

PRELIMINARY

UNEDITED

TRANSCRIPT

HOUSE OF ASSEMBLY

FOR THE PERIOD:

10:00 a.m. - 1:00 p.m.

FRIDAY, MARCH 25, 1977

The House met at 10:00 A.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

MINISTERIAL STATEMENTS

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: I guess it is a point of privilege, Mr. Speaker, I want to call the House's attention to an error in this morning's edition of The Daily News, and I do not know whether the error was The Daily News' error or mine, because I have not seen the Hansard, but the quotation here is that I -

MR. ROBERTS: As I can testify even Hansard makes its slips.

MR. DOODY: - I earlier noted that Penitentiary wardens relinquished their right to strike in favour of the pension plans sought by NAPE and the Newfoundland Constabulary gave up theirs in favour of compulsory arbitration. I do not know if I actually said that or not, as I have indicated, but it is incorrect, The Penitentiary wardens have not relinquished their right to strike, They do indeed have that right and I just want to set the record straight, Sir.

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

MR. MORGAN: Yes, Mr. Speaker, I wish to inform the House of Assembly with regards to the registration of motor vehicles in the Province that because of the existing mail strike - which apparently has not been resolved to date. To date there have been 119,000 vehicles registered by the Registrar of Motor Vehicles. Last year at the end of March 31, a total of 139,000 vehicles were registered, This means right now that there are approximately 20,000 vehicles that are not registered throughout the Province. Most of these vehicles are from the remote and rural areas of the Province who are using the mails, we assume, to apply for their licences. So because of that, Mr. Speaker, we have now decided to grant an extension beyond March 31. So the deadline now for the registration of motor vehicles has of today will be April 7, Thursday before Good Friday.

Mr. Morgan:

So the deadline has been changed from March 31 until Easter Thursday, April 7

SOME HON. MEMBERS: Holy Thursday.

MR. MORGAN: Easter. Holy.

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

MR. HODDER: Mr. Speaker, I am pleased that the minister has decided to grant the extension. Under normal circumstances I agree with the government's policy of not extending, but under those particular circumstances as we see them now with the mail strike on here in St. John's, I think that all of the members of the House on this side are very pleased with the announcement.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Minister of Justice.

MR. T.A. HICKMAN: Mr. Speaker, hon. gentleman will recall that on Tuesday past, March 22, 1977 this hon. House passed the following motion, unanimously passed this following motion, "That this House asks the government of this Province at the earliest possible time to appoint a Commissioner under the provisions of the Public Enquires Act to inquire into the matter of the allegation that A.B. Walsh Electrical Limited purchased and caused to be delivered to the hon. the Premier a television set alleged to be worth in excess of \$1,000 and to inquire whether the hon. Premier paid for such television set. And that such commissioner be a judge of the Supreme Court of Newfoundland, either the Court of Appeal or the Trial Division, or a District Court judge, and that such commissioner deliver his report in findings to this hon. House at the earliest possible date."

MR. HICKMAN: Mr. Speaker, I am pleased to announce that the Honourable Robert Stafford Furlong, M.B.E., Chief Justice of Newfoundland, has consented to serve as the commissioner and that his appointment and the terms of reference and commission either have been signed or are in the process of being signed at this time. The terms of reference I will table, Mr. Speaker.

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

MR. ROBERTS: Mr. Speaker, I cannot make any detailed comment, because I have not seen the terms. I mean they have just been given to me. Let me say simply that I am delighted the ministry have moved so very quickly on this matter, and that I am delighted that the Chief Justice has accepted the government's invitation to carry out this commission, Sir. Detailed comment will have to wait until I can read the commission. Thank you, Sir.

MR. SPEAKER: The hon. Minister of Tourism.

MR. HICKEY: Mr. Speaker, I rise on a point of personal privilege, it being the first opportunity to do so, the information pertaining to the point of privilege just coming into my possession during the last evening.

The point of privilege, Mr. Speaker, arises out of the debate by the Leader of the Opposition on an item which is rather popular those days, colour televisions. I would like to quote very briefly if I could, Sir, from Tape no. 1192, and I quote the Leader of the Opposition as follows: "But now, Sir, if this were the only television set that A. B. Walsh had given away, it would be in my view still a matter of comment, and I still think a matter of investigation. But, Sir, it is not the only one and that is the new fact. The A. B. Walsh firm is an extraordinary generous firm. Remember they are not in the television business. But I understand from usually reliable resources that within the past two or three years they have purchased between twenty and twenty-five television sets for gifts." I emphasize that word, Mr. Speaker, for gifts. "Between twenty and twenty-five for gifts, a lot

Mr. Hickey.

of television sets. I am told there were seven this past Christmas. Now maybe all were paid for. Maybe they all went to Mr. Walsh's employees or maybe Mr. Walsh's family, I do not know. I know where one of them went, to Mount Scio House. I know where another went. It was delivered to the first house on the left hand side of Forest Road up in Upper Gullies, and I think took the trouble, and Sir, one of my colleagues aided me to find out who lived in that house." Mr. Roberts continues: "No, it was not a friend of the gentleman from Bonavista South (Mr. Morgan), no I did not say that. It was not the gentleman from Bonavista South, not at all. And I will not name the person, although I will tell it to the committee of enquiry. But the person who lives in that house, I am told, is a very close friend of the Minister of Tourism, a very close personal friend, a fact which is well-known."

And at that point I attempted to clear the matter on a point of order, but I was ruled out of order.

MR. ROBERTS: No - (Inaudible).

MR. MORGAN: Come on now, keep quiet. This is too serious.

MR. TOURISM: I was ruled out of order, Mr. Speaker, because there was a point of order on the floor at the time.

Tape 1193 continues: "The remarks I made," the allegations," that I made that a television set was delivered to a close friend of the Minister of Tourism: are out of order? No, Sir! Sir, I submit they are in order. The motion is exactly as I read it, as the Minister of Justice subsequently read it. And I submit it is quite in order to show that the firm specifically referred to in the motion is in the habit of delivering television sets to- and I have named two people, I have named two. The Minister of Tourism cannot deny it, because what I have said is true." Mr. Speaker,

MR. HICKEY:

"The Minister of Tourism cannot deny it... The Premier has admitted in his case it is, true." And the third section, Mr. Speaker, tape 1197, wherein the Leader continues, "Mr. Speaker, the three facts are there. One, that the set was purchased by the Walsh firm and delivered to the Premier. That is a fact. Two, that that firm is not in the business of buying and selling television sets. The inference is there, Sir." I certainly agree with that. "It was bought as a gift. Particularly given the fact that the firm bought at least twenty-five sets in the last two or three years, television and stereo set, the expensive one, free!" I emphasize that word 'free', Mr. Speaker, in reference to the television and stereo set for it comes right after.

To go on, to quote further, "The Walsh firm got a very, very large amount of business from the government." I quote this section, Mr. Speaker, because it is obvious that the point that is being made here is the association of this person outside this House, who lives in that house in Upper Gullies, who is a close personal friend of mine, and my being a minister and that firm doing a lot of business with the government, it is very clear what the Leader of the Opposition was leading up to. He was leading up to the fact that I had used my position in some way, indeed some hon. colleagues of his were known to have said to some of my colleagues, "When we are finished with the Premier, we are going after Hickey, Hickey's girlfriend."

The hon. gentleman did not name the person. He was decent, Mr. Speaker, he did not name the person. He gave the description of her address to such a degree the only thing that is lacking is the manufacturer's brand of paint on the house. For everyone knows who lives in that house now, everyone on the Conception Bay Shore knows, all of her neighbors know. I suppose when a truck stops and a piece of furniture is dropped off now, someone will wonder is that a gift from Mr. Hickey. That is the point, Mr. Speaker, that I am concerned about and that is the point that I want to clear up.

I told the Leader of the Opposition when he started on this track that he was digging a hole to bury himself. That is too

MR. HICKEY:

true. I now propose to show how he has buried himself, how I will bury him now.

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

I would point out to the hon. gentleman the need to keep his remarks totally relevant to the point of privilege.

MR. HICKEY: I am doing my best, Mr. Speaker, It is not a very easy matter to cover. I want to show, Mr. Speaker, first and foremost, I want to say that I had no connection whatsoever with the stereo-television set that was delivered to Upper Gullies, none! I do not supervise nor do I advise nor do I have anything at all to do with the purchase of furniture by friends of mine, fact number one. Fact number two, who my friends are is my bloody business and none of the Leader of the Opposition's.

SOME HON. MEMBERS: Hear, hear!

MR. HICKEY: Fact number two, Mr. Speaker, the hon. gentleman could have simply asked me a question, or any of the hon. gentlemen or his hon. colleague who went to such trouble to find out who lived in that house. It was quite obvious that someone suspected there was some association with me. I would have told him gladly. I am not ashamed that I know who lives in that house, not for one second.

Mr. Speaker, most important of all, fact number three, I table a photostat of a cheque made out to A.B. Walsh Electric

MR. HICKEY: in the amount of \$1,539.95, on a cheque to Eastern Canada Savings and Loans and signed by one E. Morgan. I will name her, because I have the courage to name her, Mr. Speaker. The hon. gentleman did not. But he knew he was doing it through another means.

That cheque, Mr. Speaker, was signed and made out on the 8th. of January. There is a stamp on the front, Mr. Speaker, and the explanation that that stamp is affixed to that cheque when it goes through the clearing section of Eastern Canada, which proves the funds were removed from that account and deposited to the account of Walsh.

MR. NEARY: What year was it?

MR. MORGAN: 1976 it was.

MR. HICKEY: A little more than a year ago, not this past -

MR. NEARY: Put it in the record, 1976.

MR. HICKEY: Yes, 1976.

SOME HON. MEMBERS: Hear! Hear!

MR. MORGAN: Scandalous! Scandalous! Slander! Innuendo!

AN HON. MEMBER: Go home. Go home.

MR. MORGAN: Resign! Resign!

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

MR. HICKEY: Mr. Speaker, I know my hon. colleagues feel as I do, but I asked them to allow me to continue.

MR. MORGAN: No, clown! No, clown!

AN HON. MEMBER: You just show your ignorance.

MR. HICKEY: I have a further photostat of the back of the cheque which I table, on which there are two stamps, Mr. Speaker, one stamped by the company, which proves receipt of that cheque.

MR. ROBERTS: No. No.

MR. PECKFORD: Listen.

AN HON. MEMBER: A point of order, Mr. Speaker.

MR. SPEAKER: Order, please! I cannot entertain a point of order, but I must direct hon. members to my left and to my right not to interrupt, and if they have matters between themselves to discuss, or on which they have different opinions, then they will either have to do it in the House when there is an opportunity to debate, or in the corridor or in the cafeteria or somewhere like that.

MR. HICKEY: Thank you, Mr. Speaker.

The other section which is photostated, Mr. Speaker, shows a number of stamps and I wish to explain what they are because it is very difficult to see them. The original or the cheque itself could not be produced because it is not that type of account, and a photostat was all that the lady could produce.

The first stamp is obviously a stamp which is normally used for deposit purposes. It is when a person do not sign, do not endorse a cheque, you just put your stamp on it and send it on to the bank. That is stamp number one. There is another stamp, which is deposit to any branch of such a bank. The second stamp is put on because the parties do not bother to endorse the cheque. So these are the two stamps. As best as I can make them out January 30th., the cheque was issued on January 8th., it was stamped January 30th., at the bank and the funds came out of the account I believe on February 5th. I am not sure February 5th. or February 8th.

MR. MORGAN: 1976.

MR. HICKEY: 1976.

Now, Mr. Speaker, in tabling this information there are a number of things that one could do in my particular

MR. HICKEY: position at the moment. I do not wish to do very much, for I have grown accustomed to abuse and personal attack. Let me simply say, Mr. Speaker, that I feel it incumbent upon the Leader of the Opposition to withdraw his comments and any inferences and innuendoes which in any associate me with this whole issue, that is number one. I would ask him in a gentleman fashion to try to undo, try, because he will never undo the hurt, the harm and the damage done to this innocent lady. I ask him as a gentleman if he would be good enough, for her sake if not mine, to publicly apologize so that she may live in peace and rest and not be called by the press wondering if I gave her a colour TV set, as if it were any of their bloody business if I decided to give her one.

It is a _____

MR. HICKEY:

sad day, Mr. Speaker, when politics has got to come to this.

SOME HON. MEMBERS: Hear, hear!

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

MR. ROBERTS: Mr. Speaker, the -

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order! Order! Order!

MR. ROBERTS: Mr. Speaker, the hon. gentleman, the Minister of Tourism, has not followed the appropriate procedure for a point of privilege but I assume in view of his latter remarks he does not wish to. Let me first of all say that I accept his explanation, substantiated as it is by documents. I have not seen the documents, and in due course I will, but that is not the issue because I am quite sure the documents are as the hon. gentleman read them out, and a cheque that was issued, a cheque that was deposited, and cleared through the clearing house is obviously a genuine cheque. I have no hesitation in saying that if I have offended the person who lives at that address - and the reason I did not name the person although I was in possession of her name was because I did not want to bring her into it and I did not.

SOME HON. MEMBERS: Oh, Oh!

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

MR. MORGAN: Shame! Shame!

MR. ROBERTS: Mr. Speaker, hon. gentlemen opposite are entitled to their opinions. But, Mr. Speaker, let me say that - let me finish first of all saying if I have offended the person in question, the lady in question, I have no hesitation in apologizing to her fully, publicly and without reservation. I would say as well if the hon. gentleman, the Minister of Tourism, Sir, feels that he has been offended, then I have no hesitation in apologizing to him for any hurt I may have done his feelings.

Mr. Speaker, the fact remains that the information which I had in my possession indicated that a Zenith combination stereo and television set had been purchased by Mr. Walsh or his firm. The list price was \$1,749. He got a discount and it was paid for at \$1,399.95,

MR. ROBERTS:

a very healthy discount, a \$350 discount. Mr. Walsh is a good customer. Mr. Walsh, Sir - and this is the interesting fact - did not buy it for resale in that he paid the retail sales tax on it. The retail sales tax at ten per cent is \$140. Added together that is \$1,539.95, which of course is the amount of the cheque which the hon. gentleman tabled, and obviously the same amount that Mr. Walsh paid for it. Well I accept the hon. gentleman's explanation, Mr. Speaker. I do not have any hesitation at all. I am glad he has made it. I am glad he has set the matter clear and I hope, Sir, that his colleagues will be equally clear to look into the other matters which have been raised and which will be raised.

But the point I make, Sir, is that on the information which I had in my possession, particularly the fact that Mr. Walsh or his firm - I do not know whether Mr. Walsh himself paid it or not - that Mr. Walsh paid the retail sales tax; in other words he obviously did not buy it for resale. He did not buy it for resale, Sir. He did not buy it using his vendor's license.

MR. MORGAN: This is shocking.

MR. ROBERTS: It is certainly. It is shocking, Mr. Speaker, in my view when a contractor doing \$1 million worth of business with the government without tender -

MR. MORGAN: He is still casting innuendo.

MR. ROBERTS: Mr. Speaker, it is shocking in my view and it requires explanation when a contractor doing a million dollars worth of business with a government without tender buys a television set, and is not in the business of buying television sets, pays retail sales tax on it, and then has that set delivered to another person. Now, Sir, there is obviously nothing illegal or improper in what has happened, because the minister has produced a cheque which is full and sufficient proof, no question, no quarrel. I am glad he has done it. But, Sir, the fact remains that the matter had to be raised, and on the evidence which I had I felt I ought to raise it and I would do it again, Sir, on the same evidence because I believe, Sir, that matters of this sort must be

MR. ROBERTS:

put to the test as quickly, as fully and as fairly and as impartially as possible. And I only wish, Sir, that if the Premier had a cheque he too would produce it, Sir. We would have the other one settled one way or the other as well.

MR. SPEAKER: Order, please!

I must point out to the hon. Leader of the Opposition that with respect to the matter referred to in his last remark, that is a matter now sub judice.

MR. ROBERTS: Well, thank you, Mr. Speaker. Of course I will make no reference to it. I am grateful.

Mr. Speaker, let me say that I think the Minister of Tourism has done the right thing. I am glad he has done it. Mr. Speaker, it may very well be unpleasant for him. It is certainly unpleasant for me. But the fact remains, Sir, that as long as there are people in public life, Sir, they must not only be above suspicion but they must appear to be above suspicion. What is the old saying? "Caesar's wife must be -

MR. HICKEY: That is low down.

MR. ROBERTS: The lady is not Caesar's wife or anybody's wife to my knowledge.

Mr. Roberts.

Mr. Speaker, I did not mention her name, and I do not intend to mention her name. But the fact remains, Sir, the fact remains, Sir, that when one comes across information like this it must be made public. It must be gone into, because there are instances which can only be resolved, and they have now been resolved, Sir, and that is fine. I accept it. If I have offended the lady in any way I apologize to her, I have no hesitation at all. And if I have offended the hon. gentleman, I apologize to him as well. But, Sir, I still say that on the information which I had, the fact that the thing was bought at a healthy discount, the fact that retail sales tax was paid on it, and the fact that the firm who bought it is not in the business of buying and selling television sets, and the fact that that firm is in the business of doing work with the government without tender, and a significant amount of work, then, Sir, it should be brought to light. I am glad that it has been brought to light, and I am glad that it has been cleared up.

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN:

MR. SPEAKER: The hon. Minister of Forestry and Agriculture.

MR. MAYNARD: I have one answer here to Question 160, Mr. Speaker, asked by the hon. member for LaPoile. (Mr. Neary).

MR. SPEAKER: The hon. Minister of Education.

MR. HOUSE: With reference to a question asked by the member for Port au Port (Mr. Hodder) regarding the seats in upgrading -

AN HON. MEMBER: Mr. Speaker, to a point of order. I cannot hear the hon. minister.

MR. SPEAKER: The hon. gentleman has raised a point of order, a very valid one, in that it is difficult if not impossible for him to hear the hon. minister. And that I do not think is due to the hon. minister, but due to noise emanating from others.

MR. HOUSE: Referring to the question yesterday regarding the Manpower seats being bought this year, there will be about five per cent less than was last year according to our figures. And that is not due to less money, but for the higher cost of seats, and there is no decision yet as to where these will be taken from, what areas. It may be distributed across the Province. We are not sure yet about any school.

MR. SPEAKER: Oral questions.

MR. MURPHY: Mr. Speaker -

MR. SPEAKER: The hon. minister wishes leave to revert to Answers to Questions:

MR. MURPHY: It was not a direct question, but I am referring to the petition as presented by my hon. friend from Fortune - Hermitage (Mr. J. Winsor) with reference to the telephones. I did get some information, Sir, I would like to give to the House. We phoned, not as the department, but as a private individual, we phoned Newfoundland Telephone Company, and they tell us - and this is just perhaps a little information now - that immediately you notify that company that your telephone is out of order, and if for a period, say, forty-eight hours afterwards it is still out of order, you are entitled to a rebate on it. This is the Newfoundland Telephone Company.

MR. SIMMONS: If the hon. minister would permit?

MR. MURPHY: Go ahead.

MR. SIMMONS: Does the company set about making the adjustment or do you have to particularly press that the adjustment be made? If my telephone were out for forty-eight hours, would the onus be on me to go to Newfoundland Telephone and say, "Make the adjustment," or would they automatically make it once they knew the telephone was out for that period of time?

MR. MURPHY: Well, as I understand it, Mr. Speaker - and I just want to put this out because we did immediately make some enquiries - immediately I notify Newfoundland Telephone that my telephone

Mr. Murphy.

is out of order, subsequently if it is not fixed within the next forty-eight hours, then we lodge a complaint as to that portion of the bill that you are entitled as a refund. In Canadian National Telegraph it is twenty-four hours. So if your telephone is out of order, you notify CNT that your phone is not working; then subsequently for each twenty-four hour period, or whatever it might be, you are entitled to a rebate on your telephone bill. In other words, if you are out four days, one-seventh of your telephone bill - basically, it is on a percentage basis. So I just wanted to bring this information that we have worked on the thing and if anybody has any specific enquiries, I would love to get them because we would be only too happy to investigate it and get some action going.

ORAL QUESTIONS:

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

MR. ROBERTS: Mr. Speaker, my question is for the Minister of Finance in his Treasury Board presidency capacity, and as so often these days it relates to the strike at the Waterford. The minister is reading the paper. I hate to break in -

MR. DOODY: I am just trying to see what other dirt you got smeared around.

MR. ROBERTS: Well, Mr. Speaker, the minister may feel that, but I would like to know what other dirt is smeared around as well in the light of the ministry's conduct on a number of points, Sir, excepting - well that is another story.

MR. MORGAN: Excepting what?

MR. SPEAKER: Order, please!

I must insist. We are now in the Question Period-

SOME HON. MEMBERS: Oh, Oh!

MR. SPEAKER: Order, please!

- and hon. members may ask questions, hon. members may answer them, but any matters referred to before under a different

Mr. Speaker.

routine procedure, or matters extraneous to the questions, may not now be debated or commented upon or interjected.

The hon. Leader of the Opposition.

MR. ROBERTS: Well, thank you. And

Mr. Roberts:

I can tell the minister at this time I am not going to ask whether he feels that the government should set up a royal commission to look into the \$52,000 Scrivener donation.

SOME HON. MEMBERS: Hear, hear!

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

MR. SPEAKER: On a point of order.

MR. PECKFORD: The point of order is simply this; is this the Question Period? And if it is the Question Period, Mr. Speaker, I fail to understand the comments just made by the Leader of the Opposition that he is prefacing or using prefacing remarks to make his question clear. He is completely out of order. Therefore that is my point of order.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please! I have to confess one hon. member sent me a note which I was reading, and I really do not know what the preface was, so rather than check the tapes I will call upon the Leader of the Opposition to continue.

MR. ROBERTS: Thank you, Mr. Speaker. My question is to the Minister of Finance and it grows out of the Waterford Hospital situation. The minister told the House two or three days ago that a new offer had been received from the union representing these employees. Could he tell us as yet whether the government have made any response with respect to the offer? And if they have, what that response is? And furthermore something which has not become public and obviously should not until the offer is considered and a decision is made, what exactly is the offer?

MR. SPEAKER: The hon. Minister of Finance?

MR. DOODY: There is a letter from Treasury Board being hand delivered to Mr. Locking of NAPE this morning inviting him to join us in the discussions on the offer which they had made a day or so prior to today. What will come of these discussions is obviously too early to say, even if these discussions do take place. We sincerely hope that they do. And that is the object of the exercise

Mr. Doody:

this morning is to try to get both groups together at the table.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary.

MR. ROBERTS: Mr. Speaker, to be very clear on the point:

The minister - I am not sure if this is an interrogative, although it is a question - are we to understand, Sir, that as a result of this new offer made by Mr. Locking in behalf of NAPE, the minister has asked his advisers, his negotiators, to come to grips with the matter by sitting down and reopening negotiations presumably on the basis of the new offer? Is that a correct understanding of it?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: There is a letter being hand delivered this morning to Mr. Locking, the General Manager and Chief Negotiator of NAPE asking for some points of clarification on the letter which he had presented to us some days ago, and asking for him and his group to sit down with our group to try to resolve the outstanding problems.

MR. ROBERTS: Is this on the basis of the new offer?

MR. DOODY: On the basis of the new offer.

MR. SPEAKER: The hon. from LaPoile.

MR. NEARY: Mr. Speaker, would the Minister of Finance tell the House what steps his department or the government have taken to get Memorial University to submit a detailed budget to the House of Assembly the same as every other Crown agency and Crown corporation?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: We are taking the same steps that are taken every year. We have asked the President of the University to submit the detailed budgets.

MR. S. NEARY: A supplementary.

MR. SPEAKER: A supplementary.

MR. NEARY: Do I understand from the minister's answer then that the House will get a detailed account of the University's

Mr. Neary:

estimate before approval is given for expenditure at the Univeristy in the next fiscal year?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: No, I do not think that the House should assume that, Sir, not from the answer that I just gave.

MR. NEARY: Mr. Speaker, I am dissatisfied with the answer and I wish to debate the matter during the Late Show on Thursday coming.

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

MR. SIMMONS: Mr. Speaker, I have a question for the Minister of Finance; actually it is the same question I put to the Premier yesterday in the minister's absence. I referred to a debt profile that had been done by his department, I believe, or by Treasury Board in October, 1975, a rather excellent and comprehensive profile of the Province's debt position, and I was wondering whether an up-date has been undertaken or is to be undertaken to get a more up to date debt profile, that is about eighteen months ago now. I wondered if the minister is planning such a step or indeed if one is in the works at the moment?

MR. SPEAKER: The hon. Minister of Finance.

MR. DOODY: Yes, Your Honour, that is being up dated and revised and the department are presently working on it. When it will be ready I am not in a position to say.

MR. SPEAKER: The hon. member from LaPoile.

MR. NEARY: Mr. Speaker, I would like to ask the Minister of Health, Sir, if it is possible in this Province to get a death certificate from the Department of Statistics downstairs, if it is possible to get a death certificate for a relative, to get a death certificate showing the real, the true cause of death, you know, if it is in the family?

MR. SPEAKER: The hon. Minister of Health.

MR. COLLINS: Mr. Speaker, I prefer to take that as notice and get a response for the hon. member. I would not want to say something which might not be the facts. But I will certainly undertake to get the information.

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

MR. STRACHAN: A question for the Minister of Mines and Energy, Mr. Speaker. Just a small point, but as we know the oil wells which are drilled are named from Norwegian derivatives and Scandanavian derivatives, Snorri, Bjarni, Gudrid, and so on. I wonder if the minister could undertake to make sure that the oil companies who are going to drill any for their wells name these wells after the Provincial Nomenclature. They could be called Cabot, or Terra Nova or something like that, rather than Scandanavian derivatives.

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

MR. PECKFORD: Intensive discussions have been going on in the last two or three months between myself and the member for Naskaupi (Mr. Goudie) to ensure that our names are enshrined on a number of geological structures off the Labrador Coast.

MR. HICKMAN: Hear! Hear!

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. NEARY: Would the minister care to comment on public statements by Dr. Stuart Peters that the oil companies, the petroleum companies who were drilling off Labrador are now flocking to Greenland, that we are going to lose all -

MR. DOODY: You always have companies using tactics like that during negotiations.

MR. NEARY: That they are now flocking to Greenland, Sir, and what would be the consequences of this on the oil and gas exploration drilling off Labrador?

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

MR. PECKFORD: None as I know for, Mr. Speaker, at all and the

MR. PECKFORD: phraseology that they are flocking to Greenland is completely untrue from our information. We also understand, by the way of interest, I am sure, to all hon. members, that the regulatory regime implemented by the country of Denmark is much more stringent than what we have proposed, because we have been to Denmark to check it out, and also much more stringent than that imposed now under the obsolete regulations that the federal government have that they are now revamping.

There is no flocking to Greenland. There is some interest in structures off Greenland, as there is off Australia, as there is off New Guinea, as there is off the Philippines, as there is off Trinidad-Tobago, as there is off Venezuela, as there is off Louisiana and so on, and therefore it is natural for companies to investigate and do geophysical and geochemical works of all bodies of land that show some enticing results. But there is no flocking. It does not bear on Newfoundland at all. Eastcan has acreage off Newfoundland that they have been involved in and which they will continue to be involved in, in my opinion. Shell has acreage that they are interested in pursuing. Imperial, B.P. and Petro-Canada were involved last year and no doubt will be involved again. I do not see any great relationship between either the increase in Greenland and the decrease off Labrador or vice versa. And with the regime that Denmark has it is astounding to me that on the one hand somebody can say that there is a lot of companies flocking to Greenland and none coming here because of our regulatory regime which is even easier. So the whole thing does not pan out.

MR. NEARY: A supplementary.

MR. SPEAKER: A supplementary. Who asked the last question?

The hon. member for LaPoile, a supplementary.

MR. NEARY: Mr. Speaker, do I understand then in the minister's answer, and the minister has assured the House, that there will be

MR. NEARY: movement of oil drilling because of the stringent regulations that have been laid down by this government and the delay in producing a white paper, that there will be no movement away from Newfoundland out of waters because of this situation.

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

MR. PECKFORD: In our opinion, Mr. Speaker, that is true, that I can assure the House that in our opinion we do not think that the regulations that we are proposing will in any way move companies from one area, like off Labrador, to some other country where they are doing offshore drilling. That is the one and one thing that the hon. member is referring to. And you know it is just not true from where we sit, and from our understanding of the regulations of Denmark and other places.

MR. SPEAKER: A supplementary, the hon. member for Eagle River.

MR. STRACHAN: Could the minister confirm, is it not true that the reason why the statements are made that the companies are flocking to Greenland is purely because of the early season starting in Greenland and most of the drill ships will go to Greenland first because of the ice free water before they will turn over through Labrador. And if this is the case that people will see this happening, that the very ships drilling off Labrador are the ships which first of all drill off Greenland. Is that correct?

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

MR. PECKFORD: Yes, that is very true. Anybody who is knowledgeable in the business of oil exploration in the North Atlantic recognizes that what the hon. member for Eagle River (Mr. Strachan) just said is a very, very valid observation of the exploration scene offshore in the North Atlantic. And this is exactly the point that a lot of the early drill ships will go off Greenland. And you know it is extremely interesting - one, is they have extremely stringent oil and gas regulations, Denmark has off Greenland;

March 25, 1977

Tape No. 1294

NM - 4

MR. PECKFORD: two, all the drilling that has been done to date is dry, dry holes, no discoveries, not one millionth cubic feet per day or per minute or whatever. And, you know, it just defies

MR. PECKFORD:

reason to hear anybody in Newfoundland indicating, who are supposed to know that, you know, all the activity is going away from Newfoundland to Greenland because of some strange and weird regulations that we are trying to bring in to hurt the economy of Newfoundland.

MR. SPEAKER: I recognize the hon. member for LaPoile for a final supplementary, and then the hon. member for Bay of Islands and the hon. member for Windsor-Buchans.

MR. NEARY: Mr. Speaker, is the minister saying that Dr. Peters and his company have absolutely no foundation to making these public statements, that they have no liaison with the government or with the oil companies involved? Is this what the minister is saying, that they are talking through their hat?

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

MR. PECKFORD: It seems to us that the statements that have been made that they are less than knowledgeable about the overall offshore exploration play in the North Atlantic.

MR. SPEAKER: The hon. member for Bay of Islands.

MR. WOODROW: Mr. Speaker, my question is to the Minister of Health, I would like to ask the Minister of Health, Mr. Speaker, when will cobalt treatment be made available at Western Regional Memorial Hospital in Corner Brook? I ask this question, Mr. Speaker, because of the expense involved by people getting to and from the West coast of the Province for cobalt treatment.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Minister of Health.

MR. NEARY: Any notice of it?

MR. COLLINS: Mr. Speaker, there is only one facility in Newfoundland where cobalt treatment is available and that is at the General Hospital in St. John's. In fact on the Canadian scene and the American scene cobalt treatment is very rarely made available in areas of population less than one million people. We do have one such treatment facility in Newfoundland and I would say, Mr. Speaker, that we are lucky to have that one and I cannot see that being extended.

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

MR. FLIGHT: Thank you, Mr. Speaker. This question to the hon. Minister of Consumer Affairs. Would the minister confirm or care to comment on the fact or the allegation that people in Newfoundland, particularly rural Newfoundland, who are now putting wood burning units in their houses to complement their heating requirements, that normally have had their houses heated with either electrical heat or with fuel, hot air furnaces, that people who are putting these wood burning units in their houses are having their insurance policies cancelled by companies, companies are refusing to insure or to continue insurance on houses that are having these types of installations put in?

MR. NOLAN: That is a fact, yes.

MR. FLIGHT: Now, if you will permit me a little preamble, Sir.

With the ever escalating costs of fuel or electric heat a lot of people in rural Newfoundland, a great number of people are going to wood. Now, Sir, would the minister comment on the fact that the insurance companies are cancelling policies of people who indeed do this, and in cases where they are not cancelling them are increasing them to a point where it is just not feasible to have insurance?

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

MR. MURPHY: Mr. Speaker, it is the first intimation I have had of that case. I know of many that I have come to in my own district, even where people without furnace heated houses, with just space heaters, have been refused insurance. But that is the first intimation I have. And I can just add again, Sir, that if anybody has any particular case let us have it and we would certainly have it looked into. And I look at the hon. member next, Sir. I do not know if he is having any problems but I would be only too happy to go to bat for him, he is a very good friend of mine.

MR. FLIGHT: A supplementary.

MR. SPEAKER: A supplementary.

MR. FLIGHT: Mr. Speaker, it is indeed a fact that this, what I referred to, is happening, and would the minister undertake to determine

MR. WOODROW:

what the insurance companies' attitude in this particular case is and inform the House thereof when he gets the information that I have asked him to get. Would the minister use his department, the Department of Consumer Affairs, to determine whether or not this is indeed a policy of the insurance companies to refuse insurance or cancel insurance policies of people who are installing wood burning units?

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

MR. MURPHY: Mr. Speaker, with relation to that, you know, that is a rather theoretical question. If I had my consumer affairs officers to phone seventy-five or eighty insurance companies and ask them if I put in a wood stove - if I get one case even I can check the thing. I think everybody must agree with that rather than going out and saying, "Will you not insure tomorrow for this, or will you not insure." But you know we are only too happy to help and I would appreciate any cases of that and we would certainly have it looked into.

MR. SPEAKER: The hon. member for Baie Verte - White Bay.

MR. RIDEOUT: Mr. Speaker, my question is for the Minister of Health. I wonder if the minister could tell the House whether or not there has been any correspondence between his department or any of his officials and Dr. Selikoff and his team since they have been to Baie Verte last June?

MR. SPEAKER: The hon. Minister of Health.

MR. COLLINS: Mr. Speaker, I do not recall any written correspondence. I do know that there were some phone calls made. I am not sure who originated the phone calls. I believe our department did some time ago to try to ascertain when the Selikoff report might be made available to the Steelworkers of America, who were the people who got in touch with Dr. Selikoff in the first place. The latest information that I have was that more information was being gathered by Dr. Selikoff and that the report should have been received around the end of January. Since then I do not know where the situation is, but I presume that the report will be received momentarily. I also understand, in the meantime, that Dr. Selikoff has been involved in some other investigations in various parts of the States, particularly this cattle disease in Michigan, I believe it was. I think that has been attributed to some of his activities there - have attributed to the delay in the writing of his report with regard to Baie Verte. I would certainly undertake to see if we can get some further information, but as I recall it that is the situation now.

MR. RIDEOUT: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. RIDEOUT: I appreciate the minister's assurance that he will do that, because it is nine months now and the people are becoming fairly anxious. Could the minister tell the House whether or not he has any assurance from the Selikoff team that his department will be presented with a report of its findings at the same time that the report is to be presented to the Steelworkers Union?

MR. SPEAKER: The hon. minister.

MR. COLLINS: Mr. Speaker, as the hon. member knows when Dr. Selikoff came into the Province he did get in touch with the government after he got in touch with the Opposition, and we can forgive him for that. He did approach our department for financial assistance, and any other assistance we might be able to offer. And our department did co-operate with the doctor in terms of providing transportation, in terms of providing all of the X-rays and other medical records which he might want to see. We also sent Dr. Collohan in with him, and we also contributed, I think, \$5,000 in addition to the other contributions. And we had his assurance that when the report was submitted to the Steelworkers that we would get a copy, and I presume that he is a man of his word, and that he will let us have a copy.

MR. RIDEOUT: A supplementary.

MR. SPEAKER: A supplementary by the original questioner.

MR. RIDEOUT: Yes, Mr. Speaker, and also to correct the record. Dr. Sellikoff did not get in touch with the Opposition. The Opposition got in touch with him. We called him and wrote him. A supplementary, Mr. Speaker. Could the minister tell the House whether or not his department has made any efforts to follow up on a recent study done by Dr. O'Brien at Memorial University with regard to an early detection device through sputum tests and so on to detect asbestosis and other asbestos related diseases? Has there been any follow up by the minister's department in this regard?

MR. SPEAKER: The hon. minister.

MR. COLLINS: Mr. Speaker, there has been some follow-up. Dr. O'Brien at the university did some work in terms of the lab technician type of support service to Dr. Selikoff. Dr. O'Brien is not a medical doctor; and we are satisfied that all of the information which Dr. Selikoff needed to enable him to write an intelligent report he has that in his hands.

MR. NEARY: Mr. Speaker, a supplementary.

MR. SPEAKER: A supplementary.

MR. NEARY: Mr. Speaker, is it my understanding, or do I understand correctly from the minister, that first of all the report will be sent to the individual miners in Baie Verte, then to the Steelworkers and then to the government, the Department of Health. Would the minister tell the House if he is aware if the report is yet in the hands of any of the individuals who have been examined in Baie Verte by Dr. Selikoff? And if so, have they passed the information on to the Minister of Health?

MR. SPEAKER: The hon. minister.

MR. COLLINS: Mr. Speaker, whether the report will go to individuals in Baie Verte or not, I am not sure. I would suspect that a copy will go to the president of the Steelworkers Local in Baie Verte. I do not know if what I am saying is right, but it is my impression. I also understand that when the report is made to the Local of the Steelworkers in Baie Verte that a copy will be made available to us at the same time, I would hope.

MR. COLLINS:

But I have no information that any copy has been made available to anybody or that the report has been completely written yet.

MR. NEARY: A supplementary.

MR. SPEAKER: The hon. member for LaPoile one additional supplementary. Then the hon. member for Bellevue.

MR. NEARY: I just want to clarify this situation, Sir. The report as such, the overall report, would not go to individuals. But the individual report on each case, his own case, will be sent to the individual who was examined. Does the minister know if any of these people have received their own separate individual reports on their diagnosis?

MR. COLLINS: What the hon. member refers to is the testing of any particular individual, whether his report would go back. I am unable to say if anybody have received the reports. I can certainly undertake to find out.

MR. SPEAKER: The hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, my question is for the Minister of Transportation and Communications. In addition to making funds available for the upgrading of the Markland road this Summer, I am wondering what plans the ministry has for that section of the Trans-Canada say between the overpass there at Dawe's in as far perhaps as the Newfoundland Liquor Commission. That section, as the minister knows, is a two lane section. As I travel it every day, morning and evening and night, I find an awful of traffic there in the sixty mile zone going ten, fifteen, twenty miles an hour. Obviously there is a need for two extra lanes. What plans does the ministry have?

MR. MORGAN: What section?

MR. CALLAN: From the overpass in as far as the Board of Liquor Control.

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

MR. MORGAN: Mr. Speaker, to answer the first part of the question, as I indicated a few days ago I cannot give any definite indication what work will be done on the Markland road this year. We will take a look

MR. MOPGAN:

at that road, as we did last year, and look at the funds available in the department.

Now with regards to that section of the Trans-Canada, I fully agree with the hon. gentleman that that section is used quite a bit by people who commute back and forth to work from around the Conception Bay area in particular, the area where the hon. gentleman is residing. In other words, there is a very heavy volume of traffic on that section of road. That section is part of the submission or application, call it what you wish, that is now before the federal Cabinet with regards to the upgrading of the Trans-Canada, one of the sections we are looking at four-laning all the way.

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

MR. STRACHAN: Unfortunately, Mr. Speaker, the Minister of Manpower and Industrial Relations whom I wish to direct the question to is somewhere behind. Could the minister tell us whether the task force which was set up to look into the situation at Goose Bay, Happy Valley-Goose Bay with loggers on which there has been some discussion recently in the papers and newsletters, could he tell us the state of affairs with that and if that report can be made public and whether anything is going to be done on it?

MR. SPEAKER: The hon. Minister of Manpower.

MR. ROUSSEAU: The report is in, Mr. Speaker, by the way. There was some delay, naturally. There were quite a few people interviewed and it took two to three weeks, I think about two and a half weeks but I will say two to three weeks after they returned from the Goose Bay-Happy Valley area, that was people from the provincial Department of Manpower, and also we had a federal gentleman go up with them and compile all the information at meetings there. They came back to St. John's of course and they compiled that and that took two to three weeks again. It is before government.

There were two options suggested by the task force that went up. Government has approved in principle one of the options subject to costing it out. It is now being costed out by the Department

MR. ROUSSEAU:

of Finance. They are getting it as fast as they can. We hope to have it - I hope that it will be available by next week's Cabinet meeting at the latest. Obviously they had to look at a number of details as to the cost, just what we are talking about for the various aspects which I am sure the hon. member is aware of. But government in principle have approved, as the Premier has given the commitment, that something would be done. We realize that the people are undergoing hardship now and we are trying to get it as fast as we can.

As a matter of fact we had to send the group in again for some people who were not covered in the first instance. But once we get the cost factor on it, and we have to decide whether the option that we have approved in principle is the better option, both options I think would be satisfactory to the people, maybe one a little more or less than another but basically they both would be acceptable. But we have to find the cost factor. It would be pretty difficult to say, "Yes, we are going to do this," and all of a sudden find out that that is not the better one to do.

So I would hope by next week's Cabinet meeting we would have that information and as soon as we have it, it would be made public. And I think the Premier has indicated through the member for the district involved that within a week or ten days we should have an answer. I would hope by late next week at the very latest.

MR. SPEAKER: The hon. member from LaPoile.

MR. NEARY: Mr. Speaker, I would like to direct a question. I am not sure if it is the Minister of Intergovernmental Affairs or the Minister of Industrial Development, either one can answer my question. But have either gentlemen or the Provincial Government been in touch with CN or the Government of Canada in connection with the reports that the CN Dry Dock here in St. John's is going to be phased out over a period of the next two years?

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

MR. LUNDRIGAN: Well I will just maybe make a very brief comment. We are very concerned that the CN have not taken very much more aggressive action in building up the capability that we have in the Port of St. John's. As a matter of fact at the present moment I can confirm that there has been an initiative taken by the Federal Department of Industry, Trade and Commerce to look at the facilities in St. John's, and to try to recognize the need to provide more capability to receive shipping and to engage in repair work and the like that might be related to the offshore effort. There is a task force that I understand will be appointed by the Federal Department.

Now our position is very firm that there is much more potential in the St. John's port than has been recognized by the Federal Government. The Federal Government have made comments such as the fact that the 200 mile limit will mean a decrease in activity in the port. Our position is that it could very well mean an increase because of the increased shipping that will be by our type of Canadian shipping effort.

Another point that I would like to mention is that the offshore activity with oil and gas as far as we are concerned represents a continuing growing requirement for more capability in St. John's at the CN Dry Dock.

Another point I would like to mention, Mr. Speaker, is that we have recognized for at least a couple of years that Newfoundland and Labrador could be very, very well strategically located as far as the transshipment of oil from the Arctic is concerned. Hon. members

Mr. Lundrigan:

might have read in the press yesterday a report that came out of the New Brunswick Legislature where reference was to the fact that there could very well be in the negotiations regarding export of oil and gas from the Arctic, it might very well mean a West-East movement which would mean that the activity will be on the Atlantic Seaboard rather than the Western Seaboard. And we have had studies done along these lines.

So our position is very firmly that there is a requirement to upgrade the capability that we have in St. John's. Marystown with its shipyard in the past year has been able to attract some international attention. We have maintained a good work force, we have got some other work on the drawing boards. We feel with the kind of attitude we have had in Marystown as a Province, if the Federal Government were to take this kind of initiative through its dockyard we could very well have a tremendous expansion at the CN Dockyard rather than the threat of what the hon. member has suggested.

MR. NEARY: A supplementary.

MR. SPEAKER: A supplementary, the original questioner.

MR. NEARY: Mr. Speaker, I asked the minister originally if the Provincial Government had communicated with the Federal Government,

I appreciate the minister's answer, but all that information I would like to see communicated to Ottawa or to CN. But the question I want to ask the minister now, Sir, is the minister and the Provincial Government aware that CN are tying up their ships in the off season in a port over in North Sydney, called Port Edward, I think, it is, or Point Edward, Port Edward -

MR. LUNDRIGAN: Point Edward.

MR. NEARY: - Point Edward in North Sydney. And just another move on the part of CN to sneak a part of their operations out of Newfoundland, and have this government protested that sort of thing?

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

MR. LUNDRIGAN: Mr. Speaker, we have had numerous kinds of protestations of the sort the hon. member is suggesting. We are never very satisfied with the CN's attitude towards the Province. Really it should not require Industry, Trade and Commerce in the Province to have to put a fire under CN to get them to recognize what is a fact, that is, that we do have capability, we do have the

...e, we have
...CN much
...id we have
...have talked
...ays on their
...et with the
...he cause to
...atic to say
...a bigger
...iers of business
...rgent public
...te, not
...a debated now:
...o thousands of
...ment insurance
...Canada Pension
...nce cheques,

March 31/77

John:

I checked as far as orders of the day.

The only thing I found about NCC is marked with the green paper. I don't think it is what you want. Call an just used as a reference in length about road.

J.

...cheques, family allowances cheques, ... and pay cheques of

MR. NEARY: workers, I move the regular order of business of the House be deferred to debate this matter to determine what emergency assistance the provincial government can provide through Welfare Officers, Fisheries Officers, Forestry Field Staff, Rural Development Counsellors and other field representatives of the provincial government, to assist the post office in delivering cheques throughout Newfoundland and Labrador during this strike."

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

MR. HICKMAN: Mr. Speaker, just one brief word. That same motion was - no, it was not made yesterday by the hon. gentleman because he was out of order. I simply direct Your Honour's attention to one or two facts. One, there was an announcement, I am told, made by a gentleman who is the head of the Unemployment Insurance Commission office in Newfoundland, saying that -

MR. NEARY: Norman Batten, was it?

MR. HICKMAN: No, it was not Mr. Batten, I do not think. Some gentleman in the U.I.C. office saying that arrangements would be made, I think, by twelve noon today to have these cheques released. I did not hear it, this has come to me second-hand. But apart from that altogether, Mr. Speaker, it is a matter, I submit, that falls more properly within the responsibility of parliament. Again we see in the press where there are very active negotiations going on between the national president of the union and management.

I do admit that whilst there is undoubtedly tremendous inconvenience to Newfoundlanders, a case has not been made to indicate an urgency in debate in this House.

MR. MURPHY: Are they going to seek the assistance of the Social Services people?

MR. NEARY: On the point of order, Mr. Speaker.

MR. SPEAKER: I will hear a brief comment from the hon. member.

MR. NEARY: I would like to point out to the government House Leader, Sir, the gentleman who raised the point of order, that the matter outlined in my motion, Sir, falls within provincial jurisdiction, although the post office is federal jurisdiction, but the matter outlined in my resolution, Sir, to have this government assist the post office to get these cheques delivered falls within provincial jurisdiction.

I think it is our duty as elected representatives of the people to come to the rescue of the people in their hour of distress.

MR. SPEAKER: Order, please!

In making a decision on this matter, as hon. members know, the basic decision is not the urgency of the matter but the urgency of debate; That all other considerations before the House must be left in abeyance and that if the requisite procedure were to follow afterward, that debate on this matter take precedence over all other matters.

Realizing the seriousness of the matter, realizing as well that the cause, the essential cause of all of this is a matter within federal jurisdiction, but obviously certain remedial matters that the hon. member has proposed are within provincial jurisdiction, realizing all of that and the urgency of the matter I cannot see any prima facie case for the urgency of debate at this time. Therefore, I cannot rule it in order.

ORDERS OF THE DAY

MR. HICKMAN: Order 19, Bill No. 20.

Motion, second reading of a bill, "An Act To Amend The Fish Inspection Act." (Bill No. 20).

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

MR. W. CARTER: Mr. Speaker, when I adjourned the debate on these amendments on Tuesday, I think it was, we were discussing the situation with respect to the Port au Port Peninsula and the situation concerning one Mr. Allan Baker, who alleges that he is

MR. W. CARTER: being unfairly treated by the Department of Fisheries.

Maybe I can just go back over some of the events that have occurred in the area for the sake of the House and my hon. colleague from Port au Port.

On August 27, 1975, a meeting was held in the Port au Port Peninsula to discuss the future direction of the then financially plagued Port au Port Fishermen's Co-operative. Attending this meeting were members of the Co-op, Co-op officials, the local M.H.A's

MR. W. CARTER:

and other concerned fishermen. Various points were discussed and various options were considered. It was generally felt that the best course would be to let the Port au Port Fishermen's Co-operative go into liquidation and maybe to form a new association. At a later meeting it was decided against that course because, apparently, the required number of fishermen were not available and the required share-capital requirement of \$75,000 was not forthcoming. So, therefore, the Department of Fisheries, as a last-ditch-stand on the part of the fishermen, were requested to try to find an operator who would move in there and fill the vacuum that was provided by the holding up, by the bankruptcy of the Port au Port Co-operative. The department then approached three companies; T. J. Hardy and Company Limited, a well-known fish processing operator at Port aux Basques. The Department of Fisheries contacted the United Maritime Fisheries, another well-known and well-established company, and National Sea Products Limited, another well-known Canadian fish processing company. The latter company did express an interest in moving into that area.

The department officials later discussed the proposal with officials of National Sea, and with the Canadian Salt Fish Corporation, the terms of which were accepted by both bodies, by National Sea and by the Canadian Salt Fish Corporation. It was felt, however, that due to the small landings that were taking place in that area that there would not be room for more than one company. And I have the landings here. For example, cod which was the main species landed in 1974, there was 1.7 million pounds; in 1975, 1.7 million pounds; in 1976, because of the increased activity, I presume, and the increased fish stocks in the area, as was the case in most parts of Newfoundland, the cod production increased to three million pounds, still hardly enough to keep a good sized operation or, at least, to justify the establishment of an operation in that particular field.

Mr. W. Carter.

Indeed I am told that even a small feeder plant operation, such as the ones we have around the Province, the one that we are setting up in Musgrave Harbour, the one that is presently in operation in my riding of Admiral's Beach and the one that we are establishing now in Little Harbour East, I am told that unless you can be almost guaranteed a landing of in excess of three or four million pounds that it is hardly worth-while to establish even a small feeder plant operation.

The fact that we were dealing with National Sea, a well-known and reputable company, a company of great promise in the Atlantic area, gave some consolation, I think, to the fishermen of the Port au Port Peninsula. We then had meetings with the various people out there. I, myself, went to the Port au Port Peninsula, and I believe it was - I am not sure of the community - was it Blue Beach? - I think the hon. member for Port au Port was present at the meeting.

MR. HODDER: Jerrys Nose.

MR. W. CARTER: Jerrys Nose, yes - where we had a meeting in that concrete building that is there.

MR. PECKFORD: It is not to be confused with Nicks Nose.

MR. W. CARTER: Not to be confused with Nicks Nose.

We had a meeting in the building, that concrete - you know the building - the Parish Priest, I forget his name, was there. We had about seventy-five or eighty or a hundred people from all over the area. My hon. colleague, I think, was present. The former member for the district was present, the man who wrote the letter that the hon. gentleman tabled the other day, that obnoxious letter that is not worthy of an answer by the way. He was there, and the fishermen were there. And it was generally agreed by all concerned that we were on the right course, that maybe we should encourage National Sea to move into the area.

MR. W. CARTER:

and to try to restore order to what up to that time had been a very chaotic situation, the fishermen endeavouring to fish, the co-op gone bankrupt, unable to obtain sufficient funds to reinstate the co-op. As a matter of fact at that meeting - and I think you will have to agree - we did give the co-op, I think, a further - what? - thirty days - was it not? - to find sufficient membership, members and sufficient working capital to get themselves reinstated. But that option was later cancelled at the request of the fishermen of the area. So we did what we thought, and indeed we still think, was the only sensible thing to do. I feel sorry for Mr. Baker. I have talked to the gentleman quite often, but I think we do have an obligation first and foremost to the fishermen. And I am convinced - and if the hon. member by the way wants to take responsibility for what I am going to say now, he can. But if he and the fishermen of that area, if they want National Sea out, and if they want Mr. Baker in, that is fine. But it will be their responsibility and not mine, and their decision.

MR. HODDER: Would the hon. minister mention what advice they are taking? Here is a situation where there is fish, sufficient in that area now, whereby they want two processors, and as well it is the actions by the government, and this is the point I was making, the actions by the Minister of Fisheries of denying, you know, and as you have just admitted, one processor there. You know, that was the policy of your department. But those actions have caused a rift in the fishermen, because there are an awful lot of loyal fishermen to Mr. Baker. And I think that the department has made a mistake in the way that they have carried out the thing. And I feel that if Mr. Baker had been allowed to carry on his little processing operation, he would not have hurt National Sea as much as he is hurting them now. And that is the feeling of many, many fishermen. And I did not want to bring it up. I waited a year but the thing is that it is growing and growing and it is getting worse.

MR. W. CARTER: Well there is one thing that we have to understand now, that the fishermen of Port au Port, not unlike fishermen in any other part of Newfoundland, cannot have their cake and eat it too, and I mean that. With the landings in the area, which I have read in the record this morning, 1975, 1.7 million pounds, nothing, hardly enough to keep the smallest type of an operation going for three or four weeks really. As a matter of fact the plant that National Sea has established, I think they are capable of processing something like 100,000 pounds per day. Now we have the right under our regulations, and also in a policy that was released by my predecessor, Mr. Crosbie, with respect to the licencing of fish plants, we have a right to refuse the issuance of a licence. If it is found that by issuing an additional licence for an additional plant that it might very well jeopardize an existing plant or make that plant unprofitable, where in fact then they cannot afford to pay the going price for fish to fishermen, then we have a right, and I believe an obligation to protect that plant. I said on Tuesday that I would prefer to see one successful economically viable plant on the Burin Peninsula than two or three plants that were bordering on bankruptcy. And I do not think that would serve anybody's interest, more especially the fishermen.

Now I make the statement that I made earlier that it matters not as far as I am concerned. We are interested naturally in trying to do something on the Port au Port Peninsula. It is one of the most neglected parts of Newfoundland, I am sure. It is one of the very few places where I do not think there is a decent place to tie on a boat up there. The place has been sadly neglected, - and I say this - mainly by the Small Craft Harbours Division and maybe the provincial government past and present must assume some of the responsibility as well. But certainly we are trying now. We are trying to build up the economy

Mr. W. Carter.

of the area. We are trying to interest the National Sea Company in remaining in the area. And I might tell you that it is not a big money maker for them. It is not a big money maker for National Sea. If they were to apply the hard-nosed rules of business and economics, they would probably pull up stakes today and get

MR. W. CARTER: out. But they are there because, I believe, mainly because we want them to be there and secondly because, as far as I was concerned, the fishermen themselves wanted them to be there.

Now if the hon. member, or his colleague from St. George's (Mrs. MacIsaac) or anybody else, and the fishermen, if they want Mr. Baker to be the operator - there is not room for two operators, with that kind of a landing, Mr. Speaker, there is not enough room for two successful operations. Maybe one, and even that, even one will not be really successful.

MR. HODDER: I think the minister should have a meeting with the fishermen. I honestly do think that the minister should go out and have a meeting with the fishermen. I will say it again; the thing is festering and festering and I share some of the minister's views, but I do believe that if this little man had been left alone you would not have the problem you have today. I have to say it.

MR. W. CARTER: I will be glad to meet with the fishermen, Mr. Speaker, and I do not think I can be accused since I became minister of hiding away in some ivory tower, or plush office in St. John's.

MR. HODDER: We did not imply that you did.

MR. W. CARTER: I have gone to the Province. I have had meetings all over the Province. I have made myself available to all groups of fishermen who have requested meetings. And if they want a meeting, fine, I will meet with them the first chance I get, and if they decide that they want to have somebody else there to operate in place of National Sea that is their decision, it is not mine. But I warn you now that I think it will be a wrong decision on their part. I think they will regret the day that they make it impossible for National Sea - and I am not here to defend National Sea, I hold no special brief for that company. It is a fine company, operating

MR. W. CARTER: well, making a big contribution to the economy of our Province, and to Nova Scotia. It matters not, if they want somebody else, fine, that is their decision, and I am prepared to go and listen to them and be governed by what they say and what they want. But certainly I do not think the Department of Fisheries should, nor can I, ignore the accusation that we are sort of trying to step on, trying to sit on some poor little fellow who by the way was operating against the law, operating contrary to our regulations at the time. I do not think we can ignore people who are operating fish plants that are in contravention of the federal and provincial licencing laws, and inspection laws. We cannot do that. We are trying to improve the quality of our fish products. We are competing in the American market with Iceland and other Scandanavian countries where quality is the key word to their entire operation. We are undertaking certain procedures within the industry now to guard against poor quality fish.

We have a pilot operation underway in Admiral's Beach where we are now attempting to find ways and means to eliminate the use of pitchforks on fish. We are providing ice making facilities. We are getting involved in the containerization aspect of the fishery where fish will be transported in future rather than over a dusty road in the back of a truck that may be just dumped a load of gravel somewhere or asphalt, as I think often happen, not now but it was happening.

The fish will be transported in iced containers, insulated containers in which iced fish would last probably for three or four days.

MR. STRACHAN: Would the minister permit a question?

MR. STRACHAN: Is the minister stating then that there is no room for two operators on the Port au Port Peninsula? I mean this could be transferred to other areas of the Province where the landings are not sufficient then, that only one operator should be in that area and all others should be kept out.

MR. W. CARTER: I am merely stating that we do have a responsibility to the fishermen. The fishermen are our main responsibility, not National Sea or Allan Baker, or Nickerson's, or anybody else, our first consideration must be to the fishermen, and if in our view the establishment of too many plants in a certain area, which has a limited catching capability, well then it is not in the best interest of the fishermen to allow too many of these small operators to establish business, last for one or two years, in some cases produce a fish that is not up to standard because they do not have the wherewithal to provide the necessary equipment, or

MR. W. CARTER:

machinery to produce a top quality fish.

MR. HODDER: But this man was there two years before and I am told the quality of his fish was very high.

MR. W. CARTER: I am not going to say anything that might have the effect of downgrading the fishermen of the Port au Port Peninsula or the fish that they produce. But I think I have said enough in that respect. But I can tell you now that the quality of fish that is being produced is of a good quality. It is being handled by a company of some stature in this country of ours, a company that is quite prepared to take a few bad years if they have to and a few losses, certainly more than some fly-by-night operator can afford. When I say fly-by-night that is not meant in any derogatory sense.

But, Mr. Speaker, that pretty well sums up the situation in Port au Port. And I repeat I will be very happy to go to Port au Port to meet the fishermen and to have it out with them. And if the member wants another operator - I do not think you can have both. National Sea will not operate, will not be able to operate with another operator in the area.

MR. HODDER: Mr. Speaker, I have never said I wanted another operator. When I spoke in the House I said I was very, very pleased to have National Sea there. The problem is that when the Department of Fisheries decided to push the small operator out the fishermen went for the underdog and it created a tremendous problem.

MR. W. CARTER: Oh, it was the fishermen.

MR. HODDER: You know, I am very pleased National Sea is there but you know there is a situation there now, and I say this very sincerely, non-politically, to the minister, that you know perhaps some of the words that he is saying right here should be said to the fishermen on the Peninsula.

MR. W. CARTER: Well certainly I will have no hesitation in saying it to the fishermen. I tell them now through you that they cannot have their cake and eat it too. They can not run with the hare and hunt with

MR. W. CARTER:

the hounds. They must have one or the other. Because National Sea will not continue to operate - and I do not blame them. When you have got to share, for example, landings of such low quantity, 3 million pounds, when you have to share that with another operator - and I might tell you, by the way, that at least 600,000 pounds of that 3 million pound production in 1976 resulted from the Department of Fisheries boats that were fishing in the area that have since, or at least that will be, leased to T.J. Hardy Company within another few days. So that catching effort will not be available to the Port au Port Peninsula this coming year. So it is quite possible that in 1977 the landings on the Port au Port Peninsula could be very well below 3 million pounds.

Now if the fishermen want somebody else to look after that, that is fine. That is their decision. I would certainly advise them against it. But again if they want to do it and if the member wants to that is all right with me. But I can tell you now that National Sea will not - I repeat - will not remain in the area, will not make any attempt whatever to build up the fishery on the Port au Port Peninsula, as indeed they are doing now, if they have to compete for that miserly 3 million pounds of fish that is being caught in the entire area or maybe less.

So, Mr. Speaker, this bill like I said before, it is not really - although I have enjoyed the debate and I think some of the things that have come out needed to be said, had to be said, but certainly it is hardly a world-shattering bill. It is simply an amendment to the existing Fisheries Act which gives the Province now jurisdiction over fish plants that process fish for export as opposed to the existing act which restricted our jurisdiction to plants and people that were processing fish strictly for local consumption.

SOME HON. MEMBERS: Hear, hear!

On motion a bill, "An Act To Amend The Fish Inspection Act," read a second time, ordered referred to a Committee of the Whole House presently by leave. (Bill No. 20)

Motion second reading of a bill, "An Act To Wind Up The Permanent Marine Disasters Fund." (Bill No. 33)

MR. SPEAKER (MR. YOUNG): The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, well this bill does exactly what it says, I suppose it is a sort of a nostalgic event in one sense, In 1915 the Permanent Marine Disaster Fund was set up, or at least the Act was passed then. My understanding is it was set up primarily by a group of merchants in St. John's to provide compensation for widows and dependents of sealers who were lost at the ice, but it subsequently was expanded to take in, and properly so, widows and dependents of seamen and deep-sea fishermen.

The fund has really nothing to do with government, and never has had anything to do with government or with any government from the day it was set up in 1915, but obviously the volunteer people who were serving on the executive of the Permanent Marine Disaster Fund needed legislative protection with respect to the administration thereof.

The funds came from private subscription, people who were from time to time encouraged to leave in their wills bequests to the fund which some people did. Anyway it has long since declined gradually, over the years. Simply for the purpose of the record may I indicate to the House the names of the current members of the Committee; they are the Hon. Chief Justice, Robert S. Furlong. He is Chairman; Mr. Henry Collingwood, Honourary Treasurer, Mr. Chauncey Currie and Mr. Arthur S. Monroe. I should point out that Mrs. Florence Chafe, who is Mr. Chauncey Currie's sister, acted for many years as secretary for the fund, and did a magnificent job in that particular job.

I would suspect that the recipients, and there are still some, from that fund are pretty well all constituents of mine. There may be a few from the district of my friend, the member from Burin-Placentia West (Mr. P. Canning), but I believe most, if not all of the recipients now are the next of kin of those who were lost at the Blue Mist and the Blue Wave Disasters, and most of whom live in Grand Bank and Fortune. There may be -

MR. NEARY: How much is left there now?

MR. HICKMAN: I am coming to that now, Mr. Speaker. I think I have that here. There are eighty recipients left so far. There is a total of \$3,200 left in the fund, that is to be distributed within the next two weeks, and it will work out to about \$40.00 per person, this will be done by an accountant in the Department of Fisheries, and indeed the cheques, I believe he says, will be going out within two weeks.

But for its time, back in 1915, some people would be unkind, I suspect, to make some unkind comments about peoples consciences in the 1915's and the 1920's, but be that as it may, for its time it was the first step toward a recognition of some responsibility on the part of an employer towards the next of kin of employees. Now since then we have had the advent of Workmen's Compensation laws. One thing that I, if I take credit for anything that I proudly take credit for, was successfully conducting what was a one man crusade to have deep sea fishermen brought within the jurisdiction of the Workmen's Compensation Act and the Workmen's Compensation Board, and this was done by legislation in 1967 or 1968.

Merchant seamen, as hon. members will know, come under the jurisdiction of the Merchant Shipping Compensation Act.

AN HON. MEMBER: You had help. You were not alone.

MR. HICKMAN: So I ran into a fair amount of opposition, Mr. Speaker, I may say in that day because of some tragic occurrence to the fund in the Province of Nova Scotia back in the 1930's when a Lunenburg vessel had been lost with all hands and there was great reluctance, but anyway that was done.

The point I am making is that today we have Compensation benefits and other benefits provided by legislation making it mandatory on employers that they provide for the next of kin of their deceased employees. But be that as it may there is no money left. We have

MR. HICKMAN: to keep the - but this discharges the committee and I think there is a provision in there that if a will should turn up in the future, which is highly unlikely, with some money in it which was designated for that fund it can be administered by the accountant I referred to.

I move second reading.

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

MR. CANNING: I have only got a few remarks because the hon. minister has covered the history of it, But just recently I was at a meeting where a lady, a fisherman's wife, from the fishermen's section of the coast, touched on this and gave us her position. She said the disaster fund was coming to an end and that her husband, who is a shore fisherman, with just one employee- two in a boat - where did they go from there? She claimed that the private insurance companies were urging him to ensure his family, have protection for his family in case anything happened, and for the man who worked with him, which is an employer and an employee. She called to our attention that there was no protection for him, "Because if my husband goes out tomorrow and anything happens to him, and the man with him, the next morning we are in poverty." So I am just wondering with this coming to an end if the Department of Fisheries or if the government or perhaps the union, if there is any consideration being given to this lonely fisherman in the small boat and should we not begin to think about something to protect him. We have a lot of them. And this is not a worldwide thing you know. I suppose we have more two man operations, one in some cases, we have people fishing alone, for whom there is no protection as far as I know.

She suggested that if there was any amount worth-while left in the fund that it should go towards some type of insurance for the fishermen. Now this fisherman's

MR. CANNING: wife said that they really could not afford to have the family insured. There are people in this House who have forgotten more about insurance than I know, although I have a little bit of experience with it. But I do know that is true. Perhaps this year the fisherman may do good and he is able to take out a good insurance to cover his family, but the fishery being so unpredictable well next year he may have a failure, and the following year, and then he comes to a point where he cannot keep on paying and the thing is dropped and he is back to where he started from.

So I hope that the Minister of Fisheries, I know he will, will give this some thought. But if you are going to talk and not listen to me, he is not going to give it any thought, if he has not given it up to this moment. Mr. Speaker, he is not the only one who is the offender here. Just a few minutes ago there was a very important question asked in this House, I was trying to listen but most of the government members were out in the corridor, It was about the fishery. Most of them come from fishing districts and they were out making so much noise that the few of us who were interested in the fishermen in Newfoundland could not hear what the hon. minister, who is interested in the fishermen in Newfoundland, was saying. I wanted to hear every word he said. This is important I can assure you. We have got thousands and thousands of motorboat fishermen, trap fishermen, call them what you like, shore fishermen who have got no protection for their families. We have more, I suppose, than any other Province in Canada and it is very important.

So my suggestion and my contribution to this as it goes out, which was a wonderful organization, it is going out and where do we go from there? I hope somebody perhaps can give an opinion who comes from a fishing district. When something comes up about the fishery it just makes me sick to see the House clearing out, because I can tell you the fishery of Newfoundland is the future

MR. CANNING: of Newfoundland. We can get what oil we like and we can do what we like with our forestry, but my candid opinion if the fisheries or the fishermen of Newfoundland are neglected and the fisheries goes down, Newfoundland is gone, take it from me.

AN HON. MEMBER: Hear! Hear!

MR. SPEAKER: The hon. member for Fortune-Hermitage.

MR. J. WINSOR: Mr. Speaker, I would like to add a few words of comment on this, much the same

Mr. J. Winsor.

line of thought as the venerable colleague of mine. It is a good thing, I think, that the Minister of Justice is trying to wind up this fund. It would be up for pension in a couple of year's time anyway. It is sixty-two years old, and it has outlived - well, it is used up. There is only \$3,200 left in it, and I think it will not serve a very useful purpose from here on in unless there is more money goes into it as the minister said. I am sure this particular fund has been for a number of years very dear to the minister's heart. I remember it well. I think the most active time it ever was was during the tidal wave, if I am not mistaken, when a mutual friend of ours was then the Minister of Marine and Fisheries, and that fund then was contributed to rather heavily, and it has now been used up.

I, like my colleague from Placentia West -

MR. CANNING: Burin - Placentia West.

MR. J. WINSOR: Burin - Placentia West - I am sorry, Sir.

- I think the inshore fishermen, and this will obviously come under the Minister of Fisheries's purview, have no protection whatever. They have not been able to afford life insurance. They have no pension scheme as such, no life insurance, no indemnity, short-term or long-term for the simple reason that they are self-employed. The trawlermen are all taken care of, and they have a real good scheme, but how about the inshore fisherman who is out there by himself, in many cases fishing cross-handed, even if he is fishing with a mate, a dory mate, as they call them, one of them can go overboard and leave a family destitute, absolutely nothing. And I suggest that with the closing out of this Permanent Marine Disaster Fund, this might be the right time to move the powers that be. All right, they are self-employed. But I believe that most of the inshore fishermen now have a co-operative or the Fishermen's Union. Somebody should take up the cudgel for them and set up some sort of a fund,

Mr. J. Winsor.

an indemnity, an insurance policy, a life insurance policy would be the best possible, a blanket policy of some kind. This is for the insurance people to design. And I am sure that the Minister of Fisheries, and the Minister of Justice could get their heads together and put some real action behind this sort of thing. And it would be the final stroke as far as fishermen are concerned, because I am sure there are thousands of fishermen around this Island who are in the same boat. And if you canvassed all these fishermen, I would bet out of the thousands, if you found one hundred with a life insurance policy that is about as far as it would go.

I, therefore, support the bill to wind up the Permanent Marine Disasters Fund, but I would like some thought to be given to substituting something else to take its place, especially as far as the inshore fishermen are concerned.

SOME HON. MEMBERS: Hear, hear!

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

MR. SIMMONS: I, like my two colleagues who just preceded me in this debate, I represent part of the Province where the emphasis is very much on fishing as it is, to an extent, in the case of the hon. minister's district who spoke in this debate.

Now I know of two cases in my district where people are among the eighty or so recipients to whom the minister referred. We recognize and fully endorse what the government is doing here. Obviously since this idea was first put into legislation in 1915, I believe, a lot of circumstances have changed. And as the minister so well pointed out, Workmen's Compensation then not even an idea, has since become a fairly workable reality. It has its limitations, as does any public programme or government

Mr. Simmons.

programme or co-operative type programme. I want to put a question to the minister. He may have answered it in part, but if he would, I will have save my question until he -

MR. W. CARTER: I am sorry!

MR. SIMMONS: He has just fulfilled a lifelong dream to be to the right of the member for Green Bay (Mr. Peckford).

MR. SIMMONS: Mr. Speaker, I just want to put a question to the minister which I believe he may have alluded to already. Would he indicate in closing debate just how adequate the provisions of Workmen's Compensation are in terms of the need that was looked after here? I know the dollar amount is very small. But my real question is are there exceptions? Are there people in the categories who were taken care of in some degree by this legislation we are now going to repeal, are there people in that category in the category of the eighty, for example, who may not be covered under Workmen's Compensation for some particular reason that I do not know because I am not at all familiar with the workings or the kinds of coverage you can get under Workmen's Compensation, Mr. Speaker?

I am not suggesting that, if there are exceptions, that that is a reason to retain the legislation, because obviously—what was it a hundred dollars a year, something?—that itself, as the minister pointed out, probably had a lot of financial impact on the family budget in 1915. It does not have an awful lot in today's dollars. But I raise the question because if there are exceptions some thought may need to be given to some kind of assistance, not only for the one or two of those eighty who may be involved, but I am looking down the road. Are there going to be other cases where people, by virtue of some peculiar set of circumstances, are left literally holding the bag, financially, because of some accident involving the death of a relative, and as I say, because of some particular narrow or unique set of circumstances that that individual cannot hope to get any compensation from the Workmen's Compensation Board? That is basically the question I want to ask. Perhaps the minister would be good enough to reply to it in closing the debate. I would be most appreciative.

MR. SPEAKER: The hon. minister.

MR. MURPHY: Mr. Speaker, I would just like to add one or two words in reference mostly to the hon. minister's opening remarks. It is a kind of nostalgia as far as this thing is concerned, the PMDF. I would

MP. MUPPHY: like to in my own way pay some tribute to the Currie family and the Daily News, I think, who have carried this thing on, and when we were growing up there was one thing we always looked up in the Daily News and it was link number so and so and the donations to the PMDF. It was, as someone said, it was only a token but it was at least a sort of a widow's mite. It was a difference between having nothing and having the few dollars. I am quite interested in the remarks of the gentleman, very much concerned with the welfare of fishermen generally and particularly with survivors. I think we are in a world today where the dollar, you know, does not mean too much in a sense, the dollar does not. But now we are getting into the thousands of dollars and I would just like to bring a little message to these people, these members, that they might consult with their own constituents, the fishermen. It brings me back many years when I was in the insurance business where the Longshoremen's Union, who had quite a membership at the time, had a mortality fund of something like \$200 or \$250, you know which would not pay for a wreath or the candles that are burnt at wakes. I was successful in concluding with them a benefit fund, group life insurance where there were some 1150 members at that time. That was quite an organization at that time.

So I would suggest to these members that they might talk with some of their constituents and through NAFU, I think we will call it, could arrange for this because I know when I worked with a certain insurance company I think the Blue Wave Disaster was one of the claims we had at that time who did have a group insurance, and I remember what we had to go through because this particular ship, I think the hon. member might remember, had left point A, but was never reported afterwards. I do not know if it was the Blue Wave or one of these. It took some time to settle the claims because there was no proof of death at the time because there was no death certificates issued. I remember what we had to go through with newspaper clippings and this type of thing and build up

MR. MURPHY: a case that there were actually some claims there. So in this world today where the need is so great for survivor benefits, I am very much impressed with the remarks passed by the gentlemen who are concerned vitally with fishermen, and that some efforts would be made. I am sure this House would be only too happy to assist in any way the union concerned or the people concerned and anything that we can do I am sure to do it. But I think it has got to emanate from the people themselves and particularly the responsibility. I would say this, and I do not mean it in any other way, but to perhaps get the members to lead the people into this thinking where we all work together I think we can do an awful lot more than everybody going off in all directions.

So, Sir, again, I would like to pay tribute to the Currie family and to the Daily News for carrying this thing on for so many years and to congratulate anybody concerned because it did serve a need at the time which today perhaps is just, you know, that does not mean that much.

MR. SPEAKER: If the hon. the minister speaks now - Does the hon. member for St. Georges wish to speak?

MRS. MACISAAC: I feel that I should make my feelings known on this since I am from an area where we have inshore fishermen and to my knowledge most of them are fishing cross handed. We maybe have one or two in a boat and that is about it. I have to plead ignorance as far as the Marine Diaster Fund is concerned. I am not that well up on the Marine Diaster Fund, and I probably should be but I am not. I do not know just exactly what it covered. I do not know if there are any benefits available to dependents of people in this category who are fishing in small boats along the coast in my area. I know that they are not in any union or anything of that sort, and I am concerned about it because only last year there were two men drowned on their way back from their nets. One man left a family of nine children. Now I do not know ~~you know~~ if he qualified or the dependents qualified for benefits from this fund or not. I do not think they did.

As I said, I am completely ignorant of this fund and as to whether or not the small fishermen, the inshore fishermen benefits from it. I hope when the minister speaks that the will fill us in, or at least fill me in, on just what benefits are available to people of this sort.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I must apologize to the House for being out during most of this debate but there were matters of urgent public importance that we wanted to discuss and hold a post-mortem on and so forth. So I missed quite a bit of the debate, Sir, although I had one ear cocked to what was going on in the House while I was listening to the various comments of members on both sides of the House.

Mr. Speaker, what we are doing here we are winding up the Permanent Marine Diaster Fund, and the question that I want to put to the minister is what are we replacing it with?

MR. NEARY: Mr. Speaker, my hon. friend from St. Georges raised a couple of interesting questions there a few moments ago about whether or not small boat fishermen are included under any - Do they have any coverage in the event of diaster or loss of life or accident? Well, Sir, a few years ago the government in its wisdom amended the Workman's Compensation Act to include the inshore fishermen. My understanding, Mr. Speaker, is that the inshore fishermen have not really taken advantage of the coverage that they have been given under the Workman's Compensation Act, and they have not been paying - the skippermen of the longliners and so forth have not been paying their compensation premiums or payments, I guess, premiums to the Workman's Compensation Board.

MR. SMALLWOOD: Assessment.

MR. NEARY: Assessment. They somehow or other, Sir, have - I do not why but I would say the record, the track record of payment has been very, very small indeed and somehow or other the message has not come through as loud and as clear as it should to the longliner operators that they should cover their crewmen. I believe I mentioned in the House before where one gentleman up in the Bay St. George Area as a matter of fact had his arm torn off with a winch, and I do not know what the outcome of it was but I told him to apply for Workman's Compensation anyway because they were covered even though the skippermen had not paid the assessment.

So, Mr. Speaker, Workman's Compensation I suppose is the right avenue to take. The setting up of this Permanent Marine Diaster Fund in the beginning I believe was a result of a surplus that was left in the Newfoundland Savings Bank. Is that how - No, it did not get in here that way. How did it get in in the first place?

MR. HICKMAN: In 1915 by a bunch of Water Street merchants with respect to the loss of life in the seal fishery.

MR. NEARY: I see. Well, then there were no funds from the Newfoundland Savings Bank ever put into it. I do not remember what happened to these funds they had down there when they closed out the Newfoundland Savings Bank. Did that go to -

MR. HICKMAN: Was that not that fund that was raised during the war by when you sell so many yaffles of fish?

MR. NEARY: Well, I do not know but anyway it does not make any difference. But the thing is, Sir, that

Mr. Neary:

we should, if we are going to close it out, we should now take a good hard look at the Workmen's Compensation Act to see if it can be amended to include in the Workmen's Compensation coverage disasters that may take place in the Province. For instance, Sir, the spirit of the Workmen's Compensation Act at the moment does not cover major disasters like the one in St. Lawrence, like the potential disaster in Baie Verte, the potential disaster in Labrador City, the Workmen's Compensation is not geared up and could not withstand three or four or five major disasters say in a matter of a short time. There is a disaster fund but I am told that it is not adequate, Sir, to withstand two or three major disasters like the ones that I have just mentioned. And, Mr. Speaker, because the fishery, because a marine industry, everything associated with the ocean there is always a hazard involved, that I believe that the time has come when we should take a look at the Workmen's Compensation Act to see if we can beef it up, if that is the right word, Sir, and to have the Workmen's Compensation Board include in their disaster fund any major marine disasters that take place in the future.

That is all I have to say, but I am not going to prolong the debate but I think it is a very valid point, Sir, and if we are going to take something away, wipe it out, obviously it has not been used all that much in recent years, although I believe it was used in the case of my hon. friend's own district, was it not?

MR. HICKMAN: Oh, yes! The Blue Mist and the Blue Wave.

MR. NEARY: The Blue Wave and the Blue Foam, was it? Where there two? Just one.

AN HON. MEMBER: The Blue Wave

MR. HICKMAN: Two.

MR. NEARY: The Blue Wave disaster. There were two, I thought?

MR. HICKMAN: Yes, the Blue Mist and the Blue Wave.

MR. NEARY: The Blue Mist and the Blue Wave. It was used then.

And so I want the minister to tell us what happens in, you know, the future if we have a disaster of that calibre, will it be covered

Mr. Neary:

by Workmen's Compensation or will we just have to set up an emergency fund at that time?

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

AN HON. MEMBER: Oh, 'Joe'.

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

MR. ROUSSEAU: I am sorry. Just a couple of words because the concept of the Workmen's Compensation was brought up, and give me three minutes?

MR. HICKMAN: Yes.

MR. ROUSSEAU: Could I?

MR. SPEAKER: The hon. member has forty-five minutes.

MR. ROUSSEAU: You drafted it. No, three minutes will do.

A number of hon. members brought up the question of the Workmen's Compensation Board and its involvement here. The Workmen's Compensation Board now covers any group of three or more fishermen, but the skippers normally, as the hon. member from LaPoile (Mr. Neary) said, are certainly sporadic in referring any assessments to the Workmen's Compensation Board.

So what the department has been doing in conjunction with the Workmen's Compensation Board over the past while since my colleague the now Minister of Forestry and Agriculture, and after he left continuing in the department the concept of the fish companies making contributions on behalf of the fishermen. Now the assessments there of course would - the concept would - the discussions of course are centered around the companies paying the total assessments, and this is something that of course they are not entirely pleased with, because the magnitude of the payments and the assessments are quite high. We have held discussions with them. I think it is 4 per cent they have to pay of the payroll. Right now we are in the process of talking - we have talked to the companies, we have their reaction, we have been attempting to get in touch with the President of the Fishermen's

Mr. Rousseau:

Food and Allied Workers Union to talk about it. The department has held meetings with the Workmen's Compensation Board. And it is possible that the assessments to the fishing companies may be able to be reduced from the 4 per cent on to a lower figure, which may make it easier. Now the companies are, I think, suggesting that the fishermen pay a part, or the employees pay a part, and of course if that situation occurs this will be the only Province in Canada where employees contribute to Workmen's Compensation. And as a matter of principle now that we would like to break new ground in some areas, that is one certainly that we would not take too kindly to in pressing on new ground, We feel that it is an employer's prerogative and responsibility to pay into the Workmen's Compensation Board, but as we say there is a possibility that the 4 per cent amount might be able to be reduced by the Workmen's Compensation Board, and hopefully we will get together with the union in the next little while and get their reaction to what we have now, We may be able to come up with something in respect to the Workmen's Compensation Board and the actual owners of the fish plants in respect to a levy of less than 4 per cent, and hopefully something that both sides could live with, and hopefully something that would not include the employee paying the cost for his workmen's compensation which is something that is done nowhere else in Canada.

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

The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, there have been a couple of questions raised, and I thank Your Honour for allowing hon. gentlemen and myself some latitude because the bill is a very simple one. May I first point out that this bill does not take anything away from anyone. It is simply a bill to wind up a fund that no longer exists, or certainly will not exist for more than two weeks, a fund in which there is now but \$3,200 left. It is not, I repeat, public monies. It has never been public monies, never been any government input into it since the fund was created in 1915 by a group of merchants. The \$3,200 that is left in the fund will be distributed, as I say, within the next two weeks and will work out to about \$40 per recipient.

Now the matters raised with respect to Workmen's Compensation have been very adequately dealt with by my colleague, the Minister of Manpower and Industrial Relations. The hon. gentleman from LaPoile (Mr. Neary) raised the question of the Blue Mist and the Blue Wave. At the time the Blue Mist and the Blue Wave were lost, the Workmen's Compensation Act of Newfoundland did not apply to deep-sea fishermen. They were lost in the early 1960's, and they came under the old Workmen's Compensation Act of Newfoundland, but four sections had been preserved when the new act came in in 1951. And that act imposed upon the vessel owners the obligation to carry insurance or to pay workmen's compensation themselves if there was a loss of life or injury to a deep-sea fisherman in the course of his employment. The result was that the dragger owners and vessel owners carried their own insurance with P and I Insurers. It was a very modest - it was a maximum of \$6,000 for death and - I should know this, because I was very much involved in it as a young lawyer, and I was very much involved in both the Blue Mist and Blue Wave claims - I think it was around \$4,000 in the case of injury. It was a mere pittance compared to the - and it offended the principle of workmen's compensation as contained in the Workmen's Compensation Act.

Mr. Hickman .

The reason why deep-sea fishermen were not brought in in the beginning was a very historical one, and one that I thought was wrong, and I say it modestly, I was subsequently vindicated. The Workmen's Compensation Board of Nova Scotia in the 1930's had jurisdiction over deep-sea fishermen, and there was one, if not two, disasters in the mid-1930's out of Lunenburg where one or two bankers were lost with all hands, and it totally wiped out, not only the Disaster Fund of the Workmen's Compensation Board of Nova Scotia, but I believe it ate very heavily into their funds generally. And, of course, these funds are all trust funds. Workmen's Compensation money is not government monies. They are monies assessed against employers and the Workmen's Compensation Board must administer these trust funds very carefully, and government very properly should not and does not have any say in the administration of Workmen's Compensation funds, because it is not our money.

In any event the Legislature of Nova Scotia in the 1930's amended their act and took deep-sea fishermen from outside the jurisdiction of their board. In 1949 - 1950 the government of the day set up a committee, chaired by Mr. Kevin Barry, now His Honour Judge Barry, to look at labour laws in Newfoundland and Workmen's Compensation laws. And of my own initiative, and simply because I am from Grand Bank and I have seen more disaster at sea than I would like to remember, and certainly, I suspect, more than anyone in this hon. House, I started my writing to that committee, asking and appearing before them, that deep-sea fishermen be included within the scope of the Workmen's Compensation Act and brought within the jurisdiction of the board.

Mr. Hickman.

But there was a tremendous resistance to it; resistance on the part of government, you know, a genuine resistance based on fear, always reverting back to the Nova Scotian situation; resistance from industry, a resistance from the board itself after they were created, and it was left out.

MR. HICKMAN: I am sure I must have written a dozen letters between 1950, when that act was passed and until I finally became a member of this hon. House, asking them to be changed. I always got the same - There were two reasons. One was a deep-sea fisherman, and I am sure the hon. member from Hermitage will remember this, a deep-sea fisherman was not an employee. He was a joint venturer therefore not being an employee within the concept of Workman's Compensation. He was excluded. My answer to that was that you can get around that if you want to. There was certainly an employer-employee relationship there that could be legislated on. Secondly, it was a tremendous risk we were running. But the answer to that again was very obvious that in the days of the Lunenburg tragedies you had twenty-six men to a banker. There were no navigational aids other than a compass and a log and a sounding lead and they were wooden ships. Today we have highly equipped vessels, steel ships and that whilst we had two tragedies in a short period of time by and large they are much safer than were the old banking schooners and also they carry a crew of about half the number that a banker carried. The resistance was tough but eventually, and I can say it in the House, if the hon. member from Twillingate was here he would have to admit that it was pretty much a condition of precedent on my part of entering political life that that had to go into the Workman's Compensation Act.

We had some great, great arguments over this. Yes?

MR. J. WINSOR: Sir, you referred to them as co-adventurers and they were at that time, but now they are paid a per diem a commission, therefore they are not any longer self-employed.

MR. HICKMAN: That is quite right. I agree with the hon. member from Fortune Bay-Hermitage, but this legislation came in before the per diem and in 1967 the act was amended, but the resistance even

MR. HICKMAN: then from the board, who were going back all the time to their statistics, to the Diaster Fund, the amount that was in it, the actuarial assessments done by the insurance industry, particularly Lloyd's, indicated we were running a great risk.

Mr. Clyde Wells was then Minister of Labour, and I am sure that he will agree that he was not too much impressed with the position I was taking at that time because it was running in the face of all his actuarial findings, but it was done. The simple fact is that fortunately there has been no call upon the Diaster Fund and I hope there never will be. Secondly, never worried about - I am sure the hon. member from Fortune Bay-Hermitage will remember they were all so worried about the type of injury fishermen have of fish bones and that sort of thing and infections in their hands. Well none of that has imposed any great administrative responsibility upon the board. So deep-sea fishermen are fully covered now under the Workman's Compensation Board.

The Permanent Marine Diaster Fund which was, as I say, a voluntary thing and is now gone, there was some money went to the survivors of the Blue Wave and the Blue Mist. They also received that benefit under the old act and there was also a very strong and generous support from the people of Newfoundland. We had these two campaigns and raised a great deal of money which was invested. In fact, I introduced a bill in this House in 1966 again something like this incorporating the group who administer the Blue Mist-Blue Wave Fund which is in the hands of some insurance company and I have forgotten which one now. But anyway I repeat it is the end of an era. The people who have volunteered over the years to do this work, and I know Mr. Currie and Mrs. Chafe, the last two or three years the calls that they received, and they both retired and the calls were coming to their homes, they had to write out all this by hand, make out all the entries by hand but they were determined to do this and they did it and now we

MR. HICKMAN: see the end of it because the money is all gone and the end of an era that those who refer to iron men and - what is it? - wooden ships and iron men must have nostalgia when they see this happening, but on the other hand there is nobody in this hon. House who would ever want to see a return to the kind of risks that were so courageously faced by the people for whom this fund was originally created - and hardship.

I move second reading.

On motion, a bill, "An Act To Wind Up The Permanent Marine Disaster Fund, " read a second time, ordered referred to a Committee of the Whole House, presently by leave.

(Bill No.33).

MR. HICKMAN: Order 12 - Bill No. 32.

Motion, second reading of a bill, "An Act To Amend The Fishing Industry Advisory Board Act, 1975." (Bill No. 32).

MR. CHAIRMAN: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, the purpose of this amendment is to broaden the powers of the Fishing Industry Advisory Board. At the present time that board does have the right to gather information from fish processing companies in the conduct of their operations. But the amendment will now broaden the authority of the board where they will have the right to obtain information from others involved in the fishing industry. Of course, the reason for that, I think, is quite obvious, that in recent weeks and months we have heard a lot of discussion with respect to the cost of operating in the fishing industry, the cost of operating longliners, the price of gear and so on. The board does not have any jurisdiction right nor any power indeed to investigate or to look into the cost or the records of companies involved in the supplying or manufacturing of fishing gear, engines or other equipment that is deemed to be necessary in the conduct of the fishing industry.

We believe this amendment is necessary, because the House might recall some time ago, when we announced our new gear subsidy programme, at the same time we announced that we would have the Advisory Board look into the prices that were being charged by fishing gear supply houses, the fishing gear supplied to fishermen. And that is only one activity, of course in which the board is involved. I look upon this board as being a very, very important arm of the Provincial Department of Fisheries.

MR. W. CARTER.

It has a very important role to play in assisting the industry and the fishermen themselves. The hon. House might recall a little less than a year ago when an impasse was reached pretty well between the crab fishermen and the crab plant operators with respect to the prices that the fishermen would get. The fishermen were demanding one price and the operators were offering another one. And I believe there was probably a two or three or four cent a pound difference between the price being offered and the price that the fishermen wanted and indeed said they needed in order to stay afloat. The Advisory Board, at my request, stepped in and undertook a study of the crab processing sector, and as well investigated the cost to fishermen, the cost of catching crab. And as an interim measure we did agree to pay a two cent a pound subsidy to the crab fishermen with the proviso that if upon completion of the investigation it was found that in fact the crab processors could indeed afford to pay more than they were paying, that the two cent a pound subsidy that we paid to the fishermen would be refunded to us by the industry. Indeed when the study was completed, it was found that in fact the industry could afford to pay more than they were offering. We immediately insisted on a refund of the two cent a pound, and the whole thing ended very successfully, both for the fishermen, and there were a few noses out of joint, maybe, in the industry, but I am afraid that is - so be it. There is not too much we can do to prevent that sort of thing.

Today we have been talking about - my hon. colleague from Fortune Bay - Hermitage (Mr. J. Winsor) - the need for some kind of insurance or some kind of protection for the small boat men. Now I think my colleague, the Minister of Manpower and Industrial Relations, pointed out that there is coverage now for

Mr. W. Carter:

boats on which there are three or more fishermen operating or working, you know there are problems. But certainly when you get involved in a one or a two man operation there is not too much protection for that type of an operation.

I just recently instructed, or at least directed the Chairman of the Advisory Board to visit British Columbia where they had an excellent service enforced at one time, and in a sense I think it pretty well fell by the wayside, it was called the Fishermen's Settlement Service, and I think there are possibilities there where maybe somewhere along the road, and hopefully not too far, we can maybe on a very, very limited scale, on an almost experimental basis, undertake that kind of a service to the inshore fishermen. At the same time then I believe there will be room for maybe some kind of insurance or some kind of protection for the small inshore two boat man type operation.

But that is the sort of thing that the Industry Advisory Board, that is part of their role, that is part of the reason why they are in existence. Like I said, now they are involved in an investigation, maybe that is not the right word, certainly a study into the cost of fishing gear. Why, for example, you know, why should a gill net cost \$30.00, if in fact what did it cost the supplier to have it landed in his shop?

But the amendment that we are seeking, Mr. Speaker, will give the Board the right to examine records and documents of companies involved in almost all areas of the fishing industry as opposed to the present Act which only allows the Board to deal with companies that are actually involved in processing and manufacturing and purchasing of fishing gear—or purchasing of fish.

MR. SPEAKER (MR. YOUNG): The hon. member from Burin-Placentia West.

MR. P. CANNING: Mr. Speaker, I agree with most of this small Act. It is very small, but very important, to a point, and that is

Mr. Canning:

the rights given this Advisory Board to go into the offices of operations in which the government, or taxpayer of this Province has an awful lot of money. I think that is proper to protect the people of Newfoundland, or the cost of the people of Newfoundland, or to protect the industry that the taxpayer has such a stake in. But I see a little danger there, that if there is a private operation, a man who has not gone to the government, working on his own money, he has a private firm, and he is measuring up to the rules and regulations, if he is paying the current price for fish, following all the laws of the land, I do not think that that Board should have a right to go in to interfere with his business or see his books no more than we have to go in to any ordinary business in St. John's or in the supermarkets or anywhere else. I think there is a little bit of a danger there of that right - perhaps they would never exercise it, perhaps they would not - but they would still be free, according to this, to go in and investigate the operations of a privately owned, privately operated business. But I would make the reservations, of course, if there are doubts that he is not paying the proper price for fish, or if he is breaking some regulation, or if he is turning out a product slipping into the market that is not a good product or something like that, but apart from that if I do not think there is any complaint, anything against that, I do not think that Board should be given the right to interfere with a strictly, privately owned, properly operated business.

MR. SPEAKER (MR. YOUNG): The hon. member from LaPoile.

MR. NEARY: Mr. Speaker, I have a different tack than my hon. friend the member from Burin-Placentia West (Mr. Canning) did, Sir. I was beginning to wonder if the Fishery Industry Advisory Board was alive or dead.

MR. W. CARTER: It is alive.

MR. NEARY: I was hoping that the minister would give us an accounting of their stewardship since they were established back in

Mr. Neary:

1975 or early in 1976. We have seen no evidence in this House or in this Province, Mr. Speaker, as to what useful purpose this Board is serving. None at all.

Mr. Neary.

The whole idea of establishing this Advisory Board in the first place, Mr. Speaker, was that people in authority, both in government and in industry, panicked when the union started to get strong, and they decided than rather give the union a free hand that they would jam a middleman in between. Mr. Speaker, I know that is why the Advisory Board was set up in the first place, to advise the union, to advise industry, and to advise the government on whether or not the union's demands were in order, whether or not the fishing industry could afford to pay more. It was sort of a conciliation board. That was the whole idea of setting it up in the first place, to jam a middleman in between union and management, because everybody panicked when the fishermen and the trawlermen started to get organized in this Province. Oh, they could not have this. So government, I suppose, in its wisdom at the time, felt that rather - I am sure that there are people in this Province, Mr. Speaker, who felt that that was the end of the fishing industry, the ruination of the fishing industry, when the union came, especially the industry themselves. How dare this crowd come in and establish a union! So this was sort of to offset, to soften the blow of the impact of the Fishermen's Union. And in case of a dispute the Advisory Board, who had no power, by the way, the Advisory Board would merely research market conditions, research the industry, what the fishermen were getting paid in other provinces, what trawlermen were getting paid and so forth, and then would just merely advise the government whether it was reasonable or unreasonable the demands of the union. That was the main purpose and, of course, there have been a number of amendments made to the bill since then.

And now we have another amendment before us today, Sir, which may or may not be a good thing. But before I can be convinced that the Fishing Advisory Board is serving any useful purpose at all, whether I can be convinced to vote for this

Mr. Neary.

bill or not, Sir, will depend on the answers that the minister gives me when he winds up second reading of this bill, Sir.

Section (2), "In this section 'fish business or enterprise' means any business or enterprise that includes in its operations (a) the catching, producing, processing, buying, selling, exporting or marketing of fish or fish products."

Mr. Speaker, I want to ask the minister, What happened to the gear banks that we heard so much about for the last few years? Are we now going to ask the industry, the Fishing Industry Advisory Board, to just merely go out and fleece the suppliers and this will get the government off the hook and they will not have to establish their gear banks that we heard so much about a couple of years back? Mr. Speaker, I submit to this House that it is time, Sir, that we stopped dilly-dallying, that we stopped our wishy-washy attitude towards the fishing industry, that we get off the pot and let the government, Sir, take over the marketing of all produce of the sea, not the government, but a government agency, take over the marketing of all produce of the sea.

I went through recommending to the Government of Canada, Sir, that the Terms of Reference of the Canadian Salt Fish Corporation be expanded or another agency be established to market all the produce, all other produce of the sea. Now I realize, Sir, having made that statement that this government cannot expect the Government of Canada to act unilaterally just to acced to the wishes of one government, that it has to be done jointly, that a presentation has to be made to the Government of Canada on behalf of all the fishing provinces, of all the provinces of Canada, especially those who are into the fishing industry. There will be provinces, Mr. Speaker, that will not be the slightest bit

Mr. Neary.

interested in the Canadian Salt Fish Corporation that were not and will not be interested in expanding the terms of reference of that corporation or indeed -

MR. CANNING: A point of order, Mr. Speaker.

MR. SPEAKER (Mr. Young): A point of order has been raised.

MR. CANNING: Mr. Speaker, this is the second reading of a bill, "An Act To Amend The Fishing Industry Advisory Board," and we are supposed to be debating the principle of the bill, and

MR. CANNING: I do not think there is anything in that Bill relating to the Salt Fish Board. I would ask the ruling that the hon. member is out of order because he is not adhering to the principle of this Bill.

MR. SPEAKER: Hon. member.

MR. NEARY: Mr. Speaker, in debating the principle of this Bill, Sir, Your Honour might just go down to the last two lines of the Bill and notice that this has to do with "catching, producing, processing, buying, selling, exporting and marketing fish and fish products" or then it goes on and on. I would submit, Sir, that that is not a point of order, that I am completely within my rights on debating the principle of the Bill Sir, and there is no point of order.

MR. YOUNG: It is a wide range of debate and it does in fact, the Bill does relate to catching and processing of fish, and I feel that it is probably more or less a difference of opinion and the hon. member was in order.

MR. NEARY: Sir, I am merely pointing out to the House, the alternative to the Fishing Industry Advisory Board. I do not think it serves any useful purpose, Mr. Speaker, and I would like to see it abolished altogether. The things that the minister told us a few moments ago that the board did over the last two or three years in connection with, for instance, with the crab industry when they ran into difficulty with prices.

Well, Sir, any clerk grade 3, in the minister's office could have done the same thing - yes, Sir, the minister shakes his head and says, no - Mr. Speaker, what we need, what we need in the place of this - wipe it out, get rid of it - is a marketing corporation.

MR. CAPTER: Does not the hon. member realize that is a federal responsibility.

MR. NEARY: Mr. Speaker, obviously I am sure the minister has had the flu. I just mentioned a few moments ago that it could be done in one of two ways: Expand the terms of reference of the Canadian Salt Fish Corporation to include all produce of the sea; or set up another corporation. In my opinion, Sir, the obvious way to do it is to expand the terms of reference of the Canadian Salt Fish Corporation. That would be much

MR. NEARY: simpler than have to go through the motions again. The minister must have found out over at the fishery conference that was held recently at the Holiday Inn, at least when I was there. I heard a very serious comment about marketing, about our procedures and about our lack of knowledge of markets and about our diversifying and upgrading the quality of the fish and so forth. The minister heard it the same as I did. There was a very strong case laid out at that conference, Sir, to have something a little more than just a little Fishery Industry Advisory Board.

We will never, Mr. Speaker, for over four hundred years in my opinion, the big problem with the fishing industry in Newfoundland was in the field of marketing. This is our excuse; we set up this little bureaucracy, this little empire to try and advise us when in actual fact, Sir, what we should be doing is getting in both feet into this matter of supplying gear, catching the fish, processing, buying, selling, exporting and marketing of fish products instead of asking this little wishy-washy group - and they may be all good men, it is not their fault, Sir - they have no authority, they have no power, they just go around, research, travel around, jet around, pick up little bits and pieces of information, come back, write a few reports, I presume to the minister, do not mean very much -

AN HON. MEMBER: Enough for a Ministerial Statement.

MR. NEARY: Yes - sufficient probably when the House is open to make a Ministerial Statement.

MR. NEARY: Mr. Speaker, I - What?

MR. PECKFORD: It is a bit too late.

MR. NEARY: It is too, and besides that I have a cold. I am going to have to sit down. But, Sir, I would like to hear the minister give us a report on this Fishing Industry Advisory Board. Tell us what it has accomplished over the last two or three years. Has it justified its existence? Should it be replaced with something a little more potent and a little more powerful than just an advisory group? Should it not be replaced by a marketing board of some kind? I think so, Sir, and I think the sooner that this House realizes, and the people of this province realizes, the better it will be for all concerned especially for the fishing industry itself.

MR. SPEAKER (YOUNG): The hon. member for Eagle River.

MR. STRACHAN: Mr. Speaker, I could not agree more with what the member for LaPoile has been stating here. I feel that the Fishing Industry Advisory Board, such as it is, does little but collect some information and put documents together and present these. I do not think it has any teeth to it, and that also it is regarded in many ways as being a block in the path between the fishermen and the unions and so on and the government. But more to the point I see in this bill specifically that it is asking for the businesses or enterprises to present or have some control over the accounts and documents to see, to examine — For instance, I imagine in the old, in the crab subsidy to examine whether there is a real need for subsidy and so on. This here gives the board the power to do this for other industries, for other parts of the industry.

Specifically I am concerned about certain parts of it. The date that it is going to be retroactive to 1975, the first of April, 1975 makes me wonder. But there is a further principle that

MR. STRACHAN: I am concerned about here, and that is the principle that the member got into, the principle of the marketplace or control in the marketplace. Because unless you can control the marketplace, unless you have some aggressive marketing and control that marketing, then anything which occurs in that marketplace can have a ripple effect all the way back down, which finally of course by the time it reaches the primary producer really seriously hinders or hampers him. I for instance am very concerned, and I have already stated it, that there should be public accountability, public accountability of any large corporation or company which is receiving massive financial aid from government. I understand that some of our industries are - we have a considerable amount of money in there where you fund them to the extent of forty or fifty per cent of the businesses. But I am also very much concerned with the fact that these companies and corporations also operate in the United States and elsewhere marketing agencies for themselves so that they transfer the products out of this province in a fairly raw state, and the cod block to me is a fairly raw state, and the allied company in States picks it up and I often wonder exactly how much of the profit it picks up. This, of course, is the effect of keeping an industry in this province at a low level. It keeps it at a stage where the companies and corporations can keep going back to government for additional subsidies, additional monies. It also keeps the price of fish and various other things controlled.

It was interesting in the setup of the Salt Fish Corporation that the Salt Fish Corporation immediately got into a battle with the Fresh Fish Industry because the Salt Fish Corporation in doing some aggressive marketing found that it could increase the quality of the price of fish and found it could also increase the - I am sorry - increase the quantity, increase the quality. It also

MR. STRACHAN: had control in the marketplace, and as soon as it had control in the marketplace the price of fresh fish then went up and we found that the Salt Fish Corporation was competing, directly competing against the fresh fish companies in this province. And I would say that it had a fair amount of pressure in raising the price of fish within this province. I think if you removed the Salt Fish Corporation and it did not exist at that time I think that the price of fresh fish

Mr. Strachan.

would have been fairly low, still fairly low. It was a contributing factor. There was also, of course, the unions and the formation of the unions starting in 1971 which was also aggressively trying to push for increases in the price of fish. But I think that unless you control the market and can get these controls of the market, and pass these back down through the processor and eventually back down to the primary producer, that if you cannot do that you can do very, very little to improve the situation within this Province as far as the fishery is concerned. I agree, I think, that a separate or a joint corporation - and I have no fixed ideas on that - but I think there should be a fresh fish marketing agency or board in the same form as the Salt Fish Corporation and whether it is tied into the Salt Fish Corporation, and the Salt Fish Corporation handles the administrative needs of the two separate branches of it - that is open to question and discussion, and I certainly have no fixed ideas on it. But certainly I think that that kind of thing, that kind of set up will and could immediately see a turn around in some of the things which are happening in the fishing industry. I have always been amazed ever since 1964 when I got involved in fisheries in this Province that the reasons why we could not process fish beyond the primary stage, the reasons why were always given to us that the tariffs were against us. And I contend in many, many years that that was absolute nonsense. The Kennedy round of tariffs did have certain affects on the fishing industry, our products. But these tariffs on certain processed products in this Province were only to the extent of seven, eight and nine per cent, ten per cent.

And when one considers that the labour content would increase in this Province, that the profit margin was greater for them,

Mr. Strachan.

and that if one sought and actively marketed the product, then we could have overcome that tariff by far. We could have a profitable industry going. But I contend that that tariff bogey was always raised by the companies and corporations in this Province controlling the fishing industry who had their own marketing companies in the States to which they sold their products to, and which they then picked up their profits at that end of the business instead of picking up the profits at the end of the business within this Province.

SOME HON. MEMBERS: Hear, hear!

MR. STRACHAN: And I know in 1967, 1968 and 1969 - I have very hard facts on that matter, and I used to get extremely upset and realize that there would be no way of turning around the fishing industry in this Province into secondary industry and better processing unless there was some type of control over the marketing, and that control over the marketing must be done by the Government of the Province since the companies themselves were not interested in doing it.

I always remember a similar situation, but it involves part of it here, in which at that time there was a great deal of concern about ships coming into St. John's harbour and being filled up, getting serviced here. And at that time - it was just before the SOFA Organization got going - but at one time the companies in a fit of hypocrisy were advocating - and I remember very clearly on television - advocating that we should keep all ships out of St. John's harbour, we should keep all foreign vessels out. And I remember particularly one merchant who was expounding this idea that these foreign ships were hampering our fishing efforts, they were taking our fish away from us and so on, and yet that same company's ships were going to St. Pierre and were taking the fish off the Polish and East German

Mr. Strachan.

driggers, were coming into Marystown to top their load and to go on to the States and unload the Polish fish in the States. So on the one hand they were condemning the vessels who would come in here and on the other hand they were working in partnership with them outside of this Province and breaking the very principles they were expounding publicly in the Province. To get back to this point here, I think that is indicative of many of the attitudes. And I have always been concerned that these companies have done it from the point of view of always being able to go back to government, always being able to say, We are in trouble; we are going to have to close down, 2,000 or 3,000 are going to be out of work, and we need help. So immediately when that happens, of course, government will pour in more money, try to keep it going, and on they go for another period of time, and the situation just

MR. STRACHAN:

cripples on. I am sure that some of the companies in the States, the processing organizations in the States if we could look into them, we would see some very interesting relationships between the primary produce coming out of this Province and being shipped there and exactly what is happening to it and how the pie is being sliced up in the United States. I am not against large corporations or large companies per se of course not. They have a place and in many cases they need to be here, they need to exist in this Province and they need volumes of fish that only deep sea druggers and so on can produce. But we must have a balanced industry. And I do not think that this kind of thing gives us a balanced industry. It does not give us the kind of controls on a balanced industry. And I often become very upset at seeing the limitations that this type of advisory board, even the very words of it, advisory, mean that someone only has the powers to advise and that they have very little else. All they can do is put together some documents, some facts, some figures and many times they cannot put together all they want or there is no teeth in it and of course they pass it down then to the administration who can take the advice or reject it or leave it or delay it or do whatever they want to do with it. It is a very poor system. In fact, I think that it does little. I would much rather see getting right into the marketplace by this Province. We are subsidizing the fishing industry to a tremendous amount. We do control it. We do own it. We virtually own it. There is no question. If you are going to take the amount of capital and the amount of subsidies that have gone into these companies over the last ten years, say, and the amount that they put in themselves then the people of this Province and the fishermen in this Province own these organizations. It is only by leave that we are allowing these organizations, these company structures to run them for us, because I do believe that there is a place of private enterprise and they

MR. STRACHAN:

can do it far better than government. I do not believe that government should be in the matter of running businesses. I am not talking about nationalization per se. I do not believe - whenever government gets into nationalization they generally make a mess of it. And if anybody wants to see examples of that they can look around at other countries. But what I am saying is that we do own them. They have an accountability. The accountability should not be to an advisory board. The accountability should be to the people of the Province and directly to us here. And I would very much like to see that type of legislation, that type of controls over people. If they do not like that kind of thing, then it is up to them to live in the private, the free enterprise marketplace. And if they make a profit, fine. If they manage to hold on to the business, fine. If not they go under - exactly the same terms as small businesses in this Province have got to work under or fight under.

So I do not think that this does very much. It gives a slight amendment. I would - in fact my friend from Baie Verte-White Bay (Mr. Rideout) made a notation here. But I would like to know why this comes into force as of the first day of April, 1975, why it goes way back to there for appropriation of monies? And I would also say that it may be just a plain bit of housekeeping or advising powers. But I think it is not the rationalization of the fishing industry that we are talking about. We are talking about something far more different. I think we are right on the threshold of being able in this Province in the next two, three, four, five years time to turn around the fishing industry of this Province. And the fishing industry of this Province can only be turned around by a complete rationalization, by a complete new approach and not continue on amending all the bad legislation and the faults that we have inherited over the last twenty,

MR. STRACHAN:

twenty-five years. So I think that it needs to said. I do not know whether I go along with it. But I think it certainly does not go far enough nor does it have any teeth.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for Fortune-Hermitage.

MR. J. WINSOR: Mr. Speaker, my colleague from Eagle River (Mr. Strachan) said just about everything that I would have said on it and said it that much better. But I cannot see what is wrong with private industry. It showed everybody the way in the fishing industry as everybody here knows. This bill, "An Act To Amend The Fishing Industry Advisory Board Act," the only amendment I would suggest like my two colleagues would be to amend the board. I fail to see the need of it.

Mr. J. Winsor:

If they are an advisory board maybe they could advise the industry how to get their costs of operating trawlers and other types of boats down. I doubt if anybody here, or too many here are aware that when a trawler comes in of the total value of that trip of fish, if it is in the low bracket, 90 per cent of it goes to the fishermen, the crew, and unless that boat has a bumper trip it will not come down very appreciably until it gets up into the high figures. If the advisory board could show private industry how to operate better than that, fine and dandy.

I personally in looking over the bill, while it may not seem to be a very important bill or a very - housekeeping probably you say - but I say private industry here gets an awful shaft if you could look in their back pockets for everything. As it now stands the government can look at the books of every fishing industry in Newfoundland, it has got a dollar from government coffers, and what more than that do you need? Can they not tell the Advisory Board what the condition of that company is or if they are making barrels of money or not.

I therefore to the lateness of the hour and so on I will cut my remarks short by saying that I am not entirely in accord with this particular Act. It says too little and does too much.

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

MR. NOLAN: Mr. Speaker, let me ask just merely one question which may have been asked before, and if so someone would bring it to my attention, and I apologize for delaying the House, and that is, I believe the minister in commenting on the bill originally suggested that it would give the Board the power to check on certain firms, cost of fishing gear, cost of manufacture, and engines and so on. But first of all, I think, it is safe for me to assume that the engines are not produced in Newfoundland, and I am wondering therefore what authority - because you are now getting into authority that would not only apply to the Province, but what authority would you have to check if the machine is built, say, in Nova Scotia or Sweden for that matter,

Mr. Nolan:

and what business do you have poking your nose in there as a government representative or an advisory board in Newfoundland?

I have always been very much concerned, as has the minister, about items that come to this Province. There are so many bloody middlemen it is enough to turn your guts, and the things that happen, it is absolutely shocking. In the case, for example, in some of the great food chains as a matter of fact when you talk about the so-called free enterprise system, the free enterprise system is not the same any more. The only people really who are in free enterprise now are the small businessmen who are competing with each other. The great monopolistic chains with the powers that they have nationally and internationally is something for anyone to contend with particularly just an ordinary consumer.

But I am wondering what real teeth and what real authority the minister will have if we pass this bill to check on prices, say, of the cost and the production of an engine. And because someone lays a figure or two or a balance sheet on the table here in Newfoundland does not necessarily reflect the absolute truth, as far as I am concerned. Because you know, I am sure the minister knows as well as I do, how much juggling there can be of books from company to company, interrelationships along the way and so on. They may even own the transport company, or have an in there, that is delivering the goods and so many other involvements, so they can arrange to pay these fellows just about what they like to satisfy their own accounting records, what they are attempting to do for taxation purposes and so on. The minister I am sure is aware of all of this.

So I would have to be assured, for example, that when the minister says to this House that we will give the Board the authority to check on this, that, and the other, I mean does it really and if it does not, let us not kid ourselves, I mean either we get the truth and the whole truth or we have to take a whole new look at the bill to see if there is not some other way that we can do at it.

Mr. Nolan:

There are other points that I could make, but I do not want to delay the House on this, but I thought I should raise that point.

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

MR. SIMMONS: Mr. Speaker, just three quick points the minister may want to respond to in closing debate. Again I have been out of the House several times since he introduced, or since he began the debate on second reading, and he may have mentioned some of these things already. I refer him first to the explanatory note (d).

Mr. Simmons.

There is obviously a reason for that, the provision to have the beginning of the fiscal 1975-1976 as being the effective date of the legislation, and perhaps he could speak to that if he would when he gets up. I do not see the reason but there is obviously a good reason, and certainly the House should have that information.

The minister mentioned the matter of information collecting, and I do not want at all to undermine the need for such information. But I wonder would he relate the provision for information gathering to Bill No. 9 on the Order Paper, the one to provide for the establishment of a Newfoundland Statistics Agency. In particular does he see any overlap of jurisdiction or alternately could the proposed agency, assuming the bill is passed into law, that Bill No. 9 is passed into law, could that agency perform the information gathering function he has talked about this morning? That kind of a question I would like him to respond to. Where there is an overlap in jurisdiction or if there is a need for the two separate information gathering agencies? I realize that his board is much more than an information gathering agency. But in part, as he said this morning, that would appear now to be part of its role. Would he address himself to that?

Thirdly, the board is known, and is established under law as the Fishing Industry Advisory Board. I wonder if that term 'advisory' is a bit of a misnomer? I wonder if, in effect, the board is not getting into certain administrative responsibilities. I refer the minister, in particular, to the board's involvement in the applications for the new gear programme, which it seems to me would be more administrative than advisory in nature. And again I am not at all disputing whether or not that is a good thing.

Mr. Simmons.

I just first of all, to make a semantic point, I believe a rose should be called a rose. I believe that if it is an administrative type board, then this should be indicated. And secondly, perhaps there are some very good reasons why the board is getting involved in that kind of function that I have just given him an example of. Perhaps the minister being more intimately acquainted with the functioning of the board and the duties that fall to the board,

could give us additional examples where the board may be involved in administrative or quasi administrative type roles. But my overall question to him is, If that kind of thing is necessary would he perhaps see the need to change the name of the board so that it properly reflects the scope of functions which the board has undertaken?

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

The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, I could not possibly react to all of the questions that have been put to me by the members opposite in the time at my disposal, but certainly some of them I will endeavour to answer. The question of marketing came up with respect to my friend from Eagle River (Mr. Strachan) and from LaPoile (Mr. Neary). We recognize that there are certain weaknesses in the existing marketing system within the fishing industry. We willingly admit that the Salt Fish Corporation has, in fact, brought some order to what was prior to their establishment a rather chaotic situation. It does have certain shortcomings but I think generally speaking the Canadian Salt Fish Corporation has filled a very important, a very meaningful role in the Province. The matter of marketing does not fall within the jurisdiction of the Province. The House might recall, Mr. Speaker, that two years ago my counterparts in Ottawa, Mr. LeBlanc announced then to the fishing industry and to the Canadian people that his government would be initiating

Mr. W. Carter.

certain marketing changes, and the changes would be that there would be export licences issued to a very limited number of fish processing companies in Canada. And in fact he gave the industry, I believe, two years - I am not sure if he used these words - but he gave them two years in which to get their

MR. W. CARTER:

own house in order. And he warned them that if they did not clean up the mess and bring some order to this chaotic marketing arrangement that they have, each going out into the marketplace trying to make his own deal with this company and that company, the minister warned that unless something was done to bring order to the system that he would unilaterally take that kind of action. In fact he would restrict for example, the number of export licenses, I believe, to maybe six or eight altogether which would mean, of course, that in the case of Newfoundland only one or two or three maybe of the large multi-national companies would receive an export license. That caused some concern with the smaller operators. Then an assurance was given by the minister that these operators, there would be one license reserved to act as an umbrella for all of the small operators who would otherwise not, by virtue of their size, qualify for an export license. We accepted that proposition. We publicly supported it. At that time I was serving in the House of Commons and I recall having publicly taken a stand then in favour of that proposed legislation on the part of Mr. LeBlanc. But it has been dragging out. And I believe about maybe six or eight months ago, maybe less, he came out then with a similar warning that the industry was not putting its house in order and that he would have to, within a very short period of time, introduce this new and rather restrictive licensing policy that he proposed a year or two previously.

MR. NEARY: And it is ~~still~~

MR. CARTER: I hope it is because to me it makes sense. I am the first to admit that you cannot have thirty-five Newfoundland fish processors each with maybe large inventories and substantial bank overdrafts, each going into the marketplace scavenging around trying to make his own deal with this company and that company. Certainly it does not present a very good picture in the marketplace because we know what happens when that sort of thing occurs. Then the big buyers in the States

MR. W. CARTER:

especially, will sense their desperation and would be only too anxious to take advantage of it. But certainly there is need for some kind of an improvement in the marketing of our fish resources, fish products. The advisory board was never intended to fill that role, was never intended. Its intention, its sole purpose for being in existence was to act as an information gather or an intelligence organization that would gather intelligence from the marketplace find out exactly what was going on in the marketplace what prices, for example, were the Icelanders getting for their herring maybe in the West German market and then relate that to the amount that the Newfoundland herring processors were getting and trying to find out why, why the difference.

Despite what my friend across said, and his advocating that the board be abolished, I disagree. I think the board has got a very, very important, a very useful role to play. We must not forget that it is only in the past year or year and-a-half that the board has been given any real teeth, any staff really to get down to business and to perform the function for which they were established just two or three years ago.

MR. NEARY: Is it a full company?

MR. CARTER: No, and they are still adding. Well it is not a matter of picking up a few grade III clerks, Mr. Speaker, it is a matter of getting people who have got a lot of expertise in a lot of areas in the fishing industry. So, Mr. Speaker, like I said I will not have time to react to all of the questions. But certainly there will be a chance during the budget debate when some of these questions can be answered more fully.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Is the House ready for the question? Those in favour "aye", contrary "nay", carried.

On motion a bill, "An Act To Amend The Fishing Industry Advisory Board Act, 1975," read a second time, ordered referred to a Committee of the Whole House on tomorrow.

MR. HICKMAN: Mr. Speaker, may I with the consent of hon. members,

MR. HICKMAN:

my colleague, the hon. Minister of Finance was sitting here this morning with a bunch of warrants that he wanted to table. In the excitement of the hour he forgot to table them. May I have leave to revert to the tabling of statements?

MR. SPEAKER: Does the hon. minister have leave to table the documents?

MR. NOLAN: Could I ask the minister a question, Mr. Speaker?

MR. HICKMAN: Do not ask me about them.

MR. NOLAN: No, no, no. I am just wondering in weekends past we have permitted the House to be available to meet.

MR. HICKMAN: Yes, yes.

MR. NOLAN: I noticed the minister, I do not believe, phrased the -

MR. HICKMAN: I am about to.

MR. NOLAN: I see.

MR. HICKMAN: Yes. Firstly, I table the warrants shown there and on behalf of the hon. Minister of Finance, Mr. Speaker, I move that the remaining orders of the day do stand deferred and that this House adjourn until Monday next at three of the clock providing that if it appears to the satisfaction of Mr. Speaker, after consultation with the government, that the public interest requires that this hon. House should meet at an earlier date, Mr. Speaker may give notice that he is so satisfied and the House shall meet at the time stated in the notice and shall transact its business as if it had been duly adjourned to that time.

MR. SPEAKER: It is moved that the House do adjourn until Monday next at 3:00 p.m. provided that it appears to the satisfaction of the Speaker after consultation with the government that the public interest requires that the House should meet at an earlier time, the Speaker may give notice that he is so satisfied and the House shall meet at the time stated in the notice, shall transact its business as if it had been duly adjourned to that time. Those in favour "aye", contrary "nay", carried.

The House stands adjourned until tomorrow, Monday, at 3:00 p.m. or earlier.

I N D E X

ANSWERS TO QUESTIONS

TABLED

MARCH 25, 1977

MAR 25 1977

Mr. Neary (LaPoile) - to ask the Honourable the Minister of Forestry & Agriculture to lay upon the Table of the House the following information:

All surveys, mapping and other pertinent information, completely independent and unrelated to the Reid submission, showing what the province received in return for 4.5 million dollars paid so far to Reid Newfoundland Limited?

Name of independent surveyor or firm, if any, who documented detail information for the Government? If information departmental, table copies of all plans and mapping to date and indicate whether or not any actual field work was done in connection with such documentation?

ANSWER

In the Fall of 1972, officials of the Forestry Branch of the Department of Forestry and Agriculture and the Department of Justice were asked by Cabinet to prepare a confidential evaluation of the Reid Properties, which were being offered for sale by Reid Newfoundland Co. Ltd. for \$36,120,793.00. The evaluation was prepared on the basis of:

- (a) a thorough review of the terms of tenure held by the Reid Newfoundland Co. Ltd.
- (b) former sales of large blocks of Reid property to the pulp and paper industry.
- (c) commitments and agreements that Reid had with other parties with reference to timber, water and mineral rights.
- (d) forest resources (present and potential) determined by the recently completed Provincial forest inventory and the Canada Land Inventory

(Forestry Sector). These estimates were modified through photo interpretation techniques and field checks. Area calculations were based on forest inventory maps at a scale of 1:15,840.

- (e) potential hydro power as determined by officials of Newfoundland and Labrador Hydro.
- (f) recreational potential of the land for cottage development determined by the Canada Land Inventory (Recreational Sector).
- (g) potential for mineral development as determined by officials of the Department of Mines and Energy.

The Province purchased 44 individual lots from the Company, excluding mineral rights. These lots contain approximately 528,500 acres of which 28% has the timber leased to the pulp and paper industry on a long-term basis.