

PRELIMINARY

UNEDITED

TRANSCRIPT

HOUSE OF ASSEMBLY

FOR THE PERIOD

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

FRIDAY, MAY 13, 1977

The House met at 10;00 A.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

I would like to welcome to the House of Assembly eighteen students on an Exchange Programme; nine are Grade IX students from St. Edward's Elementary School in Petty Harbour, and the other nine from Notre Dame Academy in Labrador City, Grade VII and VIII, They are accompanied by their teachers Mr. Paul Dwyer and Miss Marchetta Mooney. I know hon. members join me in welcoming these students and their teachers to the House.

SOME HON. MEMBERS: Hear, hear!

STATEMENTS BY MINISTER

MR. SPEAKER: The hon. Minister of Tourism.

MR. T. HICKEY: Mr. Speaker, I wish to inform the House of the existing situation with reference to the snowshoe hares, or rabbits as they are more commonly known, obtained in the Long Harbour area and sent to Guelph, Ontario for chemical analysis. The results of the test on the specimen has been made available to the government. The analyses indicate a relatively high level of fluoride in the bones tested. Although we cannot draw conclusions from this one sample, all existing data has been thoroughly assessed by the Department of Tourism, Health and Consumer Affairs and Environment. My colleague in the Department of Consumer Affairs and Environment has assured me that his Division of Environment in co-operation with Environment Canada has been actively following the progress of ERCO's Fluoride Emission Abatement Programme. Extensive surveys for fluoride content of air, vegetation and water have been carried out annually since 1973 and are ongoing at this time. Additionally, the results of a monitoring programme carried out by ERCO are reviewed monthly.

The pollution control programme has met with some success with anticipated compliance to Provincial standards by late 1978, providing the present improvement trend is continued.

Mr. Hickey:

I have been advised by my colleague in the Department of Health that for the past five years, the Medical Department of ERCO Industries, Long Harbour, have been carrying out medical surveillance of workers in the plant. This medical surveillance includes an annual physical examination, blood and urine tests, lung function tests and chest x-ray. No adverse health effects attributable to fluoride have been uncovered amongst the workers. Health officials are firmly of the opinion that any possible adverse health effects resulting from the operation of the plant would be evident amongst workers many years before effects could be experienced amongst persons living in communities in the neighbourhood of the plant.

I have also been advised that the detailed studies carried out by the Ontario Government of Health in the vicinity of the ERCO plant at Port Maitland, Ontario, where vegetation damage was evident, failed to uncover any adverse health effects amongst the human population. The Port Maitland Air Fluoride concentration which prompted this commission's enquiry were higher than tested in the Long Harbour at the present time.

Although increased concentrations of fluoride have been noted in leafy vegetation and in blueberry growth in the Long Harbour area, health officials are of the opinion that their consumption is not hazardous to health.

I would like to stress that additional samples of wildlife have been collected by my Wildlife Division and forwarded to Guelph for analyses. The data on the specimens should be available in two weeks and my Wildlife Division will be contacting top fluoride experts in North America to ensure that the interpretation of the results are thorough and precise.

The matter has been discussed with officials of the ERCO plant and they are fully aware of the investigations being carried out and are assisting in every way possible to ensure that the results of these investigations are complete.

Mr. Hickey:

Although, as I have stated, at the present time there does not appear to be a health hazard, I will assure this hon. House that we will utilize the best expertise available on flouride research so that the results obtained will leave no doubt in anybody's mind.

We will also request the appropriate Federal Government Departments to assist in the

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investigations. An attempt will be made to engage a prominent institution to co-ordinate all facets of the investigation, and present a comprehensive and complete report to government. I will report back to the House on the subject as soon as additional information becomes available.

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

MP. ROBERTS: Mr. Speaker, I think first of all I should say that I am very pleased the minister has made a statement. Within the past few days a number of us on this side have been hearing reports and rumours and, you know, the rumours of a thousand tongues with respect to the Long Harbour situation, the fluoride in the rabbits, and I think it is good that the minister has made what seems to be, what I consider listening to him, what I consider to be a full and a complete statement. I think that is by far the best way to deal with this situation. The worse thing that could happen is to allow a rumour to spread or to allow, you know, dangerous talk. And as the minister would agree, it does get about. For example, some of his officials yesterday met with people from Long Harbour, with representatives of the plant. I had at least three calls within an hour saying - you know, that type of thing, so there is very widespread public interest. So that is the first point, Sir. I think the minister has done the right thing, and I hope he will continue to do, as he has undertaken to do, to make regular, full and complete statements to the House.

Secondly, Sir, the news is disturbing, because of the fact that it has now been confirmed that there is fluoride present in the bones of some of these rabbits that have been caught in the area, and that have been sent into the government officials and in turn have been sent forward for analysis. That in itself is disturbing, although there is obviously some consolation in the fact that it appears from what the minister has told us and based on what he has

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been told by the advisors with whom he has been in touch that the presence of the fluoride in the rabbits does not in itself indicate a health hazard, and that is comforting. But still, you know, we are all concerned, we must be concerned about the fact that the fluoride is there. It is - I was going to say it is tragic, but that may be much too strong a word, but it is most unfortunate that this should happen at this time just when it seemed as if the problems of the ERCO plant at Long Harbour had been resolved. There was a big celebration: the Minister of Industrial Development was there, the gentleman from Placentia district was there - what? - within the last month, Mr. John Crosbie -

MR. CALLAN: I was there.

MR. ROBERTS: I am sorry. My friend and colleague from Bellevue (Mr. Callan) starred at the - by far the most popular politician at the function I understand. And there was this great celebration of a million accident free hours and, you know, the morale of the plant has come up and the feeling, I understand among both management and men is that the plant after a lot of hard slogging and a lot of ups and downs and a lot of heartbreak, and a lot of work and a lot of difficulty has turned the corner. Well, I hope that nothing in this information that the minister has now put before the House changes that. I do not see anything that should, but I think it is a point with which we must all be concerned, because we would be concerned with an industry at any time, but particularly in this Province today, an industry that is providing directly - what? - 500 or 600 jobs and well-paid, and good jobs. With all the ramifications and spin-off jobs, that is something that we ought to encourage by any proper means.

Mr. Speaker, I think it is very important to underline what the minister has said, that there is absolutely no evidence of any damage to human health, or any other damage as I understood the minister - he is nodding acquiescence - any other damage of any

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kind of vegetation or of any other type of fluoride present except in the bones of these animals, the preliminary reports that we have.

Well, Sir, that is really all we can say at this point. I think we are all concerned. We must be concerned. I would urge the minister to carry on with full and complete and prompt reports, because the one thing that really would cause even more trouble than whatever, if any we may have to face, is rumour and the report of a thousand tongues in the phrase, because there is widespread interest, and unless people are given the truth, the danger is that untruths and half-truths will certainly get around, and that is what will do the damage.

But, Sir, we will all watch with great anxiety, and with great concern, and hope that the results of a further test show that there is no threat either to human life or to the other forms of life in the area, be they animal life or be they vegetation. It is a matter of disturbing concern, Sir, and as I say it is most unfortunate that it should come now when it seems if at long last the ERCO plant had after a long struggle, after very difficult birth pangs, and very difficult for the first few years, had turned the corner and was on the way to becoming a

MR. ROBERTS: valuable and a very viable industry. Let us hope nothing happens to change that and let us hope that the minister's further studies and his further enquiries show that the concern is not more than concern that nothing further is warranted. That certainly is our strong hope, Sir.

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MR. SPEAKER: The hon Minister of Tourism.

MR. HICKEY: Before we go to that I have another statement I would like to read.

MR. SPEAKER: Do we have leave to revert to statements?

MR. ROWE: Agreed.

MR. SPEAKER: Agreed.

MR. HICKEY: Mr. Speaker, I wish to inform the House that the Provincial Parks season for 1977 starts on Sunday, May 15. All parks are scheduled for opening; any delays will be attributed to poor road or local conditions caused by harsh weather especially in parks in the more Northerly regions of the Province.

49 parks will be in use this Summer with some 1900 campsites and 1600 picnic sites. In addition some 16 public beaches will be ready for us, including the new public beaches developed at Middle Cove and Topsail Beach in 1976.

In addition to the two new public beaches the 1976 season saw the completion of construction on a day-use and camping park at Little River Pond, Bay d'Espoir. Additional campsites were also developed in Barachois Pond and Butter Pot Parks.

The bulk of money this year will be thrust into the development of more campsites within present parks because of the intense use our provincial parks have been receiving.

The only change in the fee structure from 1976 is an increase in the Seasonal Vehicle Entry Permit from \$2.00 to \$3.00. The Daily Vehicle Entry Permit of \$1.00 and the Camping Permit of \$2.50 per night remain unchanged



MR. HICKEY: Mr. Speaker, I wish to remind the public that park regulations require that the necessary permits must be purchased before a vehicle enters a provincial park.

A one-day camping permit system will be in effect for the 1977 camping season. Previous years saw the use of camping permits which could be issued for any length of time up to ten consecutive days. This year, Mr. Speaker, a camper will be required to purchase a camping permit each and every day he remains in the park. A day is considered to end by 3 P.M. of the following day from when the permit was issued. The reasons for this change are as follows:

- (1) To ensure all camping units in the park are registered and have the required permit due to increase in checking by the park staff.
- (2) To reduce and if possible eliminate the practice of reserving campsites by leaving unoccupied camping equipment on a site, and
- (3) To streamline and simplify procedures in issuing and recording permits.

It is anticipated that 1977 will be another record year of operation for the Parks Division. The 1976 operating season saw the park use increase to approximately three million visitors and one-half million campers. We anticipate a great increase during 1977, especially due to the holding of the Summer Games in this Province, to an estimated three and one-half million visitors and six hundred thousand campers.

I would emphasize the need for caution by park users when using open fires and remind the public that the maximum length of stay in any one Provincial Park is ten consecutive days.

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

MR. FLIGHT: Mr. Speaker, there is not much one can say in reply to a ministerial statement of that nature. The minister covered enough things there in that statement that would, I suppose, could take a day to debate.

I notice that he suggested that they were going to change the system of registering for ten consecutive days to now a person has got to register every day. It comes right off the top of my mind, Mr. Speaker, that there are a lot of people who register at provincial parks for ten days and uses the park as a branching out area and they leave the park and take their families, any given park, and maybe they are gone for two days touring the surrounding countryside. Now what happens in that situation?

I do not see the logic, personally.  
I do not see the logic in once a tourist, whether

MR. FLIGHT: it be domestic nor non-resident tourists, registers at one of our provincial parks, and he registers and pays his fees for ten days, I do not see the necessity at all of having that person -

AN HON. MEMBER: (Inaudible)

MR. FLIGHT: What you are saying is that the person has to stay in the park three days. He cannot take an overnight trip to some surrounding countryside. That does not make sense. Well

MR. HICKEY: He has to register.

MR. FLIGHT: Well how does he register if he is not there to register?

MR. HICKEY: He registers before he goes if he is taking a overnight trip.

MR. FLIGHT: Suppose he takes two, two -

MR. HICKEY: He can register when he comes back.

MR. FLIGHT: Mr. Speaker, again all I can say here that that particular situation, that particular regulation does not make sense and will cause more problems for people using parks than it is going to solve. If we have efficient park wardens then certainly the excuse used for forcing any person to register is to make sure that the park sites are all utilized and that no trailer is left on parks unoccupied holding over space. If we have an efficient park attendant situation this would not happen. I spent weeks and weeks and days and days in the park and my trailer was checked every day. So where is the possibility, where is the possibility of somebody either going over their ten days or leaving empty trailers? But however, that - I would call the minister attention to that, that could very well cause a lot of hardships and a lot of inconvenience for a lot of people and I would suggest that the minister would take another look at it.

MR. FLIGHT: I notice the minister did not mention at all any improved security in the parks, and I would remind the minister - as a matter of fact we have had debates in this House that over the past couple of years the parks have become if not unsafe very - there is no longer any privacy, Mr. Speaker. They are using the parks for allnight parties, drink-ins and there is a complete lack in some parks of security in the campsites, a complete lack, Mr. Speaker.

I am aware of situations where guests at the parks themselves has to take the situation in their own hands and go to parking lots and suggest that either this type of thing stop or they themselves would take the law into their hands.

MR. HICKEY: The best operation in the country.

MR. FLIGHT: The best operation in the country? I would say that it may be the best operation in the Department of Tourism, which does not say a lot for anything in the Department of Tourism.

AN HON MEMBER: What about the one up on -

MR. SPEAKER: Order please! I have to draw to the hon. gentlemen's attention that he may not debate issues under Ministerial Statements.

MR. FLIGHT: So Mr. Speaker, that is about all that I would have to say. We are going to take that Ministerial Statement and take it apart and I would suggest that there will be some pretty sincere questions arising from that particular statement.

MR. ROBERTS: Taking the minister apart as well, we hope, as the statement -

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The hon minister.

MR. MORGAN: Mr. Speaker, I ask leave of the House to table the findings of a study carried out by the four Atlantic Provinces and the Federal Government in a combined study on the movement of passengers in the Atlantic Region. The finding of this report is now being tabled as of yesterday afternoon in all the Assemblies in the Atlantic Region and forwarded to the Canadian Transportation Commission.

MR. SPEAKER: Hon. Minister of Mines and Energy.

MR. PECKFORD: Yes, Mr. Speaker, I wish to table the annual report of the Newfoundland Hydro for the year 1976, a copy of which is available for each hon. member.

MR. ROBERTS: A pretty expensive looking report!

ORAL QUESTIONS

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

MR. ROBERTS: A question for the Premier, Sir, and it arises out of an editorial in this mornings issue of the Daily News. I do not know if this is "Be Nice To Daily News Week". The gentleman from St. John's East proved once again last night that politics make strange bed fellows with he and Mr. Callahan, the editor of the News, agreeing on something. But I would like to ask the Premier about a suggestion made in this editorial that I think has some merit. And I assume the Premier is familiar with the editorial. If not, if it is in order, I will read the appropriate paragraph. It is quite near the end, it is the conclusion of the editorial. "There is a proposal for a form of combined management under a joint consultative committee," and of course this refers to the Linerboard mill, "let it happen now, There is a prospect DREE would look favourably on the capital improvement and perhaps even at working capital assistance. Let us have a

MR. ROBERTS: positive, well-structured request, not a hat-in-hand plea to bail us out." It continues, "We have had enough talk inside the House of Assembly and out, let us now have action while there is time."

The question, Sir, is this: Is the Premier or the Government, the Premier speaking for the government, prepared to entertain this suggestion with a view to implementing it? I must say it seems to me to have a great deal of merit.

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, as the debate on the Linerboard is presently before the House, and hopefully to answer that question, and because there are many parts to the same question, really, because you are talking about the whole problem at Stephenville, it would take much longer to answer it properly than could be possibly done in the Question Period. So later on this morning, hopefully, if I get an opportunity to speak, I will gladly be referring to that, not just that specific suggestion, but a great many aspects as they apply to the Linerboard.

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

MR. NEARY: Mr. Speaker, I do not want to give the Minister of Fisheries an opportunity to make a political speech, but I did give the minister notice yesterday that I would ask the minister a question arising out of an article in yesterday's Telegram quoting Mr. Paul Russell, the President of Bonavista Cold Storage, as saying that the fishery is termed a welfare tool. Mr. Russell expressed pessimism about the fishery. He said we piddled away money like crazy on the industry and now we are going to make money out of our fishing. He expressed no future at all for the fishery, just described it as a welfare tool. What does the minister think of this?

AN HON. MEMBER: What do you figure -

MR. NEARY: I do not think that should be allowed to stand on the public record, Sir, this sort of nonsense.

DR. FARRELL: He owns more money than the rest of the country combined.

MR. W. CARTER: Mr. Speaker, I probably should not dignify that statement by Mr. Russell by replying to the question by my colleague, but it is important and I probably should make reference to it. Certainly I think his statement is not worthy of a man who has amassed quite a lot of money in the fishery on the sweat of a lot of our fishermen and plant workers, and I think he should have more respect for those people.

DR. FARRELL: And free government money.

MR. W. CARTER: If the statements attributed to Mr. Russell are correct, and I have no reason to believe they are not, then I think that he does owe the people who work for him an apology. I should point out that it is because of Mr. Russell and people with such attitudes that the government must become involved in the fishing industry, and that is why, not that we want to, but certainly in light of certain attitudes, especially those of Mr. Russell, we have no choice.

My only reaction is that if Mr. Russell has such little faith in the industry, in our fellow Newfoundlanders, if he does not like the government, if he does not like me, well then, he can get out. I think the industry will survive without him. Indeed, I am of the opinion that at this point in time in our history, when we are trying to build up the fishery and to instill confidence in our people, that we can very well do without men of Mr. Russell's attitude.

SOME HON. MEMBERS: Hear, hear!

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

MR. ROBERTS: Mr. Speaker, a question for the Minister of Municipal Affairs and Housing arising out of the Henley Commission Report. I was unable to see all of his appearance on the television last night because of the fact the House, of course, sat late. The minister may have dealt with the question there; if so I am not aware of it, or I would not have asked the question. Could the minister tell us whether the government have adopted a policy, and if so what is that policy, with respect to the Henley Commission recommendations, not those that deal with the question of level 1, or the region-wide government, but the more local level, the question of expanding St. John's, amalgamating a number of the municipalities and unincorporated areas outside St. John's into new urban or suburban communities? Could the minister tell us if the government have adopted a policy with respect to those recommendations and if so, what is that policy?

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

MR. DINN: No, Mr. Speaker. If the hon. the Leader of the Opposition is talking about the expanded city -

MR. ROBERTS: The expanded city and the - I do not know what name you put on them - the -

MR. DINN: Amalgamations?

MR. ROBERTS: The amalgamations in the other areas, right.

MR. DINN: We have had ongoing discussions with most of the areas that -

MR. ROBERTS: We are familiar with those.

MR. DINN: - Mr. Henley recommends with respect to incorporation. We have not made a decision.



MR. DINN: We have some boundaries set out for different incorporations; Portugal Cove, is one that comes to mind. Tentatively, right now, we have a boundary for Middle Cove, Outer Cove, Logy Bay that we are discussing. There are some discrepancies in there. Hogan's Pond: We have had discussions with Hogan's Pond, St. Phillips, St. Thomas. We cannot seem to get agreement there amongst the three that they should be amalgamated.

MR. ROBERTS: Did the minister say they should be amalgamated?

MR. DINN: We have not gotten an agreement from the councils and committees.

MR. ROBERTS: I do not think there will be agreement. St. Thomas voted against it the other night, did it not?

AN HON. MEMBER: Mr. Speaker.

MR. DINN: I have not finished yet.

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

MR. NEARY: A supplementary question.

MR. ROBERTS: No, the minister has not finished.

MR. DINN: I have not finished, Sir.

MR. SPEAKER: I had presumed the hon. gentleman had completed his answer.  
Carry on.

MR. DINN: And St. Phillips are coming in today or were in yesterday, I guess, while I was out in Placentia, and they had some discussions with the department. They want to set up a boundary themselves. We have not looked at that, for example. Foxtrap, Seal Cove and Lawrence Pond, we have had no adverse reaction from these people with respect to not becoming part of Conception Bay South. And if we do not get a reaction from the people, and there is not an uprising - certainly we do not want to start another Foxtrap -

MR. NEARY: (Inaudible).

MR. DINN: You know, we would get on with some of those things. But there is no policy as yet.

MR. ROBERTS: A supplementary.

MR. SPEAKER: A supplementary by the original questioner.

MR. ROBERTS: Well, I have a number, but let me start with this one, Sir. The minister said that there has been no uprising - he was, I think, attempting to say that we do not want a second Battle of Foxtrap. We all very heartily concur with that position, Sir. Can the minister tell us whether the government are going to adopt any concerted or any co-ordinated or any planned means of ascertaining public opinion in the area? We have had Mr. Henley, or the commission's report, Mr. Henley's - the commission which Mr. Henley chaired. A number of councils and citizens committees and the like have made representations, but there are still an awful lot of people who have not been heard from. Whether it is their choice or not, I do not know.

Mr. Roberts.

But can the minister tell us whether the government are going to adopt any other means, plebiscites or one way that might come to it? There are others. But whether the government are going to sort of consult the people directly before any decisions are taken?

MR. SPEAKER: The hon. minister.

MR. DINN: Well, Mr. Speaker, I personally feel, and we have not adopted a policy on that, but if people are interested or not interested in becoming amalgamated with other communities they should take the effort themselves to inform government. On one side of the coin, you do not want to put local government of any kind down people's throats and force it upon them. On the other side of the coin, if they do not want local government, they should at least indicate. They have a report now that says something. If they have an opinion one way or the other - and I have said this many times to the media, through the media to the people, Mr. Speaker - that if there are objections I would be delighted to receive them, and I have several hundreds to a particular aspect of the report, and we are taking those under consideration.

MR. ROBERTS: Mr. Speaker, a further supplementary.

MR. SPEAKER: A supplementary.

MR. ROBERTS: I would like to debate the minister's answer. Perhaps when we come to his estimates, we can, because the minister says people have the report. The report is several hundred pages, and I doubt if out of the fifty-one MHA's more than three or four have read the report.

MR. DINN: It is a shame if they have not.

MR. ROBERTS: The minister has. I have read most of it. My colleague, I think, has gone through it, the gentleman from Lewisporte (Mr. White). But I bet very few of the Cabinet have even read it, you know, but that is debate, and we will come back to that.

Mr. Roberts.

My question is, When do the government expect to be in a position to announce a policy? We have municipal elections coming up across the Province next November, Are we going to have new municipal structures in the St. John's urban region - you know, the Henley Commission region, whatever the correct name of it is - in place in time for elections in November?

MR. SPEAKER: The hon. minister.

MR. DINN: Mr. Speaker, with respect to regional government, I would hope that we would have -

MP. ROBERTS: That is level one, is it?

MR. DINN: No, it is not. I do not like to look at it as a tiered operation. Right now, for example, Metro Board is a municipality that does not affect the others. I would say that the regional government -

MR. ROBERTS: The co-ordinating government, the overall water and sewer -

MR. DINN: Would co-ordinate the water and sewer and garbage disposal, etc.

MR. ROBERTS: Yes.

MR. DINN: The regional government I would hope to have in place in November in time for some sort of election.

MR. ROBERTS: With all the local governments.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. gentleman for LaPoile and then a supplementary by the hon. gentleman for Conception Bay South.

MR. NEARY: Mr. Speaker, I look upon the Henley Report as being a waste of money, expensive, obnoxious and undemocratic.

MR. SPEAKER: Order, please!

The hon. gentleman should proceed to his question.

MR. NEARY: I want to ask the minister if the minister - what choice? the minister has two choices, either to appoint a regional government or

Mr. Neary.

have each municipality appoint somebody from those elected on the town council or municipality to the regional government. Now which course of action is the minister going to take out of the two?

MR. SPEAKER: The hon. minister.

MR. DINN: Well first of all, Mr. Speaker, we have to have something in place, as I have indicated before, we have to have something in place by July to look after the regional water system that we have coming on stream at that time. That is

MR. DINN: Bay Bulls Big Pond. So we have the Metro Board there that could do it, but if the decision is made between now and July, I would hope to have regional government in place. In that instance we would have to appoint a chairman and possibly four or five others to look after that system until November.

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

MR. SPEAKER: A supplementary.

MR. NEARY: Would this not be taxation without representation? Could not the minister follow the course of action of having the municipalities that are going to use this water recommend one of their members to serve on this board rather than the government arbitrarily making the appointment?

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

MR. DINN: Yes. Well right now with respect to the regional system, which is one of the items that they would have responsibility for, that is total government funding right now, and we would hope that between July and November we would not want all these councils to appoint representatives and have a thirty man or so council to look after the region until the new elections. If we are going to have it that way, then the new elections we will have a new council at that time, or new councillors in these areas and hopefully put them in place at that time. And we have not made a decision yet as to whether it should be that way or whether it should be direct election.

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

MR. NOLAN: Mr. Speaker, within the Henley Commission there is a recommendation on either the tier of government or whatever you call it that there be appointed to the board some elected and I believe four appointed. Well now we have elections coming up municipally in

MR. NOLAN: November and the question I have to ask is this, (1) has the minister, who I understand or the report recommends he phase out the Metro Board, is there an understanding between the minister and some members of the Metro Board that they will be appointed to this urban group; and the next item is, would the minister now agree that there be no appointments but that they too, or whoever it is, including the chairman, run for election like everyone else?

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

MR. DINN: The answer to question number one of course with respect to any agreement between the minister and members of Metro Board as to whether they will serve on a regional government there is no agreement, Mr. Speaker, and there will not be. As to whether one or two of them that may be appointed to that regional government, especially in the interim period, I have no way of knowing. I would say there is a possibility because they have the experience and expertise there.

As I said to the hon. member for LaPoile (Mr. Neary), we have not decided on what way we are going to eventually get at this regional council, whether it would be by direct election or whether it would be by appointments or elections within councils for representation. So I cannot answer all of the second part of your question.

MR. NEARY: A supplementary.

MR. SPEAKER: I recognize the hon. member. It will be the final supplementary at this time, then the hon. gentleman from Windsor-Buchans.

MR. NEARY: Would the minister not agree rather than have another bureaucracy set up by electing another layer of government, would the minister not agree that it would be far better to follow the world famous procedure that was laid down

MR. NEARY: twenty-two years ago in the city of Toronto and that is set up a Metro Board and have members of the Metro Board appointed from various town councils, with the minister appointing, say, a chairman for three or four or five years and then after that period of time having him elected also within the group that are appointed from the various town councils. Would this not be the democratic way to do it?

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

MR. DINN: Mr. Speaker, the Toronto example is a very good example, by the way, and the hon. member knows of course that in the Toronto situation the chairman there was an appointed chairman.

MR. NEARY: At the beginning, but now he is elected.

MR. DINN: At the beginning, right.

MR. NEARY: That is right.

MR. ROBERTS: He is elected by the council now.

MR. DINN: At that may be the way it goes in the initial -

MR. NEARY: It would be a good procedure to follow.

MR. DINN: Certainly. Yes. Yes. It certainly has worked out well there.

MR. SPEAKER: The hon. member for Windsor-Buchans, followed by the hon. member for Bellevue.

MR. ROBERTS: Hardly very informative answers.

MR. FLIGHT: Mr. Speaker, my question is to the Minister of Municipal Affairs as well. With regard to the incorporation of the incorporated town of Buchans under a board of trustees, would the minister indicate to the House just what the board of trustees, what is the local government's status in that town and what is the status of the board of trustees insofar as rendering any local government to the town of Buchans?

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

MR. DINN: Mr. Speaker, with respect to Buchans and the set up of a local improvement district and the board of trustees,



Mr. J. Dinn: we have a kind of an ongoing discussion right now between departmental officials and officials of ASARCO, Price and others to try to attempt to clear up some of the problems in the Buchans area. Until these problems are cleared up the Local Improvement District as a municipal body have not taken over a lot of the servicing of the town or anything like that, and I would not think they should until we get the difficulties that we have out there straightened out. So there are ongoing discussions with the company and when those are settled then the Local Improvement Districts and the Board of Trustees can get on with the job.

MR. FLIGHT: A supplementary.

MR. SPEAKER: A supplementary.

MR. FLIGHT: Would the minister indicate to the House, if he believes that the Town of Buchans will be in a position to have an election, a municipal election this Fall coming up, like the rest of the Province since, you know, the Board was appointed, and as a Board of Trustees, would the minister feel that Buchans could have its own municipal elections this Fall and elect its own Town Council?

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

MR. DINN: Mr. Speaker, they certainly could, but I would not recommend that until we get the problems of the area straightened out with the company and find out what exactly their responsibilities of the company with respect to the town are and the problem of the houses straightened out etc. But I would not think we would go to an elected body until we get the problems straightened out.

MR. FLIGHT: One more supplementary, Mr. Speaker.

MR. SPEAKER: All right, a supplementary.

MR. FLIGHT: The minister have been referring to problems. Would the minister indicate to the House specifically what these problems are that he is referring to?

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

MR. DINN: The hon. member knows more about what the problems are in Buchans than I do, and I received a four page letter from him

Mr. Dinn:

indicating his concerns -

MR. FLIGHT: I kept quiet for four months too.

MR. DINN: - with respect that. Mr. Speaker, there are many problems. There is the problem of the houses, there is the problem of what contribution the company will make to the town, what kind of a settlement we can get them to agree upon there and so on. But until we get these things straightened out, and there are a list of them, we cannot allow the town just to take over all the servicing of it.

MR. SPEAKER: The hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, my question is also for the Minister of Municipal Affairs and Housing. Is the minister aware of the fact that the incinerator at Sunnyside is in a bad state of disrepair? This incinerator, Mr. Speaker, incinerates garbage from Sunnyside, Come By Chance and Arnolds Cove, and it is in a bad state of disrepair. It costs approximately \$1,500 or \$1,600 to repair. The Council has no money, the newly elected Council has no money to do the job. And the newly elected Council have been informed that in two weeks they will not be allowed to incinerate garbage there because of the fire hazard which probably will be placed on in a couple of weeks. Is the minister aware of that problem? And what steps have been taken?

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

MR. DINN: First of all, I am not aware of the problem. If they have sent in a request then it would have gone through the finance committee of the department I certainly did not see it this morning as a result of Tuesday's meeting, so I do not know if the request is even into the department. We put, as you understand, incinerators in these smaller communities, and we would hope that the community itself would look after these kinds of things, the upkeep and repair and maintenance and operation and so on of these things.

AN HON. MEMBER: They have no money.

MR. DINN: If they have no money, and we can have a look at their financial statement to see how they are, whether they can afford it or not, then certainly we are prepared to assist if they cannot.

MR. CALLAN: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. CALLAN: Mr. Speaker, I am still on the subject of incinerators.

Would the minister inform the House whether or not he intends to place an incinerator in the Chance Cove area. I brought this matter to the attention of the House last year, and the former minister, that there is an open pit garbage there which creates rats and everything else. Are there plans to place an incinerator there at Chance Cove?

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

MR. DINN: We have no plans right now with regard to what is going on next year; we know what is required.

MR. CALLAN: For this year?

MR. DINN: Yes, for all these things, but we do not have the estimates through etc., and we do not have a list of what is going to be done with respect to incinerators or incineration this year.

MR. CALLAN: A supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary.

MR. CALLAN: Mr. Speaker, again last year I tried to arrange between the Minister of the Environment and the Minister of Tourism and the Minister of Municipal Affairs to have garbage from Jack's Pond Park, for example, carried to Sunnyside where there is an incinerator rather than brought to Chance Cove where there is no incinerator, and where rats are wandering through the community and so on. I am wondering can something be arranged all these lines this Summer?

AN HON. MEMBER: Oh, oh!

MR. DINN: Who is the question to? You remember all about it last year. Is that question to me?

MR. CALLAN: Yes it is.

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

MR. DINN: I do not know if it can be arranged or not. It certainly was not discussed with me, but I will check with the other members -

MR. CALLAN: No, the former minister.

MR. DINN: I will check with them and see, you know, if something can be done.

MR. ROBERTS: Mr. Speaker,

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

MR. ROBERTS: A question for the Minister of Mines and Energy which grows out of this immensely luxurious looking report by that immensely luxurious organization

MR. ROBERTS: that fastens on our back like a leech, namely, Newfoundland and Labrador Hydro.

MR. NOLAN: How many pictures of the minister?

MR. ROBERTS: No, there is no picture of the minister. There are seven coloured photographs of the vice-presidents down there, two of the chairman. However my question is this, Sir. I have looked through the report and unlike any annual report that I have ever seen there is no indication in there of the salaries, if any, and other emoluments, if any, paid to the officers and directors of the corporation. Now this may not be required by law but it is certainly required by standard and accepted accounting principles. My question is this, Sir. Can the minister explain why this information is not there, and secondly will the minister undertake to obtain and to lay on the table of the House at the earliest possible date a statement showing: One, the salaries paid to the officers of the company and the term in which that - in the sense in which that term is used in reports of this; Secondly, the amounts paid to the directors of the company and showing in both cases the salaries and other emoluments if any, including interest free loans, expense accounts and anything else that may - travel, cars and so forth that may have been provided for the officers and the directors. Sir, as the representative of the shareholders we are entitled to this information. As I say, I have never in my experience seen an annual report that does not have a section in it noting that officers and shareholders receive the following amount of money. Will the minister get that information for us please?

MR. SPEAKER: The hon minister.

MR. PECKFORD: I will take notice of the question, Mr. Speaker.

MR. SPEAKER: Hon. member for Fogo followed by the hon. gentleman for LaPoile.

CAPT. WINSOR: Mr. Speaker, a question to the hon. Minister of Tourism. Now that the sunny days are approaching and it is time to get the Norma and Gladys ready, -

SOME HON MEMBERS: Hear, hear!

CAPT. WINSOR: I note that the vessel has been on dry-dock for several days now. Can the minister tell the House whether the vessel is having some additional repairs or is she just going through an annual overhaul.

MR. SPEAKER: Hon. minister.

MR. HICKEY: Just an annual overhaul, Mr. Speaker. The vessel was not inspected or was not on dry-dock since its voyage and since it has returned home. And we are just getting her ready for whatever activity she -

MR. NEARY: (Inaudible)

MR. HICKEY: Mr. Speaker, can I answer the question? I know the hon. gentleman cannot control himself there but if he would just wait a second.

MR. NEARY: I can control myself but -

MR. HICKEY: The hon. gentleman, if he wants to debate that when the estimates come he can certainly debate it, if he wants to dig a hole for himself.

MR. NEARY: (Inaudible)

MR. HICKEY: Mr. Speaker, could I tell the hon gentleman the manners I was taught, "Please, be quite!"

MR. SPEAKER: Order, please!

MR. HICKEY: Or I can tell him another way in his language, Mr Speaker, "Shut up!" while I answer the hon. gentleman from Fogo.

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

MR. SPEAKER: A point of order.

MR. NOLAN: Mr. Speaker, are we now reached the point in the House where it is acceptable to tell another member to shut-up?

MR. MORGAN: According to last night it was.

MR. NOLAN: I mean, surely he can be made to withdraw that remark, Mr. Speaker.

MR. MORGAN: Make your colleague withdraw for last night.

MR. HICKEY: Yes, Mr. Speaker, to that point of order. I would gladly withdraw that, but if an hon. gentleman does not understand the Queen's English when it is put properly, then obviously sometimes you have to, sometimes, Mr. Speaker, you have to reluctantly go to the level of that hon. gentleman and tell him the language in the language that only he understands.

CAPT. WINSOR: A supplementary, Mr. Speaker.

MR. SPEAKER: I think the ~~hon.~~ member for Fogo has a supplementary.

CAPT. WINSOR: Mr. Speaker, a supplement to that. Is the work being done by contract or is the - you know, just by the hourly and the expense involved?

MR. HICKEY: I will be glad to get the information for the hon. gentleman. All I can tell him in all honesty is that the boat is on dry-dock for an annual overhauling it had not been done since the vessel returned and it is being made ready for whatever activity is planned for her this year.

MR. NEARY: We finally got to admit it is since she came home.

MR. HICKEY: That is what I said in the first place. Sunlight soap is good for cleaning out ones ears.

CAPT. WINSOR: Mr. Speaker.

MR. SPEAKER: I think the hon. gentleman has another supplementary.

CAPT. WINSOR: While the minister is at it, would he be good enough to get the cost of the wharfage, you know, while she has been tied up at the C.N.R. premises during the Winter?

MR. SPEAKER: The hon. minister.

MR. HICKEY: Mr. Speaker, I can tell the hon. gentleman right now that there has been no cost for the vessel being tied up or wharfage fees or anything. The only expenditure during the winter months and during the time that she was tied up was for electricity.

MR. SPEAKER: Hon. member for LaPoile.



MR. NEARY: My question, Sir, is directed to the hon. Premier. Could I get the hon. Premier's attention there for a moment? Would the hon. Premier now care to give up an updating on the rental of office space, because there is still all kinds of office space being rented in various locations in St. John's. Partitions are being put up and hauled down costing the taxpayers a fortune. Offices are being carpeted and renovated. Can the Premier tell us now what the government's position is on the future of office space?

MR. SPEAKER: The hon. Premier.

PREMIER MOORES: In general terms, Mr. Speaker, the situation is that the group from - the federal government made available regarding the - to do a study on what square footage is available and what efficiencies are desired. They will have their report finished, as I understand it - the Minister of Public Works is not here now - as I understand it, within another ten days to two weeks. As soon as that has been received, appropriate action will be taken.

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

MR. SPEAKER: A supplementary by the original questioner.

MR. NEARY: Would the hon. Premier indicate to the House whether the government - the hon. Premier - would follow a recommendation made by the Premier in this hon. House last year, last session, that an impartial committee of members representing both sides of the House will be set up to take a look at the office space problem for the government?

MR. SPEAKER: The hon. Premier.

PREMIER MOORES: No reason why not, Mr. Speaker. Because of the controversy was raised the last time, that may be a good idea to do. But before making a final decision on that, we will wait for the report from the Department of Public Works.

MR. SPEAKER: The hon. member for Bellevue.

MR. CALLAN: Mr. Speaker, my question is to the Minister of Tourism coming out of his ministerial statement regarding park openings.

MR. CALLAN:

Could the minister tell the House whether or not of the forty-nine parks that will be in use this Summer, is the Pipers Hole Park at Swift Current among these forty-nine?

MR. SPEAKER: The hon. minister.

MR. HICKEY: I am sorry, Mr. Speaker, I will have to take question under advisement. I would assume it is, but I am not absolutely sure so I will have to check.

MR. CALLAN: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary.

MR. CALLAN: Mr. Speaker, of these forty-nine parks, I wonder could the minister inform the House how many have a dumping system such as you have, for example, in the National Park where you come out in your trailer, and you can, you know, flush out your trailer, your holding tank on your trailer? How many of these provincial parks have that? It is long overdue.

MR. SPEAKER: The hon. minister.

MR. HICKEY: Again, Mr. Speaker, this is the kind of detail I would have to check. All parks are not equipped with dumping stations as such.

MR. CALLAN: They should be.

MR. HICKEY: I know. I agree with my hon. friend they should be, and there should be additional ones across the Trans-Canada, because this is very essential to try and keep the environment clean, and to this end we are working .

MR. CALLAN: A lot of people -

MR. HICKEY: Rather than give the hon. gentleman inaccurate information, I would rather check and find out.

MR. CALLAN: Fine, thank you.

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: My question is for the Minister of Justice, Sir, arising out of a number of public statements that have been made recently by the Chief of Police, Chief John Browne, contradicting statements made previously by the Minister of Justice concerning the

Mr. Neary.

increase in crime rate in this Province. Would the minister care to comment on some of these statements that have been made that the crime rate in this Province according to Chief John Browne is rising, and the chief blames the illegal use of drugs for this increase in crime? Would the minister care to react to that statement?

MR. SPEAKER: The hon. minister.

MR. HICKMAN: I have tremendous confidence, Mr. Speaker, in Chief of Police Browne as being one of Canada's outstanding Police Chiefs, and I never take issue with anything he says in his field, and I know he is doing an excellent job to curb the rise of crime in the area that comes under his jurisdiction; namely, the city of St. John's. And if one would take a look at the - particularly in the field of law enforcement under the Highway Traffic Act, we should be eternally grateful for the tremendous job he is doing.

SOME HON. MEMBERS: Hear, hear!

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

MR. SPEAKER: A supplementary.

MR. NEARY: Would the hon. Minister of Justice care to outline for the benefit of the House any ideas or any plans that the minister may have put forward or may have to fight this increase in crime in this Province?

MR. HICKMAN: I would be delighted to, Mr. Speaker, but not at this time.

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

MR. SPEAKER: A final supplementary.

MR. NEARY: Would the minister tell the House then what sort of drug squad they have within the Newfoundland Constabulary? How many people are involved in the sort of work they do and so forth to cope with this problem that the chief speaks about, blaming the

Mr. Neary.

illegal use of drugs for the increase of crime in this Province?

MR. SPEAKER: The hon. minister.

MR. HICKMAN: Now there is a constitutional problem, and I would be very happy to deal with it, and I thank the hon. gentleman for LaPoile (Mr. Neary) for giving me the opportunity so to do.

It is

MR. HICKMAN: my understanding there are two members of the CID who have been assigned - there may be more but I know of two who have been assigned to work with the RCMP in the field of narcotics and I feel reasonably certain they have from time to time taken advantage of courses that are offered to law enforcement officers in that area.

The main responsibility, in fact the total responsibility for the enforcement and control of narcotics is with the Attorney General of Canada, who for constitutional reasons insists that he has exclusive responsibility. Consequently there is a very, very high degree of co-operation, Mr. Speaker, between the Royal Canadian Mounted Police and the Newfoundland Constabulary in the field of the enforcement and control of narcotics and my department does not have any involvement and we are told constitutionally we do not have the right.

I may draw to the attention of hon. gentlemen that there would appear to be a test case enroute to the Supreme Court of Canada to decide that constitutional issue and hopefully within the next year it will be so resolved.

I do not want to trespass upon the time of hon. members -

MR. SPEAKER: I think the time has elapsed.

MR. HICKMAN: - but I gather from Mr. Speaker that the Question Period time has expired and that comes as a great -

MR. SPEAKER: I am sorry, the time is up.

MR. ROBERTS: I mean he has filibustered us out of Question Period.

ORDERS OF THE DAY:

MR. HICKMAN: Motion 8.

Motion, the hon. the Minister of Justice to introduce a bill, "An Act To Amend The Statute Law To Permit Designation Of Beneficiaries In Certain Income Tax Savings Plans, " Carried. (Bill No.53).

On motion, Bill No. 53 read a first time, ordered read a second time on tomorrow.

MR. HICKMAN: Motion 9.

Motion, the hon. the Minister of Health to introduce a bill, "An Act To Amend The Legitimacy Act," carried. (Bill No. 52)

On motion, Bill No. 52 read a first time, ordered read a second time on tomorrow.

MR. HICKMAN: Motion 6.

MR. SPEAKER: Motion 6. The adjourned debate. The hon. member for St. John's North.

MR. J. CARTER: Mr. Speaker, last night I had hardly begun my few remarks when because of the lateness of the hour I took advantage of the spirit of the House to adjourn a few minutes early. I had made the point that I would not be able to support the sub-amendment which calls for bringing Mr. Sweeney into this House of Assembly to answer certain questions. I also made the point that I do not intend to miss these few remarks to dwell on the past. I said I would restrict my remarks to the previous thirty days. I may have to depart from that slightly but I will try not to. I also made the point, and I want to make it again, that I have no intention of minimizing the distress that is going to be felt at Stephenville and in many other communities. The distress that has been felt is being felt at present and will continue to be felt as a result of this announcement and the phase-down of this mill.

But, Mr. Speaker, even government businesses can fail. It is harder for them to fail than private businesses because government can always pump a little bit more money in, but there comes a time when certainly a Province such as ours cannot afford to pump any more money into a project and then that project has to be closed. Now using some of the information made available to us

MR. J. CARTER.

I was able to make this table of expenses making up the cost of a ton of linerboard, and other speakers have pointed to various savings that were possible. But the biggest single expense - in fact it is almost half, slightly more than half in some cases - is the cost of wood, the cost of fibre. And, Mr. Speaker, there were no politics used when the conversion figure 1.92 to 2.2 cords per ton, there are no politics in that figure. That is a figure that is arrived at by scientific measurement. There are no politics; there is no dissembling in that figure. It is unfortunate, but it is true that the fibre content of our woods is disturbingly low.

AN HON MEMBER: (Inaudible).

MR. J. CARTER: Yes, apparently.

I am told - and I have to accept these figures - that the fibre content of Southern pine is much, much greater than the fibre content -

MR. SMALLWOOD: Would the hon. -

MR. J. CARTER: Yes, I will gladly yield.

MR. SMALLWOOD: Would the hon. gentleman yield?

One of the great advantages of Newfoundland and Labrador, especially Labrador, but Newfoundland too, in the making of pulp for paper or for any purpose is the fact that the nature of the fibre, the size, the length, the character of the fibre in our forests is probably the highest in North America. From a cord of pulp wood you get so much - you get a certain tonnage of paper. The tonnage is determined by the length and the nature of the fibre. Now the figures as I recall them - and this is from memory - New Brunswick around 1,800 pounds of paper from a cord of their pulp wood, 1,800; Nova Scotia a little, a wee bit higher than that, maybe 1,900 pounds; Southern Quebec, 2,200 pounds, the Island of Newfoundland, 2,800 pounds and Labrador, 3,200 pounds. Our

Mr. Smallwood.

forest is much superior probably to any in North America.

Slow growing compared with theirs, but rich in quality.

MR. J. CARTER: There is no doubt, Mr. Speaker, that the hon.

gentleman has a point. Certainly our black spruce and

the Labrador black spruce is the envy of all paper makers.

But the chief advantage of the black spruce is its fibre

strength. And newsprint which has to be run at a very high

speed for printing newspapers in order to meet deadlines,

has to have a great deal of tensile strength and for this

the black spruce is very valuable. But, Mr. Speaker, surely

the member for Twillingate (Mr. Smallwood) is not quarrelling

with the figure 1.92 that we are given in the report. I cannot

see that any politics were used in that figure. And if the

figure 1.92 - and in certain cases up as high 2.2 - but I will

stick with the figure 1.92, because that is the lowest figure.

I am trying to be as charitable as possible. I am trying to make out

the best possible case for the Linerboard mill. If the figure is

1.92, and if the average cost of a cord of wood is around \$85, then

we have \$146.74 as the cost of primary fibre in a ton of linerboard,

and this is an inescapable fact.

Now going on down the line the other costs, other

fibre \$4.65; other \$14.09; water, not paid by the way, \$1.92; fuel,

\$21.04 - all these other figures that make up the total cost of

a ton of linerboard, exclusive by the way of interest and of depreciation,

these other costs are so small in relation that even if you succeeded

in halving them you still would not be saving very much. They are miniscule

costs compared with the cost of fibre.

AN HON. MEMBER: What about labour?

MR. J. CARTER: Somebody mentioned labour costs. The labour cost is

\$19.44 per ton of linerboard. Now if we are socially conscious we

should hope that that cost would go up. We should hope that the workers

will receive more. So the unfortunate, sad fact, Mr. Speaker,



MR. J. CARTER: is that there is a vast gulf, a vast gulf between the nearly \$400 a ton that it cost to make Linerboard and the \$200 a ton that we can get for it. These are very round figures, it is very approximate, but the size of them I do not think anyone will seriously quarrel with. Now, hon. members on the other side have made some very good points particularly that there may have been mismanagement and inefficiency in the mill and if so this is obviously added to the cost of a ton of linerboard. Well my reply to that is if you know of any inefficiency name names and dates and places. If you know of wood having been stolen say that at November 25 at Parsons Pond, Mr. Smith took a hundred cords of wood and I make this charge -

MR. SMALLWOOD: The hon. member must be joking.

MR. J. CARTER: I am not joking, Why not?

MR. SMALLWOOD: You do not mention it unless you can mention the name of the man and the hour and be certain where he put it?

MR. J. CARTER: You cannot seriously expect an investigation to be started -

MR. SMALLWOOD: Do not pull our legs now.

MR. J. CARTER: I am not pulling anyone's leg, Mr. Speaker, but if you are going to make charges you have to be more specific than the previous speakers have been. Now it must come as some surprise, it must come as some surprise - this is the third time I have spoken in this debate; two extra slots have been provided to me by the movers of the amendment and sub-amendment, and it must come to some surprise to hon. gentlemen opposite that I, who am no great admirer of this government, should be so vociferous in its defence in this instance.

I make no secret of the fact that I have voted against this government on several occasions and I have often disagreed with them, and I am not about to be soft on this government. But the plain fact

MR. J. CARTER: is, Mr. Speaker, that, you know, we are going bankrupt. The Province of Newfoundland is going bankrupt. Anyone who doubts this -

MR. SMALLWOOD: You cannot say that.

MR. J. CARTER: I say it, I say it because it is apt and unless we take very vigorous steps to reverse this process we are going up the spout. Now there are very, very hard decisions ahead and this is one of them, It is a very tough decisions. I admire the courage of any government that makes them, but it is absolutely necessary to make this kind of decision if we are going to avoid the bankruptcy that will follow. There are going to be many more difficult decisions in the future and this is the plain fact of it.

Now I have been reviled to some extent because of my interest, expressed interest, and some understanding of paper making and woods operations. In fact my interest in paper making and of the paper making process goes back a couple of decades. I suppose I should be like the opposition and bring to this debate the priceless heritage of an empty mind. I do not think that that has any advantage. I am interested in paper making. I know a little about it, distressingly little, but I do know a little. And, for instance, I have been criticized for saying "Oh, I saw the site at Stephenville" but one of the things apparent to me about the site at Stephenville is that the storage capacity for finished linerboard is very small and that is one of the reasons why the mill has had to suffer so much down-time. Now that is a sensible or a worthwhile criticism of the whole process, and the point should be made, I am surprised it was not made earlier. I am sure hon. gentleman opposite must realize that the storage capacity for the Linerboard mill is too small.

AN HON. MEMBER: (Inaudible)

MR. SMALLWOOD: I think the hon. member has a good point.

MR. J. CARTER: I am sorry. This is a genuine point, it is one that can be discussed but cannot be -

MR. SMALLWOOD: It can be remedied.

MR. J. CARTER: It can be remedied yes no doubt about that. Now much has been made of the multiplier, it is not 600 jobs it is 1800 jobs, it is not 1000 jobs it is 5000 jobs. Now I do not want to get into the complexities of the multiplier, but it is certainly true that one job, one productive job in Newfoundland, does mean several other jobs and I will not get into how many jobs that means. But since most of our products, everything we wear, nearly everything we eat, all of the things we drive are imported, they come from the Mainland, they come from the United States, possibly Europe, some of them. Sure there may -

MR. SMALLWOOD: Hong Kong, Taiwan.

MR. J. CARTER: Sure there may be three jobs for every one job at the mill

Mr. J. Carter:

every one: job at the mill, but the jobs are not in Newfoundland -

MR. SMALLWOOD: They are.

MR. J. CARTER: - they are up in Toronto,

MR. SMALLWOOD: They are.

MR. J. CARTER: - up in Montreal.

MR. SMALLWOOD: They are.

MR. J. CARTER: Oh sure the selling -

MR. SMALLWOOD: Because even the clothes that we import have to be handled by longshoremen, by shop clerks, by bookkeepers.

MR. J. CARTER: So there is a tenth of a job in handling it.

MR. SMALLWOOD: Oh no.

MR. J. CARTER: But what about the job in making it, producing it.

MR. SMALLWOOD: There have to be teachers, there have to be doctors, there have to be tinsmiths, there have to be barbers, beauticians, taxi drivers,

MR. J. CARTER: Yes, but -

MR. SMALLWOOD: truck drivers, and a hundred others.

MR. J. CARTER: - let us suppose the hon. gentleman is right when he says there are three jobs for every job at Stephenville, let us suppose he is right, accept that figure. There are not three jobs in Newfoundland for every job in Stephenville.

MR. SMALLWOOD: Excuse me, the hon. member must not attribute that to me; it is not I who said that.

MR. J. CARTER: I am saying that rhetorically.

MR. SMALLWOOD: It was Canada Statistics.

MR. J. CARTER: All right, but accepting that fact for the sake of argument, three of those jobs are not in Newfoundland, they are in Toronto, Montreal, Vancouver, United States, that is where the multiplied people are.

MR. SMALLWOOD: Would the hon. gentleman yield?

MR. CARTER: Sure.

MR. SMALLWOOD: I am fascinated by his interest in this topic because I have been interested in it for many, many years, and I made

Mr. Smallwood:

a fair study of it. If you take the population of Newfoundland gainfully employed, gainfully occupied, you know, clergymen, doctors and editors and reporters and House of Assembly members and all kinds of people in Newfoundland and the entire population gainfully occupied, subtract from that total number those who are productive in an economic sense of the word, producing something, producing paper or pulp or herring or seal skins or cod oil or paper or minerals or anything, the economic producers, total them up and subtract them from the number of the gainfully employed and the hon. gentleman will be amazed at the result he will get.

Here is the result he will get. For every productive worker we have in Newfoundland there are two and a half is the - well that was the number the last time I did the computation, two and a half jobs, not productive, but jobs here in the Province, two and a half to one. In the United States where the industrial fabric is so far more advanced and efficient, the multiplier is seven to one, in Newfoundland it is two and a half to one, and it varies from one part of Newfoundland to the other. It is higher in Corner Brook than it is in Grand Falls. It appears that on the sea coast the multiplier is higher than - in Buchans, for instance, the multiplier would hardly be one to one, because there is nothing there except that one enterprise, But in Corner Brook, in St. John's you get a high multiplier but the average for the Province, two and a half to one.

MR. J. CARTER: But I think, Mr. Speaker, with all due respect, I think the matter is rather more complex than the hon. gentleman has said in the past few minutes. But I do not want to get into it. I will grant him his point, and I will not dispute that.

I would like to move on a little bit. I said there is a great, great danger of us going bankrupt. In fact, unless the present trend is reversed that is exactly what will happen, because our interest payment is going up every year and it will soon be equal to our ability to borrow, and if that sad event occurs our services and salaries will have to be cut. And the people of Newfoundland

Mr. J. Carter:

are not willing to make even minor sacrifices. Now last year when we voted ourselves this raise I was appalled at the reaction I got when I said, I did not approve, I was not going to accept it. I had to put up with a stream of actionable filth from the member for LaPolie (Mr. Neary), a stream of actionable filth right here in this Chamber.

AN HON. MEMBER: That is right. He did too.

MR. J. CARTER: Now the House was not in session, and I did not take the time honoured remedy of running across the House and striking him as has been done in the past. However there was a stream of actionable filth from that gentleman.

MR. SMALLWOOD: I did not hear the last - is the hon. member referring to me?

MR. J. CARTER: No, no, no, from the member for LaPoile (Mr. Neary). I said when I -

MR. SMALLWOOD: No, not from him!

MR. J. CARTER: There was.

MR. SMALLWOOD: The most sensible member of the House.

MR. J. CARTER: Well he has got, of course -

MR. SMALLWOOD: A patriotic Newfoundlander. An excellent member of the House.

MR. J. CARTER: He is the most foul-mouthed creature -

MR. SMALLWOOD: Oh now come on!

MR. J. CARTER: - that this House has ever given shelter to.

MR. SMALLWOOD: No.

MR. J. CARTER: Anyway, Mr. Speaker, -

MR. J. NOLAN: Mr. Speaker on a point of order.

MR. SPEAKER (Mr. Collins): A point of order.

MR. NOLAN: On a point of order. Can we take such charges against an hon. member and let it go in that fashion? Surely, is this is what we are going to come to I cannot imagine what is going to happen for the remainder of the debate and this session. Surely! And the member not even in the House!

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Mr. Speaker: (Dr. Collins): On that point of order, without actually looking up Beauchesne, I think one can accept that one should not disparage hon. members in the House and -

MR. SPEAKER:

I would assume that the hon. member for St. John's North (Mr. J. Carter) had not that in mind. So I would ask him if he would withdraw the remark to clarify that point without any doubt.

MR. J. CARTER: As you direct, Mr. Speaker, I will withdraw that remark and I will move on. However, the other thing, I was trying to make the point that people are not prepared to make any sacrifices, even small sacrifices. And the sad part about it is that our best brains, for example Memorial University, are not willing to make the kind of sacrifices that are required if Newfoundland is to be kept as a going concern. Every year they are looking for more and more and more and even though they get more, and the percentage more that they get is relatively high, there is nothing but complaint, complaint, complaint or we cannot do this, we cannot do that, we cannot do the other. Now I have every sympathy for people who want more. But if they are literate and if they are informed as this group of people certainly should be, then they should realize the kind of difficulties we are in. And they should modify their demands accordingly. But I see no modification of the demands from Memorial University or from the various professional groups that we have to deal with. And I think it is very sad, it is very sad, Sir. What chance do we have? And it is our rotten luck to have to turn this around. The history books will say, "Oh, the Liberals are the builders and the P.C.s are the closers." But if the record is looked at very closely we will see that the real villain now sits in this House, now sits in this House. And I should not have to go back over the last twenty-three years, but I feel that the former Premier, I honestly think that some of his behaviour has been sick, because here he was cavorting with these great developers and anyone who was prepared to indulge his fantasies - and I would say to the hon. gentleman in the past if he needed treatment he should have gone to a hospital, not to a conference - but anyway I should not be too hard on him because I do not think -



MR. SMALLWOOD: Anyway, flattery is not going to get the hon. gentleman anywhere.

MR. CARTER: Well, flattery will get you everywhere, Mr. Speaker.

MR. ROBERTS: Look where it has got the hon. gentleman from St. John's North.

MR. CARTER: By the way, I would like to read from something that might be interesting. This debate has depended more on rhetoric than on content. And I have here a book written by James M. Minifie. And there is a small section in it about the former Premier. And if I can - it is only a few lines, so I will take the liberty to read this. It says that, "North of the Rio Grande perhaps the best surviving political satirist Premier Joseph Smallwood of Newfoundland. There is a famous recording of a speech of his at Corner Brook, etc., etc. He was belting away at the Tories, the Depression and Mr. Diefenbaker, but particularly Mr. Diefenbaker. He realized, he asked his audience, if Mr. Diefenbaker up to day he became Prime Minister of Canada had never been elected to any office in his life. He had never been elected mayor. He had never been elected to municipal council. He had never been elected village constable. He had never even been elected dog catcher for his own home town. So at the age of sixty two (and remember I am not here at sixty-two and I have been going on fourteen years a Cabinet minister) at sixty-two he had never occupied any office at all when, lo and behold, he woke up one morning Prime Minister of Canada." On and on and on it goes. And the rhetoric is good and it was a good speech. The point was well made. But there is no content there, Mr. Speaker, no content. And this is my criticism of much of the debate that we have heard from the other side.

MR. SMALLWOOD: Would the hon. gentleman yield a moment?

MR. J. CARTER: Yes, Sir.

MR. SMALLWOOD: That was a federal general election. And I had met Mr. Pearson at Deer Lake and got a promise out of him. I asked him

MR. SMALLWOOD:

publicly on the P.A. system would he pave it if he became Prime Minister and he promised that he would. And incidentally he did. So then we went down to Corner Brook and had a great rally. And I made the speech from which the hon. gentleman just quoted. It was funny, and I think it had some wit in it. And the Liberal Party of Canada decided that they would publish it and print a couple of million copies of it. And they had a recording of it. And they put it

MR. SMALLWOOD: on the air and so on and so on and in the end decided that the reaction might be the opposite from what he desired, that it might actually help Mr. Diefenbaker, and so that deathless oration survives today only in the book from which the hon. member has quoted. Now he has put it on our own Hansard and it forms part of Newfoundland history from now on and I therefore thank him.

MR. J. CARTER: Well, I think my point has been made that most of the -

MR. ROBERTS: I think the hon. member for Twillingate has made his point.

MR. J. CARTER: It is already on the record. I have no objection. I wish the entire gentleman's past were on the record. That would be a record worth having. I would like the entire past and I certainly in my old age will make a great deal of effort to see that the hon. gentleman's true past is recorded.

Now I have a few more points to make before I sit down, Mr. Speaker, and that is that the gap is not going to be closed. It cannot be closed but this debate has probably been useful because -

MR. SMALLWOOD: What is the hon. member's answer to Sweeney?

MR. J. CARTER: My answer to Mr. Sweeney is I am sure that Mr. Sweeney is available. Any hon. member or group of members who -

MR. SMALLWOOD: No, the member's answer to his statement about this year, next year and the year after, what can be done?

MR. J. CARTER: My answer, Mr. Speaker, is the high fibre costs.

MR. SMALLWOOD: Is what?

MR. J. CARTER: The high fibre costs. The cost of -

MR. SMALLWOOD: But does he not know about that?

MR. J. CARTER: The cost of fibre as shown in this report is intolerably high and cannot be substantially reduced. The other costs, yes, other efficiencies but remember now, remember -

MR. SMALLWOOD: Once again, would the hon. gentleman who is so gracious to me - he has never once refused me a hearing. - would the hon.

MR. SMALLWOOD: gentleman agree with me if I tell him this, that his leader in politics in Newfoundland and in this House, his leader, the Province's leader at the moment, the Premier of Newfoundland will get that mill going? He will. And if he will, if I am right, then every word that has been said here supporting the closing of it is false and empty. What would he say to that?

MR. J. CARTER: I would say, Mr. Speaker, that to err is human but when the eraser wears out ahead of the pencil you are overdoing it. That is what I would say. To err is human but when the eraser wears out ahead of the pencil you are overdoing it. That is what I am saying to that.

MR. SMALLWOOD: Would the hon. gentleman lend me the book from which he copies all these sayings and witticisms. He has a score of them.

MR. J. CARTER: It is falling apart but there is lots of good political stuff in it.

MR. ROBERTS: Style and Contents.

MR. J. CARTER: No, James M. Minifie Who is Your Fat Friend.

MR. ROBERTS: The sub-title is Style and Contents.

MR. J. CARTER: Style and Contents, that is the one, yes.

MR. ROBERTS: If the hon. gentleman had it what would he copy from it?

MR. J. CARTER: Well, the hon. member for Twillingate has written a number of books. I dispute his - They are not - I dispute the titles though. I Chose Canada - I think a much better title for that would have been perhaps Famous Men Who Have Met Me or Shorn By Shaheen or Dicing With Doyle. There are quite a number of titles that one could have chosen.

MR. ROBERTS: Back to the hills in Mt. Scio -

MR. J. CARTER: The hon. gentleman from Twillingate, you know, Mr. Speaker, he is defending his errors as if he were defending his inheritance. Now he has an inheritance and I think it is mostly errors but I do not see why he defends them. Anyway there is it. I think I have wandered about enough. I accept the most optimistic of the figures in the

MR. J. CARTER: reports that we have had made available to us and even the most optimistic figures show that this mill cannot as presently constituted work. Therefore I have no alternative but to support the government, a government which I do not always support so that my support I think is all that more valuable, all that more rational, means all that much more because the government is not getting an unqualified support of a -

MR. SMALLWOOD: The government are beginning to wonder if they are right.

MR. ROBERTS: The hon. gentleman, Mr. Speaker, has just said that his support is all the more valuable.

MR. SMALLWOOD: Because he does not normally support it.

MR. J. CARTER: I think that that lends some verity to what I have been trying to say. So there it is, Mr. Speaker. I only hope that the House will be a little more civilized in its debate, less rhetorical, and

MR. CARTER:

try and make some legitimate points.

MR. ROBERTS: Short of substance, the hon. gentleman is (Last part inaudible.)

MR. CARTER: Try to give us a little more substance. That is right. The Leader of the Opposition took the very words out of my mouth. So on that note, Mr. Speaker, -

MR. ROBERTS: (First part inaudible) - from the other end -  
(Last part inaudible.)

MR. J. CARTER: On that note, Mr. Speaker, I will end my speech.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for St. Georges.

MRS. MACISAAC: Mr. Speaker, I feel quite confident now that there is a hope for Linerboard since the hon. gentleman now supports the government. This is a switch. Usually he supports them when they are wrong and opposes them when they are right. So now this is hope for Bay St. George.

MR. ROBERTS: So much for savoury.

MRS. MACISAAC: Mr. Speaker, the debate so far on Labrador Linerboard has been I feel very interesting and a very worthwhile one. I am sorry though that the debate did not come before the decision to close Linerboard. I think maybe it may have had some effect on the decision. I think that a lot of worthwhile facts, a lot of information has come out. And it is possible that this information may have influenced the government's decision if it had been held prior to the decision.

MR. SMALLWOOD: It may still do so.

MRS. MACISAAC: It may still do so. I hope so. I believe maybe that government may be taking a second look at it. I think that any reasonable group of men, and certainly men who are in responsible positions, cannot listen to all of this information and just brush it aside. I feel that the Premier has been listening to quite a bit of the debate. And I think

MRS. MACISAAC:

he has to take a look at facts. I know that all the figures that have been splashed around here, somebody is wrong. We have a \$54 million figure on one hand and then we bring it down to a \$28 million figure to be spread over a three year period. Now I believe that all hon. gentlemen have been taking their information from the information that they had been receiving from government. So either there is a possibility of switching those figures to suit the purpose, either that, or somebody is wrong. I certainly do not feel that the \$54 million figure is a correct one. I think that the \$28 million is a better figure. And I certainly do not feel that Labrador Linerboard should be closed. And, of course, I have two reasons for that. I am concerned about it as far as the Province is concerned, and I am certainly more concerned it as far as Bay St. George is concerned. I think that over the last few days this debate has brought forward a lot of information and the people are learning the facts about Labrador Linerboard. There are I am sure, members right here in this hon. House who had no idea as to just what was happening in Stephenville with respect to Labrador Linerboard. And we go back years and years if we want to and we can rehash all the problems and talk about all the mismanagement and theft and whatever, and I do not think that that is going to serve any purpose at this present time. That is gone. It is water under the bridge. And although I sincerely feel that it did have an effect on the operation at Labrador Linerboard, and it certainly accounts for the high figures, lost figures that are being splashed around, it is not the topic that we should be discussing right now. What happened years ago is gone. We cannot do anything about it. But we certainly can look to the future.

MR. ROBERTS: Right. Hear, hear!

MRS. MACISAAC: And I feel that Mr. Sweeney, and Mr. Sweeney has been one of the main topics, and as far as we are concerned he is the only individual now that we can look to. He was appointed or hired or selected or whatever you want to call it and his purpose is to make Labrador Linerboard Mill a viable operation.

MRS. MACISAAC: And from what I can understand and what I have read and heard about Mr. Sweeney. He is after turning mills around, mills that from, I guess everybody's point of view had no chance whatever. Mr. Sweeney has gone from one mill to another and he has turned them around and made them viable operations. He is in Stephenville now and he has been working very very hard since he is there. There is a good relationship between Mr. Sweeney, the union, the town and in fact everybody in the area respects him.

I believe that government would have to admit that Mr. Sweeney have made some very worthwhile changes in the operation of Labrador Linerboard, and have certainly turned it around to a point. I do not think for one minute that Mr. Sweeney that the rug should be pulled from under him right now.

MR. ROBERTS: Hear! Hear!

MRS. MACISAAC: He is just getting started. He is very concerned. He has put his job on the line, actually, and he has come out and said that he certainly feels that government is making a mistake, and that it can be a viable operation. He feels he should be given a chance. We on the West Coast of the province feel that Mr. Sweeney should be given a chance. I, too, would like to see him before the House of Assembly. I do not know if it is a situation that I would like to be in myself to have to come in here and sit down before all the members of the House of Assembly and speak out against the government, because from what I can understand he is certainly against the decision to close the mill and he is in an awkward position right now. But I still would like to see the man brought in if he is willing to come and answer questions, give facts and figures relating to the operation.

The people in Bay St. George are quite concerned about what is going on. Their whole future looks very black. They have organized. They have regional impact committees and all the groups and organizations and the union, everybody in the area seems



MRS. MACISAAC: to be working together, working with the hope that maybe the decision can be reversed. I know that there is still from four to six months probably to get all the facts together and hopefully something worthwhile will come out of it. I was interested in the statement by the Minister of Justice, I do not have it, I do not think, right here now; anyway he indicated that government wants the mill turned around. This to me is what I want to hear. I am quite happy that government has not taken a firm decision to close the mill. So the way I look at it is where there is life there is hope. So, if we have from four to six months and with all the facts and figures that are coming out and all the information that is being passed on to government there is still a possibility, I believe, that it will be turned around. I know that - I think that the Premier intends to speak today and I hope that there will be something encouraging in his remarks.

There have been indications that the people may be moving out of Bay St. George, that they may give up and go on and look for work elsewhere. I have talked to quite a few of them and I do not think there is any great rush to get out of Bay St. George. I believe that the people in the area still have a bit of confidence and hope in the government. Kimberly Clarke, and I think another company were in the area quite recently to see if anybody was interested in leaving Newfoundland and seeking employment elsewhere with their companies. I do not believe that there was too much response, because people in the area are determined to stay in Bay St. George, to wait it out and see what happens. I think this is the right approach because things may change, it may very well be turned around and Labrador Linerboard may be a booming operation next year.

I think that the announcement to close the mill is definitely having an effect on the Bay St. George area. Air Canada, for instance, or Department of Transport had plans to upgrade or extend the runway in Stephenville. They had a runway improvement programme of some sort.

MRS MacISAAC: From what I can understand they have deferred that at least, if they have not cancelled it completely they have certainly deferred it and I believe that the reason for the deferment is pending the results of the - or the continued operation of Labrador Linerboard. They have also re-routed one of their flights which we are not quite happy with and I believe that maybe this may be because of the announcement that Labrador Linerboard is closing.

The Stephenville area, the Bay St. George area, is an area that has been hit a few times now with this type of news. In 1966 we went through this same crisis when the American Airforce Base closed out and Stephenville turned into a ghost town and, in fact, other areas in the Bay St. George. I was in Stephenville at the time, we had our home there, and when the announcement came that the base was going to close there was nothing in Stephenville, no industry or nothing to take up the slack, so Stephenville turned into what I would call a ghost town. Most people sold their homes and moved elsewhere, we sold ours and moved to Baie Verte and in fact we sold our home for \$2900. We were very fortunate to get that much for it; we sold it right away and at \$2900 for a home. So this is the type thing that I can visualize happening again in Stephenville, and there were beautiful homes. People had their life savings invested in the area. When Labrador Linerboard went into operation - I know there were problems at the beginning. When government took over Labrador Linerboard operation there was hope. I am not saying that they should not have taken it over, I think that they did the only thing that was possible at that particular time was to take over the operation and try and finish it and get it into production. That was a good move to take it and complete it, but from there on it was disaster because everybody knows - I feel and I am sure that everybody feels that the government dollar is not worth the devil's blessing. Everybody wants a piece of

MRS MacISAAC: it, it is tax money and there is no respect for it. And I certainly feel that government cannot run an operation such as Labrador Linerboard and hope to come out of it in the black.

SOME HON. MEMBERS: Hear, hear!

MRS MacISAAC: So I think that this was the downfall, I think government did the right thing in taking it over, but I think that once it was completed they should have gotten rid of it, passed it on to somebody else to operate and maybe we would not have the problems that we have today. I also think that we drifted along a little bit too long, We knew there were problems at the mill, everybody in Bay St. George area knew there were problems at the mill as far as mismanagement and all this was concerned, and I like I said I am not going to rehash them, but I certainly feel that maybe we should have gotten involved a little sooner and probably with an investigation or something instead of letting it go as long as we did. I think this is what has crippled the mill, it has been losing money for years and years and all of a sudden you know, it is just too much.

But as I said, what happened in past years is one thing. Now that the market conditions look that much better there is a strong determination by the present management to make the mill a viable operation, and people of the area are willing to sacrifice to any means to keep that mill in operation. And I too feel that it is not only the 2000 jobs - or the 600 jobs that are directly involved at the mill, or the 2000 jobs that are in the area, in the Bay St. George area. I too feel that there are a lot more jobs involved that we could probably go up and I take the figure that Statistics Canada have quoted that it

MRS. MACISAAC: directly involves 6,000 jobs. I think that the effects of closing Labrador Linerboard will be felt right across the Province. It will certainly be felt in our area.

We have small contractors there, small woods contractors there just in one very small area in St. George's-Flat Bay area where we have one contractor who employed eighty-three men. And eighty-three men in the Flat Bay area just about takes every single one that was on either social assistance or unemployment insurance. Most of them have been on social assistance for years and years because there was no hope for them getting on unemployment insurance, there was no work available.

Since the Labrador Linerboard this area alone has been working just about steadily. I am sure that the hon. the Minister of Social Services can verify what I have said about that area in particular and the number of people who have been taken off Social Assistance and put back into the work force.

I think that the importance of an operation like that cannot be over-emphasized. I think that it is going to put so many people back now, right back where they were before, back on unemployment for awhile and then essentially back on Social Services. It is not only a drag on the Treasury, it is degrading and demoralizing to the people who have to live this kind of life.

In Bay St. George we have been hit and we have been hit very hard. I feel that there is - well, there is no industry, there is very little industry in the area, and Linerboard now is taking up a lot of the slack from the Codroy Valley area right on through the whole district. I can see where we will be right back where we started, back - I will not say

MRS. MACISAAC: on unemployment, I will say back on the welfare, as we call it in our area, and it is depressing.

I certainly hope that over the next four to six months that Mr. Sweeney will be given a chance to prove that Labrador Linerboard is and can be a viable and worth-while operation. I am interested in hearing what the Premier has to say. I am not going to take that much more time because I am quite interested in hearing what the Premier has to say. A lot of information has been brought out, a lot of facts have been put forward. The member for Stephenville (Mr. McNeil), the member for Port au Port (Mr. Hodder) have, I think, put up a very, very good case. They have added an awful lot to the debate and I do not see the point in my rehashing all that. I have much of the same information here, I am not going to go through it.

I find it interesting, and I am quite happy that one of the members on the government side of the House has taken a stand of supporting Labrador Linerboard. I heard just this morning that the hon. the member for Bay of Islands (Mr. Woodrow) has come out publicly and said that he feels that Labrador Linerboard should not close. I believe that may be the feeling of a lot of members. I hope that if it is the feeling that something will be done about it, that they will come out and take a stand. I think too that the Premier may take a second look at it.

I am not going to blame John Crosbie or the Board of Directors, or previous management, or the Premier, I think it is a combination. The thing just fell a part. From the day it was completed it just went to the dogs. There was all kinds of money poured into it and it was like

MRS. MACISAAC: pouring it into a leaky basket.  
Nobody cared about it, nobody respected the money  
that was going in because it was government money. I  
think the way to get moving now is if, if there is a  
possibility of getting somebody to take over the mill  
and run it.

I believe that even today,  
if government still operated the mill, that we have  
learned from our mistakes. I believe that even  
government today could make that mill a worth-while  
and viable operation. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, first of all I would like to congratulate the member for St. George's for her remarks. I do not think there was one thing she said that both sides of the House do not agree with totally. I think the brevity of the speech was made up for by the quality of it. I think the obvious dedication and sensitivity that the hon. member obviously demonstrated to the House, even though there were a great many lengthier speeches, with a great many facts and rumours and emotions involved in them, I do not think any speech has been more sincere or more appreciated than hers in this particular debate even though it was short.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: I would say, Mr. Speaker, we have got an hour and a quarter between now and one o'clock when we close, I will try to be as brief as possible, I will try to talk as briefly as possible about the past. I think a few things have to be said but as I say, in a general sense, I will deal with the situation as it led up to the decision of government, and I will also talk about the future prospects as we see it as a government and from the people we take advice from.

The mood of the present debate in the House, in the main, I think, has been good. I think most of the speakers have been very serious about the situation, as they should be, because it is a serious situation, particularly serious. I think most of the speeches were concern, some were aggressive, which we are used to in this House, and with the participants that take part that is to be expected. Some were defensive. And a lot of them, I think, probably demonstrated that the individual is still not dead in Newfoundland politics irrespective of disciplines that may be tried to be imposed on either side.

But, I think, Sir, everyone did realize the seriousness of it. And at the beginning of the debate especially I would suggest that it was a tenseness that the situation deserved. But I have also noticed that after a while it started to drag a little bit, I do not think because people were less concerned, but I think that after certain figures and positions that have been established it is very

Premier Moores:

difficult to enlarge upon them, other than to become emotional, I think emotions have run close to the surface at times, and, in fact, broken through.

There were comments made, and I would like to set the record straight right now, and I do not think that anyone in this House would seriously make an accusation that the decision regarding Labrador Linerboard Mill was made for political purposes. I do not have to say that is untrue because I think that most people would realize that there is no way any government, any government, would ever take a decision of that magnitude based on political bias. As a matter of fact I would say it would be quite the reverse. Because the situation is with the unemployment situation as it is in the Province, the negative attitude that is prevalent, not just in Newfoundland and Labrador I would suggest, but all of the Western World today, but maybe particularly here, not very much positive to read in the press, it is not very much positive said, there is a great negative feeling, and the psychological affect of closing an industry like Linerboard is not the sort of decision one makes when one is trying to get back to the positive thinking which we must have as a people if we are going to survive.

Sir, we have had many reports and forecasts and opinions, and I suppose when you get so many reports, some half completed, some part of a package that people are making a decision on, I think it is probably very easy for the facts themselves or the figures themselves to be twisted out of context and misunderstood by even the best intentioned.

However I would like to make one thing very, very clear; we did not desire, nor do we want in any way for the mill to close. This is an absolute and irrefutable fact. And as I progress here today I will hopefully not be overly optimistic, but realistic in what the real potential is. In the process of doing that, I do not think there is anything worse than any politician raising false hopes, but I think because of the emotion that obviously has arisen from this



Premier Moores:

particular subject the hopes should be discussed and the possibility of bringing those hopes into reality.

The Leader of the Opposition has said that it will hurt specifically some areas for the Linerboard operation to close, and there is absolutely no question about that. The Goose Bay area already has been, St. George's, Notre Dame Bay, those areas were there are woods operations, and where the mill operates itself, of course.

PREMIER MOORES: And he also says it will hurt generally all areas of the Province. Now, Mr. Speaker, that depends entirely on what it costs to keep the mill operating. Because if the facts that we have had in the past and as are projected for the future in fact are realized, the drain on all the taxpayers in this Province will be very severe indeed. It was only at the time when the social benefits outweighed the economic ones can you make a decision based on the social content of the mill. The fact is there comes a time when it is too expensive, socially and economically on all the taxpayers, in order to support any one small group.

In this debate unfortunately we have seen people become experts, in some cases just by listening to others, and the fact in other cases by wishful thinking and certainly by rumours and incomplete reports. We in government have to be responsible for the policy that we put forward. And this policy, Mr. Speaker, has to be based on the best advice we can get. The policy is not something that is a whim, it is not something that we want to do for any particular reason when it involves a project of this magnitude as much as it is to do the best thing for all the people in our Province.

This I believe we have done in this case. We have in the future had very optimistic - or in the past rather have had very optimistic forecasts that did not work out. In this case we would once again have to look at the forecasts and try to assess whether they are overly optimistic or not.

One of the unfortunate aspects, I suppose, of debating in the House - normally in a debate in the House there is a great deal of almost uncertainty or a gray area, if you like. In discussion with one of the members of the Advisory Board this morning, he was spelling this out to me in his particular way, that we tend to take it is either black or white. We are either saying it is closing, full stop, or it should not close, full stop.

PREMIER MOORES: We do not look at the genuine possibility of it may have to close, but if certain conditions are met it will not have to close. We do not give enough credence to the possibility and at what goes into the development of that possibility in the future. What we do in fact is take, normally and unfortunately, make a lot of our decisions based on the past, or uninformed ideas for the future.

Mr. Speaker, I will be getting into that in more detail in a moment, but first of all I would like to very briefly deal with what led to the government taking over Linerboard. I do not think anyone in this House—with possibly one exception or two—think that the government had any option but to take over the mill at that time. I do not suppose that anyone believes in private enterprise running an operation of that sort anymore than we do. But at the time we became involved, in 1972, it was not a question of private enterprise remaining to run the mill. It certainly was not a question of finding another purchaser to operate the mill, because there was none, certainly none that we could find. And the fact was that the Linerboard Mill was in it in an absolute mess, there was money floating around all over the world, there was no management in place as such, there were no sales organizations set up as such, or plans for them, and there was no method of financing the completion of the mill. There was only one vehicle to find those dollars and that was the government of this Province.

It was not only bankrupt, it was also, Sir, I would suggest, the laughingstock of the forest industry and there just were not any buyers. And when we passed the legislation in this House to take over the mill the official oppositions supported it, I would suggest, as enthusiastically as we did ourselves. And I think if there was any doubt about that, and I am sure there is

PREMIER MOORES: not, I will just read a few excerpts from Hansard that the Leader of the Opposition said at that time and which I agree with. But I want to clear one thing out of the way, Mr. Speaker, that we have been accused of over here as government, interference in the mill, that was not by design, that was totally by accident and circumstance which has allowed us to do no other thing. If we had had our way we would of course had private enterprise in there, and if we have our way we will have private enterprise in there when the mill gets back in operation, as it should, in full production again.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOOPES:

But to quote the Leader of the Opposition on May 5, 1972, and I quote, "This project is bankrupt. It has not been put through the legal state of bankruptcy. The government themselves alleged it was bankrupt in their statement of claim. It is in fact bankrupt. If anyone bothers to take the necessary proceedings under the Bankruptcy Act tonight or tomorrow or Monday, or whenever the registry opens again, they will find it is bankrupt." But, Sir, as it was bankrupt we had one option to do. That was to take it over primary because of concern for the people in that area and because there was \$103 million already invested in it. We were certainly advised by a great many people at that time to the contrary, Mr. Speaker, that we should not take it over, that we should let it go under, that it was only putting good money after bad. And there were a great many people who were saying that at that time. But with the investment that was there, with the number of people who were depending on it and hopefully would do in the future, obviously this government had to give it an opportunity to operate. And I go back, Mr. Speaker, to underline our government taking it over from - quote from the Leader of the Opposition again, the same Hansard, referring, I suppose, yes, Mr. Doyle in this case, "The man, I have just read my little chapter, Rogues and Riches, really, Mr. Speaker, you should sit up tonight and read it. Maybe Your Honour has it there. I do not know. But it is an excellent introduction to Mr. Doyle. We will vote for the bill, not with any pleasure, but because we believe that in the circumstances the principle of the bill, the principle of what the government wish to do and ask the House to do, is a good one. It is the only one. Whether or not the project should have gotten to this point or who is to blame are other matters. They have been discussed and they doubtless will be again. We will support it." That is the bill.

Mr. Speaker, just to put that one aspect of the debate to one

PREMIER MOORES:

side, let us not say that private enterprise was available to do it. And let us not say that the operators who were operating it could have carried on. There was only one option in 1972, and that was the option of government taking it over directly supported by the Opposition and by ourselves, of course. Now, Mr. Speaker, what has happened since that time? We have heard a great deal of discussion about the marketing of the product at the mill. We have heard the discussion about MacMillan Bloedel and the agreement that was drawn up between MacMillan Bloedel and the government. There was never any agreement between MacMillan Bloedel and the government, Mr. Speaker, to get that straight as well. The situation was that they had expressed an interest. Myself and the minister in charge, Mr. Crosbie at that time, went to Vancouver, met with the executive of MacMillan

Bloedel and sat down and talked about what the options were. It was fairly obvious that if the mill was going to have a bona fide chance of survival that we would have to, if possible, get the best sales organization and operators that we could possibly get. But upon talking to MacMillan Bloedel their position was that, yes, they could have the mill for a fee which was substantial. They would not be responsible for any losses irrespective of the circumstances at the mill. They would buy the production of the mill, but if the market went down they could only take that production which they could sell after they had sold all their own produce and they were in fact a huge producer of linerboard at the time.

Mr. Speaker, looking at that in the cold light of that time that was not really very appealing, just to get the proper letterhead on the masthead - or rather name on the letterhead or the masthead or whatever you prefer. The fact is looking at it in that context it was very difficult to say, Yes, you should have the marketing and operating contract for the mill. Because Labrador Linerboard, as most people know,

PREMIER COOPES:

is and was and is a totally independent mill, one of the very few in the world that is not, as the Leader of the Opposition says and as they use in the trade, vertically integrated; in other words, where they had to take it from the forest to the final pack of the cardboard carton. They did not have their own inbuilt market. They had an opportunity to get in with MacMillan Bloedel but not in their integrated capacity, but only as a fringe supplier for them when they were needed. So that being the case what we had to try to do was look at people who could have potentially - in the future rather who could potentially help make the mill an integrated outfit.

Now International Forest Products has come in for a lot of criticism, and I suppose in retrospect a deal of that is probably justified. But the fact is, and a lot of people may not realize this, Mr. Speaker, is that Rand-Whitney, the parent company, are primary box manufacturers. They are not a giant. But I suggest they use approximately fifty per cent in total of what Linerboard produces, that sort of thing. So that is a fairly big giant in our context. They are large users of Linerboard. And that is particularly the reason why we were interested in talking to them at that time.

PREMIER MOORES: At the time they agreed that an integrated operation was best. They were looking for supplies. The American market was very low at that time, where the European market was very high. They were looking for supplies and in the future they saw a marriage that could benefit the growth of both companies. To my knowledge they are honourable people. I have never known otherwise and they also signed a contract that they would set up a special organization, employ good people, to sell only Linerboard's production as opposed to being in conflict like most of the major companies would have been. There have also been criticisms of the amount paid that company and the fact is, Sir, the commission was three per cent, which is not abnormal in the marketing aspect of pulp and paper products of that nature. They were paid, and I have not checked this figure, but the Leader of the Opposition used it and I see no reason to argue about it, \$800,000 per year. I would suggest, Sir, if the markets in the international community for linerboard had been good and growing as the forecasts all told us they would, which in fact they did not, but if they did the Linerboard mill had shown a profitable situation, that would have been very little to have the product marketed satisfactorily.

When the Advisory Board was set up we asked them to investigate the contract with International Forest Products Limited and to deal with it because they did have the expertise to analyse if they were good or bad, and in their case they obviously did not think they were very good because they suggested and carried out the termination of that contract. In retrospect maybe International Forest Products were not the greatest sales organization in the world. But I am not sure, Mr. Speaker, that other organizations would have been that much different. After all, we were the only, as I say one of the very few independent mills in the world and the hard fact is, Sir, that the world market dropped. The world market is what dropped out of sight, and no organization or no sales organization could have stopped that from happening. The fact is that if we had had the best sales



PREMIER MOORES: organization in the world they should could not have counteracted the world circumstances that took place in the Linerboard industry.

Obviously it would be ideal if we could have sold all the tonnage at the necessary prices to help the mill, but this was impossible. Mr. Speaker, I have a very serious situation here, I have a note I cannot read.

MR. NEARY: You must have written it.

PREMIER MOORES: I must have written it, that is right. Regarding the management of the mill when we took over, Mr. Speaker, the manager there for quite some time was Mr. Donald Dick, who was one of the consultants retained previously to actually supervise the construction and eventually, as I say, we had him there for eighteen months in operation. The second person who was appointed, Mr. Ingram, who has come in for once again quite a great deal of criticism, he was a result of being the best candidate by consultants who were hired to do nothing but find a good mill manager and by advertising in international journals for people who were available. The ironic thing, Mr. Speaker—when we are talking about Mr. Sweeney and his effort now which I will get to in a minute because once again I think it is excellent but I will talk about that a little later—the ironic thing is that the only change in the Linerboard management for all intents and purposes has been the top man. All the rest of the senior management who were so bad now all of a sudden seem pretty good. I am amazed that one man could have made such a radical difference, but obviously he has.

There were several examples of mismanagement in the past, in the main I am talking about - you know the bulk of them.

MR. SIMMONS: Now for example when they were involved in that contract with Bailey you indicated in the House that somebody either had left the employ of the company, one of the mill management people, who called the contract with, you know, Bailey.

PREMIER MOORES: Yes, I mean there will be some normal changes but in the main it is basically the same team of people.

MRS. MACISSAC: They were probably as good as the -

PREMIER MOORES: Yes, I think this has become very obvious is that the top man how just important he is, and sometimes when we talk about the salaries of top men in this House just how critically important they are to turn operations around. And we have heard criticisms for paying

PREMIER MOORES: Mr. Ingraham, Mr. Sweeney, any people in charge of these very large corporations and large salaries; if you have the right man he is worth a large salary, if you have the wrong man he is worth very little.

Mr. Speaker, regarding the management, obviously we as a government did not know who were the experts manufacturing linerboard. We did not know who was the best man to coordinate a very complex organization that was in very great difficulty. There have been examples of mismanagement that I am sure are true, and I am sure, Mr. Speaker, there are a great many more that have never come to light and probably never will. I am sure the food inventory in Labrador when it was checked was unbelievable and some one had made a horrendous mistake. We know that the woods operation in various parts of the province was not operated efficiently. We know that there was wastage in the chips in the yard. We know it was stored there for two or three years. We know there was a great deal of equipment bought that was useless. We know that there was a great deal of equipment bought that was probably useful that was never used. You can go on and on.

But, Mr. Speaker, that is exactly why we had to appoint the Advisory Board before it had to shut, because under those circumstances I think everyone here would agree it would have to shut. I do not think there is any question about that. That is why I asked the very best people I knew who had anything to do with forestry in business, who were concerned about this province, to get involved in that advisory board.

Government could not do it. To accuse Mr. John Crosbie or the other directors of Linerboard or ourselves for not getting involved, for not doing what had to be done, Mr. Speaker, I suggest is irresponsible because we are the first to admit that we do not have the specific expertise to run a linerboard mill.

PREMIER MOORES: That is why government should never be involved because if a politician goes in and tries to run any organization, big or small, I suggest that the values and true economic principles get warped out of proportion just as quickly as the election approaches. The fact is that that is why the Advisory Board was set up.

There was one comment that upset me greatly in the House. It upset me probably more than any other and I do not think and I certainly hope that the member who made it did not mean it. He said, the Advisory Board was set up to do a snow job for government and were in fact puppets. Mr. Speaker, with all due respect, nothing I suggest could possibly be further from the truth. You have on this Board seven men, eight men, six who have no relationship to government at all. When you look at the calibre of those individuals and the time they have taken to do this job, the dedication they must have for the province because their own economic survival is in this province, when they take on a public duty as able citizens to do a job: I think there is a great many things Sir, we can criticize in this House and there are probably a great many individuals. I would suggest that these particular men and their organization that have been available are the very last ones in this particular case that should be criticized by any of us.

Mr. Speaker, we have made a decision not based on the past figures. When I say the past figures I am talking about up until just a few months ago, and all the waste and mismanagement that has happened. But rather, I must underline this, we have made the decision on what we are told for the future. In other words, the faults that have happened before are not the reason we have made any decision. Anything we are doing is based on what we are told is likely to happen in the future. I will come to that in a minute. That is why I would stress, Sir, that if all the faults were corrected of the past with the markets as they have been, with the cost of woods in the range that they have been it still would not be viable to

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PREMIER MOORES: operate the linerboard mill. But if those conditions change, if the market changes and if the wood costs are brought into line, then Sir, I suggest that there is reason for hope - but I will talk about that in a minute - because all through the piece, whilst I said we as a government do not want to raise false hopes,

Premier Moores:

I also think it is important, as I said in my television comment, I will quote from it again, "We still have not received the Advisory Board's report regarding the conversion possibilities of the mill's product. And I can say now that if such a report shows that the mill could be viable, if converted, government will most certainly make the necessary funds available to convert the mill and get it going again."

Also there is a possibility -

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: Also there is a possibility that conditions could change whereby a private operator would be interested and we will make every effort to interest companies in the months ahead, and we are prepared to assist any company, both morally and financially,

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: - within reasonable limits.

I think, Mr. Speaker, what we have said is that the mill is winding down during the next six months. Now what happens during that six months, I think, is going to be critical to the future of the Stephenville area. As I said, I am getting into the future now and there are a few things I want to review about the present first. I might say, Sir, that first of all there are a great many times that the Linerboard decision came before us. There are a great many times we were advised very strongly that the mill should close, and each time I can honestly say we bit the bullet because of the social reasons and because we were concerned, I do not think there is any question about that.

But during the past, Sir, and much more recently we have been the victim of consultants and their forecasts. I am sure that even those who forecasted originally meant well. I am sure they were well-intentioned and I am sure they were as accurate as they could have been for that time. I know the hon. member from Twillingate (Mr. Smallwood) in the announcing of this mill and afterwards probably had the greatest array of consultants they could have. We have had them

Premier Moores:

since. And, Sir, to date they have been all wrong every time, not because, I am sure, they did not mean what they said at the time, not because they did not study it, but the facts are that their forecasts were just not right. And the most recent one we had in the latter part of 1975 - and the latter part of 1975, Mr. Speaker, was just a year and a half ago, forecasted, for instance, that 1977-1978, that is this year, the mill net that could be expected was \$325, in fact, it was \$188, Now that was not that long ago to make that sort of forecast, and it is very depressing when you are told that it will go to \$325 and in fact it goes to \$188. And in 1978-1979, this year we are in now, the forecast was \$337, and our projections, and that is the people at the mill, is that it will be \$230. But, Mr. Speaker, in a cyclical industry like linerboard that particular price can escalate just as quickly as it can drop.

But the fact is that if the Advisory Board is accurate, and we believe they are, they still forecast cash requirements of \$44 million over the next three years; that will be the cash requirements required. And by their own admission they feel that if they have erred in their figures it has been on the side of optimism but the fact is they are the experts and they probably know better than consultants what the likelihood is going to be in the future.

One of the things that I can mention, it is not really relevant, one of the problems when confidential memos for instance to the Advisory Board, from within the Advisory Board, are given in this House by any member on either side, I suggest it makes their task more difficult in the future, makes it more difficult because there is no confidentiality left, and anyone writing reports internally will be very careful what they say in the future, and the last thing we can afford is to have foresters or people who are technically involved start to word their reports in such a manner as that they would be politically acceptable. What we want hopefully is the actual facts that we are going to project.

MR. HICKMAN: Hear, hear! Right on!

PREMIER MOORES: So, Mr. Speaker, where are we at the present time? It is correct that there was \$100 million in it when we took it over and it is figures that have been used for generalized figures here in this House is that there has been approximately \$175 million go in since.

The fact is, Sir, that the long term debt of Linerboard is \$239 million, \$194 million approximately in the Provincial budget that was never really charged directly to Linerboard. It was one that has been absorbed in the general revenue account, and sometimes, I suppose, when people are reading the figures they wonder why the



PREMIER MOORES: interest and principal repayments are as low as they are. \$45.5 million was the debt at the time of takeover and that was charged to Linerboard itself, and that figure probably should be \$55.5 million now as \$10 million in the short-term debt is for interim and principal financing. The short-term debt is that \$10 million and \$30 million in the bank overdraft at the Bank of Montreal, \$7 million to the Newfoundland Industrial Development Corporation and \$3 million in trade accounts.

Now, Mr. Speaker, in the Advisory Board Report, and I point this out for the sake of clarity, the \$30 million that is presently owed to the Bank of Montreal, if the mill is shut down that \$30 million is paid off in the figures that are given. If the mill was operating, \$15 million are paid off because as an operating effort, of course, that debt could be taken over a longer time with the bank. So when the bottom line of debt repayment is looked upon in the Advisory Board's Report, first of all in operating it shows debt repayment of \$55.8 and if it is shut down it shows \$70.8 million. The reason for that \$15 million difference is that the short-term bank loan would be paid off immediately as opposed to the normal business of retiring it over a period of time. As I say, the difference is \$15 million in those two figures and that is where it is.

In the cash requirement, Sir, in the operating, it amounts in the next three years, forecasted, to be \$62 million, and in a shutdown, the cash requirement, net cash requirement is approximately \$18.8 million. So that leaves a difference, really, of some \$44 million that we are talking about in direct losses at the mill if conditions are not

PREMIER MOORES: radically changed from the Advisory Board's Report. Now, Sir, this is not the figures we have had in the past. This is the projected figures by a very responsible group of people who genuinely, with their very best efforts, have gotten people to analyze all the situation. I will come to that here in a moment, by the way, because some of the more recent information is indeed more favourable than we knew in the past.

These figures show approximately \$44 million forecasted cash requirements over three years. As I say, this is from the Advisory Board. So far, every report from any group we have had, Mr. Speaker, has leaned towards the optimistic. Some did not lean, some almost self-destructed towards the optimistic. But \$44 million is the figure we have been given. It could be, in fact, a great deal more. Hopefully, it will be less. The fact is when we received that report, Mr. Speaker, and when we looked at the cost of keeping the mill operating for 1977, we were faced with a very real situation. This comes to the Leader of the Opposition's question today about going to Ottawa to bail out, or try to get help to bail out the situation, or whether we could come up with a solution that would not be a bailout but, in fact, would be a development programme for the development of the mill.

We went to Ottawa at that time for the very simple reason that this Province could not afford to have a deficit of some \$21 million, which would have been the case. We could not afford that for many reasons which I will come to in a few moments. But we went to Ottawa because -

MR. NOLAN: Would the Premier permit a question?

PREMIER MOORES: Sure.

MR. NOLAN: Just very briefly, I do not mean to interrupt. I was wondering if it might not have been better if you had gone to Ottawa sooner? I am just wondering - I am sure that question -

PREMIER MOORES: We could not go to Ottawa before we had the Advisory Board's Report. We were in Ottawa within forty-eight hours after we had it.

MR. NOLAN: Fine.

PREMIER MOORES: One of the things when we went to Ottawa - the federal government have a large stake in this, as we all know. Of course, they have umbrella policies for the whole country which in many cases makes it difficult. We went to Ottawa, saw Mr. Jamieson first. I had called the Prime Minister before that, explained the situation to him, he was sympathetic. And I might say that the hon. Don Jamieson's attitude when we went to Ottawa could not have been better. There is no way that anything could have been done to try to help that he did not do, and I give him full marks for having done that.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: The fact is that there were a great many people in Ottawa involved at that time. We gave the situation as it was and said, What can we mutually try to work out? They said, Well the first thing we have to do is get our people together from Finance, Industry, Trade and Commerce and all these various people who would be involved in this sort of operation. There were study groups set up and I would suggest probably the fastest action, even though

PREMIER MOORES:

unfortunately was not the right one from Ottawa. We got from that group, within three weeks we had conclusions. And the fact is that the Deputy Minister of Finance, Mr. Shoyama and his staff, a gentleman from I.T. and C. and their staff and people from here, people from the advisory board themselves, I know the people from Price, who were the financial input people into most of the figures were in Ottawa to help deal with the figures and facts as they were. So the fact is, Sir, that everyone went through it very thoroughly. And this is the point that has to be remembered. This was not something that we just did, as I say, by a whim. We went to Ottawa and gave the full story as we had it. Their experts looked at it together with our consultants and together with our people here. And at the end of that the decision was - or not the decision, but the conclusion was that under the present circumstances, and I underline that, under the present circumstances it was not a viable entity, the Linerboard Mill was not a viable entity as it existed. And that is not something, I am sure, that Ottawa wanted. It is not something that we wanted. I do not think it is something that anyone wanted. But the fact is that we did go through it thoroughly in every capacity.

Mr. Speaker, at that time the Federal Government and since have been in touch with me and others in government saying that if there is anything they could do to help in the future they are only too willing to do it. Well there is a start towards that. And I think this is very important for what I am going to be saying in a few moments. We have asked the advisory board and they have concurred, and we have asked the Federal Government and they have concurred to get a senior representative from the Federal Government to act on the advisory committee so that as programmes are developed and as options become opened the Federal Government are also totally aware of what is going to happen as well as ourselves getting a report and then our people

PREMIER NOOPES:

passing it on so that we can get the interest of everybody involved and working at the same time, so I am very happy, Sir. The fact that the advisory board will have representation on it at a senior level from the Federal Government as well. But that is for convenience and certainly I would never want it construed as to being any criticism of the board as now. It is quite the reverse from that.

So the fact is, Sir, that after having done that we came back and the next thing we had to do was to do a cost benefit analysis as to what the social impact on the area would be. Because it was fairly obvious that the social impact on the area was going to be severe, but how severe? The fact is that it showed after the most recent update that there would be approximately a net loss of \$52.2 million. Now in that four year - there was a four year calculation - there were certain things taken into consideration and certain ones not. It did not, for instance, include the cost to the Federal Government because our major concern was the Provincial Government responsibility. But the methodology of compiling this was, what we attempted to do was to estimate the full cost to government of continuing the operation. And undertaking this assessment we calculated the tax returns to the Province and the operating losses which would arise from continued operation, the benefits to be offset against the operating deficit includes the following; tax revenues received, welfare payments made, the shutdown costs avoided, the timber royalties paid to the Province, the municipal grants to school and school taxes paid to the communities of Stephenville and Goose Bay and so on. The period covered by the analysis was a four year period ending March, 1980. This was a short period over which to appraise a capital intensive operation.

MR. SMALLWOOD: Would the hon. Premier permit a question.

PREMIER NOOPES: Yes, Sir.

MR. SMALLWOOD: The estimate of the revenue to the government in this

MR. SMALLWOOD:

cost benefit study included, did it, not only the direct revenue income tax, sales tax, but also estimated profit on the liquor or beer that people on the average normally drink and that is a thing that is quite ascertainable, and every gasoline tax and so on, when the figure of government revenue was arrived at was it the total of all kinds of revenue that the government would receive?

PREMIER MOORES: It probably did not go as far, Mr. Speaker, as the hon member for Twillingate would if he were making an announcement, but I think it went as far as it was realistic to do when we were announcing this particular problem. The figures used in that particular cost benefit analysis were - would cost in the high sixties per cord, the high \$60 per cord and the price for sale of that wood was in the \$240. So it was amply covered as to what the potential was. The conclusions were that they looked at - when we looked at the affect of a shut-down on the total operation we found that the net benefit of the continued operations were negative. For the four years ending March 31, 1980 we estimated the net cost to the Province would be in excess of \$40 million which has since been changed to \$52.2 million because of the increased loss last year. If this cost is brought to the present by discounting to get the present value, then the net cost becomes just over \$40 million.

I say the fact is that, as I say, this should be updated in view of the Advisory Board's report and in view of the report I suggest that they will soon be coming in with. Because, Sir, there is not all bad news on the horizon. The woods report which was mentioned briefly over there the other day, and which has been in the hands of the Advisory Board, I understand, for just a few days itself, the fact is that that woods report is probably much more favourable than any of us had reason to believe. And I am certainly not here to give false hope or I am not here to say what the Advisory Board is going to do with the report that they have received, but I suggest, Sir, that it is important first of all that the report says one thing. And the one thing that is critical and it has been critical when we have talked to potential buyers of the mill, potential operators of the mill, people who have the wherewithal to do the job in private enterprise for the

PREMIER MOORES: mill, the one thing that has always been the stumbling block is that there has never been a report which says absolutely and thoroughly that, yes there is enough economic wood on the Island to carry on the operation in the foreseeable future. My understanding, Sir, is that this report does. And I think the fact that it does is probably the best news we have had in the potential of that mill operating of anything I have heard -

SOME HON. MEMBERS: Hear, hear!

MR. SMALLWOOD: At the rated capacity of the mill?

PREMIER MOORES: At the rated capacity of the mill.

MR. SMALLWOOD: And without injuring the other two mills.

PREMIER MOORES: No, I might say, Sir, that in the make-up of the people who did the woods report - and I think it is very important that these people be identified so that there is no conflict of interest: Mr. Jack Churley, president of Canada Bowaters, Mr. Ford Gillett, a well known businessman from Springdale, and Jack Sweeney, the chairman of the mill were the three major people involved. But with them and working very hard for the last four months was Mr. Joe Carroll, who chaired the group, the next level of technicians, if you like, from the Federal Forestry, Mr. Nelson Williams who people from Central Newfoundland remember as probably one of the leading foresters that Price ever had and is now in charge of all the Price forestry operations in Quebec, Mr. Wilf Dickson, a forester with Bowaters, and Mr. Al Brennan from the department here. But with them again they had fifteen to twenty people working in mapping, surveying, analysis and the whole shebang. So it was a very, very, very good group.

MR. SMALLWOOD: The people who signed that very happy report obviously concurred in it. But did the second line, we will forget the third line - the fifteen or twenty people doing photographing and so on. How far down the list - if that is the right word - those who signed, how far down can you go to find concurrence in the report, in the happy report?



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PREMIER MOORES: I am not sure what you mean.

MR. SMALLWOOD: Does the Premier follow me?

PREMIER MOORES: No.

MR. SMALLWOOD: The report to which he alludes is signed, he says - what is it three - the top forest man at Price, Steward, what is his name at Springdale. And who was the third?

PREMIER MOORES: Mr. Hewlett, Mr. Churley and Mr. Sweeney.

MR. SMALLWOOD: And the boss of the mill, three men. But the only forest men, well there are two forest men there, Mr. Sweeney -

PREMIER MOORES: No, I named the forest men after.

MR. SMALLWOOD: Yes, well that is what I wanted to know. Did the forest men

MR. SMALLWOOD:

concur in the favourable report?

PREMIER MOORES: It is the forest men who drew up the report that these three men analysed and then passed on. It was not -

MR. SMALLWOOD: It was really their report.

PREMIER MOORES: It was basically their research and their report.

MR. SMALLWOOD: That is very impressive.

PREMIER MOORES: Sure. The fact is, Sir, that it shows also, I think, that the wood will be slightly more expensive than, say, Bowaters' today. but slightly as opposed to a great deal. The one thing, Sir, I would like to make clear as well here, that there has been some innuendo about, is the fact that the paper companies that are presently on this Island are looking after their own interests. Well they would be darn fools if they did not, to start with. But the fact is the management plan that was announced two or three years ago here in this House has been operational. They are getting their management plans in but you could not go in and ask them to do something overnight which obviously took two or three years to do. And I might say, Sir, in this woods report it has taken in order to get this in the condition it is in a great deal of co-operation from the paper companies and that has been forthcoming at every level.

MR. FLIGHT: Would the Premier permit a question, one short question?

PREMIER MOORES: Yes.

MR. FLIGHT: Have the paper companies that you have referred to, have they indicated willingness to turn over some of their timber limits to Linerboard?

PREMIER MOORES: In the management plan, and it is unfair for me to say now just exactly what is being done, but they have co-operated to such a degree as to make wood for Labrador Linerboard economical. And I would assume that answers your question.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: The fact is, Sir, that, as I say, we could go on but time is starting to run a bit short here. I have got a great many notes I would like to get into. But I think I had better get to the major part of what I want to say. I could go on, for instance, in talking about things that have been said in the House and I have got a great many notes on this and where two things were said in the same sentence like, "Government should be more involved, but then why does government not stay out." I mean I can give examples of this being said by the same person about four times. But there is no mileage in that. You can talk for three or four hours on it. But that is not what we are here to talk about this morning because we have more serious things that we must talk about now.

The real reason, Sir, for closing the Linerboard or winding it down, I should say, the Leader of the Opposition said it was not given by me and it had nothing to do with the advisory board's report. He also mentioned that the advisory board report was done hastily. Sir, the fact is that nothing, I do not think, could be further from the truth. And I am sure the Leader of the Opposition was saying this basically to illustrate the point that the lateness of the budget had a great deal to do with the pressures from the financial community, I would assume. This was the realm he was talking in at least at that time.

MR. ROBERTS: Inaudible.

PREMIER MOORES: Now, Mr. Speaker, I am not going to try to put words in the Leader of the Opposition's mouth because obviously he does not need words. He has got lots of that. The fact is, Sir, that the advisory report have done a thorough job and they continue to do a thorough job and it is critically important that they continue to do a thorough job. And the fact that the late budget was delayed because

PREMIER WOOPES:

of the Labrador Linerboard decision is absolutely correct. There is no doubt about that, Mr. Speaker, whatsoever because while, Sir, a differences of opinion on the other side of the House on this subject, the fact is that this Province under no circumstances could go with deficit financing in the public markets at this time. There is no doubt about that at all. That would have been irresponsibility that would be unique. So we had three options. We could have increased taxes in this Province in order to pay for the losses that would be incurred. And in order to get the \$28 million required for operating cash requirements that would mean approximately two per cent on the social security sales tax, if you like. It would have meant ten points on personal income tax and then only for a guaranteed one year survival. And that is not the sort of tax increases, Mr. Speaker, we were prepared to put on all the people of this Province. We could have gotten direct federal assistance and that we tried to do. And I can understand the reason why they could not. I know it is difficult for the people in Stephenville and other places to realize that the Federal Government cannot make a direct grant to us. The fact is, Sir, that there are many industries in Canada that are in trouble, and they could no more do it for one industry here than they could do it for one industry elsewhere. And that, if you stop to realize it, is understandable, as sympathetic as they were. More restraints were possible, I suppose. But I would suggest, Sir,

PREMIER MOORES: that none were really possible when you look at restraints that we have had this year, and we have had a lot of restraints. We have attrition in the public service. We have no hospital construction, no new hospital construction, curtailing the expenditure for education for capital construction. The provincial roads programme is not the biggest or best we have ever had. The fact is we do have a lot of, fortunately, DREE agreements which allows us to do a lot of the road work and water and sewage work and infrastructure that has to be done. The fact is, Sir, a deficit could not happen. We could not go with any more restraints. We could not get Federal help, and we refused to increase taxes. So the only option we had at that time was to bite the bullet and say we cannot afford to lose that \$28 million, and that we announced we will do unless circumstances change whereby we can get the mill operating again with a lesser loss than is presently being shown..

But, Sir, we cannot borrow money just for the Stephenville area when 540,000 people are asked to pay more than they should have to pay for it, because I do not think any person in this House will argue that there are certain commitments that this government must keep irrespective of anything else, there are certain roles that government have to play and people are only prepared to sacrifice so much, I suggest. There are certain things that are absolute commitments of this government that there is no way we could get out of if we wanted to and I suggest there is not one member of the Opposition would suggest we could.. The fact is the DREE agreement where it is ninety-ten. Our expenditure is \$4.5 million in order to get \$36 million. Well I would strongly suggest that most people would agree that we should spend the \$4.5 million to create the employment and give the highways after that result from that.

The industrial and residential servicing, the building and equipping of schools, the Newfoundland and Labrador Housing, Waterford Valley trunk sewer, forest access roads, Labrador services,

PREMIER MOORES: improvement and reconstruction of highways, finishing the Burgeo Fish Industries, finishing the Western Memorial Hospital, highway construction, following on with the commitments we already have in sports facilities, equalization in lieu of DREE, fisheries loan fund, rural electrification programme, inshore fishery development, rural development authority, purchases that have been outstanding in the past, Eskimo and Indian education, marine service centres, community water services, retirement of the debt in principal and interest - Mr. Speaker, whether we like it or not these are obligations as a government we must do for all the people in this Province and it is only so much they can be asked to sacrifice at any time as well.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: The other thing, Sir, is that the money lenders do have a tremendous influence. There is no question about that whatsoever. If they say to us that you have a deficit and your money is going to be more expensive, or even worse that you cannot borrow it, and we cannot meet our debt, we cannot provide these commitments that we have, the day you cannot borrow money to meet your commitments is the day that you are like the Linerboard mill was, bankrupt. And that is the one thing that we cannot allow to happen in this Province but we are a long way from that but it takes hard decisions to ensure that our creditability is in fact what it is.

The fact is, Sir, you have to face realism in this Province whether people like it or not. The fact is that realism is not always pleasant. The fact is that the realism in this case is that private enterprise, private capital, if you like, must be invested in this Province. We talk about Linerboard as a resource industry and it is. It is a resource industry located, people will argue it is in the wrong place or right place, that is beside the point: it is there, But it is a resource industry and one would think that with the proper approach it can and will operate in the future but when private capital is involved and you can take IOC or you can take Price or you can take any of these companies, the fact is that they are resource

PREMIER MOORES: industries, yes, but there is a profit motive, there is an efficiency motive, there is a drive there that is not, I would suggest, in the bureaucracy when it comes to running Linerboard mills or anywhere else.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: The fact is, Sir, we will sell that mill for a dollar if that is what is required. We will even look at subsidization up to a certain level if we can get private capital attracted in to do the job that has to be done.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: Sir, in doing that we also have to be absolutely sure that all the people of this province, the taxpayers, because that is where the government gets all its money, the taxpayers of this country and this province are not overburdened. The fact is, Sir, that we have been accused of never trying to make it work. It is said that we have had no heart and no soul and this thing. The fact is, Sir, if anything I suppose in many ways we have had too much. We have not been as efficient and as brutal as one should have been. The fact is we have the most expensive wood, or we did have, going into the cheapest product. As I say, if anything happens to give hope to that mill we will change our decision.

Sir, regarding Mr. Sweeney. I have met Mr. Sweeney on several occasions, He was in my office the day before yesterday, I think it was, for two or three hours. I do not disagree with one thing that anyone on the Opposition side or anywhere else has said regarding Mr. Sweeney. He is dedicated. He is determined and he is being loyal. If there is a way to do it as far as management is concerned I am sure that he will. I do not think there is any question about that whatsoever. Mr. Sweeney is a man who knows how to operate mills and we will support him every way. The capital requirements that he suggests we do not know if they are going to save the money that the capital requirements report says. I am no one to judge, nor anyone here. The advisory board will and that report was written to the advisory board itself and I am sure when they have had an opportunity to analyze it that they will be bringing in a report on his suggestions in that regard because they have the expertise to be able to do just that.

So, I look forward with great enthusiasm to finding out what Mr. Sweeney's report, how it will be accepted with the Advisory Board. I think Jack Sweeney is probably more dedicated to keeping this



PREMIER MOORES: mill open than any one in Stephenville. The man has only been there for what four or five months - five and a half months - and the man has a fixation about that mill that most employees that have been on the job for fifty years do not have. He is as enthusiastic as a schoolboy. He is determined as he can possibly get. I will be very honest Sir, if we had had him over the years when the losses were like they were you would be terrified because the man really is a very impressive character. I think also he has impressed the people who worked with him. I think that is very important. Because, Mr. Speaker, I suggest it is going to take the full effort of everyone. It is going to take concessions by some people and it is going to take an effort that so far has not been had to be faced up with but I would say, Sir, that ourselves, Federal Government, the management and the union are going to take off their respective cap so far as vested interest is concerned. We are all going to have to sit down to a table and see what is required to make this mill work and when we have decided that concessions are going to have to be made by all the groups I have just mentioned.

I might say, Sir, that Mr. Sweeney's remarks that he has made, I would like to read this for the record. This is really the points he told the employees and management at the day of the announcement in the budget, because I think some of this has been taken out of context. He said and I quote: " I have the text. It is important to know what is said more so how it is expressed. I am employed by a Crown Corporation and am non-political. My remarks to defend the government and to encourage such little solace as possible are not in conflict. The speech which I have copies of deals with a budgetary problem which is real, and which responsible government must deal with in its budget, To do otherwise would be to saddle the province with increasing debt, debt servicing and its residents with the increasing prohibitive personal taxes. Mr. Doody will therefore say that to stem the cash drain from the province the mill will phase out as its raw materials are used up. Mr. Doody did not take the middle

PREMIER MOORES: of the road course. He did not say the mill will shut down now. After all, we have been buying time to keep the mill going in the face of a price reduction in our product of at least 25 per cent in the last seven months. Orderly phase out: If indeed it gets that far it does not buy us more time. Mr. Doody has said he hopes that today's decision is proven wrong in the next few months. I hope so too, before we run out of wood in five to six months. I pray too that market prices will improve. The demand for our product have been improving under our own sales force. I did not come here nor do I shut down this fine mill or to work in any to the disadvantage of its compliment of staff. I have my record

Premier Moores:

which my colleagues will vouch for has been hard hitting, positive and cautiously optimistic.

"Ironically yesterday we produced 1,220 tons of pulp and we are doing better today. The Premier and Mr. Doody recognize this capability but they do not control market prices. They have however given us still a few months to fight. When all else fails prayer and continued demonstrated ability to produce may yet lead us to help for a year or two by the Federal Government or others, or to a purchaser whose order book is more profitable. The last chapter has not been written. I am more reasonably confident that this co-operation of my union associates and colleagues in the management ranks that we still have a fighting chance. I am a fighter looking forward to leading a group of fighters to win. Naturally if the worse comes to worse the company will provide severance allowances to which they are committed."

And on it goes. But basically Mr. Sweeney's remarks, I suggest, have been taken somewhat out of context by some people in dealing with them.

The fact is that Jack Sweeney is a realist. He knows what has to be done. He cannot, any more than we cannot control the market prices, but what he can do is make every effort in those spheres of influence that he has to do the job from his position that needs to be done.

Mr. Speaker, I feel, by the way, that the mill will operate. Now I am not sure when, and I am not sure at what time.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: I think it is fair to say that whilst expectation should not go rampant we still have yet to get the final report from the Advisory Board, we still have to look at the conversions, we have to look at exactly what can be done realistically to sell the mill to probably someone who has different circumstances who requires linerboard, and I do not want to get involved with specific firms here now, but it is all not negative.

PREMIER MOORES:

Mr. Speaker, last of all, we are concerned with people. We have probably got more concern for the people than we should have in some ways, but that is natural. But the solution, Sir, is in the proper approach to the problem, it is not an emotion. And the proper approach to the problem has to be to take the most expert advice we can get, people who not only can give us expert advice, but can also have a commitment to this Province. We have to get, and I think we have them in the Advisory Board, these people that can give us the hard cold facts and also realistic forecasts based on all their years of experience. And with that sort of expertise backing you up then and only then can you make the final and irrevocable position of putting a padlock on the door.

Now the fact is, Sir, that, as I said, they are made up of top men. The Leader of the Opposition believes the market is rebounding strongly, I hope he is right, and if this forecast is correct well then I am sure after October he can get a job advising the Linerboard Mill and the marketing possibilities. But the fact is, Sir, I am sure that the Board can make that judgment, and as I say I genuinely hope that is a correct statement. Because, Sir, the one thing that has come out very clearly, not in this debate, but before, is that the mill is in fact a first-class vehicle for producing. The equipment itself, I understand from all these people, from Price, Bowaters, Consolidated Bathurst and the other representatives we had in there, is absolutely first-class. The management there now seems to be doing a better than adequate job. Mr. Sweeney with his enthusiasm and others as well who have done inspections of the mill advised me that the labour in the mill is absolutely first-class.

You know, the ironic thing is in the calculations into the future that of \$386,00 cost per ton of linerboard mill, the criminal part to me is that the direct labour bill in the plant only amounts to \$14 of that \$386,00 and that is heartbreaking when you see that the people in the mill who are so determined, and

Premier Moores:

so turned on to what they are trying to do, these people in fact are such a small portion of the overall cost itself, and they are the ones in the end analysis who suffer the most. This is heartbreaking certainly to anyone looking at it objectively and not concerned.

AN HON. MEMBER: Oh, oh!

PREMIER MOORES: No I am talking about the very direct labour force the hourly worker only here, and I am just saying that it is only \$14 of \$386.00 calculated in the projected figures, which is so low and it seems to be so unfair that this would be the case.

But, Sir, the fact is that in the end analysis we must do what is best for the 540,000 in the Province. I am glad we have had a full debate on it. But I would suggest, Sir, that the time has come now not for a debate, but for action on all fronts as

PREMIER MOORES: to try to get something done within the next six months. In the next six months we together with the - well first of all, the Advisory Board will be doing the conversions, they will be doing the possibilities of operating a new linerboard mill, particularly it is attractive now that we see that there is a full wood supply or enough wood guaranteed to operate the mill. They will have their people and their sales force at the mill, who have been loaned by - seconded, I should say, from Consolidated Bathurst, and once again make every effort. All that will be going on.

In the meantime there will be federal government involvement at the board level, the Advisory Board level. The provincial government will be making contacts with all those people who are likely or even remotely interested in taking over the mill, and if any interest is shown, under what circumstances and what would be required to make that possible.

The fact is, Sir, that I would suggest that when the time comes the Advisory Board brings in the report, and the final decisions have to be made, and in which direction we go - I am only suggesting this at this time but I would like to hear other comment on it - that maybe at that time rather than having a Board of Directors from Cabinet, maybe at that time we should have the member from Port au Port (Mr. Hodder) and the member for Stephenville (Mr. McNeil), together with three government members to sit down with the final reports, and as the negotiations go on and the various things are happening, let them be aware of what is happening as well so that there is total involvement and no across-the-House controversy because -

SOME HON. MEMBERS: Hear, hear!



PREMIER MOORES:                   and on the sales potential.  
There have been about five or six major major  
sub-committees altogether with with probably as many  
as 125 to 150 people being directly involved in  
preparing reports on the possibilities of the woods,  
the sales, the finances and the technical operation  
of that mill.

  And, Sir, I might say as well  
that whilst the federal government and ourselves have  
had people on this, and you can expect it, I might  
say that the co-operation from Consolidated Bathurst,  
who have no axe to grind whatsoever, from Price in  
making their people available, and in Bowaters' case,  
has been phenominal. I mean they have made their  
very best people available to do this job. And the  
fact is, when we reviewed the figures with the federal  
government, Mr. McGiven, the Financial Vice-President  
of Price was involved, their comptroller, to come up  
with their financial people and their woods people to  
back up the information they had. And that sort of  
commitment, Sir, really as corporate citizens and it is  
many times, I think, we come down too hard on some of  
our corporate citizens, because they are corporate  
does not mean to say they are bad. In this particular  
case, Sir, the corporations involved, I would suggest,  
in this particular effort have been very, very good.

SOME HON. MEMBERS:               Hear, hear!

PREMIER MOORES:                But the fact is, Sir, that  
that is really all I have to say at this particular  
time. There will be other opportunities



PREMIER MOOPFS:

later in the debate for me to review where we are going and hopefully we can take some of the political sting out of this situation by working together and trying to come up with a solution. The fact is, Sir, what is important now is, first of all, the 540,000 people in this Province, that their interests be looked after in the best way possible and that decisions be made to protect all their interests first; and secondly, and I do not mean secondly in importance in this context, and secondly, that everything possible be done by all interested parties for the people of Bay St. George in getting the mill reactivated. And as I say, it is going to take an effort by the towns' people, and I am sure they are ready to make it, it is going to take an effort, concessions probably by the union, and I am sure they are prepared to make it. I had a long discussion with the union executive here the other night, late the other night, and it was an excellent discussion because they are concerned. And it was just great to talk to them and see just how concerned they were because they really want to make that thing work. I do not think there is any question about that. The management will have to make concessions. I am sure they will. We have to do everything possible from the Provincial Government's point of view to find a buyer or to come up with a formula that will allow private enterprise to operate that structure. We have to have the Federal Government assist us in every way possible and every programme they can to try to do it, to bring it about to reality. And in the meantime, the advisory board, I am sure, will give us the advice to make all this possible. That is really, at this point in time, all I have to say, Mr. Speaker. Thank you.

SOME HON. MEMBERS: Hear, hear!

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

MR. ROBERTS: Mr. Speaker, we have all listened with a very great deal of interest to what the Premier -

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: Oh, no. We do not need to get into a thumping row with gentlemen opposite. We have all listened with a very great deal of interest to what the Premier had to say. And I think it should be said at the offset that I am glad he entered the debate. It was later than I would have thought appropriate. But I think that in his statement he at long last has given some indication of the government's thinking and has given more importantly than that, some very concrete information, a great deal more than we have had before. It would have made the whole course of the Linerboard Mill's history so much better, it would have made the whole outcome, I think, so much better if we had had this information a year or two ago, as much of it as was available.

Now, Sir, it is about one o'clock. I would suppose we call it one if that is acceptable to the Chair. But what I would ask of the government at this stage, of the House Leader, is whether they intend to call this debate again on Monday, to carry on with it to the conclusion or whether the debate is going to be stifled and the House muzzled on this question. I have heard some suggestion that the government do not intend to call the debate again on Monday, that they want to let it rest. And they have, of course, the prerogative of ordering the business of the House on any day except Wednesday, so they can do as they wish. I wonder if the House Leader could tell me before I move the adjournment of the debate whether it is the government's intention to call this order again on Monday so that the debate can carry on to its conclusion, which I assume will be Monday or probably Tuesday, or whether the government intend to terminate or interrupt this debate, which I would view as a muzzling of the House and as an attempt to cut off further discussion on what is surely the most important topic to come before the House in this current session. But in any event, Sir, - I am sorry?

MR. MURPHY: There are subamendments.

MR. ROBERTS: I say to the gentleman from St. John's Centre (Mr. Murphy), Sir, that if we have the right under the rules of the House to move amendment and sub-amendments it is a right which we exercise and we will answer for it. I think the amendment which has been moved by my friend from Stephenville is an exceptionally good one and has put some point into the debate. And I think the amendment which my friend from Port au Port (Mr. Hodder) moved is again a very worthwhile one. And in each case I believe the House ought to be given the opportunity to record their opinion, whether they accept the statements made on these amendments or not. And the rules govern and the administration chose, Sir, to put a resolution down. I assume, realizing it was amendable as opposed to a bill which is much less amendable - if the hon. member from St. John's Centre (Mr. Murphy) does not like the rules then there are other remedies.

MR. MURPHY: No! no!

MR. ROBERTS: There has been no effort - no, I have spoken only once in this debate. Members on the other side have spoken three times with less, I would suggest, than anyone on this side has said at any one time. But my real concern is to ask the House Leader whether the government intend to call

MR. ROBERTS: this debate on Monday or whether the House is to be muzzled and the debate stifled. Subject to that, Sir, I move the adjournment of the debate.

MR. HICKMAN: Mr. Speaker, in response -

MR. SPEAKER: The hon. gentleman has moved the adjournment of the debate.

MR. HICKMAN: In response to the question from the hon. the Leader of the Opposition-and I do not very often get angry and I hope I am not angry now - the hon. gentleman sat there, we asked him if he would give up Private Member's Day on Wednesday and he said, "No."

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: We asked his colleague, the hon. the member for St. George's made a first class speech today, Why was he not in the House? Why was he not there when the member for Stephenville or the member for St. George's spoke? Why was he not there when the hon. the Premier spoke today?

MR. ROBERTS: A point of order.

MR. HICKMAN: The answer is, Mr. Speaker, that we have debated this -

SOME HON. MEMBERS: Hear, hear!

MR. HICKMAN: -and we have not made it political and we are not going to make it political.

MR. ROBERTS: There is no question before the House. The Minister of Justice is behaving shamefully and somewhat shamelessly -

MR. HICKMAN: You made the accusation -

MR. ROBERTS: Does he wish to know where I was when the Premier was speaking? Does he wish to know? I will tell him. My wife is in hospital and I was getting our children for lunch. That is where I was. What the devil it has to do with the Minister of Justice attacking me I do not know but that is where I was. Where was I when my friend - I was in the Speaker's office discussing a matter affecting the House, listening to the debate. Mr. Speaker, I do not apologize to the Minister of Justice for anything and I do not intend

MR. ROBERTS: to. My point of order is this, Sir, that the Minister of Justice is behaving shamefully, shamelessly, abusing the processes of the House in attempting to debate a matter that is not before the House.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: And I would ask again, Sir, whether the government intend to allow this House to meet to discuss this issue again on Monday or whether the government attempts to muzzle and stifle the debate, and if they think we are going to give up Private Member's Day, Sir, to allow them to waste it the way they have, Sir, we do not. We will give it up for any reasonable request but the request which the administration made was not a reasonable one and we have no intention, Sir, of giving up - We agreed to meet, Mr. Speaker, nine hours a day, three days a week to accommodate the indecent haste of the gentleman opposite to get out of this legislature, the indecent haste to drive this House, the indecent and improper House, Sir, we have no intention -

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order please! I would think hon. gentlemen will have to pursue this matter at a later date. I call it one o'clock. It would appear that with the glare on the light I did not see correctly as it is apparently several seconds after one.

So it being one o'clock the House stands adjourned until tomorrow, Monday, at 10:00 A.M.