some with some degree of success, some with limited success, around the Province. I believe there are quite a number of hundreds of very small mills that have received forms of assistance, capital loans and the like. Last year we attempted very late in the season, too late as I indicated in a public statement, to put in place a programme which would be tested as almost a pilot programme to interact with the larger mill, the graded lumber mill, to provide working capital, which appears to be one of the major problems facing the industry.

This programme enabled us, although it met with limited success - it was very late in the season - it nevertheless enabled us to assess some aspects of the problem that we have and to be able to take certain remedial steps this present year. I am very pleased to be able to announce a programme to provide working capital for the intermediate size mill, the mill which produces above 100,000 board feet of lumber and really perhaps between 100,000 and 500,000 board feet of lumber. These mills again, as I indicate, traditionally have lacked working capital and consequently have been rather limited in the production of lumber.

It is anticipated that there are about seventy mills that will qualify under the program, with a possible resultant increase in the output of lumber. The loans will be based on seventy-five dollars per thousand for logs delivered to the sawmill yard. It is a sawmill log programme, if you want, seventy-five dollars per thousand of logs delivered to the yard. It can be availed of as of today and following through to the middle of May in terms of the loan, and programmes of repayment will be scheduled from June through until the early Fall.

We have worked out the programme with our officials and through my colleague, the Minister of Forestry and Agriculture, and the Department of Forestry and Agriculture will be responsible for monitoring

MR. LUNDRIGAN:

and really indicating to us at Rural Development the extent of the logs that have been harvested by a particular mill and of course indicating their recommendation for approval of a loan. The Department

Mr. Lundrigan:

through the Rural Development Authority will administer the loan programme, and we will be able to make available working capital up to \$20,000 for any mills that do qualify and that do need the criteria. The criteria for the mill basically will be its historical performance. In other words, mills that have had a history of being able to need up to 100,000 board feet of lumber, and as well have carried out good forestry practices in the Province and have a satisfactory previous relationship with the Department of Rural Development through its loan programme.

Again I indicate 100,000 board feet as the minimum size mill, to indicate that our anticipation and hope is that eventually in the coming year these mills can be encouraged to reach a graded capability with their lumber, thus enhancing our principal that quality must be a prerequisite and a prime aim of the Province in meeting the marketplace requirements in the Province as a whole.

MR. NEARY: Where will they get the security?

MR. LUNDRIGAN: I will reflect on that. That is an important question.

Anybody wishing to avail of the programme will be able to contract any of the regional forestry officers or the Department of Rural Development.

An evaluation procedure will be put in place, Mr. Speaker, and it will be external to the department. I want to get people outside of the department to have an evaluation of the programme. This will hopefully be conducted by the University. I have had discussions in the last number of weeks with some people who have an expertise at the University. And I feel it would be very appropriate if we could put in place an independent group of this nature that could help us assess the impact to begin with, and modifications and improvements for the coming year.

MR. NEARY: Who at the University?

MR. LUNDRIGAN: The University?

MR. NEARY: Who at the University?

MR. LUNDRIGAN: Mr. Dave Reese has been mine prime contract, of course, who works as an assistant to Dr. Bruneau, and he is a young Newfoundlander from Bell Island who happens to be a very interested fellow in the Province, and in this particular area. Dr. Jim Church is another outstanding person at the University who has a very exceptional background in technical aspects of sawmills.

I just indicate that to respond.

AN HON. MEMBER: What about Dr. Kitchen?

MR. LUNDRIGAN: Dr. Kitchen is not involved at this moment. He will not be having any major input.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (DR. COLLINS): Order!

MR. LUNDRIGAN: I would hope to indicate, Mr. Speaker, other kinds of things that we have in mind for the sawmill industry in the coming year. Some of the larger units of operation have had problems. Some of them are in difficulty, as a matter of fact, and they will be for a number of years, the larger units. But we feel it is incumbent on us to address ourselves to the medium sized mill that has quite a bit of potential for expansion.

Now the member across raised a question which I - surely the programme will be based, it is a typical Rural Development Authority Programme. It will not be encumbered by the usual red tape that involves having to have inventory as security, receivables as security, if that were the case, and we have to go through all of the procedure to accommodate that kind of requirement, then it would be impossible to put any kind of a programme in place that would have the efficiency that we deserve it to have.

MR. NEARY: Will you have to queue up there now?

MR. LUNDRIGAN: It would just be impossible. It would take us six months to put the programme in place, and consequently if we are going with the very efficient, though sometimes highly criticized but very effective Rural Development Authority. And I believe my hon. colleague, the Minister of Finance, might like to indicate that eventually we are putting in place the half million dollars for this programme initially. If these funds are exhausted, and I hope they are, then of course we will have to look at expanding the resources as well for the programme.

SOME HON. MEMBERS: Hear, hear!

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

MR. R. SIMMONS: Mr. Speaker, on behalf of my colleagues here in the official Opposition I would like to welcome the indication from the Department of Rural Development, from the minister, of its intention and his intention to mount this effort to provide some working capital for the intermediate size sawmills. I firmly believe that anything which can be done to stimulate the additional production or the production of additional board feet of lumber in this Province is a step in the right direction. And we have unqualified commendation for the minister, surprised as he looks to hear that. We certainly welcome this effort, and we feel it is a move in the right direction.

I am not sure, but I got an indication from him towards the end that the original amount of funding is a half million dollars, is that correct?

MR. WHITE: Half a million.

MR. LUNDRIGAN: That is in place now.

MR. SIMMONS: Yes, with a possible additional amount, did I get that -

MR. LUNDRIGAN: Yes.

MR. SIMMONS: Yes. I have not had an opportunity to work the figures through to see what a mill might qualify for. I do not know if the ministe would or could indicate that to me. What kind of

MR. SIMMONS: money we are talking in terms of one of the mills, one of the intermediate size mills?

MR. LUNDRIGAN: Mr. Speaker, I do not mind doing that at all because we have done a lot of work on this programme. Looking at, for example, \$75 thousand, that would be \$7500 for a hundred thousand, that would be \$15,000 for two hundred thousand, So really you are looking at around 300,000 foot mills being able to get full working capital. Now bearing in mind it is only the spring really, right now on the spring. I would think that mill is producing, or that normally would annually produce up to a half million board feet, would be able to avail of the full working capital of this period. Now another year, if you are looking at, say, mills that might start qualifying in December-which I am hoping we put in place this present year, at the end of this year, I am thinking-then of course we will have to maybe extend the terms of the amount that could be qualified for. We are talking the bulk of our mills, the larger mill, the half dozen larger mills, some of which have real problems, some of which we cannot help any further because they have problems that we just cannot overcome.

MR. NEARY: Would Ralland Forest Industry be one of them?

MR. LUNDRIGAN: The Ralland Forest Products on the Bay d'Espoir road? I am not in a position to comment in detail on that but we do have a package that we have put together that will be in place very, very shortly for that mill.

MR. NEARY: A million dollars in public funds!

MR. LUNDRIGAN: No, never mind a million dollars. The member continues to criticize us for not working at the-

MR. DOODY: He is the man for that.

MR. LUNDRIGAN: Yes I am aware of that. I cannot quote my hon. colleague's comment. But we have a programme that will help that particular mill and we would like to indicate that it is under very competent new management and the mill has been producing very effectively.

MR. NEARY: Where has Mr. Ralph gone?

MR. SIMMONS: Mr. Speaker, first of all I would like to thank the minister for the additional information. The other question I wanted to put to him, if he does not mind, is do I understand that the only limit on the amount of funding available is that limit which is determined by the board feet production? In other words, there is no ceiling that they can only get X thousand dollars otherwise. Is that correct? Is there any ceiling on the amount of money a particular mill can qualify for other than the ceiling being dictated by their output?

MR. LUNDRIGAN: Mr. Speaker, I believe I indicated that in my statement.

MR. SIMMONS: I did not get it, I am sorry.

MR. LUNDRIGAN: \$20,000

MR. SIMMONS: I am sorry. Again I thank the minister.

MR. HO. COLLINS: Wasting the time of the House.

MR. SIMMONS: The Minister of Health is a little tender. He has reason to be. I read the same report he has been reading, Mr. Speaker. I would like to say, though, before concluding, that I believe this particular effort by the department addresses itself to-

MR. COLLINS: Listen to what is going on, or wait until Question Period.

MR. SIMMONS: Mr. Speaker, if the Minister of Health would like to make a speech, I am willing to yield. We never heard him make a speech, so this is as good a time as any for his maiden speech.

MR. SPEAKER: Order, please!

MR. SIMMONS: Mr. Speaker, I would suggest that the Minister of Health if he disagrees with your ruling, the way to get about that-

MR. SPEAKER: Order! Order, please! I must impress upon the hon gentlemen on both sides that the procedures under Ministerial Statements are well defined by our usage and they do not permit debate. When an hon. gentleman to my right is commenting or asking for explanations, there should not be interjections from my left, and of course even if there are, they should not be replied to. But that is perhaps expecting the impossible. So the only way that the procedure

Mr. SPEAKER: can be properly applied is that it be without interruptions.

The hon. member.

MR. SIMMONS: Mr. Speaker, I did want to say that I believe that the announcement of the programme does address itself to a particular need at a time of the year when sawmill operators because they are not very well-heeled people financially, have difficulty meeting payrolls and that kind of thing, have a cash flow problem and it would seem that that is the problem and that this programme is intended to address itself to, and it is commendable in that context as well. The minister made reference in his announcement to last year's somewhat abortive programme, abortive in the sense that it might have been a bit late getting started, as he said. Perhaps at some point we might expect to get a report on the success of last year's programme. We do not have it as yet, but I would certainly welcome seeing that.

I would assume also that in time the House would get a report on this particular programme. It is one thing, Mr. Speaker, to hear the announcement but at some point we ought to have an opportunity without waiting for the Public Accounts and the various reports, some particular opportunity to adjudicate to what extent the programme has been successful in our view.

MR. SIMMONS: One final point on the subject, Mr. Speaker, is that I believe the announcement today calls to mind once again the need to rationalize the policy of timber permits as they relate to the smaller mills and I would hope that in time we could hear from the minister on that point. These smaller mills are having a lot of difficulty not because of the lack of equipment or the lack of management, but their inability to get at the logs that are in the woods, the lack of timber permits to allow them to operate on a year-round basis.

Again, Mr. Speaker, on behalf of my colleagues we welcome the statement and we anticipate it having some effect for good on the intermediate size sawmill. We look forward to receiving reports to that effect.

SOME HON. MEMBERS: Hear! Hear!

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, I am pleased to announce today that the Department of Fisheries will be spending a total of \$600,000 during the next three months to expand and improve fishing facilities around the Province. This amount, which is part of the government's recently announced \$2 million job creation programme, will be spent in the construction of community stages, bait holding units, gear sheds, and in the upgrading and improving of existing facilities.

The work, which will create a total of 150 jobs, will get underway the last of February and will continue until the last of May.

These projects, which are being carried out as a result of numerous requests from fishermen, will improve the fishing facilities around the Province and will have the effect not only of providing some immediate employment but once completed will have the effect of enabling a number of our fishermen to be able to more successfully carry on in the fishing industry.

Mr. Speaker, I am quite proud and quite happy to be able to announce this programme and I am hoping, like I said, that it will have the effect of providing some long-term jobs as well as some

MR. W. CARTER: short-term jobs.

MR. SPEAKER: The hon. member for Fogo.

CAPT. WINSOR: Mr. Speaker, needless to say we are happy on this side of the House to see that finally the Department of Fisheries is going to have some real financial input into the fishing industry of this Province.

Now it is worthy of note that the Minister of Social Services the other day announced that \$700,000 would be spent to employ 400 jobs. And the Minister of Fisheries has quoted a figure here of \$600,000 and that amount of money will only employ 150 men. Why the difference?

MR. BRETT: To supply the materials.

CAPT. WINSOR: I am coming to that now.

Would the minister be good enough to acknowledge does this amount cover material? And if so, how much? Where would the jobs be located, in what districts? And I appreciate the fact that the minister has not finally arranged where this work will take place, in which part of the Province or which district.

MR. NEARY: The minister does not know.

CAPT. WINSOR: The minister has said this programme will start by the end of February so we have to give him a little leeway, providing he does not drift ashore.

So, Mr. Speaker, anything which will create employment we welcome on this side of the House, and the facilities that the minister referred to here are badly need, have been badly needed for the past several years, and it is now only on a crash programme that the Minister of Fisheries and his department is going to have some, although it is going to be meagerly, but a half a loaf is better than no bread at all, and therefore for the sake of the fishermen, for the sake of the improved facilities, because Mr. Speaker, if Newfoundland fishermen are going to improve their product and produce a good quality of fish they cannot do it unless proper facilities are provided. And I am glad that the minister is conscious of this fact, and even though late we do appreciate it and I am sure the fishermen of the Province will appreciate it.

SOME HON. MEMBERS: Hear! Hear!

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, I want to beg leave of the House to table copies of telegrams that have been sent to the Hon. Romeo LeBlanc, the federal Minister of Fisheries, concerning the closing of the Gaultois fish plant; a copy of my telegram to the minister on January 24th. in which we made certain recommendations and expressed a great deal of concern with respect to the then impending closure of that fish plant, to which the minister replied to the effect that very little could be done in light of the need for conservation measures, but that if we were to get together and make certain recommendations that maybe he would be receptive. So subsequently we have contacted the owners of the side trawlers in the Province, all side trawler operators, and discussed the matter. We have come up with several recommendations which we have now communicated to the minister and that are contained in the correspondence that I am about to table.

I might add, Mr. Speaker, that the side trawler operators have requested changes in the management plans as indeed - and we have, of course, concurred with that recommendation. They have requested that special consideration be given, special financial consideration be given to side trawler operators, to which we concur. They have agreed to subject their financial records to a very close scrutiny on the part of the federal Department of Fisheries should they decide to make that financial assistance available. I think, Mr. Speaker, that the attitude of the side trawler operators is commendable. I think their cause is a good one. And while I am not ignoring the need for conservation, especially in areas where certain species are endangered, but certainly I believe that in light of the serious implications of the closing of that plant in Gaultois, and maybe the closing of other plants in that area, that the federal minister should give some special consideration to these operators as requested in their telegram, and as supported in my telegram to the minister.

MR. SPEAKER: The hon. member for Burin-Placentia West.

MR. CANNING: Mr. Speaker, on this side of the House I am sure most of the members, particularly the members from the Southwest Coast, are cognizant of the predicament that the Lake group fisheries interest have been placed owing to the curtailment of the catch. And we fully agree that if it is at all possible, provided, of course, it can be done, possibly done to avoid depletion of the stock, and we sincerely hope that the reaction of the federal government will be suitable for that all-important industry on which the economy of that area of the coast totally depends.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Are there any further statements by ministers?

PRESENTING PETITIONS:

The hon. member for Baie Verte-White Bay.

MR. RIDEOUT: Mr. Speaker, I rise to present a petition on behalf of some 123 voters of the community of Pacquet in my district. The prayer of the petition is that the Department of Municipal Affairs, or the government through that department, take some action this year in starting to install an adequate water and sewer system in that community. Now, Mr. Speaker, in supporting the petition let me say that Pacquet is a growing community, and all indications are that it will continue to grow. Three-quarters of that community today, at this moment, is without water of any sort. They have some sort of a haphazard water system there over the last number of years, but it continues to freeze very often during the Winter, and at this particular time about three-quarters or seventy-five per cent of the community is without water. The community has no form of sewer system whatsoever. Most residents have a septic tank system or something similar thereto, and consequently many parts of the community is a cesspool during the Summer. So we are talking about a health hazard as well as inadequate services. The people, I believe, Mr. Speaker, have been very patient. They have seen those facilities being added to or improved or newly installed in communities close by them. They were told last year that it could not be started because of restraints and retrenchment,

MR. RIDEOUT:

but this year they would like to see at least a start. They do not expect \$600,000 or \$700,000 to complete it all in one year. They are not that unreasonable or that unrealistic. But they do expect a start. I think their prayer is reasonable and I fully support their petition and I ask that it be laid on the table of the House and referred to the department to which it relates.

SOME HON. MEMBERS: Hear, hear!

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

MR. POWE: Mr. Speaker, I would like to support the petition presented by my colleague from White Bay-Baie Verte (Mr. Rideout) on behalf of 123 residents of the community of Pacquet in that particular district. Sir, in supporting the petition I would just like to make a small suggestion to the Minister of Municipal Affairs and Housing concerning water and sewer systems, because there is a tremendous demand by many communities throughout the Province for such systems at the present time. What I am encountering and what I am finding, and I am sure the minister is finding the same thing, is that the finalized specifications for such systems are terribly expensive.

I could think of a particular example, such as Bay de Verde, for example, where there is a system which is designed to cost somewhere in excess of \$1 million. Now I think that in many cases what has been drafted up are Cadillac water and sewer systems for this Province for certain communities. I think that an effort should be made by the minister and his officials to try to get the consulting engineers and what have you to design systems that are efficient and sufficient to serve the people in these communities without having these great Cadillac, multi-million dollar systems that are being designed by the engineers in this Province and consultants in this Province.

I just make that suggestion, Sir, in supporting the petition. And I on behalf of my colleagues as well wholeheartedly support this petition.

SOME HON. MEMBERS: Hear, hear!

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES:

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

MR. MURPHY: Mr. Speaker, I beg leave to table the following reports: The Automobile Dealer Regulations; the Collection Agencies Regulations; the Mortgage Brokers Regulations; Conditional Sales Regulations; and Bills Of Sale Regulations.

MR. SPEAKER: The hon. Minister of Social Services.

MR. BRETT: Mr. Speaker, I beg leave to table the list of projects that I announced a couple of days ago. There has been one change, Mr. Speaker, in the Central region. There was a project there listed for Fortune Harbour and that has had to be changed because since then the community has qualified for a LIP programme. So that project will be changed.

NOTICES OF MOTION:

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following bills:

A bill, "An Act To Ratify, Confirm And Adopt Two Indentures Of Mortgage Relating To A Mill At Hawkes Bay And To Make Provision Respecting Matters Connected Therewith."

A bill, "An Act To Amend The Evidence Mechanical Recording Act."

A bill, "An Act To Amend The Chairman Of the Board Of Commissioners Of Public Utilities Pension Act, 1974."

MR. SPEAKER: The hon. Minister of Education.

MR. HOUSE: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce:

A bill, "An Act To Amend The Department Of Education Act."

A bill, "An Act Respecting The Establishment And Operation Of The Polytechnical Institute Of Newfoundland."

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

MR. MURPHY: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce:

MR. MURPHY:

A bill, "An Act To Amend The Landlord And Residential Tenancies Act." This has to do with mobile homes for anybody who wishes to know. *X 16*

ORAL QUESTIONS

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

MR. ROBERTS: Mr. Speaker, my question grows out of everybody's favourite reading - could we co-ordinate our watches Mr. Speaker? I notice Your Honour is looking at his non-digital computer. I make it 3:30 p.m. or two minutes past three-thirty which means Question Period is two minutes past four o'clock. Are we synchronized, Sir?

MR. SPEAKER: Right.

MR. ROBERTS: Mr. Speaker, my question arises out of the Auditor General's Report, specifically paragraph 63 which relates to the Minister of Justice. It is found on page 74, it is headed "Questionable use of public funds" and refers to the minister's action in having expended \$2,400 for the travel of his special assistant, apparently only for the purpose of serving the minister's interests, as they may be, in the district of Grand Bank.

Could the minister tell the House please, Mr. Speaker, whether he considers that this expenditure of public funds was a proper one?

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

MR. HICKMAN: Yes, Mr. Speaker.

MR. ROBERTS: Mr. Speaker, a supplementary.

Are we then to assume, Sir, that any official of the public treasury or the public service may travel at the expense of the Treasury for matters what apparently are only of partisan political import?

MR. HICKMAN: Mr. Speaker, I am shocked, amazed, astounded -

SOME HON. MEMBERS: Oh, oh!

MR. ROBERTS: Roll your eyes heavenward.

MR. HICKMAN: - or beyond comprehension that the Leader of the Opposition would say that looking after one's constituents, because I subscribe to the view that one should look

MR. HICKMAN: after all the constituents, constitutes partisan politics. I am very proud and delighted to look after all of the constituents in the great electoral district of Grand Bank and I am sure the people of that district concur therein.

SOME HON. MEMBERS: Hear,hear!

MR. ROBERTS: Mr. Speaker, I give notice orally and I shall do it imminently in writing that the minister's attitude or answer is unsatisfactory. I find it a brazen attempt to pervert the entire purpose of expenditure of public funds and I wish to debate it this afternoon on the late show, Sir.

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: On a point of order, Mr. Speaker. The hon. the Leader of the Opposition knows that the use of the word 'pervert' -

SOME HON. MEMBERS: You are out of order, boy.

SOME HON. MEMBERS: He is on a point of order.

MR. SPEAKER: Order! The hon. gentleman is on a point of order.

MR. HICKMAN: Mr. Speaker, the hon. the Leader of the Opposition is fully aware, no matter what his views may be, but he is fully aware of the rules of the House which prohibit, preclude and totally disbar the use of the word 'pervert'. I find it a very offensive word and I trust all other hon. members do as well.

PREMIER MOORES: If you use one or know one.

MR. ROBERTS: Mr. Speaker, to that point of order. If the hon. gentleman can show a citation,well and good, or if he could show a rule, But in my view there is no such rule. There may be a citation. I said that I viewed the minister's approval of the expenditure of \$2,400 in public funds for no other purpose other than that of his district, serving his district, not the man for whom the people of the district, 39 per cent of them at least, voted, but rather, Mr. Speaker, a public servant who

MR. ROBERTS: is well paid by the public and now apparently is to be better paid, to claim \$2,400. I view the minister's approval of that, Sir, and indeed his defence of it as being a brazen perversion of public expenditure. If that is out of order, Sir, I shall gladly withdraw it. But I submit, Sir, it is not out of order. I think, in fact, the only thing out of order is the minister's approval of the expenditure.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I shall reserve a decision on that point of order.

The hon. the member for LaPoile.

MR. NEARY: Take it easy boys. Take it easy. Do not get jumpy.

Mr. Speaker, I should like to direct a question or two to the Minister of Mines and Energy. Would the Minister of Mines and Energy tell the House what transpired recently in the discussions between the minister and Eastcan in connection with drilling for gas and oil off Labrador?

MR. SPEAKER: The hon. the Minister of Mines and Energy.

MR. PECKFORD: Mr. Speaker, there are discussions ongoing between Eastcan as well as the other companies who have an interest either real or desired off the Labrador coast and off the coast of the Island. These discussion hopefully will reach some conclusion before the month is out at which time a full report will be provided to the hon. members of the House.

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

MR. SPEAKER: A supplementary.

MR. NEARY: Mr. Speaker, would the minister indicate to the House if Eastcan indicated that they would be doing as much drilling off our coast this year as they did last year and in previous years? Or do they intend, as has been reported, to move their oil drilling rigs to off the coast of Greenland?

MR. SPEAKER: The hon. the Minister of Mines and Energy.

MR. PECKFORD: Mr. Speaker, the position of Eastcan, as I understand it, is the same to me as what they related to the press through a press release last week in which they said they had made no decision to drill, nor no decision not to drill and that they were waiting ongoing discussions with the Government of the Province and ongoing discussions with the other members of consortium.

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

MR. SPEAKER: A supplementary.

MR. NEARY: Would the minister indicate if the Province is allowed to have observers on these oil drilling rigs off our Coast to monitor the logs of the companies, the daily reports that are made on each foot that is drilled? Are we allowed to have observers on these boats and if so is the minister in possession of the facts, the logs, in connection with the oil drilling and gas drilling that is going on off our coast?

MR. SPEAKER: The hon. Minister of Mines and Energy.

MR. PECKFORD: There is one weekly and sometimes daily inspections by an engineer from the Department of Mines and Energy out on the oil rig while the drilling is occurring and monitoring that, number one. Number two, we do get logs from all of the companies who do drilling and we as a government or as a department examine those and from time to time get other people to examine them for us if we do not have the expertise to establish if in fact what is stated to be the case is in fact the case as it relates to reservoirs.

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

MR. SPEAKER: Yes. This will be the final supplementary.

MR. NEARY: On this important subject? Mr. Speaker, we could go on all day with supplementaries. Could the minister indicate to the House if the minister's officials in the minister's department are now in possession of these logs? And does the minister have staff adequate who are able to interpret the logs and if so could the minister indicate to the House if there are any signs of any

MR. NEARY: commercial strikes of gas and oil off Newfoundland or Labrador?

Surely if the minister has access to the logs the government must be in a fair position to know if there is any gas or oil there in commercial quantities?

MR. SPEAKER: The hon. Minister of Mines and Energy.

MR. PECKFORD: Mr. Speaker, we do have some people on staff who are qualified to assess the logs. We also from time to time hire people who have a fair amount of expertise whom we know of around the world, whom we also ask to examine them and give us an independent opinion.

Thirdly, because of the scattered geography of the drilling programme to date on the various acreage and the geological structures off Labrador, it is difficult to determine and to say with any degree of accuracy whether in fact there has been a commercial find.

MR. NEARY: Could the oil companies cover up?

MR. PECKFORD: All that we can say is that the indications to date are extremely promising for that to evolve in the not too distant future.

MR. SPEAKER: The hon. member for Windsor - Buchans.

MR. FLIGHT: A question for the Minister of Manpower, Industrial Relations and I see he is not in his chair now.

SOME HON. MEMBERS: Yes he is.

MR. ROBERTS: They just keep changing ministers.

MR. FLIGHT: Mr. Speaker, with regard to the Buchans Task Force the overrun of \$35,000, Mr. Speaker, I am quoting direct from the Auditor General's Report, Sir. It says, "The consultant was advised by the task force to finish the work first of all, and then submit his final billings together with an explanation of increased costs." My question, Sir, is I want to know how and who on behalf of the Buchans Task Force authorized the consultant to change what was a \$20,000 contract to an open end, no limit, cost plus contract that eventually went to \$55,000?

MR. ROBERTS: Hear! Hear!

MR. ROUSSEAU: I take that question under advisement, Mr. Speaker.

MR. FLIGHT: A supplementary, Mr. Speaker.

MR. SPFAKER: A supplementary.

MR. FLIGHT: Then I would ask the minister as to why his department recommended the payment of the extra \$35,000?

MR. ROUSSEAU: I take that question under advisement, Mr. Speaker.

MR. ROBERTS: Mr. Speaker, to the minister, a further supplementary, would the minister indicate to the House whether this matter of the serious overrun and the apparent complete lack of control over public expenditure in this respect had been brought to his attention before the Auditor General's Report was made public in the House this week?

MR. SPFAKER: The hon. Minister of Manpower and Industrial Relations.

MR. ROUSSEAU: Thank you very much. I like that opportunity.

I do not deny that I received a draft copy of the Auditor General's Report a couple of months ago, I think all ministers do, and we are asked to - it is a draft copy of the Report -

MR. ROBERTS: And all ministers do, as the minister said.

MR. ROUSSEAU: Oh yes, and we are asked to reply to it, which each department of course replies as to the allegations made by the Auditor General. We did that. Until the report is tabled in the House we do not know whether the answers we have given have been accepted or not by the Auditor General. So in that vein I say that the only time we see it or know what is finally in it, although we have an indication of what is in a draft reply, is when it is tabled in the House and I have asked my officials, as I suggested yesterday, and I am not trying to be abrasive to the hon. member for Windsor - Buchans (Mr. Flight), to verify replies to those answers and when I have them you will have them.

MR. SPEAKER: I will allow one further supplementary.

MR. FLIGHT: Sir, in asking a supplementary, in all due respect, I want to indicate that I am aware that the present minister is not the minister who was responsible for the Buchans Task Force, either the performance or the setting up of such. However, I would like to ask the minister just who was responsible for the supervision of the work done, the work done on the job that went from \$20,000 to \$55,000? Was it the Buchans Task Force or was it the Department of Manpower and Industrial Relations?

MR. SPEAKER: The hon. minister.

MR. ROUSSEAU: That would again be taken under advisement. When I have the answer - they are preparing it now - the hon. member will have it. You know, I say that, and that is all I can say.

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

MR. ROWE: Mr. Speaker, I have a question for the Minister of Education. Mr. Speaker, in view of the fact that the amount of \$150,000 for the transportation of handicapped children was paid to sundry persons and companies, could the minister indicate why these payments were made without written contracts between the suppliers and the government?

MR. SPEAKER: The hon. minister.

MR. HOUSE: Mr. Speaker, the bus transportation - money is made available for bus transportation and regulations governing school boards. And we have a lot of schools, of course, who are operating where the mentally retarded, for instance, do not come under school boards. And in the year before last estimates there was no heading to cover that. So that has been remedied by putting a heading for bus transportation for special education. With respect to contracts being called, we have had a long-term contract with Handicabs, for instance, for the schools here in town, and the only people that are equipped to bus these pupils. And it is not a written contract. It is just that we have to negotiate with them. With respect to around the Province, we have a number of problems. We have a child, for instance, in a small community,

Mr. House.

just one child, who cannot use regular transportation. There is no sense in calling tenders. There is no way we can call tenders, because there are no people there to bus that particular person. We have to go and negotiate with a person, and they do it basically for a very cheap rate, and it would be a senseless waste of money to advertise. And that is going on all over the Province. I want to point that out very clearly. Practically every community got a child that cannot use regular transportation. We have to go and get somebody and the taxi people will not do it, because it ties them up on regular times, and we have to negotiate sometimes with a teacher, and sometimes with some parent or man who has a car in the community. And that is why these amounts of money were spent for that tender.

MR. ROWE: A supplementary.

MR. SPEAKER: A supplementary.

MR. ROWE: Mr. Speaker, could the minister indicate why no public tenders were invited for these particular contracts, and could he also indicate -

MR. HOUSE: I just told him that.

SOME HON. MEMBERS: Oh, oh!

MR. ROWE: That is very funny.

MR. SPEAKER: Order!

SOME HON. MEMBERS: Oh, oh!

MR. ROWE: You have a Public Tenders Act.

MR. RIDEOUT: It is a joke to them.

MR. ROWE: It is a joke. That is exactly what it is.

Could the minister indicate, Sir, why no public tenders were called for these contracts, and who the people were who got these contracts, and the amount of money that was received by these individuals?

MR. SPEAKER: The hon. Minister of Education.

MR. HOUSE: I may be able to get that information. It would take some time so I will take it under advisement.

MR. ROWE: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary.

MR. ROWE: Sir, could the minister indicate whether these payments were processed through the Supervisor of Transportation's department, which is required by law? And why these payments were not made as grants to school boards, which is required by law?

Is the minister going to answer, Mr. Speaker?

MR. HOUSE: I did not get the full import of the question, Mr. Speaker.

MR. ROWE: Could I repeat it?

Mr. Speaker, could the minister indicate why these payments were not made as grants to the schools boards as required by the law? And also why these payments were not processed through the Supervisor of Transportation as required by law?

MR. SPEAKER: The hon. minister.

MR. HOUSE: Mr. Speaker, I will take that question under advisement, but I thought that I made that clear in my first answer.

MR. ROWE: No! No!

MR. SPEAKER: The hon. member for Burgeo-Bay d'Espoir followed by the hon. member for Carbonear.

MR. SIMMONS: Mr. Speaker, I have a question for the hon. the Premier. I refer him to page 66 of the public accounts for the year ended March, 1976. A number of items here: Official entertainment by the Premier, \$10,000; supplies for the executive aircraft, \$3,000. But I want to come to another one, Mr. Speaker, for the time being. I am sure the Premier has answers for the two I have just raised. But I want instead to direct him to about the center of the page, "Luncheon re Cabinet meeting in Gander. Cost, \$1,791." Would the -

MR. POWE: Say that again.

MR. SIMMONS: Seventeen hundred and ninety-one dollars.

Mr. Speaker, what I would like to know first of all -

MR. NEARY: Must have been a big one that day.

MR. SPEAKER: Order, please!

MR. POBERTS: It was ordered, that is what happened to it, \$1,791.

MR. SIMMONS: Now I would like to know first of all from the Premier whether this is indeed a correct entry and if we can assume that there was \$1,791 spent on a luncheon in connection with the Cabinet meeting at Gander.

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, I am sure the member for Burgeo-Bay d'Espoir (Mr. Simmons) must assume it is a correct answer, because after all where he gets, as he gets most of his information, is from the Auditor General. So I assume it is correct.

MR. SIMMONS: Ah, he is tender today.

PREMIER MOORES: There is nothing wrong with that. I mean, that is a backup for your credibility.

MR. SIMMONS: Tender! A good backup by the way.

PREMIER MOORES: No argument.

MR. SIMMONS: The Auditor General is saying the same thing about you.

PREMIER MOORES: Mr. Speaker, having said that, and having been asked the question, all these can be answered in detail. But if I remember correctly, that particular meeting was a Cabinet meeting held in Gander

PREMIER. MOORES:

where the mayors from every municipality in the region, where representatives from all the people in the region, where people with a vested interest in what government was doing in the region came and met government and that, Sir, I would suggest is cheap at half the price.

SOME HON. MEMBERS: Hear, hear!

MR. SIMMONS: A supplementary.

MR. SPEAKER: A supplementary.

MR. SIMMONS: Mr. Speaker, a supplementary for the Premier. I wonder could the minister table the information to indicate who was there. The entry is not obviously at all correct if, as it says, it is a luncheon meeting for Cabinet. That would be a bad misuse of government funds.

† If there were others - I do not particularly, Mr. Speaker, without doubting his word, I do not particularly want to take his word for it. I would like to know who was at the meeting and if it therefore is a proper charge on the public accounts of this Province. Could he table the information he has alluded to?

4 PREMIER MOORES: Mr. Speaker, I do not know what minister will, but I certainly will be only too glad to do it in this particular regard. I would suggest also that not only would I table the information of who was there but I also would suggest, Sir, maybe we should table at the same time the information of what was discussed. I think maybe we should talk about some of the concerns of the people who were there and why this money was well spent.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: And we also, Sir, would suggest that such a meeting would be advisable on the South Coast and I would even suggest that the hon. member might show up and find out what is going on as far as government's people are concerned.

SOME HON. MEMBERS: Hear, hear!

MR. SIMMONS: A supplementary, Mr. Speaker.

MR. SPEAKER: One further supplementary.

✗ MR. SIMMONS: I thank the Premier for his invitation. I shall attend

MR. SIMMONS:

the meeting on the South Coast. I hope the fare is at least as good as it was at Gander. Would the Premier indicate about how many people attended the meeting? I would like to get some idea. If only the Cabinet attended that is \$100 a plate and that is a fairly expensive meal. Could he indicate how many were there? Ten? One hundred?

PREMIER MOORES: Mr. Speaker, I have already said I will list every person who was there and surely even the hon. member for Burgeo-LaPoile can then add.

MR. WHITE: Burgeo-LaPoile?

MR. NEARY: No, not LaPoile, please.

PREMIER MOORES: Burgeo-Bay D'Espoir, sorry.

MR. SIMMONS: Mr. Speaker, a supplementary.

MR. SPEAKER: I had indicated that that would be the last supplementary and I think I should stick with that because there are a number of hon. members who apparently still wish to ask questions.

The hon. member for Carbonear.

MR. R. MOORES: A question, Mr. Speaker, for the Minister of Social Services re the most recent Auditor General's report, page 77, paragraph 65. The Auditor General discloses that social assistance claims, recoverable claims estimated to be slightly over \$2 million, which is a fifty per cent increase over the previous year, was issued by the minister's department. What steps if any has the minister or his department officials taken or will be taking to recover those amounts?

MR. SPEAKER: The hon. Minister of Social Services.

MR. BRETT: It will take a while to answer that one, Mr. Speaker.

It is true that the amount of money recoverable increased somewhat in the last year. And the reason for it is that I think it is only two years ago that we reached an agreement with the Unemployment Insurance Commission for consignments, that is, they would consign welfare benefits where there was overlapping to the department. And now that we are receiving these benefits, we are going back almost to the beginning of a client's file. And the end result is that we are picking up overpayments that may not have been picked up right back, I think, to 1952.

The hon. member asked what steps are being taken. I would suggest, Mr. Speaker, that we have probably the best system - I will not go so far as to say the only one, I know a lot of the provinces do not have any at all - we certainly have the best system in Canada of recovering overpayments.

I noticed that the media yesterday indicated that we paid out something like \$2 million in overpayments to people, some of them who are receiving unemployment insurance. Now this is absolutely false. There is no one in this Province receiving unemployment insurance and social assistance at the same time unless it is a supplement. But actually what happens is this, we could have and we do have clients walk into the welfare office who have made application for unemployment insurance; they are eligible, they are not receiving. It is two different things. They are eligible but not in receipt of. In the meantime they have a family and they are hungry. Because we are humane -

MR. NEARY: They are in among the computer.

MR. BRETT: - Exactly. - department, because we are concerned we have to assist, first for a two week period. This is normal. The two weeks are up and they are forced to come back because they still have not received unemployment insurance. And sometimes this can go on for a long period, maybe two or three months, and all of the time

Mr. Brett:

they are getting social assistance. In the meantime, the claim finally gets through the computer, all the bureaucratic red tape, and suddenly the client ends up with a cheque for \$400 or \$500. Now the person was not in receipt of unemployment insurance, he was eligible. Now when this large amount of money comes, of course, there is this big overpayment. But I contend, Mr. Speaker, that if the Auditor General would like to have these people on his conscience, well fine, but I do not want them on mine. And this government, of course, is obligated to care for the indigent people of the Province, which is exactly what we are doing in this case.

Just for the record, Mr. Speaker, to suggest that we are not making any effort or not recovering anything, I would like to quote these figures. During the period from October 1, 1975 to September 30, 1976 my department collected \$517,000 in overpayments, \$239,000 of which was in cash, and \$278,000 was recovered from people who were receiving allowances.

SOME HON. MEMBERS: Hear, hear!

MR. R. MOORES: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. R. MOORES: I hope the hon. minister does not think that I am being facetious here, but when and if the department recovers these recoverable claims is the minister prepared to contemplate starting his own job creation programme?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. member for Terra Nova, followed by the hon. member for Lapoile, and the hon. gentleman for Fortune-Hermitage.

MR. T. LUSH: Mr. Speaker, I have a question for the Minister of Manpower and Industrial Relations. And it relates to again an item in the Auditor General's report under paragraph (4), which is headed with payment without appropriation for unused accommodation." And it

Mr. Lush:

refers to a mobile home that was rented by his department from October, 1974 to May, 1975 for a period of seven months. Nobody lived in the mobile home, but there are expenditures up to \$2621 for payment of rent and other payments. I wonder

Mr. Lush.

if the minister is in a position to inform the House as to what purpose this mobile home was rented for?

MR. ROUSSEAU: That mobile home, Mr. Speaker, was rented for the grandiose purpose of placing somebody from the Department of Manpower and Industrial Relations in the grand and historic and wonderful district of Labrador West to serve the people up there as an apprentice training officer.

SOME HON. MEMBERS: Hear, hear!

MR. LUSH: A supplementary.

MR. SPEAKER: The hon. member is asking a supplementary.

MR. LUSH: A supplementary. The Auditor General also refers to the fact that out of the figure of \$2,621 that \$1,103 was for repairs which became necessary because the department did not provide for proper care, and I wonder if the minister can explain this situation?

MR. ROUSSEAU: I recall this one. This was the time between the leaving of one apprenticeship officer - there was a time gap there between the time one quit the job and another was taken on. There was some vandalism caused, and because of the cold weather and so on. It was not occupied although it was taken care of to the best of the ability of the people in the area. There were some problems with it during that interval between the loss of one apprenticeship officer and the next one, and that caused deterioration in it, and the rent was not collected, of course, during that time, because for a period of a couple of months, I think, or so, that the cold weather plus the fact that nobody was taking care of it caused some deterioration in it.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I would like to direct a question to the Minister of Mines and Energy. Would the minister indicate to the House what the new Energy Corporation that was just set up by the three Maritime Provinces, what that will do for the development of hydro power in this Province?

MR. SPEAKER: The hon. minister.

MR. PECKFORD: Mr. Speaker, over the last three or four years the provinces, three Maritime and ourselves, really the Atlantic Provinces, with the federal government have been discussing this whole idea of a Maritime Energy Corporation or an Atlantic Energy Corporation. Because possibly of the impending election in Nova Scotia, it has been given some impetus in the last several months. But in any case the energy people, especially in Nova Scotia and New Brunswick, who have been worried about energy supplies and New Brunswick's insistence on going nuclear, and Nova Scotia's insistence on not going nuclear and P.E.I. with the cable across - now that is going to be done this year - have come together to form this corporation. From the news reports, and I do not have a copy of the memorandum agreement on it yet, from the reports that I hear it is supposed to be a regional energy corporation which will have some equity participation by the federal government, which will begin to try to buy energy supplies for all three provinces, and then distribute it later through the respective power corporations and crown corporations in the various provinces.

It would seem that the most likely source available competitive power would be from a hydro source primarily in Labrador, and that is where Newfoundland would come in on the scene. We have a meeting arranged for four days from now with the Nova Scotia Power Corporation and our own Newfoundland and Labrador Hydro in which this whole matter will be discussed, this new corporation. And we will be talking to federal officials about it as well. We are hopeful that this is a good move, that this will enhance the opportunities of us developing our own hydro resource. What the role will be of the various provincial corporations, vis-à-vis the new Maritime one, is an important question, The exact terms of reference, the exact involvement with the federal government in it, because

Mr. Peckford.

Mr. Gillespie has said that they will be involved, are questions that will have to be answered, and how quickly this corporation can get into place to do that kind of regional thing that obviously the feds want and the three provinces want. But it would it would look like it could possibly speed the whole development of Labrador power along quicker than would otherwise be the case. That still remains to be seen, but it is a hopeful sign that I am sure all the provinces are eager to pursue.

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

MR. SPEAKER: There being time for only one further question, I think I should recognize the hon. gentleman for Windsor-Buchans.

MR. NEARY: Well, I have a supplementary, Mr. Speaker.

MR. SPEAKER: I realize the hon. gentleman would like to ask ~~a~~ supplementary. The rules do specify that a number of supplementaries - well I can find the exact wording here - the effect of it is that supplementaries - "A reasonable number of supplementary questions arising out of a minister's reply to an oral question may be asked by any member," and starts off, "in the discretion of the Speaker."

MR. NEARY: But I have not had a supplementary yet, Mr. Speaker.

MR. SPEAKER: Order, please!

I really cannot allow the hon. gentleman to debate with me. I will read specifically what Standing Order 31 (b) says: "In the discretion of Mr. Speaker, a reasonable number of supplementary questions arising out of a minister's reply to an oral question may be asked by any members." And the same Standing Order (f): "The Speaker's rulings relating to oral questions are not debatable or subject to an appeal." My procedure on supplementaries is to, as far as I can, allow a reasonable number and bearing in mind how many I will allow, or any, is related to, among other factors, how much more time there is in the Question Period and whether or not there are other members who have a question to ask and have not had the opportunity to ask it

MR. NEARY: That is not what the Rules of Order say, Mr. Speaker. They say, a reasonable number.

MR. SPEAKER: Order, please!

MR. NEARY: We either follow the rules or else we do not.

MR. SPEAKER: Order, please!

The rules do not permit me to enter into debate with the hon. gentleman. The same rule does not permit the hon. gentleman to enter into debate with me. This is not a personal matter. Any authority that any Speaker has is an authority of the House. The hon. gentleman is saying nothing which as far as I am personally concerned has any personal effect. But as I understand it, it is my duty to uphold the House's authority and it is the House's authority that the hon. gentleman is now criticizing and he may not do it.

Now I will ask the hon. gentleman to withdraw his remarks. I hope he does. I have always regarded the hon. gentleman as one of those in this House who have upheld the Chair, and I would ask him now to withdraw those remarks to the House.

MR. NEARY: Well, Mr. Speaker, I withdraw. And Your Honour is quite right, I always uphold the rules of the House and I withdraw.

Can I have a supplementary question now?

SOME HON. MEMBERS: Oh! Oh!

MR. SPEAKER: I understand nobody may ask any question now. The time is up.

ORDERS OF THE DAY:

MR. SPEAKER: The adjourned debate on the amendment to the motion before the House on the debate on the Address in Reply.

The hon. the Minister of Mines and Energy.

MR. PECKFORD: Mr. Speaker, a couple of days ago when I adjourned the debate on the amendment to the Address in Reply to the Speech from the Throne, I had pointed out to the hon. House in response to a number of charges laid this way by the Leader of the Opposition in his speech in which he presented the Opposition's position as it related to the Speech from the Throne, that his

MR. PECKFORD: negative comments relating to the state of the Province economically was not totally correct. In fact, Mr. Speaker, from the information that I gave the other evening most of what the Leader of the Opposition said bears little resemblance to what one can find if one looks to various economists in the Province or outside the Province, or to a number of very salient facts about the economy of the Province in 1976.

As I pointed out at that time, contrary to popular opinion or popular attitude, unemployment percentage rates in 1976 actually dropped from what they were in 1975. And this does not indicate a deteriorating condition in the overall employment or unemployment situation in the Province, that there was positive growth in the economy in 1976, that personal income was up by sixteen per cent whereas the national average was thirteen per cent, that the real increase in growth was around five to six per cent in personal income when one takes into account inflation, that there was an increase in residential investment in 1976, that there was an increase in overall investment in the Province of seven per cent in dollar terms in 1976, that there was an increase in pulp and paper industry in dollar terms up fifteen per cent in 1976, that there was an increase in fish landings in 1976 of seventeen per cent, that there was an increase in mineral output in the Province in 1976, a thirty-seven per cent increase up to \$756 million. And so that all of these indicators are important indicators to suggest that rather than having a stagnant economy, when one puts it in the context of inflation, restraint times and so on, instead of a stagnant economy we have had a fairly vibrant economy in the context of the country as a whole, really in the context of the whole world as a whole.

So there are a number of very significant indicators that suggest to this government, that suggest to me that the economy is not in the kind of condition that the Leader of the Opposition would lead us to believe in his speech the other day.

MR. PECKFORD: I went on to indicate, because the Leader of the Opposition had tried to persuade and indicate to this hon. House and through it to the public of Newfoundland that this government was not living up to its commitment of trying to divert valuable monies from the social sector of the government to the resource sector, that we were not living up to our commitments of providing the people of Newfoundland with the leadership in the resource sector that was needed to create and generate the new dollars that could then go back both into the resource sector and into providing the social services that we all want.

And on that point, Mr. Speaker, I suggested that I could not understand that kind of a comment coming from the other side, because it flies in the face of very hard facts that are easily obtainable or can be gotten by the Leader of the Opposition or anybody on the other side. I wondered out loud and questioned what does the Leader of the Opposition or anybody else think when in Rural Development we increase the incentive grants to industry, from 1973 to 1976 from \$15,000 to \$430,000. Was not that an indication that the government had moved money into the resource sector as far as government was concerned?

Is not the fact that mineral development, money spent by government, have increased from \$343,000 to \$1.322 million, an indication of priorities on resource development by this administration. Is not the fact that fisheries incentives and assistance have increased from \$700,000 to \$1.2 million in three years, from 1973 to 1976, an indication that this government has been giving some emphasis to the resource sector of our economy.

That residential construction on capitol account have gone up from \$2.8 million to \$10.8 million in three years, a lot of it federal funds, some of it provincial funds. And all the funds together were funds that were made possible by the efforts of the provincial

MR. PECKFORD: government in getting their own and in going after the other programmes that Ottawa has to offer.

This created jobs. This is activity. This indicates some bouyancy in the residential aspect or building aspect of our economy. Forest access roads , for example, in the resource sector, where we went from \$700,000 in that to \$5.5 million in three short years. In years of restraint, in years of hard borrowing, in years when we were not suppose to be doing anything for the resource sector. Is this not an indication that the attitude that we have indicated to the Newfoundland people that we want to emphasis resort development actually accured.

These are facts , Mr. Speaker, that are readily available, that many of the individuals in rural Newfoundland are very cognizant of because they have participated in many of these programmes. In agriculture, for example, how we have increased the loans and grants available to farmers to try to get more farmers on stream, to try to cultivate their land , to provide storage facilities for them, to provide equipment banks. There is a number of equipment banks in operation right now to provide machinery to farmers around the province. And we have increased that tremendously over the last number of years , to \$4 million or \$5million to less than a \$1 million three years ago.

And so I was trying to indicate, Mr. Speaker, at that time, that as far as emphasis goes, as far as putting into practice the kind of thing, the kind of ideas and philosophy that we have been preaching over the last four or five years, that this is hard concrete evidence that we have done what we said we were going to do. That is not to say that we would not like to do more. There is a lot more to be done in the resource sector. Everybody agrees that one can hardly put too much into that kind of programmes so that we can generate the new dollars that are needed on the social side of things. And I forgot to mention, Mr. Speler, the other night, in talking about the resource sector and how much the administration is trying to do there, who can question or who can

MR. PECKFORD: criticize , or who can look down upon and condemn the major effort made by the Minister of Industrial Development in the last several months in bringing to the Marystown Shipyard a \$20 million contract for a Norwegian tugs to provide steady , stable employment for that particular industry for the next year or two years. Now we are working diligently on another contract for another foreign country.

And if this does not

MR. PECKFORD:

indicate some emphasis on industrial development, our mineral agreement of \$12 million, six times over the previous one, our agreement in Labrador that the hon. Minister responsible for Intergovernmental Affairs was able to negotiate, these are all indications. And when you add up all those figures and compare them with the figures, the kinds of expenditures, even three short years ago -forget about comparing it with the previous administration, let us compare it with ourselves and see if we can stack up against ourselves and what we said - and we come out on the positive side in almost every case.

At the same time and simultaneously we have tried to provide the kind of social services that were needed. There were still new senior citizens homes going up. There were still many roads being built and reconstructed. There were still many roads being paved at the same time, water and sewer systems going in in many places around the Province. Last year we spent just on water and sewer on capital account around \$25 million and it has averaged around \$20 million to \$25 million for the last three or four years.

But what we have been saying, Mr. Speaker, and with a great deal of validity, and we have got to keep saying it, not just for next year, for 1977 or 1978 or 1979, we have got to keep saying it for the foreseeable future, that if we do have that future that we all want we have got to continue to say and believe in and make it fact that a lot of our effort has to be diverted to the resource sector. Because it is no good having running water and sewerage in every house in this Province if we do not have somewhere for those people who reside in that house a place to work somewhere around their own area. The is the crux of the whole situation.

If we are serious, as I was indicating the other night, if we are really serious about this and believe it, every member in this House regardless of what side you are on has to show some leadership in his own constituency and with his own friends in indicating that

MR. PECKFORD:

it must be a priority for us as politicians and for you as a business leader or you as a chairman of a community council or you as president of the PTA or whatever to understand one basic little thing about this Province that has always been true and will continue to be true for some time in the future: We are a have-not Province. We have a very poor credit rating. We are trying to pull ourselves up by our boot straps. When you are requesting social services especially from government you have got to weigh that all, whether a sawmill might be better in your area for the next two years rather than a sophisticated water and sewer system. Then if we can provide thirty or forty jobs for a sawmill in that area, I am sure that the people who are all working then would be more willing to pay an increase in their community taxes to help say to government, "Okay government, you cannot give us one hundred per cent; how about eighty per cent." That would make government a lot more responsive in that area.

So if you have got a trade off between putting money into a sawmill in a given region and a water and sewer system, the easy way out, the easy political expedient way out is to try for the water and sewer system and to forget the long-term benefits of a more permanent type of industry which will provide employment for those people. The social services are going to come, but they are going to have to be stretched out over a longer period of time.

So that is the kind of emphasis this administration has been giving to this Province. These are the facts. We have been accused of no policies and no programmes, we have been doing things on an ad hoc basis. How can anyone say that with any degree - they must almost turn red when one looks at them. The whole revamping of the mineral policy of the Province, the whole revamping of the forest industry of the Province with policies in place in which millions of dollars are going since 1974. And the final part of the mineral policy will be in place before this Spring is out with legislation

MR. PECKFORD:

that will be before the House. How can anyone accuse us of no policy on sawmilling as came up today by the Minister of Rural Development when he announced additional programmes to try to help the sawmilling industry? Rural Development and

Mr. Peckford:

our policies in rural development, our policies on Labrador power. And as I indicated the other night we can be rightly accused in the short-term of spending \$250 million on which we have no return, \$250 million gone because of our purchase of shares in CFLCo, number one, which I do not consider, I cannot accept that argument at all of \$160 million for the purchase of rights so that we have some control of our own destiny as it relates to major developments, which will help make us the kind of Province that we all want to be so we will not always have to be saying, no social service and all resource. That we have some kind of control over the kind of development that will occur there. That is important. And that I do not think can be argued with in any context. But the expenditure on the Gull Island project, we did it because we thought we were going to get the whole thing going. That we thought we would be able to negotiate some sensible arrangement with the Province of Quebec, some sensible arrangement. But the sensible arrangement today is not three or four or five or six mil power. Does anybody realize that right on site in Gull Island, if it was developed tomorrow morning, and if you had a house right next to the development, and you wanted to have power in that house, and you strung a line, how much it would cost you? You are talking fifteen mil power right there before you start transmitting the power anywhere else. Nova Scotia is talking thirty and forty mil power. Everywhere they are.

And so therefore we have spent \$70 to \$80 million on the Gull Island site. And it has been stopped. And as I indicated our policy, our clear, public, private, personal policy as it relates to power, especially the Gull Island power and the Five Rivers and Muskrat and all the rest is simple, we are going at it on a three-prong basis. We have to have markets for the surplus of the power at Gull Island to make the project fly. In order to get markets we have to move our power to where the markets are, either to the Maritimes or Ontario or down in the United States. And so transmission becomes

Mr. Peckford:

the chief element in it. The transmission of that power can only go in two directions, it can go through Quebec and on to its markets either in the Maritimes or down in the United States or it can go the much touted Anglo-Saxon route which is under study.

MR. SMALLWOOD: Would the minister yield a moment?

MR. PECKFORD: Sure.

MR. SMALLWOOD: Will he tell the House whether it really matters to Newfoundland where it is sold, if it is to go out of the Province, and I think the minister perhaps is talking about surplus power, power that is surplus to our own needs within the Province, now or in the reasonable future, does it matter very much or at all to the Province where the power goes if it goes out of the Province, where it is sold provided the price is the same if it is sold to the Maritime Provinces or some of it to the Maritime Provinces and some it down through New England or up around to Ontario or to Quebec, all of our surplus, say, to Quebec, they using what they want to use of it, and they selling the rest of it? If the price received by us is the same does it matter where we sell our surplus power?

MR. PECKFORD: No it does not.

MR. SMALLWOOD: Then would the minister draw the inferences there are to be drawn from that fact?

MR. PECKFORD: It does not make any difference to us as long as we can sell it at a price that we are satisfied to sell it at. That is all. The third option is the one I mentioned the other night which also was to try to attract industrial customers in here so we do not have to transmit any of this surplus.

MR. SMALLWOOD: But we are talking only of what is surplus?

MR. PECKFORD: Yes.

MR. SMALLWOOD: What all customers in the Province do not want.

MR. PECKFORD: Yes.

MR. SMALLWOOD: What is surplus?

MR. PECKFORD: Right.

MR. SMALLWOOD: If any?

MR. PECKFORD: Right. And I do not think the government minds at all who the customer is as long, as the show on television says, "The price is right" if we can get the proper price for it. But we cannot afford any more than that. And that is what, as the hon. member from Twillingate (Mr. Smallwood) knows. This evening in the late show I have to reply to a question that an hon. gentleman on the other side asked the other day to which they said they were dissatisfied concerning the whole business of Knob Lake and Schefferville and so on. And, you know, when you go and do a little bit of research on it and find out the legislation way back before the hon. gentleman's time, back in the 1940s and 1930s and so on, when these acts were passed and so on, how difficult it puts the present government, and the present minister, if you will, or whatever to negotiate better agreements on something that is sort of sacred. And I relate that to now

MR. PECKFORD: is that we have to be very careful as a Province that when we are going into major significant resource development projects that we have to be very careful that we get the best possible deal that we can for the development, the best possible deal that we can get, and that must not be out of line with other deals, like deals somewhere else in the world, it must not be unlike it. If we have advantages and so on we must be able to negotiate them so we get a fair and equitable deal with reopener clauses and all the rest of it in there.

MR. SMALLWOOD: Would the minister, and I am very grateful to him for his generosity in yielding the floor to me because it is a matter that affects the very life of everyone alive in this Chamber, our families, our children, grandchildren, all Newfoundlanders for many years to come. It is a terribly, terribly important matter.

The difference now, of course, and before is that before the power was owned or controlled by BRINCO and its subsidiary Churchill Falls Power Corporation.

MR. PECKFORD: Yes.

MR. SMALLWOOD: Now it is owned by the Government of the Province because it has been nationalized, and now it is the Government of the Province that will have to sell. Any selling will be done by the Province because the Province, as the owner, will have to make any sales contracts whereas before it was done by BRINCO or by BRINCO'S subsidiary Churchill Falls Power Corporation.

Now, the question is this: If we do not succeed - first we have to determine what is surplus. Let us hope and pray to God there is no surplus power, that all of it could be consumed within the Province. If that could happen then we would not call King George our uncle. If we could use all the power in the Province that we can produce in the Province there would be no Province of Canada that could hold a candle to us. But with regard to the surplus power,

MR. SMALLWOOD: selling power that is surplus, where is the advantage to Newfoundland of the selling agents now being the government because the government now owns the power and it is its own power surplus that it would be selling? If they had not nationalized, and they did not now own the power, and it was owned by Churchill Falls Power Corporation, where are we now better off? We are so far about a quarter of a billion, \$250 million out at the moment but we have the power. Now where is the advantage compared with not having gone in debt for a quarter of a billion and letting Churchill Falls Power Corporation find the sales? Because we are talking about selling to Quebec or the Maritime Province or Ontario or New England, What is the difference selling to them and selling to Quebec?

MR. PECKFORD: The difference is simple, Mr. Speaker. The difference is that the government now has it in its power to decide upon the long-term future of the Province in relation to its own fiscal position and so on and how much it can afford to do. If you are doing it by an independent agent who is going to work a deal as was done on the Upper Churchill or something a bit better than that but in comparative terms the same thing, the Province would continue to be paying out large sums of money to some other province, or whatever, who can then sell it, make all the money that is happening on the Upper Churchill.

 Talking about being out \$250 million, how much are we out, if any reasonable man sat down and looked at the Upper Churchill contract for the last five or ten years, not when it was signed since then. The problem with the Upper Churchill contract is not what it was signed for it is that there were no provisions put in there for reopeners in a more short period of time. I do not argue with the price at the time I argue with the rest of the agreement and the long terms that were put in there. That is what I argue with.

MR. PECKFORD: So that is the answer to it as I see
it. You are out \$250 million -

MR. SMALLWOOD: Could \$1 billion have been
borrowed to build the Churchill Falls? Could they have
borrowed \$1 billion, \$1,000 million without a long-term
contract at a fixed price?

MR. PECKFORD: Mr. Speaker, that opens up the whole
argument or debate as it relates to the wisdom or lack thereof
of the kind of an agreement that was signed to get the Upper
Churchill project going. And

MR. PECKFORD:

appreciate what the hon. the member for Twillingate (Mr. Smallwood) says. All I am saying in reply to that - and we can argue this until the cows come home, and like I said to him I do not argue with the price at the time that was signed for. I argue with the kind of agreements after that. I do not mind if I personally have to go out and sign a contract for someone to do some work on my lawn, I do not mind if to get the thing going I have to charge a little less in the short-term. But when you build yourself into something for sixty-five years and the second part of the agreement for the last twenty-five or twenty years actually reduces, that is where I quarrel with it.

Now it is more difficult - nobody denies the fact that it is more difficult for a government to use its own credit to try to go out and borrow the sufficient amounts of money needed to make a big project fly. I agree that is one of the disadvantages. But all I would say to that is that I would rather as a Newfoundlander knowing that that is my resource, I would rather go this route for the long-term benefit of the people of this Province, I would rather risk a quarter of a billion dollars and still not have no project going than sign a project that had low, low, low mil power where we could be accused and rightly accused of losing \$400 million or \$500 million a year to another province nearby who then has the audacity to say they want to separate. That is where I stand on it. I would rather take that chance. And we are the ones who will have to answer for it.

I cannot blame BRINCO I cannot blame CFLCo or I cannot blame Rio Tinto or I cannot blame some other large corporate entity. I take it on the chin. And if we have to spend \$250 million like we did, fine. We still have it in our grasp. That money is not lost forever. We cannot put back the clock on the Upper Churchill contract and get back some of that money that we are, not only ostensibly losing if we even go back five years, which we are losing. We cannot do that. But the \$250 million is not lost. It is not lost.

MR. SMALLWOOD: If you are around in the year 2000.

MR. PECKFORD: Well, you know, that is your projection. That is your indication. That is where you want to stand on it. I am not that pessimistic. If I thought for a moment that it was going to be until the year 2000 before Labrador power, Gull Island was going to be developed and we would not see realization of some return on that \$250 million, I would not be around here today, Mr. Speaker. That is the difference. That is the simple difference.

MR. SMALLWOOD: You have to remember that five years from now, ten years from now, fifteen years from now, it will not be \$250 million, it will soon be up to \$300 million, \$350 million, \$400 million.

MR. PECKFORD: Exactly, exactly. That is the chance you take. That is the chance that this administration has taken, and we continue to take and we think we can justify them. In the short-term right now you are out \$250 million but you are not out in the normal sense that the book is closed, the door is closed, all is over, project is dead, there is no way to get it going. That is not the case.

There are very, very interesting, exciting prospects for that development within the next couple of years, very exciting ones. But I am not, as one member of government, going to be party to it if the long-term benefits for it - not just to get going because I want to get re-elected or this party wants to get re-elected - they better be for the long-term benefits of this Province or I will be a teacher back in Green Bay pretty fast, Mr. Speaker. And I think we will bring that off. I think that will come. I think it is inevitable. That it has to come.

We have some control now over our destiny. And it has cost us. You can size it off, "Oh, your emotion of having some control over your destiny is worth \$250 million, is it, the hon. member for Green Bay?" My answer is very simple, "Yes, Sir. At this point in time, yes Sir." And I still think we can make that project fly and somewhere down the road I am hopeful when I am sitting down in my rocking chair smoking my pipe that some student can come up to me and say, "You know I was just reading the book

Mr. Peckford.

about that project, you know. That was not a bad deal. That was a fair deal. It is not a matter of just strict economics and getting a project to fly." As I have indicated there is no trouble to create all kinds of jobs or other things, but it is the price. It all comes down to the price. And that is where we disagree as parties, I guess, or at least as individuals, with some individuals. That is where we disagree. It is more on a point of economic principle.

MR. SMALLWOOD: The minister in my book, and if he does not mind my saying it, I am not flattering him or giving him any taffy, but he is young and an energetic and vigorous minded, young minister, and he deserves a lot of credit. But would he not face up man-fashioned to this, that there really is nothing that can now be done to serve Newfoundland and her people and her future in connection with Labrador power, nothing really that can be done now, now that the government are the owners of it, that could not have been done and would not have been done had they not become the owners and paid a quarter of a billion dollars to do it?

MR. PECKFORD: Mr. Speaker, with all due respect to the hon. member for Twillingate. I understand his point very well. I have read all his books. I have read all I can read on Churchill Falls, and all the rest of them, and all the big developments, and I do not understand the motive of his question, but it seems to me his question, the way it is phrased, he is trying to justify his point of view. Now that is fine and dandy. He can have his opportunity to do so and he has. The answer to his question is obvious. That is not really the question. The question is not whether if we did not do it there would be just a chance of it going ahead if it remained where it was under the auspices or the ownership where it was. That is not the question. The question is not that. The question is: Can we be sure? Can we be more sure now that we will get more benefit in the long-term for the people of this Province by

Mr. Peckford.

us having major control over the development than if we did not have major control over that development? The answer to that question is pretty obvious, too. And in my opinion the answer is obvious that we do have a better chance.

MR. SMALLWOOD: The Sovereign Legislature, the Sovereign lawmaking body of this Province will always have and cannot ever fail to have absolute control no matter who owns it. We did not need to become the owners.

MR. PECKFORD: Oh, no! That is fine! That is fine! That is a beautiful reason. We all know that. That is a theoretical for it. Sure it is. Because how can be start changing? The hon. member was one and many others. You cannot change a contract. It is sacred. It is this. It is that or something else. We can start changing contracts or agreements every day.

MR. SMALLWOOD: We did not change the contract. We are in court right now under the law that this House passed.

MR. PECKFORD: Yes, I understand that.

MR. SMALLWOOD: That is our case, is it not? I piloted that through this House, and the present administration very rightly, very properly are suing under that very contract, and that very law. So we are the lawmaking body. We are supreme.

MR. PECKFORD: Mr. Speaker, if I may just interject here. I would prefer if the hon. member for Twillingate (Mr. Smallwood) would let me pursue the rest of my speech.

MR. SMALLWOOD: I will be speaking anyway.

MR. PECKFORD: And I hope he will accord me the same opportunity to interject when he speaks as I have accorded him since I have been speaking. It is an argument that can go on endlessly to which there is no resolution when you have people moving from different premises to start with.

What I was trying to say, Mr. Speaker, earlier on was that the government of this Province right now, as it relates to policy and programme in reply to the Leader of the Opposition,

Mr. Peckford.

does have policies in various areas of the resource sector of this economy, and I mentioned the minerals and the agriculture and the forestry and so on, and I was trying to indicate that the three areas that we are trying to zero in on in 1977 as it relates to Labrador power is to determine precisely in the next few months whether in fact the Cabot Strait route, as a transmission vehicle, is not only

Mr. Peckford:

technologically feasible, but also within the parameters of being financially competitive to Nova Scotia or wherever. Two, re-examine our position with Quebec to find out and ascertain whether the new administration of Quebec has a different attitude towards a corridor or purchase of power from Labrador, and three, to aggressively look for customers who might be interested in developing industry in Labrador to take the surplus power of the 1,600 total, of which 800 would be surplus, keeping always in mind that the court case on the Upper Churchill has not been settled and there is some good probability that we will have some additional power also. That rather torments or frustrates the whole idea because you have to develop two or three more alternatives if you get power from the Upper Churchill then the Lower Churchill. If you do not get the power then how do you develop the Lower Churchill or Muskrat or the other five rivers? That is where we stand on Labrador power, and that to me is pretty clear.

Hopefully within the next three or four months we can indicate to the hon. House what we have been able to ascertain. The Federal Government again, Mr. Gillespie is talking about Gull Island as if this is number one priority. I do not know if that is supposed to be an indication. We will have to find out whether the Federal Government look upon this as being somewhat more in the national interest now than it was a few years ago, so that they are willing to participate financially in a more meaningful way than they have up to now. I do not know if that is a possibility. That could very well be too. So these things are ongoing, and we have to check them out and do all the detail work that is necessary to be done to ensure that we will get a good deal and all the rest of it.

One other point, Mr. Speaker, and that has to do with offshore resources. We have off the shores of Labrador a sizeable number of geological structures on the seabed that are conducive

Mr. Peckford:

hydrocarbon, oil and gas. A consortium called Eastcan made up of AGIP of Italy, Total of France, Aquitaine of France, SUNOCO of the United States, Gulf Oil of Canada, and one other have formed a consortium called Eastcan to do the exploration, and hopefully production off the Coast of Labrador. They have spent \$100 million or so off there. We have BP State Oil Company from Britain really which has a BP of Canada, but it is controlled by the main company in England, who went into an agreement with Petro-can last year for drilling activity. Amoco had done a fair amount of drilling off the Grand Banks a number of years ago. So we are at the stage now—and then after that, we are trying to determine a joint reference to the Supreme Court for the overall jurisdiction of the Continental Margin under which lies the hydrocarbon.

Now the Newfoundland Government has in the last several months indicated to the people of Newfoundland and to the oil companies that they intend to bring in Oil and Gas Regulations regulating the whole activity, the offshore activity as related to offshore oil and gas. Subsequent to that we went ahead and developed our regulations in consultation with the people around the world who were knowledgeable in the business. And recently we have sent draft copies of the regulations to the various oil companies asking them to reply, as to their concern relating to the regulations. And here, Mr. Speaker, it is somewhat like Gull Island, Labrador power and so on, and other major developments in the Province.

We are in a little bit of an unfortunate position as it relates to the regulations because we do not know, and I would suggest perhaps the companies do not know exactly how much resource is there. You can get all kinds of predictions, you can get all kinds of estimates on proven reserves, possible reserves and probable reserves, but one notes with interest that in the last year or two Imperial Oil, Shell, Gulf and a lot of other companies, even Pan Arctic have revised their reserve projections on oil and gas in Canada. Up

Mr. Beckford:

until now, for example, in the MacKenzie Delta, the Beaufort Sea area they were - I think, Imperial was estimating four trillion cubic feet. Recently I saw a report from them indicating that they had it now up to six trillion cubic feet, other companies have it up to seven, others to nine, and so on. So it is very difficult to, when you only have four or five holes drilled and all of them not on the same structure, to determine the kind of volumes of hydrocarbons that are present, because that would go a long way to determining the kind of regulations that you can develop.

But our regulations are extremely comprehensive. They have taken into account, the federal negotiations have been ongoing for about ten years for frontier regulations. And the long and short of it is, Mr. Speaker, if one puts aside the jurisdictional dispute which is ongoing anyway, the long and short of it is right now that we are in the

MR. PECKFORD: midst of very, what I would consider very significant negotiations with the companies, that we hope within a month or so to be able to publish our regulations so that the public organizations around the province can have a chance to read them over. But they cannot be done in isolation, so it is our intention to highlight the regulations because they are complex, complicated and an ordinary individual would not be able to comprehend the whole business so we hope to prepare a white paper to attach to it.

In the meantime we are going ahead with negotiations with the companies. There has been indications from Ottawa, sometimes from some of the companies that they are threatening to pull out and all the rest of it. The position of the government is a position, I guess, that is known pretty well around the province right now, that we want to insure that the regulations give the maximum benefit to this province, not only in terms of royalties but also in terms of jobs, also in terms of the spin-off industries and where they are going to be located.

The agreement signed recently by the Maritime Provinces and the federal government to me is a complete and absolute sell-out by the Maritimes to the federal government. Now they did not have much choice because they did not have the kind of legal points to pursue that we have. But even after saying that one has to question that kind of an agreement, because first of all, one could ask right off the top of your head, seventy-five percent of what? Seventy-five percent of what will be the Maritimes share? That is a good question.

Where does Petro-Can enter into all this? There is a lot of indications coming from Ottawa that the Petro-Can is going to be able to buy its way into almost any future commercial discovery in Canada. Where does Petro-Can come in and how much will they take out of it, which is really the federal government, and so therefore how much are we left with? How does it affect equalization payments as it relates to the three provinces?

MR. PECKFORD: These are very important questions on the fiscal side which have not been answered since that agreement has been signed and I would like to see the fine print.

But outside of that, outside of what it is 75 per cent of, whether equalization is affected, whether Petro-Can can get involved. Outside of that one has to criticize it on the grounds that the Federal Government has total jurisdiction over saying what kinds of exploration permits are going to be issued, the conditions of these permits, the conditions and safety regulations as it relates to the production and the length of the production leases. That is very important, that is totally in the hands of the Federal Government.

Secondly, the Federal Government has total jurisdiction over where any spin-off industries are going to go, and that will be a good fight between the provinces, but they have total jurisdiction over deciding where they are going. The provinces have no power whatsoever to decide on that. Where the major administrative offices are going to go as it relates to the development from Petro-Can's point of view or from the federal governments. So the Maritimes, in my opinion, have not - until I see the fine print and whether like equalization is involved, Petro-Can's involvement finding out what it is 75 per cent off - that is a poor sentence - would have to criticize on principal that kind of an agreement. This government is adamant that we do not want to talk about that kind of an agreement. We were involved in that process with the federal government and the Maritimes for a number of years and there was no give, no give on getting us involved or giving us some decision, making power over the things that affect the province.

If there are major discoveries, if there is for example, a field of three or four, say four or five trillion cubic feet, which would be a fairly medium size gas discovery, a commercial find, and if oil was found too, and you had to have concrete platforms, for example, you know, and that is a major, major industry, for example in Norway now,

MR. PECKFORD: fantastic the number of jobs that it can create. Where would that kind of industry be located? You know we would have no control over would it be located in Newfoundland, getting as many spin-off industries or business activity around Newfoundland. You know we are very, very concerned that if we ever as a government did not have some input to that kind of a decision that Halifax would become very quickly the capital of Atlantica. And you know it is fair and reasonable. It is fair and reasonable.

Now, Mr. Speaker, that is where I find some friends when I start talking about those kinds of decisions, vis-à-vis federal government and provincial government and relating that to the crisis in Quebec and not only the crisis in Quebec but the crisis in Canada because the problem in Confederation, if I can lead through the oil and gas into that, is not Quebec. The crisis in Confederation lies in Ottawa, I am not talking about parties or governments, it lies in Ottawa and Ottawa's refusal, and it could be more the bureaucrats than the politicians, to recognize that a constitution that was devised and put in motion in 1867 cannot possibly, no matter how smart they were in 1867, no matter how brilliant, no matter how prophetic, can ever write a document that can still realistically address itself to the problems of 1977. It cannot be done unless you want to talk about deities or something. It cannot be done. And Mr. Reisman, Simon Reisman, who is a former Deputy Minister of Finance, in a recent article that was published in the Globe and Mail, which I have here somewhere, I have not got it here now I do not think, recognized that fact and he pleaded with the federal government to change their whole attitude towards Confederation. Quebec has a point, not to the point of saying we want to separate but they have a point theoretically in talking about it in academic terms and talking about the distribution

MR. PECKFORD: of powers in this Province.

John Turner recognizes that, former Minister of Finance in the Liberal Administration in Ottawa, and a lot of other people have recognized it around the country. You are going to have the same problems in Alberta and British Columbia and they are never going to change until you change the whole way Confederation is set up and we might as well not put our heads in the sand about it. And as much as we like our traditions and our history there has to be some change in the whole concept of federalism as it relates to this country called Canada, and it has to be done quickly, or there is always going to be that kind of thing.

Trade and commerce and export, monetary policy, external affairs have to remain primarily in the domain of Ottawa, but there are a lot of areas over which the federal government has jurisdiction that more often than not causes friction and does not make for a very harmonious country. And we can look at our history books and admire MacDonalld and Cartier and all the rest of them all we like, and they were brilliant people and they did do a fantastic job. The fact speaks for itself that we have lasted as a country this long without any serious major conflict.

But the problem lies in the whole concept of Confederation, and there cannot be special status for one. So if there cannot be special status for one and you still have a lot of friction in Alberta and even in Newfoundland and other places, then is it not better to look at the whole concept of Confederation as it was originally envisaged and put into practice through the BNA Act and start looking to change that so that everybody still is on an equal footing, and you are giving more jurisdiction to the various units?

We can be proud of our past, very proud of our past. But we cannot let that blind us into the future to make sure

Mr. Peckford.

that there is still on the Northern part of the North American Continent another country. There must be more decentralization in Confederation if it is going to work. So that the problem, as I see it - although there are special or different problems in Quebec, there are different problems everywhere else in Canada. We always say proudly, and boast and stick out our chest, that we are different, and we are proud of the fact that we are different, and we got our own little culture here. And when you go out West you hear the same thing. And if you go out to Saskatchewan and Alberta you hear exactly the same thing all over again, only from their point of view, from their history, their geography, their culture. They do not want to be thrown into the melting pot either. And so you have to look very seriously.

Mr. Trudeau, if he were wise in my opinion, would look very seriously at looking at the whole business of division of powers in this country, and that is where the answer to Quebec lies, and not only in Quebec that is where the answer to Canada lies, the answer for British Columbia and Alberta and every other province. And it is only through that group can we hope to have a permanent, peaceful country in the next fifty years, as I see it. The problem is not necessarily Quebec. And it comes back to the offshore oil and gas, because not only do we think we have a legal case from a sensible, reasonable, sane point of view - I cannot understand it - from a sensible point of view when you look at this Province, and you say, "We are a have-not Province, and you got to have these hundreds of millions from Ottawa, and you have a resource off your shores" - forget the legalities - and you have a resource off your shores that looks like it has great potential for revenue. Okay, what is wrong with the Province generating a fair amount of revenue, not all the revenue necessarily, but a fair amount of revenue? It is going to save the federal government money because then they do not have to give to us in equalization. So why the circuit. Why have to have all the revenue go to Ottawa, which then is going to be diverted down here anyway in equalization payments and DREE

Mr. Peckford.

agreements and whatever else and God knows what else to keep us alive? Why not give us the jurisdiction? Why not give us an agreement whereby they permit us, if you will, to have the revenue in the first place so that then we can feel and be real contributors to our own Province and to the nation? That is what I do not understand. It seems so nonsensical, so foolish, not only in our own particular case, but in anybody's case across the country. It does not make sense, not in 1977. It is foolish, it is obsolete, it is out of date, it is crazy, and that is the way out of our dilemma, not only for Newfoundland that is trying to pull itself up by its boot straps, but for Canada. And they can talk about putting pipelines from Winnipeg, or Southern Ontario up to Quebec, and Montreal to feed gas and oil into Quebec, but they are not willing to talk about transmission of power. What is the difference between a pipeline, an oil pipeline or gas pipeline or whatever and a transmission line for electricity? There is no difference. It just so happens that we do not have the people and the votes down here. That is what it boils down to, and that is a sad commentary on the country. That is a sad commentary when you got to say that kind of thing. So the whole idea has to be changed as far as I am concerned.


So, Mr. Speaker, this is where this administration stands on most of the major policy areas in the Province. We have not, Mr. Speaker, as a government, as a party in government done everything that we should have done, everything that we could do. Nobody does. But I think it is a fair comment to say that we have tried to change the priorities of the Province, that we are trying to change them now, that we will continue to do that, to indicate to the people of this Province that we are eager and willing to get on with the job of trying to make this Province a have Province, to be sane and reasonable, to not get gypped, but yet to be fair, that we have succeeded in a very short period of time in reducing welfare rolls, of holding unemployment and maybe even reducing it on a percentage basis, and

Mr. Peckford.

that we have a big, large monumental job yet to do, that we are going to continue, unless we get major construction projects like Gull Island and offshore resources and so on off the ground in the next five years to be in a fiscal bind, that it is going to be difficult for us to borrow, and when we do borrow we are only going to have a small pot out of which we are going to have to snatch different programmes, and they are going to have to be related to the resource industry.

We think, Mr. Speaker, that we are doing what we were elected to do, and we will over the next year, two years, or whenever another election comes, try to continue the kind of philosophy that we started in 1972 of putting more emphasis on rural Newfoundland, of trying to ensure that if a major project starts, it will be for the benefit of us first and everybody else second. And it is on that basis that we want to continue to govern this Province and to try to make it a better place for everybody after we have left it. Thank you.

SOME HON. MEMBERS: Thank you.



MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, first of all, Sir, I wish to welcome back to this hon. House the member for Bonavista North (Mr. Cross).

SOME HON. MEMBERS: Hear! Hear!

MR. NEARY: And I want to congratulate the member for being selected to move the Address-in-Reply on opening day. I also, Sir, am most pleased indeed to see my hon. friend, the member for Exploits (Dr. Twomey) in his second attempt at trying to get a seat in this hon. House, Seeing that the hon. member was successful then I wish him the best of luck in his deliberations on behalf of his constituents in the new district of Exploits. I think the hon. gentleman, Sir, will make a very worthy contribution to this hon. House.

SOME HON. MEMBERS: Hear! Hear!

MR. NEARY: Mr. Speaker, since the House last met, since we sat in this hon. House, say back in the early part of the Summer, a number of things have happened. My old sparring partner, the member for St. John's West has gone to greener pastures, gone off to Ottawa, probably with his eye on the leadership of the Tory Party. He could not quite make it in Newfoundland. After spending, so the member told us, \$600,000 on trying to win the leadership of the Liberal Party and then moving across the House with his eye on the provincial leadership of the Tory Party, the member finally gave up, moved up to Ottawa where no doubt now Joe Clarke is shivering in his shoes.

But, Sir, I must say just talking about the hon. member, and I miss the hon. member in this House, Sir, and I must say so far this session has been dull, dead, if it keeps going the way it is going, Sir, we are going to have to call in the undertaker to put her at rest, dead. I do not know if it is the mid-Winter slump we are in, Sir, the mid-Winter blues, but the session so far

MR. NEARY: is like a continuation of the old session that started last year. Nothing new, same old dribble. nothing to benefit the people of this Province.

But, Sir, I was rather amused by a statement made by the former member of St. John's West, now the gentleman who represents the federal riding of St. John's West, remarks the hon. gentleman made in connection with the application by Mr. Colin Jamieson for a radio station, another private radio station in St. John's.

Mr. Crosbie came out publicly as being opposed to the application on the grounds that it would give the Jamiesons too much power, that Mr. Jamieson was too close to Mr. Jeff Sterling, a friend of my hon. colleague, the member for Twillingate (Mr. Smallwood), because another brother happened to work in the radio station. They were going to have a sort of a monopoly on radio stations in Newfoundland.

Mr. Speaker, that member of Parliament, Sir, must have a face like a robber's horse. You talk about brazen, Sir. I have heard the member make some pretty brazen statements. Does hon. members realize that that attitude, that statement, those remarks come from a gentleman who is described in Peter Newman's book, The Canadian Establishment as being a family

MR. NEAPY:

in Newfoundland that are rated to be in the top five of the Newfoundland establishment, the Crosbies of Newfoundland. So Peter Newman says and he has no axe to grind. It is doubtful if any other business family in Newfoundland or on the mainland maintain such a tortuous relationship with incumbent and potentially incumbent politicians as the Crosbies.

Wrote Harry Bruce, "A fight to excel in business in Newfoundland more than anywhere else, dramatic business success depends on government money, Therefore Crosbies" - just listen to this, the man who is criticizing poor little Colin Jamieson for trying to get his license after I presume falling out with the gentleman who owns the other station - therefore Crosbies fight on two political fronts of the Province, both secretly and openly. To complete the pattern they marry into families who have also fought to excel in business or to influence whatever political movements suit their particular ambitions."

MR. SPEAKER: Order, please!

As the hon. gentleman knows I am required to inform the House of what three matters will be debated at five-thirty this evening. I have received notice of five. Obviously only three can be debated. I have, bearing in mind the various matters to which the Speaker directs his attention, bearing that in mind as well I have taken the first three which were given to me. That will mean that, in fact, the third one submitted by the hon. member for Eagle River (Mr. Strachan) will not be on because he is not here. So it will, in fact, be numbers one, two and four in the order in which they were submitted.

The first matter - and they will be debated in the order in which they were submitted as well - the first person to be called on will be the hon. member for LaPoile (Mr. Neary) arising out of a question to the hon. Minister of Mines and Energy on the topic of asbestosis at Baie Verte.

The second matter, I will call upon the hon. member for Windsor-Buchans (Mr. Flight). The subject matter, the implementation of recommendations of the Buchans Task Force arising from a question asked by him to the hon. Premier.

MR. SPEAKER:

The third matter, I will call upon the hon. member for Burgeo-Bay D'Espoir (Mr. Simmons) on the subject matter of the weaknesses in internal control over the spending of public monies as referred to in the Auditor General's report arising out of a question asked by him to the hon. Minister of Public Works and Services.

The hon. member for LaPoile.

MR. NEARY: Thank you, Mr. Speaker. In speaking in the Address in Reply, Sir, rather than to the amendment at the present time, I would just like to carry on, Mr. Speaker, with this quotation from Peter Newman's, The Canadian Establishment, in connection with the Crosbies.

"Andrew Crosbie, the family's current godfather is well aware of these connections. 'Government, he says, is probably responsible for seventy-five per cent of construction in Newfoundland.'"

AN HON. MEMBER: How much?

MR. NEARY: Seventy-five per cent. "If you are not popular with government there have been ways by which maybe you did not get the business." Well, Mr. Speaker, truer words were never spoken, Sir. Truer words were never spoken.

MR. SMALLWOOD: If there are ways by which you cannot get it are there ways by which you can get it?

MR. NEARY: There are ways in which you can get. And the hon. gentleman who is asking me the question should know because the very next paragraph states, "According to one estimate the Smallwood government pumped at least \$50 million into Crosbie Construction Companies between 1950 and 1972."

MR. SMALLWOOD: And add \$25 million to that.

MR. NEARY: And the hon. member says, "You can add another \$25 million on to that." This is an offspring of that crowd, the people who are the establishment in Newfoundland, now

MR. NEARY: up in Ottawa from Wellington Street condemning Colin Jamieson. I have no brief for the Jamiesons, or the Sterlings. I could not care less about their applications. And here is this gentleman up there numping out this propoganda. Now he is trying to con the Canadian people. Mr. Speaker, I hope nobody is going to fall for that sort of con job.

The hon. gentleman got away with it in Newfoundland because we have a tendency in this Province to tip our hats to people like the Crosbies. I will venture a bet, Mr. Speaker, that most hon. members of this House, if they were outside of the House, and somebody came along they would say, "Hi Steve," but if John Crosbie was there they would say, "Good day, Mr. Crosbie," and tip their hat to him.

MR. SMALLWOOD: Mr. Crosberry.

MR. NEARY: "Good day, Mr. Crosberry," "Hi Steve," "Hi Tom," "Hi Walter," "Hi Joey," "How's it going Ed?"

AN HON. MEMBER: "Not too bad Frank."

MR. NEARY: "How are you Alexander?"

SOME HON. MEMBERS: Hear! Hear!

MR. NEARY: "Hello, Frankie Baby." "How's it going Hank?" "How're you getting on Haig?" But "Good afternoon, Mr. Crosbie."

MR. SMALLWOOD: Mr. Crosbery.

MR. NEARY: I am afraid, Sir, that a lot of us have not gotten away from that. Yet we have a tendency still, a good many of us, to judge success, judge people by the amount of money that they have and this is the gentleman who is up in Ottawa now criticizing this application before the CRTC. And I do not care who gets the radio station, but Sir, I never saw such an example of hypocrisy in my life. And this very same gentleman, when

MR. NEARY: I heard the hon. gentleman in this House -

MR. ROBERTS: You heard him often.

MR. NEARY: - and I am not going to waste too much time on him because I got too many more important things to talk about, talking about reforming politics in Newfoundland. And I have heard a number of other gentlemen pay lip service to reforming politics in this Province, and that is all it is, lip service. They have no intention of doing anything about it. They still go on in the same tired old corrupt ways of doing things, electing leaders, running campaigns, the same old corrupt way. They have no intention of changing. A leopard will never change his spots, Sir. And this particular gentleman, when he was on this side of the House, talked about reforming politics in Newfoundland. As a matter of fact he called his party the Liberal Reform Party.

MR. ROBERTS: Part one.

MR. NEARY: Part one, scene two. And then he goes up on national television, said he spent \$600,000 trying to win the leadership of the Liberal Party. Nobody can convince me, Sir, that there was not a little bit of under the table wheeling and dealing going on in that \$600,000 in an attempt to buy the delegates to that convention and booze and buses and benefits promised. So I hope that hon. gentleman, Sir, is gone out of this House forever, that we will never see or hear tell of him again. That is one change, Sir, that I had to mention in my opening remarks that has taken place in this hon. House since we last sat.

AN HON. MEMBER: That is one reform.

MR. NEARY: That is one reform. The only way we could get that reform was to get that hon. gentleman out of the House. And I notice, Sir, that there has been a minor reshuffle I believe in the Cabinet since we last sat. Apparently when the ministers get themselves in

MR. NEARY: hot water the Premier will bail them out by giving them the flick.

Apparently the Minister of Forestry and Agriculture, Sir, got himself in dutch with the Premier and his colleagues over whether or not we would spray against the infestation of spruce budworm in this Province. To spray or not to spray, that is the question. And that is the question on which the former Minister of Forestry and Agriculture could not make up his mind and he got the flick. And the former

Mr. Neary:

Minister of Manpower and Industrial Relations was rushed in from the Mainland, off somewhere attending a conference, chartered an EPA jet, I am told - this is only a rumour, I cannot prove it - the second member of the Cabinet to pay \$7,000 or \$8,000 to charter a jet, EPA jet, to get back to Newfoundland, because the Premier was going to reshuffle the Cabinet, put the minister back in Forestry and Agriculture, because that minister was more inclined to go along with experimenting with spraying against the spruce budworm than his colleague who is now the Minister of Manpower and Industrial Relations.

I do not know, Sir, if it is correct or not. I would like for the minister to - I have heard the rumour, it is out on the street, the minister chartered a plane. I want the minister to tell me if it is true or not. The minister is now in the House. Did the minister charter an EPA plane at a cost of \$7,000 or \$8,000 to the taxpayers of this Province to come back to Newfoundland? No, we are not going to get an answer. Silence gives consent. I will try it again, and if not I will just apologize to the minister, and put the thought out of my mind. Did the minister charter an EPA plane?

MR. MAYNARD: Me?

MR. NEARY: Yes.

MR. MAYNARD: No.?

MR. NEARY: No.?

MR. MAYNARD : No.

MR. NEARY: Good. I am glad to hear it, Sir.

MR. MAYNARD: That is a rich one.

MR. NEARY: Pardon?

MR. MAYNARD: That is a rich one.

MR. NEARY: It is not a rich one.

MR. MAYNARD: -supposed to have done that?

MR. NEARY: When the minister got transferred over to Forestry and Agriculture.

MR. MAYNARD: Why would I charter an EPA plane? I was here in St. John's.

MR. NEARY: Well the minister was away just prior to that.

MR. MAYNARD: No, I was not.

MR. NEARY: Oh yes the minister was.

MR. MURPHY: The Minister of Finance, Sir, possibly might have that corrected, because that will be read in Hansard, you might want to make a correction.

MR. NEARY: No. I am asking the minister, and the minister has denied it. And I accept the minister's denial.

MR. MURPHY: The hon. gentleman has made a statement that you were rushed back from the Mainland by a chartered jet -

MR. NEARY: I said it was reported, rumoured.

MR. MURPHY: now that was what was understood. Now that will be read in twenty-five, thirty, forty years time. I think it is time to make the correction now.

MR. MAYNARD: I did not have to rush back because I was not out of town.

MR. NEARY: Well okay, Sir, I accept the minister's explanation.

MR. MAYNARD: Unless I rushed from my home up here or something like that.

MR. NEARY: I beg your pardon?

MR. MAYNARD: Unless I rushed from home up here or something like that, and that did not call on EPA at all.

MR. NEARY: Well, Mr. Speaker, I accept the minister's explanation. But, Sir, I get so many reports brought to me, and so many rumours, and I do not have any choice but to check them out. I only check out about 10 per cent of them. I do not have the staff to check out the other 90 per cent, if I did I would have this crowd banished in six months?

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: God only knows that I get enough - I got enough things on them now - but if I had the staff, if I had the research grant,

Mr. Neary:

if the government would only give me \$60,000 or \$70,000, and a couple of good research people, and a couple of good secretaries, and somebody to put down in the registry office, I would banish this crowd single-handed in six months.

MR. MURPHY: This crowd?

MR. NEARY: That hon. crowd over there.

Mr. Speaker, one other change that I notice, Sir, in the House that I cannot help but recognizing in my few opening remarks is the fact that there is now another gentleman sitting down here to my right, and three other gentlemen have moved up to my left. And you know, Mr. Speaker, some strange things have happened since the marriage took place, We have, I suppose, what you could call our own parliamentary ecumenical movement in this Province, We have the former Premier (Mr. Smallwood) over wining and dining with the present Premier of the Province.

AN HON. MEMBER: Is that right?

MR. NEARY: Having their little get togethers and the former Premier acting as a consultant to the Premier and to the government. And we are told by the present Premier that is a good thing. That is the way it should be. Pick the brains of the former Premier for twenty-three years. And then we have the Leader of the Opposition meeting with the government House Leader in secret meetings to change the rules of the House. Mr. Speaker, they have got it made over there. They got her made. They do not have to do a thing any more only just sit back, take her easy, they will get all of the advice they need free of charge. Just like, Mr. Speaker, what it reminds me of is Montgomery going up to Rommel and saying, 'Look, you are not fighting the battle the right way. You are not doing things right. Listen to us.'

Mr. Neary.

Change the rules of the House, cut down the time, shut Neary up, bring in savage retrenchments and cutbacks, but travel all over the world and live in posh hotels on wild goose chases, send the Norma and Gladys off on their little voyage in the North Atlantic that will cost about \$1.5 million, have the Churchill Falls jet go back and forth between Montreal carrying people on shopping sprees, have the university faculty scattered all over the world, eating in the finest restaurants, sleeping in the best of hotels, carry on all the examples of extravagance and waste that is mentioned in the Auditor General's Report. Live her up, but sock it to the poor little ordinary person. Give it to her! We are going to be bankrupt. We are headed for disaster." Yes, it is kind of a foolish half-hour all right.

MR. MURPHY: Come on!

MR. NEARY: Mr. Speaker, while all this is going on, with the blessing apparently of both sides of the House, I presume the hon. gentleman is enunciating the policy of the Liberal caucus. I have not heard anything to the contrary, aiding and abetting the government in bringing about savage - I have heard it repeated so often - savage cutbacks. Sock it to the ordinary people! But live it up yourselves.

Mr. Speaker, I say that if anybody is going to bite the lead bullet in this Province, it should be the Premier and the administration. Why the Premier and half his ministers have not done a full day's work in the last year. That is a fact, Sir. They are too busy out on wild goose chases, and travelling around the world, living it up.

Mr. Speaker, you could go through the Auditor General's Report with a finetooth comb, and you could save several millions of dollars on the extravagance and waste just merely pointed out in that report. And the poor old Opposition members would not have any questions at all to ask the government if the Auditor General had not come to their rescue.

MR. NEARY:

Mr. Speaker, the hon. Minister for Consumer Affairs and Environment thinks it is funny that the hon. Premier - when the economy of the Province is coming right down around our ears. The hon. Premier should be down in my district, down with Mr. Lundrigan, aboard Mr. Lundrigan's aircraft that was so maligned, Mr. Lundrigan who came in for so much criticism from that hon. crowd when they were in Opposition, using government helicopters, down in Mr. Lundrigan's cabin.

MR. MURPHY: How much is your office costing a year?

MR. NEARY: How much is what costing a year?

MR. MURPHY: Your office.

MR. NEARY: My office. Well, Sir, I will tell you my office is quite justified, well-warranted. I guarantee you there is more work done in that office than any other ten offices in this building.

MR. MURPHY: (Inaudible).

MR. NEARY: Well, the hon. member should come down some time. I have given the hon. member's department enough work to keep him busy for the next year, and I can claim the responsibility of shaming the minister into taking LeBarron Mortgages into court. It is my case. The minister had no files, no research. I have given the minister's department every case, ever file that he has in connection with LeBarron. That is true, Sir. And I shamed the minister into taking a test case into court.

MR. MURPHY: June, 1977 -

MR. NEARY: Mr. Speaker, I went to the minister, Sir, over in Elizabeth Towers, where he has his posh office -

MR. MURPHY: Oh, beautiful.

MR. NEARY: The minister used to criticize Elizabeth Towers so much.

MR. MURPHY: Indoor tioletts and everything over there.

MR. NEARY: He would never go inside the door. Now he is over there

Mr. Neary.

with his posh suite of offices.

MR. MURPHY: That is right, Sir. That is right.

MR. NEARY: And I went to the minister's office, and I sat down with the minister and his officials, and they did not have one file on LeBarron.

MR. MURPHY: And promised me as a gentleman that you would not say one word until the thing was ready to proceed. Did you keep your big mouth shut?

SOME HON. MEMBERS: Oh, oh!

MR. NEARY:

Mr. Speaker, I laid out the evidence to the minister and I have given them everything they have in their files.

MR. MURPHY: Not to help the toiling masses but to help Steve Neary.

MR. NEARY: Is that so?

MR. MURPHY: Yes, Sir!

MR. NEARY: Mr. Speaker, I could say something to the hon. gentleman. I do not have any swimming pools.

MR. MURPHY: I do.

MR. NEARY: I do not have any snowplows up to my door -

MR. MURPHY: I do not.

MR. NEARY: - carrying away the snow up in Topsail Pond.

MR. MURPHY: That is the hon. house leader over there has the snowplow, not me. I do not live up there in the Winter.

MR. NEARY: I do not have any connections in the insurance business in this Province. I do not show any patronage to anybody. Look at my conflict of interest statement!

MR. MURPHY: Look at mine.

MR. NEARY: Yes, I look at the hon. minister too, the great pretender.

MR. MURPHY: Sure.

MR. NEARY: Ah, he represents the poor little fellow down in St. John's Center.

MR. MURPHY: Sorry, Mr. Speaker.

MR. NEARY: Go up to Topsail Pond.

MR. MURPHY: Go up to Topsail Pond.

MR. NEARY: And have a look at the estate. The hon. gentleman is not fooling anybody. Mr. Speaker, that is another change that I noted and I have to recognize in my opening remarks.

The other thing I want to say in my opening remarks, Sir, is that we were all shocked on Boxing Day to hear of that great tragedy down at the Coulds. It has not been mentioned in this hon. House yet, Sir. We have seen the Speaker come in this House - not the Speaker; sorry, Mr. Speaker - the government House Leader and move

MP. NEARY:

a vote of sympathy of the House to some poor individual over in England that we have not heard tell of, some ancestor of Sir Humphrey Gilbert, and the hon. minister thinks that is great. I did not see the hon. minister come into this hon. House and move a resolution of sympathy to all the relatives of those people who lost their lives in that great tragedy down in the Goulds on Boxing Day. Because they are ordinary people, that is why.

I heard the hon. minister on Boxing Day weasling and twisting and turning like a worm, I heard the hon. minister.

MR. HICKMAN: I heard him. Why did you not read the editorial on the tragedy?

MP. NEARY: I heard the hon. minister, Sir. I am talking about what happens in this hon. House. I did not see the hon. Mr. Clean, who should resign because of what was mentioned in the Auditor General's report the other day, the lily white and simon pure Minister of Justice out spending \$2,400 of the taxpayers money paying his executive assistant travelling on political business in the minister's district. And that minister has the face, Sir, and the cheek to appoing royal commissions to look into poor old welfare recipients in this Province.

It is about time, Mr. Speaker, that we got our standards straightened out. We have two laws in this Province, Sir. I will come to the minister's department later on when I talk about the administration of justice in this Province, and the political interference in the administration of justice in this Province, and the weak-kneed minister that we have. I will come to that, Sir, and the kind of justice that we are getting in this Province. And when I talk about the Shirley Blanche I guarantee you I will make the minister's eyeballs not roll heavenward but pop out of his forehead, pop out of their sockets.

Mr. Speaker, there was no mention of this great tragedy since this hon. House opened, and I want to mention it now on behalf of members of both sides of the House I am sure, to express condolences and sympathy to the relatives of those people who lost their lives

MR. NEARY:

in that great tragedy which was the second worst fire, the second worst tragedy in the whole history of Newfoundland. And, Mr. Speaker, we have heard -

MR. ROBERTS: The third surely. The Hall home, the K of C fire -

MR. NEARY: Well I am only going by news reports. They said it was the second worst fire in the history of Newfoundland.

MR. ROBERTS: Probably the third.

MR. NEARY: Well if it was not the second, it was the third and certainly should get some recognition from this hon. House. If Sir Humphrey Gilbert's great, great, great grandchild can get an expression of sympathy from this House I do not see why the relatives and friends of those who lost their lives in that great tragedy in the Coulds on Boxing Day could not warrant a few moments, even two minutes silence in this hon. House because that fire, Sir, that tragedy should never have happened.

I am not going to dwell on that, Sir. I am going to say that there is a very harsh lesson to be learned from it. We heard the Minister of Rehabilitation and Recreation the other day tell us that he had set up now an internal committee to inspect all boarding homes. Well I have news for the minister. That committee has been there for years. There is nothing new about that. Mr. Ross King is now the chairman. I would not be a bit surprised but the deputy minister or the assistant deputy minister was always

MR. NEARY: the chairman of that committee. There is nothing new in it, an institution licencing committee.

MR. H. COLLINS: Yes, well we have set up a licencing and inspection authority.

MR. NEARY: That is there, Sir, all the time. There is no legislation before the House. They are operating under the same piece of legislation that always has been there, a piece of legislation that was improved when I was minister, that set up that committee by the way.

MR. H. COLLINS: If you wanted to wait until legislation was passed the way you used to you could wait until next year.

MR. NEARY: No, Sir. No, Sir. What I am going to suggest to the hon. minister is not that. I am going to suggest to the minister that what the minister should do now in conjunction with the commission of enquiry that is taking place is that the minister should take a look, a good hard look at other places where senior citizens are housed in this Province other than just the private boarding home. What about Hoyles Home? I discovered, Mr. Speaker, with all the fuss about closing down Hotel Newfoundland because they do not have a smoke detecting system -

MR. SPEAKER: Order, please! It being five-thirty the first matter for debate is the subject matter asbestosis at Baie Verte.

The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, the failure of the government, especially, Sir, the Minister of Mines and Energy, to act upon the recommendations of last Fall's conference on industrial health hazards in this Province amounts almost, Mr. Speaker, to criminal neglect of responsibility. Surely, Mr. Speaker, when the very lives of our citizens are endangered by the conditions under which they work in the mining centres of Baie Verte, Labrador City and Buchaus, the minister, Sir, should have taken immediate steps to implement the obviously common sense recommendation of the conference to place

MR. NEARY: the care and prevention, Sir, of injury or industrial disease to these workers in these centres and in other mining centres throughout the Province who are exposed, Mr. Speaker, to health hazards, to place it under one responsible single body.

Mr. Speaker, members are probably aware that the responsibility for industrial health at the present time is shared by four, if not five, departments of government: The Departments of Mines and Energy, Consumer Affairs and Environment, the Department of Health, Manpower and Industrial Relations, and I believe one other department, if not the Workmen's Compensation Board which probably comes under my hon. friend's department.

Mr. Speaker, in my opinion, by dividing up this responsibility the process, Sir, of monitoring, identifying problems and taking remedial action when a hazard is detected, Sir, is very slow and painful indeed. And it is easy, Mr. Speaker, for any one of these four ministers to turn his head the other way, to weasle out of his responsibility while our fellow citizens and their fellow citizens, Sir, in this Province are risking their lives and risking their health, risking their lives, Mr. Speaker, by working under extremely hazardous conditions that are obvious health hazards and where there is a serious risk of personal injury.

Mr. Speaker, the Minister of Mines and Energy belongs to a government who five years ago talked at great length about planning and priorities, even to the point, Mr. Speaker, of establishing a \$1 million much publicized committee on planning and priorities. But surely, Mr. Speaker, when it comes to priorities, the lives, the health and freedom from crippling injury or fatal industrial disease of our workers should be a number one priority. And I hope

MR. NEARY:

now, Mr. Speaker, that the hon. minister when he replies to my few remarks will be able to give us a progress report on the establishment of this one body, responsible for industrial health hazards in this Province, that the minister will tell us that the government is moving full speed ahead, is moving with all haste to get all the various groups responsible for industrial health hazards in this Province under one roof. And if the minister can tell us that, Sir, at least I will have accomplished one thing today, I have pried that piece of information out of him.

MR. SPEAKER: The hon. Minister of Mines and Energy.

MR. PECKFORD: Mr. Speaker, as the hon. member has mentioned there are a number of departments involved here and it has been a real problem for us over the last couple of years. We are attempting very quickly under the, really the auspices of the Department of Manpower and Industrial Relations and the former minister, now the Minister of Forestry and Agriculture, and the minister now, to put together a team of a committee to bring in a report to establish this agency that the hon. member mentions. We have gone a long way to doing that. We are moving as quickly as possible and we will, hopefully within the next few months, be able to say to the House that we have succeeded in having the companies, the union and everybody else involved - and this is how the committee is struck now - to do the kinds of things - it is one thing to set up an agency but it is another thing to make sure that that agency is going to operate so that it does the things that everybody wants it to do. And you cannot do that by government setting it up by itself. You cannot do it by the union setting it up by itself. You cannot do it by management. You must get them all together so that the agency, the terms of reference and everything of that agency are set up in such a way as to actually deliver the bill of goods that you want it to deliver.

Specifically in the Department of Mines and Energy, since the hon. member saw fit to direct his question in the first instance to me, I

MR. PECKFORD:

have a report here for him which I will table at the end of my few remarks indicating the Department of Mines and Energy's specific involvement in the Baie Verte asbestos mine, the inspections that we have done, the kind of activity that we are doing, monitoring the dust, the other inspections done on the open pit, done in the sheds and so on that I have. And I have a number of copies for other hon. gentlemen who might be interested in reading it to show you just exactly what particularly the Department of Mines and Energy are doing in here.

On the whole question as it relates to the Department of Health, the Department of Manpower and Industrial Relations, the Department of Consumer Affairs and Environment and my own department, government is working very quickly to try to do the very thing that the hon. member has mentioned. We have taken the initiative through the office of the Minister of Manpower and Industrial Relations and hopefully we will have in place the kind of agency that the hon. member sees as being one of the answers, at least one of the answers, to this very, very serious problem.

The report I have before me indicates a number of visits that the inspectors took, that the union representative accompanies the management as well as the inspector when they go on these inspections, that there must be monthly reports to the department on all the matters involved and on the dust control, what we propose to do in 1977, the accident and unusual occurrence reporting system and how that operates, the dust monitoring, asbestos filter counting and how that is working, the kinds of results we are getting from the dust count, in 1976 the number of samples that we took, the number that were below the level that is acceptable by American standards as established by an association in the United States to indicate that the levels are almost in all instances way below the average that is acceptable by experts who are supposed to know. And then just a brief note on the whole history of the project in Baie Verte and the inspection activity.

MR. PECKFOPD:

So after I table this, Mr. Speaker, if the hon. member has any other questions on another day that he would like to direct as a result of this information, specifically he should direct them to me as it relates to the overall agency that is being established. It is being established with the initiative primarily coming from the Department of Manpower and Industrial Relations who could give you a more precise indication of the kind of time frame we are talking about for the agency to be established. So I herewith table these reports for the scrutiny of the hon. member for LaPoile (Mr. Neary) in the first instance and for other hon. members a couple of additional copies so that they will see what the Department of Mines and Energy are doing.

But overall and speaking on behalf of government we hope to move extremely quickly on the kind of agency that the hon. member has suggested.

MR. SPEAKER: The second matter for debate is the implementation of recommendations of the Buchans Task Force.

The hon. member for Windsor-Buchans.

MR. FLIGHT: Thank you, Mr. Speaker. I want in the short five minutes I have to draw to the attention of the House the performance of this government towards the implementation of the recommendations of the Buchans Task Force. Mr. Speaker, approximately three years ago this administration appointed Professor Dyer to do an industrial enquiry. That came as a result of a strike with violence in Buchans. It was said then - and it could very well be justified as an appeasing tactic, because all that came out of the Dyer enquiry, in the Dyer report, was of all the recommendations made only one to date has been implemented, and that is the appointment of a Buchans Task Force. Now the Buchans Task Force took one year, and it came about as a result of pressure put on by the local union and by the local interested people in Buchans, and finally the Minister of Manpower and Industrial Relations appointed an industrial enquiry. It took that Task Force a year to complete their work at a cost of \$200,000. That report was submitted to this House and to the Cabinet in June. To date, Mr. Speaker, the people of Buchans have got no proof that Cabinet has yet seen that report. Not one minister has made a ministerial statement.

The Minister of Transportation and Communications promised early this Spring that he would come to Buchans take a look at some of the roads and what have you that the Task Force recommended to them should be built. To date the minister has not arrived. The Minister of Mines and Energy came into Buchans, Mr. Speaker, but not because of the Buchans Task Force, not addressing himself to the problems in Buchans, but because he was invited by Price (Nfld.) and ASARCO who wanted to celebrate their fifty years occupancy and their fifty years of making a fortune in Buchans.

Mr. Flight.

Now, Mr. Speaker, I want to talk about Buchans in context with what the Minister of Mines has said today, and what the Minister of Industrial Relations said a few days ago. He said, "Do not demand millions of dollars. Let the initiative come from the town, and then we will perform." Well how much initiative do they want, Mr. Speaker? I am not asking that \$2 million or \$3 million or \$4 million be spent tomorrow in Buchans, or \$20 million. I am asking that the ministers of the Cabinet would, at least, recognize or say something that would indicate to the people of Buchans that they are aware of a crisis situation in that town. Irregardless of what ASARCO has said and Price (Nfld.) has said this past six months, the life expectancy is now less than two years. Dyer gave us five. There are 4,000 to 5,000 livelihoods depending on that mine continuing. I know people in Buchans who are prepared today to build a motel, but they walk into the lending people and they say, "Where are you from?" "Buchans." "Sorry, if you were from Leading Tickles or Point Leamington or any other community in Newfoundland, we would advance the money." What an atmosphere to live in. People cannot get mortgage loans in that town. None of the recognized banks will recognize them. And all the people of Buchans are asking is if this administration will say, "Yes"- or to do something -"we recognize the problem in Buchans. Yes, we will do the things that will guarantee that town a viable future, maybe not at the same standard of employment as it is right now" And to this date neither the Premier or any member of this Cabinet have indicated to the people of Buchans and area that they are even aware that that Task Force exists.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: And that is shoddy. That is shabby treatment.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: Now the minister did point out that Buchans was incorporated. That was the thing, that was the implementation. I say to this House that the incorporation of Buchans is an act to merely justify the existence of the Buchans Task Force, \$200,000. Because, Mr. Speaker, the incorporation of Buchans was requested fifteen years ago, you know. Every year for fifteen years somebody said something about the incorporation of Buchans. And I want to tell the hon. Minister of Municipal Affairs that I do not intend to go into any incorporation of Buchans now, but I will guarantee you that I am going into the incorporation of Buchans. The way, the method that that town was incorporated would be another fifteen minutes on this floor.

It was very interesting today to hear the member for Mount Pearl (Mr. Windsor), I think, indicate that he was attending a public meeting so the people in his town that he represents could have an input into whether or not they would take part in the overall situation. It is too bad that the minister did not give the same courtesy to the people of Buchans and ask them how they felt about the way he was bringing about incorporation.

MR. PECKFORD: Did the member for Buchans have a -

MR. FLIGHT: The member for Buchans can table, and the minister knows he can table a four page letter that I put on his desk in October pointing out the injustices that will be perpetrated on the town of Buchans.

MR. N. WINDSOR: Did you have a meeting with the people?

MR. FLIGHT: I had dozens of meetings with the people, Sir, dozens.

MR. N. WINDSOR: Well, provide your reasons.

MR. FLIGHT: That will come later. But, Mr. Speaker, in less than two years the people in Buchans are going to start losing their jobs. We are forty-eight miles removed from Badger, sixty-eight miles removed from the nearest place of employment, and this government have not yet indicated no way that they are concerned about that situation.

Now I call on whoever is going to speak for the minister to lay out to this House that they have indeed taken the Task Force Report seriously, and lay out their plans that will give the people of Buchans some reason to believe that they have some sort of a viable future there. Thank you.

MR. ROBERTS: Hear! Hear! Well done!

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

MR. ROUSSEAU: Mr. Speaker, first of all I would like to assure the member for Windsor-Buchans (Mr. Flight) who brought to my attention on a number of occasions last year that his road sign or his name plate down there is misspelled, has been rectified today and I hope will be done very soon so that the misspelling is corrected.

MR. FLIGHT: Could the minister arrange to get it ploughed while he is at it so I can park there?

MR. ROUSSEAU: I will try that too. But in respect to the comments made by the hon. member, first of all we must remember back in those days that the Dyer Report I think served a great purpose. It was done in two phases at the time. The first phase when it was appointed was to try and settle that very difficult dispute out there, and of course phase two was not started until quite a period after the original appointment of the enquiry.

Since the enquiry was appointed of course it has been made public and a Task Force was formed and made its recommendations to government. Now the Department of Manpower and Industrial Relations, under my predecessor and continuing under me, are co-ordinating

MR. ROUSSEAU: that Task Force report.

MR. ROBERTS: When was the switch done? When did the Cinderella bit -

MR. ROUSSEAU: November 15th., the middle of November.

MR. ROBERTS: The middle of November.

MR. ROUSSEAU: Yes. Well I can assure the hon. member from Windsor-Buchans (Mr. Flight) that two of the highest priorities I had, not counting the legislation for the department, when I went into that department were: number one - the same as my predecessor - and number two, not necessarily in any order, was the Buchans Task Force and occupational health and safety. And these have remained to be priorities in that department.

Now what was done as a result of the Task Force report was that each department concerned with the recommendation were written and asked what their reactions were to the recommendations in the Report, because obviously in certain instances the recommendations of the Report may or may not have followed what had been accepted as departmental policy. We have now received the reaction of each department. I can assure the hon. member for Windsor-Buchans (Mr. Flight) and assure the people in Buchans that we are more than concerned as a government about Buchans.

MR. FLIGHT: May I make a few remarks?

MR. ROUSSEAU: Yes.

MR. FLIGHT: It is not important, Mr. Speaker, that you assure the hon. member for Buchans. It is important that you assure the people in Buchans.

MR. ROUSSEAU: I assume that when I assure the hon. member for Windsor-Buchans that through him the people of Buchans, which I finished the sentence with, that government is very concerned about this and I would hope that within the next four weeks at the latest, possibly earlier, but in the next four weeks that a comprehensive statement will be made either by me covering the whole total spectrum of the report, or by each individual minister

MR. ROUSSEAU: in respect to the recommendations related to his department. I would hope within the next four weeks, maybe as early as two or three weeks, it may be four to five, but within four weeks I would hope that the member for Windsor-Buchans (Mr. Flight) and his fears for the people he represents and the people of Buchans, may have some indication of just what government's reaction is to each of the recommendations of the Buchans Task Force.

AN HON. MEMBER: Hear! Hear!

MR. SPEAKER: The next subject matter for debate is the alleged weakness in internal control over the spending of public monies as referred to in the Auditor General's Report for the year ended March 31, 1976.

The hon. member for Burgeo-Bay d'Espoir.

Mr. Simmons:

Mr. Speaker, there is in the Department of Public Works and Services a very clearly defined procedure insofar as so-called work orders and direct purchase orders are concerned. I quote for you from these procedures, and in particular from the Auditor General's report, page 108, where he reports in part that these purchase orders are "For the purchase of low dollar value items not exceeding \$50.00; primarily for one time purchase where the items are not of a repetitive nature, or "Subject to the following conditions which must be verified upon request: (1) For purchases of items necessary to avoid undue hardship for personnel. (2) For purchase of items immediately required to ensure safety of personnel, and for the protection of government property. (3) For purchase of items which are necessary to avoid imminent work stoppages."

He goes on to report, the Auditor General does, "For a portion of the year, the limit was \$100." He further reports, "According to the best of my information and the explanations given to me there is no official authorization for the use of these purchase orders as work orders."

Mr. Speaker, that notwithstanding we learned from the Auditor General in the subsequent paragraph that amounts totalling not \$50.00 or \$100 or several hundreds accumulated, \$100 at a time as provided in the regulations of the department. We learn that no less than \$2,644,756 expenditure was incurred using the work order which has very severe limitations on it as I just outlined.

Now, Mr. Speaker, anybody charged with any degree of responsibility in terms of the finances of this Province must ask the question, why did that kind of thing go on? Why is it that \$2.6 million without any public tenders being called, and in obvious direct contravention of regulations covering the matter, why that kind of money got spent?

Mr. Simmons:

The Auditor General goes on to tell us about the mysterious companies A, B, and C. Well that is another story. We will get to that in time. But I would like to get to what I believe is the real crux of the matter.

Mr. Speaker, we have here three companies getting a total of \$2.6 million, sometimes through the ruse of having several work orders issued on the same day for the same job. Even in one case, Mr. Speaker, just to give one of several examples I could on these pages, we have an instance of 496 separate work orders issued for the same job, after the job had been completed, and after the company had billed the government for the job. How much was that job? \$779,000.

Now, Mr. Speaker, the minister cannot pretend as he has in the last day or so, he cannot pretend that he only became aware of this on Tuesday when we did, when the Auditor General's report was tabled here. That is not the case, Mr. Speaker, I submit he knew as did all other minister with respect to items in this report. I submit -

MR. ROUSSEAU: I did not say that.

MR. SIMMONS: The minister will have an opportunity to respond. The minister is now indicating that he did not say that. Well I am very glad for him that he did not. We clearly got the impression yesterday that that was the case. I submit that he has known for weeks because the Auditor General consults his department on these matters for months. And I submit he should have known before the expenditure is incurred. Is anybody honestly trying to tell me that amounts totalling \$2.6 million can be spent without the minister's knowledge? And that he only finds it out some day when he gets a memo from the Auditor General's Department? I do not believe it, Mr. Speaker, for a second.

Now, Mr. Speaker, in conclusion, this is the crowd, Mr. Speaker, the hon. crowd for whom the Public Tendering Act was going to

Mr. Simmons:

their flagship. It was the salvation. And so it should have been in many respects. But, Mr. Speaker, had they followed their very good intentions we would not be faced with a situation today where an Auditor General has to wonder out loud, and in print, how come these amounts of money are spent in such obvious flagrant abuse of regulations pertaining to the subject at hand?

Mr. Speaker, I would submit, and I feel very strongly that this set of events documented in pages 107 to 111 of the Auditor General's report, this set of events, Mr. Speaker, documented here is at best, at best, a shockingly slack

MR. SIMMONS:

administration of government funds amounting in this case to \$2.6 million, a shockingly slack administration of government funds at best. And at worst, Mr. Speaker, it is a malicious, conniving attempt to circumvent the public tender legislation, the very flagship of this administration.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Minister of Public Works.

MR. ROUSSEAU: Mr. Speaker, up to the last statement when the hon. member used the term 'malicious', I do not think anybody in the Department of Public Works who supervise this sort of thing or the minister who is responsible had any malicious intent in any of the indications made by the hon. member.

First of all let me clear this up, Mr. Speaker. I mentioned it today. I did not say I had not seen the report - and I will repeat it - to the question I answered today was that I had a draft as all ministers have, and as the hon. Leader of the Opposition had when he was a minister, and the hon. the House Leader as minister when he was, and the hon. the member for LaPoile (Mr. Neary), we have a draft sent to each minister.

As a result of that the department answers the questions put forward by the Auditor General because I think it is fair to believe that the government is not maliciously trying to do anything. But the Auditor General in his methods of doing things may not agree with the way the department does it, and fair game. That is the Auditor General's business. Normally the answer is made to the Auditor General. And until the Auditor General's report in its final form comes out, the department or the minister does not know what is going to be contained in the Auditor General's report. It may be the change of one word. It may be no change. It may be a change in one word or it may be a change in the whole of the content and the substance of the individual issue raised by the Auditor General.

For example to show - you know I have been listening for a few days about this \$779,000 job and you know I could not picture where

MR. ROUSSEAU:

that was. So I had read it over. During the year work orders were issued to a company. Of these, 496 were issued after the job was completed and subsequent to the invoice date for a total value of \$779,000-odd. The hon. member is leading the House to believe that that was for one job. That is not for one job. That could be many, many, many jobs. A \$779,000 job was not given out by that. That was work orders over a year for many different jobs in many different institutions across this Province or on the Eastern area, but not for one particular job.

MR. SIMMONS: A point of order.

MR. SPEAKER: A point of order.

MR. SIMMONS: Mr. Speaker, the minister has just construed that I have misled the House on a matter which I have not, and I would submit that in referring to the term 'job', singular, as opposed to more than one, I was quoting directly from the Auditor General's report which I shall now do to indicate to the House that I was not misleading the House on that point. If the information is incorrect, it is the Auditor General who is to correct it, not me.

The information says, "Of these 496 were issued after the job was completed and subsequent to the invoice date for a total value of \$779,056." I interpret from that, Mr. Speaker, that is one job not jobs.

MR. ROUSSEAU: Okay. I withdraw the insinuation of -

SOME HON. MEMBERS: Oh, oh!

MR. ROUSSEAU: You know I have got five minutes to finish this little do here -

MR. SIMMONS: Repeat again.

MR. ROUSSEAU: No, no. I just -

MR. SPEAKER: The hon. gentleman has withdrawn it and it would be academic for me to rule on it.

MR. ROUSSEAU: You know I withdraw that, okay, because I understand now, it is very simple. And I think the hon. member for Burgeo-Bay d'Espoir (Mr. Simmons) as an ex-English teacher and an ex-education

MR. ROUSSEAU:

gentleman can understand that both of us could be right on that one. Okay? It is a matter of English interpretation. And I take the point made by the hon. member correctly. "After the job was completed" could have been many jobs or could have been one. It was not one job, may I tell the hon. member that? If the hon. gentleman would listen I could assure the hon. gentleman from my viewpoint as minister of the department that it was not one individual job although the interpretation could be that it was one and I regret that.

But I say to the hon. member that I am prepared, as I said before in the House, between tomorrow is Friday and next Friday, someday in between as soon as possible to answer each of them. I am not going to answer each one individually. The whole amount there referring to the Department of Manpower and Industrial Relations, to the Department of Public Works and Services are given that undertaking in the House to the Leader of the Opposition, to the hon. member for Burgeo-Bay D'Espoir (Mr. Simmons) and to the hon. member for Terra Nova (Mr. Lush), and that I intend to do sometime between tomorrow and next Friday as soon as I have the opportunity to do so. And that commitment remains and shall be carried out.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Before putting the motion which is before the Chair, which is a motion to adjourn, before putting that I wish to refer to the point of order brought up during the Question Period by the hon. Minister of Justice with reference to some words said by the hon. Leader of the Opposition.

MR. SPEAKER: Hon. members are aware that May and Beauchesne have lists of words which have been judged unparliamentary. I would, however, like to draw the hon. member's attention to what is said, page 445 of May: "It must, however, be emphasized not only that the list is not exhaustive but also that the permissibility of some of them would depend upon the sense and temper in which they were used." So a word being in the list or excluded from the list, I do not think is itself the decisive factor. In checking under what rubric to make a decision on this, only two suggested themselves; one, whether the remarks constituted abusive and insulting language; and the other would be whether, as outlined on page 131 of Beauchesne, they were - where it says, "Nor may a member refer derisively to another member." In my opinion what was said was somewhat ambiguous and certainly did not constitute abusive and insulting language. I do think, however, that it was a derisive reference. I would ask the hon. gentleman, therefore, to withdraw it.

MR. ROBERTS: I will withdraw it, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: I had no intention of deriding the minister. I think the minister's conduct speaks for itself, Sir, and needs no derision from me.

SOME HON. MEMBERS: Hear, hear !

MR. SPEAKER: The motion before the Chair is that this House do now adjourn. Is the House ready for the question? Those in favour "aye." Contrary minded "nay." In my opinion the "ayes" have it.

This House, therefore, stands adjourned until tomorrow Friday at 3:00 P.M.