

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
2:00 p.m. - 6:00 p.m.
MONDAY, APRIL 10, 1978

The House met at 2:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

I am pleased to welcome to the House of Assembly a delegation from the Norris Arm Town Council, including Mayor Mike Saunders, and Councillors Kevin Kennedy, Frank Freeman and Chesley Snow. I know all hon. members join me in welcoming these gentlemen to the Legislature.

SOME HON. MEMBERS: Hear, hear!

STATEMENTS BY MINISTERS:

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, I apologize for not having copies of this statement for the House, but because of the time limitations I have been unable to get them. But I would like later on to get a précis of what I will say, or an elaboration of it really, for circulation to the House. Is the hon. member going to survive?

MR. NEARY: - a snap decision?

PREMIER MOORES: No, it was far from a snap decision, Mr. Speaker, but hopefully it was a decision based on the best interest of this Province.

Last Thursday, April 6th., the Province was informed by Peat, Marwick Limited, the receiver and general manager for the Come By Chance oil refinery, that a proposal had been received from Ultramar Canada Limited, involving the purchase and the sale of the refinery. A copy of the Ultramar proposal was received by the Province, by ourselves, at 6:00 P.M. last Thursday. The receiver has formally requested notification of the official position of the Government of Newfoundland with respect to the Ultramar proposal by today, April 10th.

Mr. Speaker, one of the facts that we found quite incredible at the very beginning was the fact that as late as 6:00 P.M. on Thursday, in other words Friday morning for all intents and purposes,

PREMIER MOORES: we were asked to make a decision on a proposal that was put before us by today, without any consultation other than that that I have mentioned.

My colleagues in Cabinet met this morning to consider this matter at length and I announce their wish to inform the Legislature that the receiver has been formally advised that the Government of Newfoundland is not prepared to endorse acceptance of the Ultramar proposal.

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: As hon. members may be aware, Sir, the receiver Peat, Marwick, Mitchell, was appointed by the first mortgagee, the British, with instructions to preserve the refinery property and to take all steps possible to effect a reasonable sale of that property. The legal rights, Sir, to sell the Come By Chance refinery rests with the first mortgagee by law, of course, and that is the British, and the first mortgagee has sought the comments of the government in its capacity as the second mortgagee, and of course in its normal governmental capacity here in the Province. I should now like to outline briefly the proposal which was received from Ultramar and explain the reasons for the government's decision.

The Ultramar proposal was conditional upon the fulfillment of certain conditions. Amongst these was the approval of the federal government for the use of the wharf at Come By Chance. Other conditions pertained to the obtaining of the approval of all regulatory authorities involved and the obtaining of an agreement on a procedure to obtain the consent of other creditors and the Supreme Court of Newfoundland, and subject to these conditions Ultramar agreed to

- Number one - pay a deposit of \$500,000 on acceptance of the proposal.
- Number two - assume the liability incurred in preserving the refinery to date to a maximum of \$12 million.
- Number three - to mothball the refinery until at least December 31st., 1981.
- And number four - subject to

PREMIER MOORES: viability conditions being met, to start up the refinery.

The Ultramar proposal, Sir, said that in effect they were going to use their best efforts to commence the start up of the refinery if a feasibility confirmed that the refinery could yield at least \$50 million in profits over the first five years of operation and their sale commitments totalled eighty per cent of the designed capacity if those sale conditions were obtained from parties of substance for a five year term.

Mr. Speaker, going off these notes again, we found it very difficult as a government and as the people we have had advising us, that any company could in fact come up with sales contracts of a five year duration whether it be for the supply of crude oil, whether it be the selling of the product or whatever the case may be, because with the instability of the OPEC pricing system and what that does to world markets, this sort of five year condition seems to be very improbable to say the least.

Ultramar retained the right to close the refinery following start up if losses totally \$10 million were yielded in two consecutive years. If start up conditions were met, Ultramar agreed to make certain payments to creditors. The obligation in this connection would be to pay fifty per cent of net profits over twenty years to a maximum of \$210 million. The proposal did not specify how this amount was to be distributed amongst the various creditors of the refinery.

If this proposal were implemented, Ultramar would have the full right to utilize the refinery as it wished. And they have indicated a desire to utilize the site initially for trans-shipment of crude oil. And I might say here, Sir, that I think

Premier Moores: Ultramar's intentions were understandable here. I think they were good intentions. They obviously were in a position as the only firm bidder and wanted to take full advantage of it, and I can understand that. Maybe after startup they could have gotten the refinery going, but with the conditions present in that particular agreement I would suggest, Sir, it would be highly unlikely. If Ultramar determines that startup conditions could not be satisfied by December 31, 1981, the receiver on behalf of the first mortgagee could obtain a reconveyance of the refinery property subject to full reimbursement of Ultramar for all of the expenses that had been incurred.

An important item of the Ultramar proposal was that its acceptance would preclude any further negotiations with other parties who may have an interest in the refinery. In analyzing this proposal, Sir, government gave particular consideration to the following matters: First of all, there were very stringent startup conditions, and, in our opinion it is highly unlikely that the acceptance of the proposal would mean in fact that the refinery would startup again. Number two, Ultramar would effectively gain control over the future disposition of the refinery for the next several years in that under the terms they had the right to sell or lease the facility on any reasonable terms. Number three, Sir, we felt that environmentally for the risks that would be involved, for the economic return of thirty to forty jobs in the initial analysis, the environmental risks were too great as were the terms and conditions that they had laid forward. The Ultramar proposal however would have ensured continued preservation of the facility, provided direct employment at Come By Chance of approximately thirty to forty people, and it would have enabled a successful oil refining company to continue efforts towards full reactivation of the refinery at a later date.

Bearing these factors in mind Cabinet arrived at its decision and the receiver has been informed that the Province cannot endorse the Ultramar proposal. We have also, Sir, advised ECCO and Kleinwort-Benson to the same effect. We have urged the first mortgagee and receiver to continue in their efforts to find a new operator for the

Premier Moores: refinery. We have again indicated our willingness to co-operate in every respect. The first mortgagee, the British, consist of the Export Credit Guarantee Division of the British Government and a consortium of banks. They are meeting today in London to determine their position on the Ultramar proposal, and it is expected that a formal announcement will be made by the first mortgagee tomorrow on the Ultramar bid.

I might say, Sir, in closing that in view of certain news reports I should inform the House that the government has not received nor is it privy to any proposals submitted by other groups, and particular the Shaheen interest. The receiver has informed the Province that a bid was received from a Shaheen company and that the proposal has been rejected for normal commercial reasons. The receiver further advised that the proposal was submitted in strict confidence as a result of which the receiver does not feel authorized to disclose the details to the Province.

One of the most incredible things is, Sir, I keep hearing on the radio and in the press what those conditions were, and upon contacting the receiver we have been advised that the Kleinworts in England and ourselves in this Province, a part of the condition of that proposal that was rejected by the receiver was that we not be informed of the details. I find that very difficult, Sir, but the fact is that we are open to any proposal. We are open to, obviously, any proposal that will be of benefit to the Come By Chance area. We will be open to any proposal that is the benefit of this Province and the people who work at the refinery.

SOME HON. MEMBERS: Hear, hear!

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

MR. W. ROWE: Thank you, Mr. Speaker.

This may not have been a snap decision, Mr. Speaker, but it is the kind of proposal which you could certainly make a snap decision against. I do not blame Ultramar, Sir. Ultramar is a

Mr. W. Rowe: company operating in this Province, and is obviously doing its best to get whatever piece of action it can within the realm of the business that it operates. But, Sir, I was given certain information concerning the proposal made by Ultramar, in detail as a matter of fact - here is not too much confidential in this Province, I have found - and, Sir, the deal was completely one-sided as the Premier has indicated. There is no risk whatsoever being assumed with the possibility of all kinds of benefits accruing to that company.

It is not often, Sir, that we on this side of the House are given the opportunity to rise and say that the government is doing the right thing. In this case, Sir, we can say without equivocation that the government has done the absolutely right thing in making sure that as far as it is concerned it has rejected the proposal by Ultramar.

One thing, Sir, I might add is that whenever an

MR. W. ROWE: established oil company, a large company is submitting proposals for the Come By Chance refinery, the government has to realize that there is an inherent conflict of interest in that such an established oil company already has oil refineries located elsewhere in the world and it may be in the interest of that refinery or that oil company to keep, to in fact keep other oil refineries, such as the one in Come By Chance, from in fact ever starting up again. And that is something which has to be borne in mind when the government is dealing with established companies. I would go so far as to say this, Mr. Speaker, that the government should not accept any proposal by any established large oil company which is trying to get hold of the Come By Chance Oil Refinery unless there is a guarantee by such an established oil company that the oil refinery will be started up with stringent penalty clauses attached, started up at a date certain named in the proposal itself.

SOME HON. MEMBERS: Hear, hear!

MR. W. ROWE: With, as I say stringent, penalties. There is one thing, Sir, that the government has not made quite clear and I would like the Premier to make this clear. The government has indicated that it does not agree with this proposal for its own part. The government has indicated that Kleinwort-Benson and ECDE, which guarantees the Kleinwort-Benson loan, will be making an announcement shortly as to its position. Will the Premier indicate whether the government will in fact take steps to prevent the proposal by Ultramar from actually being accepted by the first mortgagee? In other words, what I am saying, Sir, is I do not know quite if Ultramar can get in the backdoor on this because I have not had the opportunity to study all the legal implications, nor has anyone else on this side of the House. But will the government actually take steps to prevent Ultramar in some way or other from bringing this proposal into reality by outside negotiations with the receiver, with the first mortgagee, or with any other large creditor of the bankrupt Come By Chance oil refinery? It

MR. WARDNE: is not enough, Sir, in our estimation, for the government to say we do not agree with this proposal. We think the government should go further and say it will take steps to prevent this proposal being accepted even if it means, Sir, resorting to the legislative powers of this hon. House.

PREMIER MOORES: Mr. Speaker, in answer to those questions regarding the statement, I might say I think it would be very wrong for this government to make a position known that may not be necessary if the British in fact do not accept the proposal either. We have made our position very clear to the people at Ultramar; we were in touch with them this morning and told them what our position was regarding this proposal. We also told them we were glad to have them as corporate citizens of the Province. As the Leader of the Opposition said they are a lot of good people and we want to make that very clear as well. But what we do not want to do, Sir, is dictate a position that the British will make a decision based upon what they think our contrary action is going to be. What I will say, Sir, is that whatever is necessary to be done by this government and hopefully by this House will be done after we have known the British position.

MR. SPEAKER: The hon. Minister of Recreation and Rehabilitation.

MR. HICKEY: Mr. Speaker, I wish to make a statement. I am sorry I do not have a prepared one, but the information just came to me about an hour or two ago. Last week, Sir, there were questions raised by my colleagues on the other side of the House with regards to the educational qualifications of one David Syrett, former administrator of Exon House. The questions were in connection with the educational standards and qualifications with regards to the statement made at his trial that he had attained but grade X. I gave the House at that time the information which was available to me from the records of my department, such information being verified by the Public Service Commission. I believe at that time I stated that the gentleman had recorded on his application as having attained grade XIII with a year at Ryerson Technical Institute and some three courses in hospital

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MR. MICKEY: administration. I wish to inform the House now, Sir, based upon a request by my department to the Public Service Commission for them to obtain verification of the gentleman's educational qualifications and

MR. HICKEY: fact we cannot - the public service cannot get any verification beyond Grade II, or at least they cannot get any verification of the year spent at Tyerson. However, they have verified the courses as listed by him in hospital administration. I wish to provide information to the House, as I indicated, based on the investigation that I asked the Public Service Commission to do, when the results came to me I would pass it along.

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

MR. W. N. ROWE: Sir, if I may. In the light of this information, now, Mr. Speaker, will the hon. minister indicate whether he or his colleagues in the government now deem it necessary to hold a public inquiry into the procedures for the hiring of people for highly responsible positions in government institutions such as Exon House or children's homes generally, or old age homes for that matter?

MR. SPEAKER: The hon. the Minister of Rehabilitation and Recreation.

MR. HICKEY: Mr. Speaker, it is not our intention to hold a public inquiry, and I do not intend to assume that it is going to be done, but I will be discussing this matter with representatives of the Public Service, certainly as it applies to my department, as I am sure government will in general. But I think it is fair to say that the public service people themselves are as shocked at this as we are and I am sure that it does not warrant a public inquiry, but indeed that corrective measures will be taken from here on in to insure that there is verification of qualifications of those who apply for positions.

MR. SPEAKER: Before calling the next routine order, I welcome to the House on behalf of hon. members some visitors from Greenspond - Mayor Herbert Burry, Deputy Mayor Edward Blackwood and Councillor Rex Harding from the Town Council of Greenspond.

SOME HON. MEMBERS: Hear, hear!

ORAL QUESTIONS

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

MR. W. N. POSE: Sir, may I direct a question to the Minister of Rehabilitation and Recreation concerning the subject which he raised by way of a ministerial statement? In view of the fact that he indicates that no public inquiry is going to be launched into what turns out to be perhaps the tip of the iceberg, Sir, will he indicate whether he is prepared to table in this hon. House the recommendation of the Public Service Commission as to the top two or three or four, or however many there were, recommendations by the Public Service Commission for this job as Administrator of Exon House, Mr. Speaker?

MR. SPEAKER: The hon. the Minister of Rehabilitation and Recreation.

MR. HICKEY: Mr. Speaker, I cannot say yes to that. In answer to it I will certainly say I will take it under advisement, but I would want to add that I can state again, or restate as I did last week, that Mr. Syrett placed number one on that list. There were two others and certainly that is a fact which I have verified myself. With regards to tabling it, certainly I do not know what kind of precedent that sets. I will take it under advisement and I will get back to the hon. gentleman.

MR. W. N. ROWE: A supplementary, Sir.

MR. SPEAKER: A supplementary.

MR. W. N. ROWE: Will the minister indicate whether he is prepared to table in the hon. House, Sir, any recommendations regarding Mr. Syrett which the Public Service Commission or the government - the minister, himself, government department - might have received from other civil servants, either deputy minister or perhaps the Administrator of the General Hospital or any other hospital in the Province, in other words, recommendations received respecting Mr. Syrett from other people who are presently in responsible positions in the public service?

MR. SPEAKER: The hon. the Minister of Rehabilitation and Recreation.

MR. HICKEY: Mr. Speaker, the whole question of

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MR. RICKY:

tabling such documents certainly, in my view, might well set a very dangerous precedent. I am not quite sure where government sits as a whole on this particular matter. As I said, I am certainly not interested in hiding anything regarding this case, nor is government indeed, but possibly, unless the hon. the Premier wishes to say something with regards to government's position on it -

PREMIER MOORES:

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MR. SPEAKER:

The hon. Premier.

PREMIER MOORES:

Mr. Speaker, if I may, because of the unusualness of this particular qualifications for a person in such a position and the fact that he was recommended number one, we will certainly undertake to have the Public Service Commission who, by the way, in my opinion until this particular incident-I am not saying it is wrong now-but have always done a pretty fair job to my knowledge, but in this particular case we will be asking for a full report from the Public Service Commission involving all of the things the hon. Leader of the Opposition has referred to and certainly there is absolutely nothing that we will find out that we not only too willing to table and make sure that this thing is cleared up to everyone's satisfaction.

MR. W.N. ROWE:

I have a supplementary on the same topic, Mr. Speaker.

MR. SPEAKER:

A supplementary.

MR. W. N. ROWE:

Would not the Premier or the minister, it does not make any difference who answers on behalf of the government, Sir, would not the Premier or the minister now agree that in view of all the unanswered questions, the speculation publicly, the speculation that there might have been interference by high ranking civil servants-not political interference necessarily, I am not blaming the government or any government ministers-speculation on all kinds of things, Sir, would not the Premier agree that the best way to clear the air is by a public inquiry under the Public Inquiries Act even if, Sir, in order not to establish precedence of confidential reports from civil servants to ministers or otherwise be made public, even if a portion of such public inquiry was held in camera, Sir, would not the Premier agree that what is essential case is that the truth come out even if people may have to be protected by in camera hearings and, Sir, that the public unease and disquiet over this matter be laid to rest by the truth coming out in the appropriate form?

MR. SPEAKER:

The hon. Premier.

PREMIER MOORES:

Mr. Speaker, a public inquiry I do not think is any better than any other sort of inquiry if it is the truth we are after, which is what it is. The truth will come out, we will make sure of that we will make sure we find out all the information that is relevant to this particular appointment. But the answer to every problem that arises cannot

PREMIER MOORES: be the establishment of a public inquiry. The Leader of the Opposition knows that. What we will do, Sir, is make public all the information in the inquiry we will be doing ourselves.

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

MR. SPEAKER: A supplementary, the hon. member for LaPoile.

MR. S. NEARY: Mr. Speaker, obviously, Sir, right from the beginning of this whole thing there has been an attempt at cover up.

MR. HICKMAN: A point of order.

MR. SPEAKER: A point of order has come up.

MR. HICKMAN: That statement most assuredly imputes motive on the part of some hon. member in this House either singly or collectively and I would ask that Your Honor direct that that statement be withdrawn unequivocally.

MR. SPEAKER: The word cover up, given the context and how it has developed and given the context in which it was used, does, in my opinion, impute a motive and I would ask the hon. gentleman to withdraw and rephrase his question.

MR. S. NEARY: I withdraw, Mr. Speaker, but I think I can reword the preamble of my question by saying there is all the appearance of a cover up in this particular case.

MR. HICKEY: A point of order.

MR. SPEAKER: A point of order has come up.

MR. HICKEY: Mr. Speaker, it is very difficult to listen to something like that. After demonstrating just a few minutes ago in keeping with what I said last week to my hon. friends opposite that whatever information was available to me regarding this case it would be forthcoming, factual and in total. I have done that, Your Honor, and certainly that should clarify that particular issue of cover up or suggestion of cover up, or keeping or withholding any information, I even said last week, Your Honor, with regards to another matter pertaining to the same case, that I would table any documents that I could table without violating the privacy of individuals and surely that does not demonstrate one wanting to cover anything up.

MR. W.N. ROWE: A point of order, Sir.

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MR. SPEAKER:

The hon. Leader of the Opposition.

MR. W.N. BONE:

Sir, when my hon. colleague inadvertently uses the words 'cover up' without any qualification, Your Honor will notice that I did not rise because both he and I agree that that was something that should have been withdrawn because it imputed motives. However, Sir, to state that something has the appearance of a cover up does not impute motives to anybody. I have already indicated earlier in the House that the absence of a public inquiry and the absence therefore of clearing the air for the public gives the appearance that perhaps the government is covering something up, Sir, the well known legal phrase that justice

MR. W.N. ROWE: must not only be done but appear to be done is important in this context, and it is the appearance of a cover up. Not that the members have gone out of their way, or the ministers have gone out of their way to cover up any information or to keep anything back, but the public should not even have had, Sir, the appearance of a cover up in this particular matter which, of course, leads to the necessity for a public enquiry. That is the point obviously being made by my hon. colleague, the Opposition House Leader, Sir, and I would submit that there is no point of order.

MR. SPEAKER: The hon. Minister of Justice.

MR. HICKMAN: Mr. Speaker, to that point of order. The Chair directed the hon. the Member for LaPoile (Mr. Neary) to unequivocally withdraw the use of the words 'cover up' as they were alleged in this House. The hon. gentleman says, "Of course I will withdraw and I will rephrase it by saying it had the appearance of a cover up." I say, Mr. Speaker, that that is not an unequivocal withdrawal of the statement that had been made pursuant to Your Honour's direction. I would also draw Your Honour's attention to the position that during an Oral Question it is improper, against the rules, to impugn the accuracy of information conveyed to the House by a minister.

MR. NEARY: (Inaudible) do not be wasting time. Look at the item today in the Washington Post (Inaudible) that ought to keep the minister busy for awhile.

MR. HICKMAN: Mr. Speaker, I refer to 171(t) of Beauchesne.

MR. SPEAKER: On this particular matter the first point, of course, was cover up and the decision there was that that was an imputation. This point is different, the hon. gentleman has said, "An appearance of a cover up." I find that it is not necessary for me now to decide whether that is unparliamentary or not. I can

MR. SPEAKER: make a decision which is, I think, more immediate and self-evident on the matter and dispose of it that way, and that is - the hon. gentleman referred to Beauchesne (t) - I would refer to page 147, section 171. "Observations which might lead to debate cannot be regarded as coming within the proper limits of a question." So with that ruling on the substantive matter, the particular way it was put, whether it is parliamentary or not parliamentary, it certainly can be ruled out of order on that ground. If I have to make a specific decision in a different context then I will do so, but I do not feel that that is necessary now.

MR. NEARY: Thank you. And now I would like to put the question to the hon. minister, Sir, Did the Public Service Commission give the hon. minister - or was the hon. minister's curiosity aroused sufficiently to ask the Public Service Commission why they gave this appointment to a man with Grade X? Why they had in the documents over at the Public Service Commission, why they had it recorded that this man was qualified when in actual fact he was not qualified? Why the job did not go to people like Mr. Terry Stapleton, who has made statements publicly that he was well qualified and he knew one other gentleman who was qualified for the position? Did the minister ask any questions of the Public Service Commission along these lines? Surely the minister must have been interested in getting some information for the House.

MR. SPEAKER: The hon. Minister of Recreation and Rehabilitation.

MR. HICKEY: Your Honour, I am certainly rather interested in those very questions right now because it is only today that I have had the verification that indeed

MR. MICKEY: the gentleman did not have Grade XIII. I did not question the Public Service Commission nor did I instruct my staff to. I instructed my staff. they found this discrepancy which came as a result of the court proceedings, the discrepancy as to the grade or level of education the gentleman had, and a discrepancy based on the records which the department had. I did not instruct my staff to question the Public Service on this particular matter as raised by my hon. friend now because up to this time there has not been any verification to say which information was indeed correct. So my instructions were to first of all verify, if they had not verification already, to get verification of the gentleman's education standard and let us have that information. Now it is only today that I have gotten it.

To give a further answer, or a clearer answer to what the hon. gentleman is talking about, the fact that the gentleman listed as having had Grade XIII, and the fact that somebody else was also recommended as being acceptable would not not necessarily conclude that this gentleman should not have gotten the appointment. He was, if fact,

Mr. Hickey: number one on the list. And if he had Grade XIII with a great deal of practical experience, and because of the type of position which we are talking about here, I or my staff, as far as I know, did not question the Public Service with regards to that matter. But certainly now there is a new dimension now and certainly if we can question it we will.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: I will recognize the hon. gentleman for a final supplementary, then I will recognize some other hon. members, and obviously that will not preclude others from coming back to this subject later.

MR. NEARY: Mr. Speaker, obviously there is something not right here, Sir. There is a little hanky-panky went on behind the scenes, obviously. Now the minister keeps saying that in order to produce the information that the House requests that it would create a very dangerous precedent. Now what is in the files of the Public Service Commission where people are applying for jobs that are advertised, what would be in the files that would create a dangerous precedent? Should not all of the information, Mr. Speaker, -

MR. W. ROWE: (Inaudible) the public ...

MR. NEARY: Should the public not have this information whether or not there was political interference, whether there was interference by deputy ministers, whether there was interference by the members of the medical profession? Should not this - Mr. Speaker, the minister either produces this evidence for the House or the government has no choice but to go ahead with a public enquiry under the Public Enquiries Act.

MR. SPEAKER: The Minister of Rehabilitation and Recreation.

MR. HICKEY: Mr. Speaker, you know, the hon. gentleman obviously did not hear what the hon. the Premier said. This minister or no other minister determines in isolation of one another of our colleagues government policy.

MR. HICKEY: That is a bit much to say the least. My only comment in answering the question about tabling this document which I said showed Mr. Syrett, number one, and two others, was that I did not want to say yes and not be able to keep my word and produce the actual document. And I did not know particularly what government position or government policy was on this particular matter. I said there may be precedents. Surely, Mr. Speaker, the hon. gentleman will agree that we cannot come into this hon. House each day and put rafts upon rafts upon rafts of paper on every single thing that this administration does on the table of the House. No government can do that. And that was the only thing, with reference to this, was the only meaning that that comment has.

The hon. the Premier has already told the House that in the light of the extenuating circumstances or the special circumstances surrounding this matter, that all pertinent information regarding this case will be tabled. And, Sir, he has spoken for the government and he has indicated government policy, and as a result of that I will follow through and produce those documents.

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

MR. NOLAN: Mr. Speaker, I would like to ask a question of the Minister of Rehabilitation and Recreation. When the Civil Service Commission made their recommendation on the position or positions, I would think that were three, four or more names, the recommendation had to come to some one, whether it was the minister, the deputy minister or a director or someone. What we are asking is, one, who did it go to? Who approved it? And what is more, who recommended Mr. Syrett for this position? And we would like to have these people, whoever they are, laid on the table of this House. Now is the minister prepared to do this?

MR. SPEAKER: The hon. Minister of Rehabilitation and Recreation.

MR. HICKEY: Mr. Speaker, I do not see any reason that this information cannot be forthcoming at all. I can tell my hon. friend what is customary. I have already informed the House that there were

Mr. Hickey: not three or four or five, there were three names listed on that. I have informed the House that Mr. Syrett was in fact number one. I can say that because I verified that myself. It is customary that a deputy minister, or in his absence an assistant deputy minister will make a recommendation of number one, or sometimes will not make a recommendation. I cannot say in this particular instance whether there was in fact a written comment on that sheet of paper or whether there was a recommendation, or maybe there might have been an oral recommendation to a minister, whatever the case may be. But that is how it works. And certainly I will endeavour to get the information and determine just who in fact made the recommendation.

MR. NOLAN: Mr. Speaker, a supplementary.

MR. SPEAKER: A final supplementary, and then the hon. member for Windsor-Buchans.

MR. NOLAN: Mr. Speaker, a supplementary to the hon. the minister. We can clear this up right now if the minister will either say yes or no that any pressure was brought to bear on him or any of his officials to have that man hired in his position at Exon House. That is what we are after

MR. NOLAN: and that is what we want to know: What pressure if any, on him or his officials or his colleagues?

AN HON. MEMBER: Or influence for that matter.

MR. NOLAN: Or influence to hire this man. We are not trying to blame the minister. We want to know who is responsible.

MR. SPEAKER: The hon. Minister of Recreation and Rehabilitation.

MR. HICKEY: Mr. Speaker, I am well aware of the fact that the gentleman is not trying to blame me because I was not minister at the time. I can certainly say on behalf of my colleague, that as far as we are concerned, we do not know of any pressure that was brought to bear. I will endeavour to question that further. And I hope I can convince my hon. friend and all his colleagues on the opposite side that we are as anxious to get this thing over and done with and the air cleared as they are, because there is no attempt, nor has there been, one iota of any attempt to keep anything back. I will endeavour to pin that down as well.

MR. SPEAKER: The hon. member for Windsor - Buchans, followed by the hon. member for Baie Verte - White Bay.

MR. FLIGHT: Mr. Speaker, my question is to the Premier and coming out of the Exon House situation, and I would like to ask the Premier on behalf of his administration, that when Cabinet or when government authorizes the Public Service Commission to hire an individual who will require technical skills, require professional skills, administrative skills, the position itself will have a great deal of responsibility for sectors or for people in our Province, now when the Civil Service Commission, having closed the competition and having reviewed the applicants makes a recommendation to the minister that this is the man we recommend, do not the Public Service Commission forward to the minister concerned a list of the three or four people, the top three or four who applied, and does not the minister ask for confirmation or verification as to why, on what basis this particular recommendation was made? And question the qualifications, or look at, do

MR. FLIGHT: they not reserve the right to determine whether or not the best interest of the government is being done by that particular recommendation? Because if so then obviously we could not have had a situation that applied in Exon House.

MR. SPEAKER: The hon. the Premier.

PREMIER MOORES: Mr. Speaker, that was quite a question.
First of all, Sir, I would like to say that of the many hundreds that are employed each year -

MR. FLIGHT: Top people.

PREMIER MOORES: - the many hundreds of people who go through the Public Service Commission each year, those recommendations come in, as the minister said, either to the minister, the deputy minister, the assistant deputy minister, whatever the case may be. I might say, Sir, that we have had no reason - we still have none until we find out differently - to be critical of the Public Service Commission. And I might remind the hon. member, Sir, who probably did not have the experience before, that the reason that the Public Service Commission was set up in the first place was to take away the political interference that had been the case before they were set up.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: A supplementary, one, then the hon. member, for Baie Verte - White Bay.

MR. NEARY: I would like to ask the hon. the Premier, Sir, what time the hon. the Premier is going to take whatever disciplinary action necessary, or whatever action is necessary, against the minister who happened to be the minister of that department, the hon. Minister of Health, who has made a faux pas of Fisheries, Health -

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

MR. NEARY: - Rehabilitation and Recreation.

MR. SPEAKER: Order, please!

MR. NEARY: What time this minister is going to get the flick?

MR. SPEAKER: Order, please! There were some inferences and statements, which I am sure the hon. gentleman will agree were out of order there.

MR. NEARY: Mr. Speaker, let me put the question in another way, Sir. Could the Premier indicate what action if any is going to be taken against the minister who has headed up three departments now and has made a proper mess of three government departments? Or does the Premier intend to take any action?

MR. HICKMAN: Mr. Speaker, to a point of order. Your Honour has just ruled that that kind of imputation, that kind of question is totally and absolutely out of order.

MR. NEARY: It is a question.

MR. HICKMAN: It is not a question. It is taking advantage of the Question Period to try and impute matters that are not properly before this House.

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

MR. W.N. ROWE: On the point of order, Sir. The hon. Government House Leader is a little bit touchy today -

MR. NEARY: He has every right to be -

MR. W.N. ROWE: - raising specious points of order.

MR. NEARY: - the things that he has done in the last four or five years.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: The hon. gentleman has a right to be touchy.

MR. HICKMAN: I have no right to be touchy.

MR. NEARY: The hon. gentleman does have a right to be touchy.

MR. SPEAKER: Order, please! Only one person has the right to the floor and that is the hon. Leader of the Opposition.

MR. W.N. ROWE: There you go, Sir, they cannot keep order even when there is a point of order before Your Honour.

Sir, the question asked by my hon. colleague, the Opposition House Leader, is when the Premier is going to take

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Tape No. 753

NM - 4

MR. W.N. ROWE: certain disciplinary measures against a minister, perceived by us and by the public, to be incompetent, and negligent in his duties.

MR. NEARY: Hear, hear!

MR. W.N. ROWE: Now what question, Sir, could be more appropriately

MR. W. ROWE:

asked of a ministry or a government than that question, I submit to Your Honour. The question, Sir, is clearly within the order and rules and regulations of this House and it is in no way out of order.

MR. SPEAKER: As hon. members are aware the Standing Orders, one does not have to go to Seneschal, state that in putting an oral question "no argument or opinion is to be offered nor any fact stated except so far as it may be necessary to explain the same." One would have

to regard the hon. gentleman's statement as a statement of opinion and in the strict application of the Standing Order he should desist from making those statements. I realize that in all questions and answers occasionally a superfluous word or phrase creeps in but I think ones of that kind of judgement should be guarded against.

MR. NEARY: Can I have an answer from the hon. the Premier now that we have the hon. Minister of Justice silenced?

MR. HICKEY: I thank Your Honour for ruling the hon. gentleman out of order.

PREMIER MOORES: I would like the opportunity to answer this question anyway, Sir. You know to ask when disciplinary action is going to be taken against the hon. minister who is probably doing the most competent job that any minister in that portfolio has ever done -

SOME HON. MEMBERS: Hear, hear!

PREMIER MOORES: A man whom I have the utmost confidence in, Sir. It would be just the same as me asking the Leader of the Opposition when he is going to give the flick to the House Leader of the official Opposition. It would be the same as the hon. member for Burgeo-Bay d'Espoir (Mr. Simmons) saying when can I give a flick to the hon. the leader because the House Leader is dominating the House and we are not getting an opportunity to perform. It would be the same, Sir, I suggest as the independent member from Port de Grave (Mr. Dawe) saying -

MR. F. ROWE: A point of order.

MR. SPEAKER: A point of order has come up.

MR. F. ROWE: Mr. Speaker, the Premier is entering the realm of debate and he should be ruled out of order.

MR. SPEAKER: I think the same ruling I made a moment ago

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Tape No. 754

AM-2

MR. SPEAKER: With respect to hon. gentleman to my right is also applicable.

PREMIER HOGGIES: Your Honour, I certainly agree and I will not ask them for an answer to that question.

MR. SPEAKER: Hon. member for Baie Verte - White Bay.

MR. RIDEOUT: I have a question for the Minister of Labour and Manpower. As the minister and the House are no doubt aware, members of the United Steelworkers Local 7713 in Baie Verte have been on strike against Advocate Mines Limited now for about eight or nine weeks, and the minister and the House are also aware that the key issue in the strike is not monetary issues but occupational health and safety. I wonder if the minister could tell the House how his department and the government would view any efforts by Advocate Mines to resume production at their plant in Baie Verte by utilizing staff personnel for production purposes?

MR. SPEAKER: The hon. minister.

MR. POUSSLAU: Mr. Speaker, as far as I am concerned the local 7713 at Baie Verte went through all the conciliation procedures, took a legal strike vote, are legally out on strike. And it was upheld by the Supreme Court that they could have pickets on the picket line. As far as Advocate resuming operations is concerned, I do not know; that is a hypothetical question. Because I would hope that I have the report from the last set of meetings. I am hoping that this week maybe talking to both sides there might be the possibility of a further initiative. I would think that there would be a damping of the relationship across the table if either side resorted to any action that would put the other side in a situation that it would not be conducive to further collective bargaining. Because all know, as the Advocate Company and the miners know, and the people of this Province, that the thing is going to be over sooner or later. We would rather have it over sooner but any action might participate a much longer strike and that we do not want.

MR. RIDEOUT: A supplementary.

MR. SPEAKER: A supplementary.

MR. RIDEOUT: Sir, I agree with the minister the question is hypothetical but it is very real in Saie Verte this weekend and plans, we are told, are being made for such production to start this week. What I want to know is if the minister can tell me what action can the government take if a company decides -the union is on a legal strike, it has been upheld by the Supreme Court and so on - what action can the government take to stop a powder key from being lit on the picket lines in Saie Verte if this company in fact blatantly uses its staff members to start production, no matter how small that production might be?

MR. SPEAKER: The hon. minister.

MR. ROUSSEAU: I will try and

MR. ROUSSEAU: be as honest with the member as I can - persuasion, obviously, is the only way, but you know, with respect to a concrete answer to your question, I really could not answer it and I want to talk that over with my colleague, the Minister of Mines and Energy, and my colleague, the Minister of Justice. I do not know what I can do. Persuasion I do know, but outside of that I certainly would not want to say something - because as the hon. member suggested, it is a powder keg, and I would not want to say something that might or might not be correct. So I would get together with the Minister of Mines and Energy and the Minister of Justice and discuss the situation.

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

MR. SIMMONS: Are you on a supplementary?

MR. LUSH: Yes.

MR. SIMMONS: I will yield for a supplementary.

MR. SPEAKER: The hon. member for Terra Nova, a supplementary.

MR. LUSH: Following the same line of thought, the strikes, I am wondering if the minister can brief the House with respect to developments in Labrador West, particularly in view of the fact that Wabush Mines have announced that they will have to lay off their men and close down operations, I think it is April 17th? Could the minister tell us what the situation is and what he intends to do about it?

MR. SPEAKER: The hon. the Minister of Labour and Manpower.

MR. ROUSSEAU: Mr. Speaker, the Iron Ore Company of Canada operation at Labrador City as well as the one at Sept Iles is on a legal strike. Talks resumed last Tuesday, I believe it was, Tuesday or Wednesday, and they broke off on Sunday, yesterday I guess it was, late Saturday or early Sunday. I understand there will be a meeting of the membership sometime this week to inform them of the situation. At this point in time the only thing that I can say is

MR. ROUSSEAU: that the conciliation officers are available. And we must remember one thing, Mr. Speaker, and hon. members of the House, and people of this Province, that until somebody can come up to any government and tell them there is a better process than collective bargaining, then that is the one we have to use. I suggest to the House that because of the importance, not less or more, but because of the great number of people employed in that area I have put my deputy minister, my director of labour relations in as conciliation officers. They are the top people in my department. We have met and met and met continuously, especially at the Iron Ore Company operation at Labrador City. I suggested when I talked recently about it that there are complications because of the fact that there are three conciliations really going on - the federal one because of the interprovincial railway, the one in Quebec and the one in our Province. My man is ready to go back right now if I had to send him back, if they did want to go back to the table. I am not in a position to say to the union or the company, you do this or you do that. This is a collective bargaining process. Sometimes a collective agreement is reached without a strike, sometimes it takes a short strike, sometimes it takes a long strike. Obviously, the union feels very strongly about the things it feels that are necessary to conclude a collective agreement; obviously, the company feels also that they can only give so much, and they feel very strongly about it. All I can say is that the conciliation process collective bargaining will continue. My people are on stand-by ready to go back at any time and meet with them and we will just have to wait for a few days now, because the talks just broke off, as I say, on Saturday or Sunday, and give both sides a chance to look at their positions - I think some progress was made - and then during the week we will have to make a decision on just where we go from here.

ORDERS OF THE DAY

MR. HICKMAN:

Motion 5.

Motion, the hon. the Minister of Rehabilitation and Recreation to introduce a bill, "An Act Respecting The Rehabilitation Of Disabled Persons," (Bill No. 17), carried.

On motion, Bill No. 17, read a first time, ordered read a second time on tomorrow.

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

COMMITTEE OF THE WHOLE

MR. CHAIRMAN: (Dr. Collins)

Order, please!

Heading V, Labour and Manpower
page 23.

The hon. the Minister of Labour and Manpower.

MR. ROUSSEAU:

Mr. Chairman, there are a number of items obviously that could be discussed in my opening remarks on the Department of Labour and Manpower. Some I may or may not get a chance to talk about in the introductory remarks, but I think it

Mr. Rousseau: important that the majority, if not all of my time, be spent on the question of occupational health and safety. I think as the two hours go by there may be other points that the hon. members may want to raise, and I may have an opportunity before my twenty minutes are up to say a few things about a few other items.

But I think because of the very important topical and relevant concept of occupational health and safety, that I have to stand up for two hours and take it on the chin, and rightfully so because I think it is a matter that all members of this hon. House think that is, as I say, very relevant and very topical at this point in time.

AN HON. MEMBER: Yes, I can make it out -

MR. ROUSSEAU: Pardon?

AN HON. MEMBER: (Inaudible).

MR. ROUSSEAU: I cannot hear you.

AN HON. MEMBER: Can I bring it over?

MR. ROUSSEAU: Obviously I have to say something about it. I am not going to steal anybody's thunder. I am sure that hon. members across the House will have some pertinent and constructive suggestions to make.

Mr. Chairman, I think it is fairly correct to say that the question of occupational health and safety or the impact and the relevance of it relatively speaking has become of great importance over the last number of years. I do not know the hon. member for LaPole (Mr. Neary) was the acting Minister of Labour, I believe, the last year of that administration. I would think he might agree that although there were individual items, the concensus and the impact of the question of occupational health and safety was not in 1970-1971 as great and as topical as it is today. I think even in 1972 and 1973 it started to piece together. I think all of us probably were not aware of the impact of the St. Lawrence situation, which is really the one that brought it to the fore in this

Mr. Rousseau: Province.

I have lived in Labrador City for a number of years, since 1962, and I know that occupational health and safety was of prime concern there. I think the concern was more locally within the town. I am certain that there were concerns at Advocate Mines, at St. Lawrence, and many other mines. But then all of a sudden in the early 1970s, I think, probably the seeds were being formulated in 1970-1971-1972, the question became one of very great importance in this Province.

We must also remember, Mr. Chairman, that at that point in time there were a number of agencies responsible for occupational health and safety - the Department of Health, the Department of Mines and Energy, the Department of Labour, and various agencies as well, the Workmen's Compensation Board, the Newfoundland and Labrador Hydro, and also the Department of the Environment. It is very difficult, Mr. Chairman, under the best of times in government circles to get a handle on some things, but when a specific item is being dealt with by five or six departments it is even more difficult to get a finger on it.

In 1972 and 1973 I think there was a concern expressed by this government on the whole question of occupational health and environmental health services and safety in this Province. I think, to put it in perspective again, the first concrete step was taken in April of 1973 when a Dr. Mastromatteo was retained by the government to review the existing situation and prepare specific recommendations on the objective cost and organization of such service. I think at that time the concept of one umbrella department or division was being conceived in the minds of officials, government and the workers across this Province. The main recommendation that came as result of this study was that the Province provide the authority, staff and resources within the Department of Health to meet the needs of Newfoundland in dealing with the questions of occupational, environmental health and safety. As a result, of course, sometimes during 1973 the Department of Health instituted the Division

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Mr. Rousseau: of Occupational Health and Safety and named Dr. A. B. Colohan as its director.

This started to go along, but again we still had the situation where although the Department of Health then became the prime department responsible for occupational, health and safety, there were other departments and agencies and divisions still involved in the question.

In November of 1975, approximately two years later, there were two briefs submitted to government, and they were specifically related to the mining industry; one was

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MR. ROUSSEAU: from the United Steelworkers of America which I think is probably the union which has been in the forefront of the fight for occupational health and safety.

Jointly the steelworkers at the various mines across this Province, and they have organized in almost all instances except, I think, St. Lawrence, which is CNTU, and Daniel's Harbour, which is United Carpenters and Joiners. I think all other mines and mining operations are dealt with by the United Steelworkers of America, and also by a joint brief from the Canadian Confederation of Trade Unions, the CNTU, and the St. Lawrence Workers' Protective Union.

Subsequently, to those two major inputs, on the question of occupational health and safety, a Cabinet Committee was set up -

MR. NEARY: Would the minister permit?

MR. ROUSSEAU: Yes.

MR. NEARY: I would like to move that the Committee rise and report no progress. We have no confidence in the government and we cannot pass the estimates.

AN HON. MEMBER: Sit down!

MR. CHAIRMAN: It has been moved that the Committee rise, report some progress and ask leave to sit again. Those in favour "aye", contrary "nay", in my opinion the "ayes" have it.

MR. SPEAKER: The hon. Chairman of Committees.

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole have considered the matters to them referred, made some progress and ask leave to sit again.

On motion report received and adopted, Committee ordered to sit again presently.

MR. NEARY: Mr. Speaker, what I want to know from Your Honour is - I do not know if it is right to ask Your Honour for a ruling or not - once we take a vote in the Committee of the Whole that the Committee rise, then the Chairman of Committees reports to Your Honour, then who can then vote in that vote when it is taken, Sir, just the members who were in attendance, present when the Committee rose? And does not the House then have to automatically adjourn, Sir? Is that not a vote of non-confidence in the government, Sir? The fact that the Opposition rises the Committee, Sir, and the Chairman reports back to Your Honour, does that not mean that the House has to then adjourn to await further instructions? And who will be allowed to vote? Only those members who were in the Committee when the Committee rose, Your Honour?

MR. SPEAKER: With respect to the vote in Committee, I think it would be inappropriate for me to make any comment there because I am not the presiding officer. That would be inappropriate. With respect to now that the report has been made what may happen, then obviously the Government House Leader calls whichever order he wishes, legislation, or the Address in Reply, or indeed, to go back into Committee. That would be the next procedure.

Actually the Standing Orders or the Authorities do not talk about vote of confidence in that sense because that is more of a constitutional matter than a House of Assembly matter. Certainly after the question has now been put the Chairman has reported progress and now it is up to the Government House Leader to call whatever order, whether it is the same one or a different one.

MR. NEARY: If I may, Mr. Speaker, on a point of order.

MR. SPEAKER: A point of order.

MR. NEARY: Mr. Speaker, the motion that I made was that the Chairman of Committees report to Your Honour - the Chairman did not report actually the motion that I made - report to Your Honour that we have no confidence in the government, that we not pass the estimates and that the House adjourn. Now that was the motion that I made, Your Honour, and the Chairman did not report that motion to Your Honour. Now the tapes can verify the motion that I made, Sir.

Your Honour, the Chairman reported that the Committee had made some progress and asked leave to sit again. That was not the motion, Sir. The motion was a vote of non-confidence in the government and the members on this side outvoted the government members and the Committee Chairman did not report the motion that I made to Your Honour. I want to draw that to Your Honour's attention.

MR. SPEAKER: I think I should hear from the hon. Chairman of Committees because he presumably knows more about it than any - well, as least as much about it as anybody else.

MR. CHAIRMAN: Mr. Speaker, the question put to the Committee was that the Committee do rise, report progress and this was the question reported on. If I misunderstood the hon. member in putting the motion that is a different matter. Sometimes when motions are put there are phrases added to them that I think it is quite self-evident they are not to be taken seriously. Whether there was a misunderstanding on my part when the member made the motion, I am not too sure.

DR. COLLIER: But at the time my understanding was that the Committee should rise, should report progress and ask leave to sit again and this was the question that I put to the Committee, which was passed and this is the question that I report to Your Honour.

MR. SPEAKER: The hon. member for Grand Falls, then I will hear the hon. gentlemen for LaPoile.

MR. LUNDRIGAN: Mr. Speaker, I was present in the House, as hon. members will know, when the suggestion was made by the hon. House Leader. And I clearly got the impression that it was a ploy sort of to expose the government for not having enough members in here, or having fewer members than he would like to see, and I have seen this done quite a number of time, and clearly the motion that was put was a motion which indicated that the Committee rise, and report - I believe the member said no progress.

MR. NEARY: No progress.

MR. LUNDRIGAN: All right, and then he went on -

MR. NEARY: No confidence -

MR. LUNDRIGAN: No. No. There is no such thing as no confidence, Mr. Speaker.

And secondly, Mr. Speaker, perhaps more importantly, Your Honour, that I believe if Your Honour does a little looking into procedure - and I understand that we are masters of our own House here, but nevertheless we do have to look to other jurisdictions in Ottawa and in London for some guidance - that you will find that in the Committee it is a relaxed environment. The rules are very flexible. That I have seen on quite a number of occasions when there has been Committee activity and the other jurisdiction that I am fairly familiar with, when there would be fewer members, and there would be ifs, and ands, and buts backs and forth across the House, and never did that kind of a move, never was it ever taken seriously, that it is a procedure which the member used today to suggest that members should get back in their seats. It is almost the same as - what is the procedure you use when there is regular debate for calling in the member?

MR. WINDSOR: Call a quorum.

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MR. LUNDRIGAN: Almost the same type of procedure. And certainly the member cannot be serious. Certainly he cannot be serious when he stands up here when the estimates of the hon. Minister of Labour are being debated and suggests that that kind of a move should constitute a vote of non-confidence. Mr. Speaker, that is the kind of thing which is giving the House the kind of image that it does not deserve to have. And I think the member should be a little bit more serious than that.

MR. NEARY: To that point of order, Mr. Speaker. As you know, Your Honour, I was the one who made the motion that the Committee rise, and the motion that I made, Your Honour, was not the one that the Chairman just repeated again to Your Honour. And my hon. friend from Grand Falls (Mr. Lundrigan) is closer to the motion that I made, except my hon. friend did not finish the motion that I made. And here is the motion that I made. I said, I move that the Committee rise, report no progress, that the government not be given their estimates, that we have no confidence in the government. That motion was put and passed, Sir. And I do not know, Mr. Speaker, what you have to do to create a vote of non-confidence in the government there that. That is spelled out. And the fact that the government did not have enough members in their places, Sir, in the House -

MR. W.N. ROWE: They got caught with their pants down.

MR. NEARY: That is right. My hon. friend says they got caught with their pants down. They got caught with their political pants down. And so they have been outvoted. Now the Committee rose, Mr. Speaker, and then I would assume, after that, the natural procedure then is for the House to adjourn.

MR. HICKMAN: No. No.

MR. NEARY: Oh yes, yes, yes. The hon. Minister of Justice does not make the rules. The hon. Minister of Justice is not a constitutional expert. And I would like for Your Honour to hear the tapes because it was a motion.

SOME NON-MEMBERS: Hear, hear!

MR. MEANY: No. This is a very serious matter. This is not a trivial matter and the hon. gentlemen can laugh and sneer and joke all they like. It is a serious matter.

Mr. Speaker, Your Honour should send for the tapes. Find out what the motion was because the Chairman of Committees, Sir, has incorrectly reported the motion that was made.

MR. SPEAKER: The hon. member for Kilbride.

MR. WELLS: Mr. Speaker, the hon. member is entirely wrong in what he is saying. He says that his motion was that the Committee rise, report no progress and that the House has no confidence in the government. Well he can move that the Committee rise, that is his

MR. WELLS: Right, and if the vote is taken then the Committee rises. Now, in Committee you cannot move a motion of non-confidence.

AN HON. MEMBER: Hear, hear!

MR. WELLS: A motion of non-confidence can only be moved to the House as a whole when Your Honour or his deputy is in the Chair, not in Committee. So the hon. member's motion at that stage and that part of it was completely and utterly out of order. The Chairman did the only thing that he could do. He recognized the only part of the motion that was legitimate and he put the vote to rise the Committee, but any other vote at that stage would have been completely out of order. My understanding as to what happens then is the Committee has then risen, Your Honour goes back in the Chair, and then somebody, whoever has enough votes to carry it, moves that we go into Committee again if the Government House Leader wants to do that. If otherwise, then somebody moves who can carry it by votes that we go on to other business, and if we do, that is fine. But that is the procedure and no government was ever defeated in a vote of non-confidence by Committee. The whole thing is ridiculous to even suggest it, Your Honour.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, to that point of order, as usual, my hon. friend was not in his seat when the vote of non-confidence -

AN HON. MEMBER: That is right.

MR. SPEAKER: Order, please!

MR. WELLS: Mr. Speaker, on a point of privilege.

MR. SPEAKER: The hon. member for Kilbride, on a point of privilege.

MR. WELLS: It was ruled last year by Your Honour sitting in that Chair that it is not a function of members of this House of Assembly to comment on other members whether they happen to be out in the corridor or not in their seats at a given time. We, all of us, go out through these doors into the common room, to the toilet, to wherever else from time to time and that is accepted -

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SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please! Order, please!

MR. WELLS:

The hon. Speaker has ruled that that is out of order and we are back again to the same old trick that he has tried, Mr. Speaker, time after time, time after time, ignored the ruling - the point of privilege being -

AN HON. MEMBER:

(Inaudible)

MR. WELLS:

Will the hon. member sit down? He does not make all the rules in the House.

MR. NEARY:

Neither does the hon. member.

MR. WELLS:

You know, Your Honour, it is becoming increasingly difficult for anyone to make a point or have any serious discussion in this House without the mouth of that particular hon. member going.

MR. NEARY:

Sit down, boy, and (inaudible).

MR. WELLS:

You know, he has to learn sooner or later or he will turn this House into a shambles, Your Honour. You see, I am speaking to the Chair, properly, correctly and respectfully, and what happens?

MR. NEARY:

Improperly.

MR. WELLS:

Well, that is for His Honour to decide. What happens is that there is a continual tirade of all sorts of irrelevancies from the member in question, and that is leading to more difficulty, more problems and more loss of respect for this House than any other single thing I can think of, Your Honour.

SOME HON. MEMBERS:

Rear, hear!

MR. WELLS:

Somewhere, somebody has to call a halt -

MR. NEARY:

Go out, boy (inaudible).

MR. WELLS:

You see? Somewhere, somebody has to call a halt, Your Honour. No other point -

MR. NEARY:

Do not be so angelic.

MR. WELLS:

See, Your Honour?

MR. NEARY:

We know what is hurting the hon. gentleman. The hon. gentleman got the dart from me last summer and he has not gotten over it yet.

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MR. WELLS: See, Your Honour? Somewhere, someone has to call a halt, Your Honour, or the House will not be a fit place to conduct government business in.

MR. NEARY: Mr. Speaker, a point of order.

MR. SPEAKER: Order, please! Order, please!
Before I recognize the hon. gentleman on the point of order, the hon. gentleman to my left did rise on a point of privilege.

I do recall having ruled last year to the effect, and I quoted MAY at the time, that there are in all professions certain courtesies which people extend one another and that it is irregular in the Legislature for hon. members to comment upon the absence of their colleagues. I would point that out to all hon. gentlemen.

I recognize the hon. member on the point of order and I think then I will be in a position to rule on it.

MR. NEARY: Mr. Speaker, the original point of order that I raised is that I asked Your Honour's advice, I put myself in Your Honour's hands in connection with those who can vote. Once the Chairman of Committees reports to the House, then who can vote, Sir? Does the Speaker then call in members? Can anybody then wander in off the street and vote, like the hon. member for Kilbride (Mr. Wells) wandered into the House? Could the hon. member for Harbour Grace (Mr. Young), the hon. member for St. John's East Extern (Mr. Hickey) and all these gentlemen that wandered in, or only those, Sir, who were in the House when the Committee rose? Now that is the key -

MR. HICKMAN: (Inaudible)

MR. NEARY: I beg your pardon?

MR. HICKMAN: That is right.

MR. NEARY: Only those who are in the House?

MR. HICKMAN: - when the Committee rose.

MR. F. ROWE: He is going to have to be a little more objective if he is going to be Chairman.

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EC - 4

MR. NEARY:

So, Mr. Speaker, I would like to get some information on that question before Your Honour puts the vote because we want to know who can vote. Now, can anybody wander in from the street, or only those who were in the House when the Committee rose?

MR. LUNDRIGAN:

On that point of order, Mr. Speaker. First of all, the hon. member for Trinity - Bay de Verde (Mr. F. Pome) is reflecting on the hon. Committee Chairman when he says he should be more objective. This is getting a little bit out of hand for two reasons now. I have never seen it happen before -

MR. SPEAKER:

A point of privilege.

MR. F. POME:

We are already up on a point of order, Mr. Speaker, and the hon. member cannot get up on another point of order at the present time.

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AW - 1

MR. J. LUNDRIGAN:

Mr. Speaker, I have never seen it before where members, hon. members can stand up in the Legislature and ask Your Honor to clear up this point, give us information on that point, listen to the tapes on something else. Your Honor, that is something that members have to give up using to embarrass - because Your Honor and the Committee Chairman have a pleasant way in administering the rules of the House the hon. members across the way are taking full advantage of it. And a member just cannot stand and say 'Your Honor I want to know the rules are!' That is his business to learn the rules.

SOME HON. MEMBERS:

Hear, Hear!

MR. J. LUNDRIGAN:

If he does not know the rules, if he is questioning them improperly than he will be expeditious with Your Honor's ruling. I have had to learn the rules over a period of years. I only know maybe one out of a dozen now and I am satisfied to be embarrassed when I stand up and do not know the rules, but you cannot stand, Mr. Speaker, in your place and ask His Honor to explain the rules, give me the interpretation, who can vote, why cannot they vote, and challenging the Committee Chairman. This is very improper, and I have watched this in the last few days here where two or three of the members across the way are challenging the authority of the Chair, asking and appealing rulings, expressing lack of confidence in the Chair that is the easiest way to destroy the Legislature.

MR. SPEAKER:

I am quite sure we are now in a position to proceed. The hon. gentleman on a point of order did ask who could vote when I called that motion which has already been put, and the motion is that I leave the Chair. Everybody who is here can vote on that. It would not make any difference if they were not here ten minutes ago and everybody who is here can vote on that. Dealing with the overall matter,

it was reported to me that a motion was made that the Committee rise report progress-no progress, little progress, whatever progress-and ask leave to sit again. That was the report that I received. Now the hon. gentleman did bring up that he thought that that report was inaccurate because he had added something to the effect 'and the House has no confidence in the government: number one, not having received that report I cannot resign and sit on it; number two, and of course the decision would have to be made not by me but

MR. SPEAKER: whoever was in Committee whether such an addendum to the motion to rise, report progress would be in order or be relevant to what was then being debated and to the motion to rise. I make no decision on that. However, the motion as reported to me, 'the Committee rise, report progress, ask leave to sit again,' I put the motion, that has been voted on, and now the Government House Leader has called 'Committee of Supply and the procedure for me now is to say, 'The motion is that I do leave the Chair,' and everybody present may vote on that, so I put it; the motion is that I do leave the Chair. Those in favor "Aye!"

SOME HON. MEMBERS:

"Aye"

MR. SPEAKER:

Contrary "Nay"

SOME HON. MEMBERS:

"Nay"

MR. SPEAKER:

My opinion the "Aye's" have it.

MR. S. NEARY:

Mr. Chairman, a point of order.

MR. CHAIRMAN (DR. COLLINS):

Order, please!

If I may be permitted to make a remark before calling the next order in Committee. To clarify the situation that came up a short time ago, I would like to inform the Committee that the motion I put, the question I put to the Committee was that the Committee report progress and asked me to sit again. Now when the Committee votes it is on the question put. If an hon. member rises in his place and makes a motion, that motion may or may not be in order. And it is up to the Chair to decide whether the motion made is in order or not, and then the Chair puts the particular question that the Committee is asked to vote on. In this particular instance a motion was made and going by the very clear precedents in the House, within my relatively limited experience in the Committee, but also going on the basis of conversations I have had with various individuals dealing with the House, going on those precedents my understanding is that a motion to rise the Committee is put in the form that I put it, in other words, when

MR. CHAIRMAN:

I heard the motion that was put by the hon. member. I corrected it into what I have taken to be and what I still understand to be the correct form of the question. And that was the question that I put, that was the question that the Committee voted on, and that was the question that having been instructed by the Committee to report, that is the question that I put to His Honour the Speaker.

MR. NEARY: That is what I was going to ask Your Honour. So I will have to do a little research to check that out, so I will do that probably during the evening.

MR. CHAIRMAN: The hon. minister.

MR. ROUSSEAU: Now, Mr. Speaker, we will go back to the comments I was making on the November 1975 briefs by the United Steelworkers of America and by the joint brief by the CNFU, the Confederation of National Trade Unions, and the St. Lawrence Workers Protective Union, and they made a brief to government and the United Steelworkers specifically called for a separate ministry of occupational health and safety. This concept was not accepted by government but there was a committee established and my predecessor, the now Minister of Forestry and Agriculture, travelled across some of the other provinces to take a look at new legislation, in effect these provinces had come up with in respect to occupational health and safety.

I think the next big move was in October of 1976, and in October of 1976 a conference was called in this Province which included representatives from labour and representatives from management across the Province. I was informed and told and read that the conference was a very big success. A number of recommendations resulted from the conference and at the conference there was freely and democratically elected a committee comprising of six representatives of labour and six representatives of management to look at the question of occupational health and safety. The name given to that committee was the Interim Advisory Council on Occupational Health and Safety. That was in October 1976. I think it took a month or two to get the report

MR. ROUSSEAU: of the committee because the Memorial University Extension Group which did it, of course had to type up the tapes of the committee and it was received in January or February, I think, of 1977. Immediately I appointed Dr. Leslie Harris to the committee as Chairman. I talked to Dr. Harris and he was prepared to get the committee off the ground so he became the Chairman of the Interim Advisory Council on Occupational Health and Safety. I also appointed a couple of other people, independent people from the university and so on who had some background in occupational health and safety. As a result of that committee we hope very soon in the House to introduce legislation on occupational health and safety. But first let me say something, Mr. Chairman; I have proceeded in a way that I think is the proper way. It may not be, and I am open to suggestion. Number one, it is unfortunate that the question of occupational health and safety in this day and age, and specifically in the two strikes that are now occurring, should be a matter for collective bargaining; that is unfortunate. And I think all members of this legislature, the past administration and the present administration, have to take blame for that and I am prepared to share it. I know when I went back in the ministry that was my number one consideration, and I for my own part am willing to let other things fall by the wayside in order to come up with an act on occupational health and safety in this Province that will enable workers to feel that they have legislative protection against the sort of things that an act of this nature would counteract. I addressed the first meeting of the Interim Advisory Council on Occupational Health and Safety and threw out a few concepts as well as asked them to look at the legislation. Now their original terms of reference were to consolidate - or their opinion, their advice, their recommendation to me was to consolidate all existing legislation on occupational health and safety, to use that as an interim device and then to look at new legislation on the basis of the experiences of specifically

MR. ROUSSEAU:

Saskatchewan and Ontario, but to a lesser extent, Alberta, Manitoba and British Columbia who are now in the process of the same sort of legislation.

The first meeting that the Interim Advisory Council had, and they knew that as minister I was contemplating some changes in occupational health and safety, I was asked as a result of the minutes of the meeting, that government not take any action in the area of occupational health and safety until the Interim Advisory Council had discussed it and made their recommendations. Understand, Mr. Chairman, they were not saying that whatever recommendations they made government had to follow. What they did say was that any legislation contemplated, or any action contemplated by the government should be referred to this Committee.

I gave my undertaking to the Committee that in the Winter, or very early Spring, government would not take any action in occupational health and safety legislation or otherwise until whatever action might be contemplated was referred to this Interim Advisory Group.

They met periodically. They made some recommendations. I believe it fair to say that every recommendation they have made has been followed by government. One of the original recommendations was that we consolidate under one department, which we have done, and which will be done completely by the 1st. of April, 1979 and I will explain those dates later. That we appoint a Director of Occupational Health and Safety, which we have. That the staff be accumulated, which we are beginning to do. And if hon. members will notice, the amount of money that will be expended departmentally this year is quite substantially more than last year. This is due to a lot of the agencies and their officials will be of course, coming to the Department of Labour and Manpower under the umbrella of occupational health and safety.

MR. ROUSSEAU: I said, Okay, we will not move on any items until you make your recommendations. Now I was under the impression that they were looking at, number one, the consolidation of existing legislation, which now, Mr. Chairman, operates under four, five, six departments. They did that and they looked at it again and actually what they have done is they have in effect come up with a consolidation and some other aspects which could be called new concepts in occupational health and safety insofar as the existing bits and pieces of legislation we had previous to that.

I received the consolidation from the Department of Justice about a month or six weeks ago. I referred it back to the act itself or the draft act, to the Interim Advisory Council again. They had some extraordinary meetings for two days I believe it was, Mr. Chairman, about two weeks ago, in which they considered the whole question of the act. They made some changes and they recommended some changes and these changes were introduced by the legal people in the Department of Justice, their drafting but it was accepted by the department and I hope within the next few days will be approved by government.

MR. W.N. ROWE: (Inaudible).

MR. ROUSSEAU: That is the Occupational Health and Safety Act. I said the other day it would be a very proud moment for me in standing up to give notice of that and I hope to do that before the end of the month. But in any event, Mr. Chairman, we have consulted with them. Now I am going to assume something, Mr. Chairman. First of all, I am going to assume that the six members representing labour and the six members representing management are representative of labour and management across this province. As minister it is not my intention to put out a white paper or put the act out for discussion. It will be introduced and passed in this session of the House, I hope. From there of course any changes, modifications, additions, deletions to that act can be done, but we have to get that act on the books and if I

MR. ROUSSEAU: may get a white paper or make it a topic for discussion it is impossible for me to have that act back and passed in this session of the legislature. I think it is of such great importance to the working people of this province that something has to be on the books and this is the act I hope that will be on the books.

So in the very near future, as I say, I hope that we will be in a position to announce it in the House of Assembly and to be able to do the legislation. I am sure that all hon. members in this session of the House will feel the same pride because it is a topical issue now to talk to and hopefully unanimously approve an act on occupational health and safety. My timetable now depends on the Budget Speech and so on I presume we will be finished the budget sometime around the end of April and I would hope that in May that one of the first pieces of legislation

Mr. Rousseau: to be discussed in the legislative programme of this session of the House will be the question of occupational health and safety. I feel very strongly about it. I know many people across the Province feel very strongly about it, and I keep saying now on my feet, that I feel very badly that Labrador City is out, and Advocate mines are out, or Ramble. There is no question about that because there is no legislative provision for occupational health and safety. And I am not saying 'embarrassed'. I do not feel embarrassed about it, but I feel very bad about it and I will reiterate what I just said; it is unfortunate in this day and age that unions and company have to discuss the question of occupational and health and safety of the worker, the health of the worker, across the bargaining table. It is unfortunate, like I say, that provisions of legislation are not there now. They will be by next year I certainly hope barring something which I do not foresee, and that will be much more conducive to the collective bargaining process in the Province where they can again sit down and talk about those items which rightfully belong to the ambit of occupational health and safety.

I wanted, Mr. Chairman, and I have spoken the twenty minutes now, and I will sit in about two minutes, but I wanted to put that on the record, the position on the record. We can argue from there and if hon. members have thoughts on it I am prepared to listen to them because I think this is something that is very important, government is in support of the concept of occupational health and safety. I am sure that hon. members across also are, and I think it is very important for all of us, especially those who represent areas where the question of occupational health and safety is a topical one, the mining areas of this Province.

So there are many other points in the estimates, of course, that I would have had like to have the opportunity to discuss but time is limited, and I wanted to put that one item on the record just what the position is.

SOME HON. MEMBERS: Hear, hear!

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

MR. SIMMONS: Thank you, Mr. Chairman.

Mr. Chairman, I would just like to -

MR. PECKFORD: (Inaudible).

MR. SIMMONS: Does the Minister of Mines and Energy have something he would like to say before we proceed?

MR. PECKFORD: No, go ahead. I am sorry, very sorry.

MR. NEARY: (Inaudible). He is on the labour committee.

MR. SIMMONS: Oh, yes. I believe he is, as a matter of fact, I am a member of the House and I have some things I would like to say on the subject, and that is the procedure, if you notice, we have been following in Committee, to have various members get up and say things, members who are concerned about various issues. And I am looking forward just as much as the Minister of Mines and Energy is to hearing from my friend from Terra Nova (Mr. Lush) on the subject of Labour and Manpower. I have a few things myself I would like to say on the subject.

I was hoping that the minister in his opening statement would have addressed himself to a number of the big issues which are concerning us, and certainly occupational health is one of them. But since it is not the Budget speech, I was hoping that he would give us a very quick thumbnail sketch of what his concerns are as Minister of Manpower. I wanted to hear it for a very good reason, because I was wanting to see if in his priorities as the Minister of Labour and Manpower if he saw any priority in the very serious economic situation which the people of Bay d'Espoir in my district are facing, and which is being faced by a number of other areas throughout this Province.

I want to speak for a few minutes on the Bay d'Espoir situation, not only as the district politician for that particular area, but because the ramifications of the Bay d'Espoir problem are far and beyond the district itself. The present situation in Bay d'Espoir is nothing short of a disaster. I think the term 'disaster' to be the appropriate one to use for it. It is unfortunate that the legislation, I believe federal in this instance, covers disasters. It does not cover this kind of a disaster. Apparently you have got to have

Mr. Simmons: a typhoon or a tidal wave or some other natural disaster to qualify for any federal funding. Perhaps it is time to look for a change in that legislation federally because I feel strongly that it matters not how the disaster came about; if the consequences are the same, if the deprivation is the same, then the remedy ought to be the same, the access to a remedy ought to be the same.

MR. SIMMONS:

And the problem in Bay d'Espoir now is so monumental that I do not particularly think that this particular government - and I am not casting aspersions - I am just saying that the monumental nature of the problem is such that it probably requires the active collaboration of both levels of government to do anything about it. Now, how serious is the problem? Well, Mr. Chairman, I had a chat with the Manpower people in St. John's and Grand Falls and a couple of offices elsewhere in Canada in the last few days, and the first figure that is very available to us is the employment figure that you hear published every month. For the Province, I believe, for February, it was about eighteen per cent. The South Coast economic zone, zone two I believe they call it, the rate there is 18 per cent compared to 17.2 per cent for the Province. We should keep in mind that the economic zone two includes not only Bay d'Espoir but the Port aux Basques area which, I would submit, probably has an unemployment rate somewhat lower than the provincial average. Is that fair?

MR. NEARY: Lower than the national average.

MR. SIMMONS: Lower than the national average.

MR. NEARY: That does not include down the South West coast.

MR. SIMMONS: No, no. But I mean Port aux Basques itself would be lower than the national average, is that right?

AN HON. MEMBER: That is right.

MR. SIMMONS: My hon. friend from LaPoile (Mr. Neary) just informs us that the rate in Port aux Basques is not only lower than the provincial average, the unemployment rate, but indeed lower than the national average. The Burin Peninsula is in that zone that I am talking about and as we know the economy of the Burin Peninsula is thriving these days what with the fish plant and the shipyard and so on. So if you take out these two very prosperous areas, the Burin Peninsula and the Port aux Basques area, high employment areas, you will get some idea of just how serious the problem is in Bay d'Espoir. When the average for the whole coast is 18 per cent,

MR. SIMMONS:

you will begin to realize how high it must be for Bay d'Espoir.

I was a little disappointed to find out that the statisticians in Manpower and in Stats Canada, Statistics Canada, did not have too much of a handle on the size of the unemployment problem except in generalities such as I have just given to you. I did ask a few questions the answers to which might serve to focus in on the problem. They use at least internally another yardstick called the participation rate, which I understand is the total number of people in the labour force both, employed and unemployed, as a ratio of the total people fifteen years and over, in other words, the potential labour force. And they find that the participation rate in the Province is 47 per cent, the participation rate, the number of employed and unemployed people looking for work as compared to the total number fifteen years and over. They note that the participation rate is 47 per cent in Newfoundland but only 40 per cent on the South Coast.

Again I come back to my earlier comment. If you keep in mind that Port aux Basques and the Burin Peninsula with its high employment are in that area, you will just get some idea how low is the participation rate in Bay d'Espoir itself. I am also told that that 40 per cent that I just mentioned, the participation rate for the economic zone two, Burin Peninsula and Port aux Basques, that rate is the lowest in all of Canada. Of all the economic zones - and I think there are several in Newfoundland - in all the ten provinces and two territories the South Coast has the lowest participation rate in all of Canada. And again I say, extract out those figures for Port aux Basques and the Burin Peninsula and you will just realize how low it is for the Bay d'Espoir area.

One other yardstick before I get to a point that I want to make, a yardstick which manpower again uses internally, is the employment to population ratio. That is to say the number of

MR. SIMONS:

people who are actually employed on the day the survey is taken as a per cent of the potential labour force, all those fifteen years of age and over. They call it, for simplicity, the employment to population ratio. I am told that the figure for Newfoundland is 33.9 per cent, say 39 per cent in round figures, 39 per cent of the potential labour force fifteen years of age and over. That includes everybody now, you know, men and women, people in college and people who have not applied for a job, but it includes the whole gamut of people, fifteen years of age and over. I am told that in Newfoundland as a whole thirty-nine

MR. SIMONS:

per cent of the fifteen year old and over are working, thirty-nine per cent. That compares, by the way, to the nation as a whole, fifty-four point eight per cent of the nation as a whole. Our employment to population ratio is quite low as a Province, it is fifty-four point eight for Canada, it is thirty-eight point nine for the Province. For the South coast it is thirty-three point three per cent of all the people over fifteen years of age are actually working, thirty-three per cent. And again I point out that includes the Port aux Basques area and the Burin Peninsula. Again I raise the question, how low must that percentage be for Bay d'Espoir?

MR. ROUSSEAU: According to what I hear in the House Bay d'Espoir is lower than any place in the Province.

MR. SIMONS: Exactly. And did I take for that zone as well? There is no recent figures available about the true proportions of this disaster in Bay d'Espoir. The latest figures by community are 1971 census. Do you know that in the 1971 census, a full seven years ago this July, the rate in the town of St. Alban's then, the unemployment rate in St. Alban's seven years ago was twenty-five point six, twenty-five point six of the people in the town of St. Alban's were unemployed seven years ago. With one brief exception it has not gotten better; during the extension to the generating station for a brief period there were some employment opportunities there. Of course, that is all done and the extension is now open and there is nobody to my knowledge directly employed now as a result of that particular project.

So we have twenty-five per cent of the people in St. Alban's unemployed seven years ago. How bad is it now? The Bay d'Espoir Development Association last summer did a survey; they talked to literally everybody in Bay d'Espoir who were available on the days concerned; they sent out eight surveyors, eight people asking questions. They have since collated those questions, they have not been interpreted so they are still in somewhat raw form. But the net result of that survey is that about seventy-eight per cent of the people

MR. SIMONS: of Bay d'Espoir, the workforce, seventy-eight per cent are unemployed. Now I would submit -

MR. MAYNARD: (Inaudible)

MR. SIMONS: Of course the other smaller communities, Connors River, Morrisville, St. Joseph's, St. Veronica's and Stanger Cove.

MR. HICKMAN: None are employed? Harbour Breton has got high employment now, has it not?

MR. SIMONS: Yes.

MR. HICKMAN: On the Connaigre peninsula area.

MR. SIMONS: A good point, a good point. Some of the people in Bay d'Espoir, I would say four to five at the moment, are employed on draggers out of Harbour Breton or Gaultois, four to five five as far as I know. A few people are working in the area of various other places but the Harbour Breton plant is not having any real impact. You are talking about half a dozen people perhaps.

MR. HICKMAN: I am only looking for information and thinking back. Prior to the hydro development in Bay d'Espoir, most of the people in Milltown, Head of Bay d'Espoir and a lot of people, not all but a fairly high percentage in St. Alban's, were engaged in the same occupation as the people in Seal Cove.

MR. SIMONS: Logging.

MR. HICKMAN: Logging. What is the situation there now?

MR. SIMONS: Where are you now? I just wanted to take this time this afternoon to put this thing in a bit of perspective because after 1957 when Bowaters moved out the traditional skill there was logging, in Bay d'Espoir by and large. They had never in recent times been involved in the fishery to any great numbers. And with the traditional skill of logging it was natural that they would become involved in the Labrador Linerboard operation, particularly through Goose Bay, literally hundreds. I believe the figure one summer was something between 350 and 400 people in Bay d'Espoir were actually in Goose Bay logging, from the Bay d'Espoir area alone, and that is thirty-five per cent of your workforce in one particular area hundreds of miles away from the

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MR. SIMMONS: some community, 350 to 400 people. So you can imagine the impact of that once the Labrador Linerboard operation in Labrador phased out and subsequently on the Island, because a number of them were also logging on the Island with Labrador Linerboard in various contract operations, logging contract operations.

MR. SIMMONS: The net result is that the -

MR. EICKMAN: The construction industry are, too. There were quite a few operators, heavy equipment operators in that.

MR. SIMMONS: That is right. The other set of skills that got built up in recent years, since 1966, with the generating station were highly specialized skills, in the electrical and welding areas particularly, and there are a lot of very highly skilled people in these disciplines in Bay d'Espoir right now who cannot find anywhere to peddle their skills; there is no immediate market for them. Some of them are looking to the fishery and several are in the business of getting longliners but they are going to run into the problem of licences there, new licences, particularly if they have not been fishing before.

What I want to do, rather than to get into detail because my time has just about run out, is very quickly summarize the magnitude of the disaster which is staring us in the face in Bay D'Espoir. I have written the Premier in the last week or two and I have written the Minister in the Cabinet from Newfoundland, the Federal Cabinet, Mr. Jamieson, and I have proposed to them that they have a look at the Goose Bay Development Corporation model and see if it could not be applied to the Bay d'Espoir area. I think members of the House are well aware of what happened there. The Development Corporation was set up through Provincial and Federal funding on roughly a 90/10 formula, some local input from the Town Council and from the Chamber of Commerce but, basically, a 90/10 formula, roughly \$90,000 a year federally and roughly \$10,000 Provincially, for a three-year period. I met with the President of that Corporation, Mr. Fahey, and the Managing Director, Mr. Eadie, in the last week or two, and I gather from talking to them and to others in the area that the Corporation is already beginning to have an impact. Now it is too early to pass the final judgement on what it is going to be able to do, but if Government is looking for an initiative that it can take in Bay d'Espoir, I strongly believe it is in the area of a development corporation. The funding of a development corporation

MR. SIMMONS: would involve another sub-agreement, a DREE sub-agreement. The precedent is already there in the Goose Bay model and I would particularly, sometimes during the Estimates or during the Budget debate, like to hear the Minister's response on this particular item. It is a disaster of the first order -

MR. ROUSSEAU: We may as well do it now.

MR. SIMMONS: Okay, well I would like to hear it. Well I believe my time has just about run out. That is the concern that is on my mind right now. If that model can work in Goose Bay and can work in Bay d'Espoir, perhaps it has application for other parts of the Province but, certainly, I cannot think today of a more fertile area for such funding, such involvement by Government, as the Bay d'Espoir area right now. The other side of the coin is that if something is not done, the ramifications of what is going on in Bay d'Espoir now just boggle the mind. It is just almost too much to imagine what an impact socially, in terms of family relationships, the unemployment situation is having on a youngster in Bay d'Espoir and St. Alban's whose father has not worked for eight years, not because he is too lazy but because he cannot get a job. And there are men in Bay d'Espoir who have not worked in seven to eight years and a youngster has grown up in that family and has never seen her father or his father go to work. Now that has an amazing set of ramifications, socially and economically.

MR. WOODROW: I was wondering if the (Inaudible) in St. Alban's or all over the bays? Is it in St. Alban's more than in St. Joseph's, St. Veronica's?

MR. SIMMONS: The member for Bay of Islands (Mr. Woodrow) asked how widespread it is. Well in the St. Alban's area it has been a problem for a longer period. The figures in St. Alban's - in 1971 there was 25.6 per cent of the people unemployed in St. Alban's compared to 14.3 in Morrisville, compared to 13.2 in Milltown. This is in 1971. If you want comparisons for other parts of the Province just to put it in perspective, in Burin town the unemployment rate in 1971 was 2.1 per cent, in Grand Bank it was 3.6, in Fortune it was 1.0, in Marystown

MR. SIMON:

it was 6.3 and in St. Lawrence, of course, with the remark that since it was 1.0, and in Channel-Port aux Basques it was 7.0. Now I have picked places on the South Coast because you will see that the stand-out areas in terms of high figures are all in Bay d'Espoir. It runs from one per cent in Fortune to twenty-five per cent in St. Adrien's, and I believe these figures emphasize the problem. To more fully answer the question, just for a moment, the problem is more long standing

MR. SIMONS: in St. Alban's. I think it is pretty equally spread throughout the area now with the exception of Conne River. Conne River has turned around the past two or three years with the sawmill operation, the craft organization and the wood-working shop.

MR. DEWEY: Ten years ago it was the other way around.

MR. SIMONS: That is right! That is right! When the study was done, even your RPC Report in 1973-74, the highest welfare community at that time was Conne River. That is not the case anymore. And when I say welfare I mean recipients of social assistance. That is not the case anymore. Conne River now has a higher percentage of employed persons than any other community in Bay d'Espoir.

In conclusion, Mr. Chairman, there are really only two employers in Bay d'Espoir today, Hydro, which has a very limited number of people, and education. If you take Hydro and education out of the figures, I submit there is not an employer in - hold on now! and the mill in Conne River, of course - if you take the Conne River mill and Hydro and education out of the picture for a moment, there is not an employer in Bay d'Espoir who is employing more than six or seven people. Perhaps that summarizes better than I can any other way just how serious the problem is. There is no investment in Bay d'Espoir, there is no entrepreneur who is putting money into the area to help crank up the economy. And in the absence of private investment then we have to look to some government initiative. I am a private entrepreneur, I am a private enterpriser first and foremost and I advocate government involvement only as a last resort and then only for an interim period of time. It is for that reason, the

MR. SIMMONS: lack of private capital available in that particular area, that I am advocating and asking the minister for his support for the funding of a development corporation with federal and provincial participation.

MR. CHAIRMAN: The hon. member for Terra Nova.

MR. LUSH: Mr. Chairman, though small in terms of expenditures of the public dollars, the Labour and Manpower portfolio has to be one of the most important departments of government in terms of what it should do and in terms of what it must do.

One of the major objectives of the Labour and Manpower Department is to influence through legislation and by its own example the social and economic standards for the working population, ensuring that conditions are right in the work place for people to work, and ensuring proper wages. It is this department which sets the legal and institutional framework within which labour and management function, establishing through legislation and government support services a climate for good industrial relations aimed towards achieving maximum economic performance, maximum productivity.

Presently we are in a period of tremendous labour unrest. It is not sufficient simply to condemn the government or the labour movement or management for this unrest. Indeed, we must look to the causes. For when we are dealing with collective bargaining, the system that we use today to iron out labour disputes, then all the parties involved must work in a spirit of co-operation and mutual understanding to ensure that the system works. But it is the government that establishes the proper climate, the proper atmosphere. But as I have said before, the system cannot work if one or

MR. LUSH: the other of the parties involved falls down with respect to its responsibilities and its obligations.

And it is to this labour unrest that is prevalent in the Province right now that I want to direct a few of my remarks, asking why do we have this present labour unrest. We do not have to look very far, Mr. Chairman, to be convinced that there is labour unrest. In the recent weeks, last week there were three wildcat strikes, then we have the

MR. LUSH: two strikes, presently the big strikes, the strike in Labrador West with IOC and its workers and the strike in Baie Verte. All we have to do is look at the work stoppages that we had in 1977 to get the full impact of the labour unrest that is presently in existence in this province.

Mr. Chairman, with respect to work stoppages for this province in 1977 we had thirty-nine work stoppages. Now these figures are a little at variance with the figures released by the minister's department. These are from Labour Canada and I think the reason for the difference is that they use a different criteria in measuring their work stoppages. There were thirty-nine involving 9,000 workers and totalling man-days lost of 95,660. Comparing this with New Brunswick, whereas we had thirty-nine work stoppages New Brunswick had only thirty involving 5,886 workers where again we had 9,000 and they had a total of 37,720 man-days lost. In Nova Scotia twenty-two work stoppages involving 2,407 workers and for a total man days lost of 29,930. We just about tripled. Well we certainly did triple. We quadrupled Nova Scotia in terms of man-days lost and when we think of the fact that our labour force is much less than either of the two mentioned - New Brunswick and Nova Scotia, we are just half of New Brunswick and a third of Nova Scotia, yet we tripled them with respect to man days lost.

Now, Mr. Chairman, there is something wrong in a province where we have such a small labour force and yet so many work stoppages. The point of the matter is that we cannot afford these work stoppages, this loss in man-days, loss in wages, loss in salary and loss in productivity. We cannot afford it. Another reason that we can look to for the labour unrest in this province has to do with the labour legislation in the province. Last year this House passed two labour bills. Our comments about both were that they were both cumbersome. We had the Labour Relations Act and the Labour Standards Bill. Now we said at that time that the Labour Standards Bill was nothing to get excited about. There was nothing new in it, it was just a matter

MR. LUSH: of bringing together all existing legislation at the time, but what the MHA say about it was that it was too cumbersome for the ordinary worker to understand. There were too many things brought together in the one act and what we did advise the minister to do was to carry on a big promotional programme, a publicity programme or an educational programme to inform the workers of this province just what their rights and privileges were under the Labour Standards Act.

I know of no such activity. I know of nothing that the minister has done to inform the workers of this province what their rights and privileges are under this act. I do not see anything in the budget for it very much. I see \$1,000 for education and that is one hundred per cent improvement over last year. Labour education - the minister says no but I thought there was \$1,000.

MR. ROUSSEAU: That is not -

MR. LUSH: Okay, but I am just wondering to make the point whether this is the money that the minister has decided to allocate to educate and to inform our workers of their rights and privileges under this cumbersome act. What is the status of this act? Is it proclaimed yet?

MR. LUSH:

If it is proclaimed, there has been nothing said about it. Nobody knows anything about it. The second bill and the more important one or not the more important one certainly but certainly the more cumbersome one was the Labour Relations Act. Again we said that this act was a backward step really. The minister had an opportunity to really pass progressive legislation for labour, missed a golden opportunity. This act was very offensive to the labour movement in this Province, not in total but in three or four of its clauses. The major point of contention, of course, was the clause that gave the government the right to call a secret vote in any area where there was a strike that was deemed to be harmful to the economy of the region. Labour objected and very forcefully to this particular clause. The minister was unresponsive to labour's demands in this respect.

Also another point, a contentious point, was the clause that made unions a legal entity, making them responsible for the actions of their members yet not giving unions the right to discipline their own members. So here by making the unions a legal entity, and making them responsible for the actions of their members, this could be a very disastrous act but yet - the two must go together, you know, if we make them legal entities and make them responsible. The unions at this moment have no way of disciplining their members and yet how can they control their members if they have no way of disciplining them.

So, Mr. Chairman, these were some of the features of that act, the Labour Relations Act, that the labour movement of this Province found offensive and is still finding offensive and yet the minister took no steps to correct this situation. This bill did not improve labour-management relations in this Province. As a matter of fact, by the number of work stoppages, by the number of strikes that are still occurring in the Province and by the offensiveness of this particular legislation, I would suggest that labour relations are at an all-time low.

MR. LUSH:

Now, what is the status of this particular bill? Is this bill proclaimed or does the minister intend to throw it out and come back with some new legislation? We do not know.

AN. DON. TUTT: The Labour Relations Act has been proclaimed.

MR. LUSH: The Labour Relations Act, that is proclaimed? Well, again it proves the point that we were trying to get at it last year by saying that this will be an incomprehensible bill because it looks like to this point the minister has made no effort, the government, to try and set up the mechanism whereby the people who are served by this bill know what is in it. No type of an educational programme. Again does the minister plan that the \$1,000 he has not allocated for education, to use this to inform the nonunionized workers and the unionized workers in this Province what these two large and cumbersome bills are all about, the Labour Relations Act and the Labour Standards Act?

Another reason, Mr. Chairman, for labour unrest in this Province - and the minister spent some time himself in dealing with it - the health and safety measures. And the minister went on to say that it was a rather ridiculous situation that men and workers have to strike for these particular measures today. Now, Mr. Chairman, there are no glib statements by the minister of glib apologies which can help make amends for this neglect. The minister is in a position of responsibility to be able to do something about providing safety for our men and the proper health conditions. The government are in a position of responsibility.

Mr. Lush: They are in a position to act. And yet we find in 1978 over 3,000 workers about to be affected by the non-action of the government, men in 1978 out fighting for occupational health and safety measures. It is a terrible indictment on any government, Mr. Chairman, that no action has been taken. The government have been dragging their heels with respect to coming out with something positive and something tangible in this respect.

Mr. Chairman, another cause for labour unrest, and I suppose the greatest cause for labour unrest in this Province, is the tremendous high unemployment that we have. How can we have good labour relations when we have so many people unemployed, 32,000 people unemployed? Mr. Chairman, I am practically brought to tears when I think of the numbers of people that are unemployed in this Province, the tremendous amount of human misery and sacrifice and deprivation that is being caused by the unemployment in this Province. The people of this Province are denied the right and the opportunity to provide a proper living for their families. And, Mr. Chairman, what this is doing to our society is almost immeasurable in terms of loss of human pride and dignity, completely destroying the moral fibre of our people. Thirty-two thousand people unemployed for a rate of 17.8 per cent out of a work force of 181,000. It is a disgrace, Mr. Chairman. It is a shame.

MR. F. ROWE: It is scandalous.

MR. LUSH: Now what of the future? What are the government plans for the future? What are their goals and objectives with respect to providing employment for our people? In the Budget speech, in the blueprint for development, the government mentioned they were going to provide 40,000 jobs, 40,000 jobs. How is that going to go, Mr. Chairman, towards meeting the objectives of what the employment rate should be in this Province? We presently have 32,000 unemployed. Taking the average of the new additions to the labour force which range between 5,000 and 6,000, let us take the lower figure of 5,000; this means that in five years time we are going to have 25,000 additional people in the labour force. Add to that the 32,000 that are

Mr. Lush: now unemployed and we need 57,000 jobs to aim towards full employment and that is not counting any further shut downs or close downs of present industries which this government have been noted for, It is not counting the layoffs in the -

MR. NEARY: The Shut-her-Down government.

MR. LUSH: Right. It is not counting the layoffs in the public service, just hoping for the best that things will remain the way they are. So at that time we will have a labour force of 115,000 in five years time. Taking the 40,000 jobs that the government will create indirectly and directly, this still looks like to me that we are going to be having an unemployment rate of somewhere from 12 to 15 per cent.

Now is that the goal of this government an unemployment rate of 12 to 15 per cent? It is a disgrace. It is a disgrace, Mr. Chairman. It is a disgrace. And all the Cabinet ministers, every Cabinet minister should hang their head in shame when we realize -

SOME HON. MEMBERS: Hear, hear!

MR. LUSH: - 32,000 people unemployed in this Province

AN HON. MEMBER: Blame it all on -

MR. LUSH: - and now we have switched around from full employment to unemployment of 10 to 15 per cent. That is what we are aiming for.

AN HON. MEMBER: Blame it on -

MR. LUSH: That is what we are aiming for. Mr. Chairman, a government that has lost its energy, a government that has lost its initiative, a government that has lost its concern for the people of this Province.

SOME HON. MEMBERS: Hear, hear!

MR. LUSH: And I would say, Mr. Chairman, that the government, all of the Cabinet ministers should follow the example of the hon. gentleman for Grand Falls (Mr. Lundrigan), they should all resign.

SOME HON. MEMBERS: Hear, hear!

MR. LUSH: They should all resign.

SOME HON. MEMBERS: Hear, hear!

MR. LUSH: They have lost confidence in themselves. The people have lost confidence in the government and I say on this issue alone, on the inability of the government to create employment for our people this government should resign.

SOME HON. MEMBERS: Hear! Hear!

MR. LUSH: A terrible record, Mr. Chairman, a terrible record. And what I have attempted to do, Mr. Chairman, is to point out the reasons, some of the major reasons for labour unrest in this province and I have alluded to the inefficient labour legislation which was offensive to the labour movement in this province, the labour legislation which does nothing to promote and encourage good industrial relations. That is one of the reasons why there is labour unrest in this province. No attempt to get along in harmony with the labour movement in this province, no attempt to eliminate the antagonism and the conflict that is in existence.

MR. NEARY: A big corporation of lawyers, that is all they are.

MR. LUSH: And finally I alluded to the greatest problem of all - unemployment, a disgrace, a shame, a travesty! So many of our people unemployed, 32,000 people in Newfoundland. This government cannot shirk its responsibilities in trying to provide employment for our people and I say, Mr. Chairman, because they failed to bring in proper labour legislation and because they failed to develop economic programmes to provide employment for our people that they should resign and resign immediately.

SOME HON. MEMBERS: Hear! Hear!

MR. CHAIRMAN: The hon. member for LaPoile.

MR. NEARY: Mr. Chairman, before my hon. friend answers our spokesman for Manpower I wonder if I could raise a matter that has been bothering me ever since the close down of the St. Lawrence mine. And the hon. gentleman who represents that district, Sir, has not seen fit to raise the matter of the special fund that was set up by the much maligned previous administration to look after the widows and dependents of miners who lost their lives in the St. Lawrence mine. We are not clear,

MR. NEARY: Mr. Chairman, on whether or not that fund is going to continue and for how long will it continue. Is there a time limit put on it? It is my understanding, Sir, and I was the one who negotiated the setting up of that special fund, it is my understanding that it would go on ad infinitum.

MR. ROUSSEAU: No.

MR. NEARY: Yes, yes, Sir. Mr. Chairman, the hon. gentleman does not know what he is talking about. I was the one who negotiated it.

MR. ROUSSEAU: Did we not put a time limit on that?

MR. NEARY: No, there was no time limit on it, Sir, no time put on it. If there is a time limit it had to be put on after. So I want to find out, Mr. Chairman, and it is a fair question and we may not get down to it in the way we are doing the estimates with the hon. gentlemen on the opposite side making political speeches and using up time that the opposition should have for asking questions under an item by item analysis of the estimates, we may not get down to it. So I have to put the question to the minister under his salary of whether or not this fund is going to continue indefinitely or will there be a point when it will be dropped and the widows and the orphans and those who have been affected by the occupational health hazard in St. Lawrence will no longer be receiving any benefits from this fund.

Mr. Chairman, in connection with the occupational health and safety that the gentleman spent some time on when the hon. minister was introducing his estimates, I am still not clear, although I had to leave the House at one point during the hon. gentleman's speech, but I am still not clear whether or not occupational health is going to be placed under one minister.

MR. ROUSSEAU: Of course it is.

MR. NEARY: It is, and the minister said that in his remarks, did he? Has it been done or is it in the process of being done?

MR. ROUSSEAU: It is being done now. The first of April we are taking the Workman's Compensation Board and the inspectors with Newfoundland

MR. ROUSSEAU: Hydro and between the first of April 1978 and the first of April 1979 the last one, Mines and Energy we will all be under the one. I will explain it when I get up.

MR. HENRY: Well the hon. gentleman did not mention anything about taking away the occupational health responsibilities from the incompetent Minister of Health. Well, whatever part of that jurisdiction the Minister of Health has he should not have it, and will the hon. gentleman be taking that over? Well, perhaps the hon. gentleman will tell us when he gets up if the occupational health matter is going to be put under one umbrella, under one minister and if so I would like to know when it will happen. I should have happened long ago. The hon. gentleman tells us as of the first of April it has happened.

MR. ROUSSEAU: It was in the last couple of weeks we started it.

MR. HENRY: It has been done over the last couple of weeks.

Now in connection with manpower training, Mr. Chairman,
I am still not convinced

MR. NEARY:

that we are getting the best value for our training dollar, that we are still not properly researching the employment market to train people, train our young Newfoundlanders, young men and women for jobs that are presently available in this Province. You can pick up The Evening Telegram any weekend, or any day for that matter, and you see all kinds of advertisements in the commercial section of The Evening Telegram and the Daily News and the other newspapers around the Province for certain occupations, for certain professions. And these occupations and these professions are not being taught in the vocational schools or in the College of Trades or over at the University. So, it would appear to me, Sir, that even though the government robbed a gentleman from Canada Manpower there a couple of years ago to put in charge of the provincial manpower training programmes, that we are still running ten or fifteen electrical courses. We are still running a dozen welding courses around various vocational schools in the Province. We have a surplus of plumbers, we have a surplus of pipefitters, we have a surplus of painters, we have a surplus of carpenters and yet we are still running ten or a dozen courses in all the vocational schools around Newfoundland training young men and young women that come out of these schools and out of these training institutions when there are no jobs available. There is a surplus.

In other areas we have jobs going begging for people. For instance, the fishery and the fishing industry, Sir. I would say within a matter of a short time fish plant operators, fisherman, boat owners, draggermen, skippermen, will find it all virtually impossible to get the workers that they need in the plants and on the boats. I am afraid, Mr. Chairman, if I can get the attention of the hon. gentleman, I am afraid, Sir, that our training programme - I want the hon. gentleman to hear this - is urban oriented, that we are training young men and women to move into the urban centers. And our training programme should be rural Newfoundland oriented and

MR. NEAPY:

it is not. As a matter of fact our whole educational system is urban oriented when in actual -

AN HON. MEMBER: What are you trying to say?

MR. NEAPY: Well, I will explain to the hon. gentleman what I mean. We are training young men and women in the kind of professions and the kind of jobs that you can only get in urban centers when in actual fact out in the rural areas she is wide open practically and is going to be wide open inasmuch as we should be concentrating our efforts and our training programmes towards the fishery because that is where the jobs are going to be in the future.

Underwater - what do you call that? underwater oceanography? What do you call that? Underwater surveys?

AN HON. MEMBER: Marine biology.

MR. NEAPY: Marine biology, oceanography, underwater exploration and this sort of thing, experimenting with the fishery, this is the sort of thing we should be doing, Sir. Our whole educational programme, our training programme, should be rural Newfoundland oriented. Instead what we are doing is putting all our eggs in one basket and training young men and women to move into the urban centers because that is the only place they can get the jobs. The kind of training that we are giving our young people would only enable them, if they can, to find jobs in the urban centers. So we are going to have to change our philosophy. We are going to have to change our thinking and we are going to have to - and the government and the Opposition, I think we all agree. There is one thing that we agree on in this House, that the future of Newfoundland lies in the fishery.

Now, everybody is not going to be a fisherman and everybody is not going to be a fish plant worker. You still need other kinds of industry. But generally speaking

MR. NEARY: the future of the economy of this Province, in my opinion, lies in the fishery. And the hon. Minister of Fisheries has a very, very heavy responsibility in that regard. And the hon. gentleman did not put the fish in the water. I heard the hon. gentleman on radio - I was out in Port aux Basques for the weekend and when I was driving down I heard the hon. Minister of Fisheries talking about the fisheries as if the hon. gentleman put the fish in the water. The hon. gentleman should have seen the programme last night on CBC sponsored by CN. It was certainly a good programme, a very good programme indeed.

God really blessed Newfoundland with an abundance of natural resources. God did it, and I do not believe God was a Tory. He might have been, I do not know, but the hon. gentleman talks about the fishery as if the hon. gentleman and the administration were responsible for the upsurge in the fishery. If there is anybody responsible for the -

MR. W. CARTER: If it does not pay I will get blamed for it.

MR. NEARY: Well, the hon. gentleman might get blamed for it, but if there is anybody on the face of this earth responsible for the improvement in the catches of the inshore fishermen, then it has to be the hon. Mr. LeBlanc and the Government of Canada, and the 200 mile limit. It so happens, Mr. Chairman, that the fish are coming back, that there is a great future in the fishery in this Province, that I am quite prepared to go out on a limb and say that the future of this Province lies in the fishery. There will be other industries. You will have mines.

MR. W. CARTER: That is some limb to go out on.

MR. NEARY: Well, the hon. Minister of Fisheries - I get a great charge out of him. I heard the

MR. NEARY: The hon. gentleman spoke on the weekend getting all riled up, all emotionally upset and saying, "The future of Newfoundland is in the fishery" and so forth and all the things that are going to happen, as if the minister put the fish there. But God put it there, thank God! aided and abetted by - God bestowed great ability and great qualifications on Romeo LeBlanc, thank God! The best Minister of Fisheries, I suppose, that Canada has ever had.

The training programmes:

Apart from the little bits and pieces that we see over at the College of Fisheries, our university, our whole educational system right on from kindergarten right up through, should be oriented toward rural Newfoundland, and we should once and for all get away from the attitude that it is a disgrace to go into a fishing boat. How many times have I heard it, and I have heard it said in this hon. House, and I have heard it said outside the House, "You know, if you do not work hard, you do not get your Grade XI, you do not go to university, become a lawyer and go downtown and get in the real estate business and start charging high mortgage fees and high legal fees -

MR. WELLS: The hon. member for once in his life is quite right. We have viewed the fishery in that sort of way and it is time we got away from doing it. We are getting away as a people in Newfoundland, I think.

MR. NEARY: Mr. Chairman, I would appreciate the remarks of the hon. gentleman if the hon. gentleman was in his seat and following the rules of the House as he so aptly tells other members they should be following, not lowering the decorum of the House by not speaking from his own seat. I would appreciate the remarks of the hon. gentleman if the hon. gentleman were in his own seat.

MR. WELLS:

(Inaudible)

MR. NEARY:

Well, Mr. Chairman, I just want to remind the hon. gentleman that there are not only members on that side of the House and this side of the House who break the rules of the House, the hon. gentleman just broke one. But I would not be so angelic and so sanctimonious as to get up and condemn the hon. gentleman.

I always get sidetracked by the hon. member, somehow or other. Mr. Chairman, we have another hon. gentleman, Sir, speaking when he is not in his seat. So, Sir, I would say that never again, I hope, in this Province will we hear guidance counsellors or principals of high schools, or teachers saying, "If you do not work hard you are going to be like your poor old grandfather, you are going to be out in a fishing boat or you are going to be down working in the plants." That day is gone, Sir, and I will predict now that the fishermen of this Province are going to become the elite of the Province in a few short years, and rightly so. God only knows, they have been downtrodden long enough, and they have been taken to the cleaners long enough.

So, Sir, we should - and what I am talking

MR. NEARY:

about is manpower training by the way, I am talking about turning it around, Sir, and in the vocational schools where we now have ten and twelve courses in basic electrical, ten or twelve courses in bricklaying, ten or twelve courses in carpentry, ten or twelve courses in training people for welders and all the other programmes that we are running, Sir, where the students do not have a hope in hell of finding a job, but they do in the fishery. I would like for the minister to tell us now when we are doing the minister's estimates on manpower training just what is being done along these lines to turn around the attitude of our young people, turn it around, otherwise, Sir, if we are going to base our hopes on the fishery, and I think there is general agreement on both sides of the House, we are going to have to get the manpower, the technology to do it, the most important natural resource we have in this Province. We get up sometimes in this House and we expound about, Well, if you are going to bring in an oil refinery let us start training people to work in that oil refinery, if you are going to bring in an Linerboard mill let us run courses in the schools to train people for the Linerboard mill. That is all well and good, nothing wrong with it, a good thing to do. But here we have the fishery, our most important natural resource, and the kind of courses that we are running in my opinion will not provide the manpower and the technology that we need if we are going to depend on the fishery to keep the economy of this Province afloat in the future.

Mr. Chairman, we need young engineers to work on the boats, we need skippermen who have a knowledge of navigation and all the latest equipment that you can get, we need plant workers, we need cutters, we need filleters, we need mechanics to go into these plants, we need seamen, we people who know how to operate the equipment on these boats, the highly mechanized equipment that they have now, how to repair and mend and look after their gear and their nets. And the hon. gentleman can look over at me and say, "Well, all this

MR. NEARY: "is happening now at the College of Fisheries." I do not suppose I have missed a graduation at the College of Fisheries in recent years. I do not recall ever missing one and they are doing a good job under difficult circumstances, doing a pretty fair job. But the emphasis, and this is what I am getting at, Mr. Chairman, the emphasis in all our vocational schools and our College of Trades and our university should be on the fishery in my opinion. Turn around the attitude of Newfoundlanders and make a young man feel proud to make his future in the fishery, and the only way we can do it is through manpower training, it is not.

MR. ROUSSEAU: \$3 million.

MR. NEARY: Three million dollars is being spent on that sort of programme. Is that enough? Will the \$3 million accomplish what we want to accomplish?

We have the Marine Science Laboratory down there at Torbay. I believe it was last year or the year before I gave the House a description of a tour that I made of the Marine Science Laboratory and they were down operating on the brain of a herring. I do not know why, I do not know what the -

AN HON. MEMBER: What happened to George?

MR. NEARY: George the Second died, unfortunately. The last time I went down they had a couple of seals down there and they had a big swimming pool outside the Marine Science Laboratory. I took the kids down, they got a great chuckle out of it, the seals put on quite a show, almost as good a show as we see the hon. seals on the other side put on once in a while when they are thumping their desks, pounding their desks. I do not know what the value of that research is to the Province. I believe the Marine Science Laboratory could play a major part in the development of the fishery in this Province but I do not believe it is somehow or other. I would like to have a report on it. I do not know.

MR. ROUSSEAU: That is the university budget.

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MR. NEARY: Well, that is the university but nevertheless manpower training should be tied in with it in some way or other. So these are the only questions that I have to put to the minister, but I could not, Mr. Chairman -

MR. MEMBER: (Inaudible)

MR. NEARY: I have to stress the importance again, Sir, of changing our attitude. I said it in this House before and I have said it outside the House,

MR. NEARY: that if we are going to make a success of the fishery, if we are going to put so much hope in the future of the fishery, then we have to change the attitude of our young men and women and they have to feel just as proud of working in a fish plant or on a dragger, or owning a boat themselves, as my hon. friend feels as a young lawyer downtown practising law or a doctor feels in his profession. They have to feel just as comfortable, just as happy, their morale has to be just as good, and I would like to hear the Minister's views. I think we could spend probably fifteen or twenty minutes on this sort of thing because I cannot help but repeating, Sir, that our whole educational system in my opinion is urban oriented, and I think it should just be the opposite. I think it should be rural Newfoundland oriented.

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

MR. FLIGHT: Before the Minister rises I would like to have probably five minutes to touch on an issue that is very important, Mr. Chairman, and very much an issue of the hour. We all know now that we have two strikes, two major strikes going in this Province, Mr. Chairman, that are a direct result of a lack of the kind of legislation that should have been proclaimed in this Province for years. Now the Minister in his opening remarks indicated, Mr. Chairman, whether he intended to or not, that the industrial health and hazard situation has only become an issue this past four or five years. I heard the Minister's speech and he indicated the emphasis has suddenly come but that up until then - now I would suggest to the Minister that he would check the Workmen's Compensation files and find out -

MR. ROUSSEAU: I did not say that.

MR. FLIGHT: Well the Minister indicated to me - that is my understanding of what the Minister said, that only this past four or five or six years has it become an issue worthy of the kind of debate it is getting now.

MR. ROUSSEAU: That is not what I said.

MR. FLIGHT: Regardless of what the Minister said, Mr. Chairman, the fact is we have two strikes going on in this Province

MR. FLIGHT: that should not be in the name of a bill. Every member of the unions involved, the industry, every person who has passed an opinion has suggested that the health and occupational safety of a workman should be protected by legislation.

Now this present Minister, Mr. Chairman, - this Administration has had six years. As I said, the records were there. Buchans has had fifty years non-stop production. St. Lawrence went till it shut down, and miners, Mr. Chairman, at Baie Verte, we are just facing the Baie Verte problem now, IOC had the same problem - miners from Buchans and St. Lawrence have been dying to put it crassly and bluntly, this past fifty years as a result of silicosis. The Minister indicates now that, and I think the pressure is coming on because of the strike, so we are going to see legislation.

Well I think a fair question to the Minister -

MR. ROUSSEAU: Let me tell the hon. member something else. The legislation is going to come in at a good time now.

The strike is over before it comes on because there is no way that anybody should look at tomorrow or the next day for that legislation.

MR. FLIGHT: The obvious question for the Minister is, when will that legislation come? We have men being crippled every day. We have men coming down with industrial diseases, silicosis and other mining related diseases. When are they going to get the kind of legislation that will protect, that will guarantee to the point that it can that the men who go underground, in particular, are not subject to those kinds of conditions?

Mr. Chairman, another thing that I would like to hear the Minister address himself to is the performance of the Workmen's Compensation Board with regard to dealing with miners in this Province who are suffering diseases of the lung as a result of working thirty and forty years underground. The onus, Mr. Chairman, and it is sinful, the onus right now in Newfoundland is on the miner to prove that he has silicosis. He has to submit, in most cases, to a biopsy which again, in most cases, most miners will avoid at all costs because we know what

MR. FLIGHT:

The record is of miners who have submitted to biopsies, they were not around very long, and, Mr. Chairman, I am personally aware of miners who are right now going back and forth to the Workmen's Compensation Board, who have to take a rest after ten steps. That kind of a condition comes as a result of thirty years in the mine. The family doctors are indicating that their lungs are gone but the Workmen's Compensation Board doctors are saying there is no evidence of silicosis. Now, Mr. Chairman, we may have in this Province only one hundred people, when is

Mr. Flight: the Workmen's Compensation Board or the minister going to recognize the responsibility to these people? And recognize the fact that a man having put thirty years underground cannot breathe, who can no longer breathe, who is taken off the job by his family doctor, is probably suffering from silicosis, who has contributed for thirty or forty years as a miner is suddenly put on welfare, that the Workmen's Compensation Board will not accept responsibility, they will not agree that the man has silicosis, they keep sending him back and forth, and eventually the problem is over anyway because the man will die, and pass on and we will not worry about that particular case any more.

Now, Mr. Chairman, there are current cases right now on the table of Workmen's Compensation Board. Now to me the performance of the Workmen's Compensation Board is a direct responsibility of the minister. And maybe the legislation is needed, maybe new regulations are needed, maybe we have to look at the whole compensation, but if we do it is the responsibility of the minister. And I would like to hear the minister at least designate a few words in his next twenty minutes to that particular issue.

MR. CHAIRMAN (MR. YOUNG): The hon. Minister of Labour and Manpower. For the information of the Committee, time will expire of his estimates at 5:12.

MR. ROUSSEAU: 5:12. Well, I had a few words here for the hon. member for Burgeo-Bay d'Espoir (Mr. Simmons), and I do not know if he is in my listening range but I am going to talk about occupational health and safety, I say if he is he wants to hear our thoughts on the situation that he enlarged on I will certainly do that.

First of all, Mr. Chairman, like the hon. member for Windsor-Echans said, he does not much care what the minister said, and I know. I stood up here for twenty minutes -

MR. FLIGHT: (Inaudible).

MR. ROUSSEAU: No, no - whether it was right or not. I stood up for twenty minutes and the hon. member for Burgeo-Bay d'Espoir asked me what my priorities were in Labour and Manpower. Very

Mr. Roussseau obviously if I spent twenty minutes in my opening remarks on occupational health and safety then that one is my priority. It is a very important item. And as the hon. member said, yes, thirty years. I did not get up here and harangue the past administration for twenty-three years. I said, look all of us are at fault here, and that the collective bargaining process should not include across a table questions of occupational health and safety; I said that. But let us understand - and I thought, I tried to anyway give what has happened since 1972, even the hon. member for Burgeo-LaPoile -

MR. NEATY: LaPoile.

MR. ROUSSEAU: LaPoile, I am sorry, - he was acting minister in 1971 the year before we came in, the same sort of thing happened. I did not say it was only there for four or five years, I said it has only come to the forefront and focused on in the first - it should have come back - and let me say something to the hon. member because I think he is saying it in a sense that he is concerned. Look at the provinces across this country where this concept should have been there a lot longer, because normally Newfoundland is behind everybody else at the outset, a new province and so on, and it is taking time. It is only now that Saskatchewan, Ontario, Alberta, Manitoba, British Columbia are coming out with acts on occupational health and safety. Since this government came in power in 1972, and it is unfortunate that the hon. Minister of Mines and Energy will not have an opportunity to speak, but we have come in, I believe, with some advances in the field of occupational health and safety, in the pulmonary area and other areas. Unfortunately time does not permit. When we do, and I hope it will be a long debate on the Bill on occupational health and safety, we will lay before the House this government's concern and what it has done in the field of occupational health and safety.

Now in January of 1977 I walked into six union men and six labour people and I said, Look, here is what I want to do. Immediately I wanted to stand in the House and say, No man should work in a place which is unsafe. He should have the right not to have to work

Mr. Rousseau: there; and a few other things of that nature which we could have done right away. The Board said, No, we represent labour and manpower, we want to look at it. I had gone -

MR. PECKFORD: As well as the proposals which will come in under your bill -

MR. ROUSSEAU: Right.

MR. PECKFORD: - are a part of my regulations -

MR. ROUSSEAU: Right.

MR. PECKFORD: - were delayed, and properly so, and legitimately so because the union people in Toronto, who were experts on them, wanted time to study it. It was only two or three weeks ago, completely independent of any strikes, that they were able to sit down with us on them.

MR. ROUSSEAU: And we have gone and consulted with them.

MR. PECKFORD: It just takes time, that is all.

MR. ROUSSEAU: There has not been any delay in the question of occupational health and safety. The conference was on October 1976, the mammoth job that it takes to take every little piece of legislation out of every nook and cranny of government and try and consolidate it under one existing Occupational Health and Safety Act was a monumental one. It has been done. The Interim Advisory Council has looked at it. I told the hon. members of this House that I hope, and I am certainly hopeful, that before the end of this month, and hopefully

MR. ROUSSEAU:

long before the end of this month, I am going to stand up in the House some day and introduce that bill and again I am going to be a very proud man, as I am sure everybody in this House is going to be, but especially this government. And I say to this House that I would be very, very, very, very disappointed and government would be very, very, very disappointed and I think all members of this House would be very, very, very disappointed if when this House adjourns in whatever time, May, June, July that there will not be on the books of this Province An Act Respecting Occupational Health And Safety. That will not have to be the subject of future collective bargaining.

I gave the time frames. I went back to 1971-1973, the Mastromatteo Study, to 1975 to the United Steel Workers and to the CNTU and the St. Lawrence Workers Protective Union, the conference that was called, the appointment of a Director of Occupational Health and Safety in the Department of Health. And now government has agreed - the hon. member for LaPoile (Mr. Heary) brought up the point, by the way - that all people involved in occupational health and safety by the end of this fiscal year, some sooner than others, will be all in place in the Department of Labour and Manpower. All the electrical inspectors and inspectors from Newfoundland and Labrador Hydro will come through the Department of Labour and Manpower. All the people in the safety area of the Workmen's Compensation Board which deals with non-mining and some non-federal aspects of safety, construction safety mostly in the Province, all coming through the Department of Labour and Manpower, all the consolidation of the boiler pressure and elevator people, these people who are concerned with occupational health and safety.

Do you know something, Mr. Chairman? I have now a little piece of legislation that nobody has mentioned. Remember the child that was killed here or hurt very badly unfortunately on that ride.

MR. ROUSSEAU:

that joy ride a year and a half ago or a year ago or so. Nobody has mentioned that. We have legislation now being prepared to make sure that that does not happen again and nobody had to tell us that. This government is concerned with the question of occupational health and safety and so is everybody in this Province concerned with the question of occupational health and safety. I can say right now that I am hopeful that from the original act many other things will be done so that a man will not have the psychological concern that he now has in respect to the working place.

MR. FLIGHT: What benefit is the Workmen's Compensation Board to a man who is now dying of silicosis?

MR. ROUSSEAU: These changes will be, I hope, very soon now, as soon as the Workmen's Compensation Board regulations are approved by government. I will let you know which ones are which until I get them. It should be shortly. That should be by the end of April as well.

Now, the member - he is not here - the member for Terra Nova (Mr. Lush), you know, what are you going to do to let people - the Labour Relations Act is no good for labour relations. Well, my God Almighty, you know, to me talks break down because the union wants something or a company is only prepared to give up something and they cannot get together on it, not because of the act. The only difference in a collective bargaining process is this, that instead of fifteen days now as I did in Buchans, by the way, instead of having to run and make a decision in fifteen whether I should or should not give a Conciliation Board to Buchans, I could make it a few extra days. I am very pleased to tell the hon. member that today I have granted a board to Buchans because I want to make sure that the union in Buchans does not unduly suffer from the fact that it is a last agreement and that the company make sure that they get everything. Sure. Because if I had a few more days under that bad labour legislation in the Advocate situation I could appoint a mediator under the new legislation which I may or may not do but that

MR. ROUSSEAU:

is one of the options that I have that I did not have under the other legislation. Sure I could send a man down, but you have not heard nor has the union or the company saying, look gee, Rousseau is going to have those guys down conducting a vote in Baie Verte. I tell you something, it will be a long while Baie Verte will be out of Labrador City before I will send somebody down to conduct a vote because that was not the spirit and the intention of the secret ballot. And I said it would only be used under extreme and dire circumstances. And I still hold to that principle now.

The collective bargaining process is a very important one. The third party to it is government. The fourth, unfortunately, a phantom, is that AIB thing which is going to be in there for a little while and which from a collective bargaining point of view is not a good thing because three parties are enough. But my conciliation officers nor the minister can go in and say, look, labour, you accept that or management you give them that or you accept that. And this is the process of collective bargaining which until somebody in this Province and this country and this world tells us it is better, that is the one we have to operate under. And sooner or later the parties know they are going to get together. Sure the miners at Advocate feel very strongly about the issues. I met with them. I know there are a lot of issues. There are nine to eleven, let us say ten, occupational health and safety, about ten others and about five or six that have come

MR. ROUSSEAU: about since the strike. Paie Verte is saying, we do not want to discuss the ten other ones and the five new ones, we want to get the occupational health and safety issues off the table first. And rightfully so because they have a concern for it. And unfortunately again they have to go across a table and try and bargain for those things which as a result I hope of this legislation that will be on the books before this session closes and will not have to force people to get across a table and fight for the basic psychological, not only the physical but the psychological factors involved in occupational health and safety. The union is an entity. Why did I not put in legislation, the hon. member asked, they cannot discipline their members. My God, now I cannot have legislation here in which I can say the president or the executive of a union is allowed to fine somebody for five days. You know that is an internal union thing. The union can expel its membership. The union can take disciplinary action, suspend the member. There are a number of - and not only that, the gentle persuasion of union members is another factor. You do not put that thing in legislation because you assume that the union can run its affairs. That is the assumption that this government went on and I went on in getting the Labour Relations Act through this House. No mechanism to show what in in the Labour Relations Bill. As a matter of fact, for the hon. member it was gazetted on the middle or the beginning of the third week of January and we did not proclaim it for a whole month or a little over a month to ensure that everybody would have the opportunity to become familiar with it. Yes, the member makes a very good point that there should be in both bills a lot of educational booklets and they are in the process of being prepared now. There is no vote in there but the vote comes under printing and stationery and we will do it under that. But that has to be done and that is in the process of being done now. I think that when the union members around this province see it they will not think it is as complicated as it is but that is a good point and it should be done and will be done.

Oh, the special fund on the St. Lawrence group. And

MR. ROUSSEAU: By the way the \$2 million that I mentioned first for the hon. member for LaPelle for fisheries is in the education budget. It is \$2,900,000 actually. This is for training at the College of Fisheries. The St. Lawrence Council fund, the programme that the hon. member refers to - of course he was Minister of Social Services at the time - but it was originally in Social Services and Rehabilitation and was in 1973 or 1974, I think, transferred to the Department of Labour and Manpower and it was -

MR. NEARY: Workmen's Compensation. How long was the program?

MR. ROUSSEAU: Ten years. It was a ten year programme from 1971 to 1981, and that does not mean it is going to terminate in 1981 but it is under review in 1981. But obviously I think without having to go to a Cabinet meeting I can say that it is not the intention of this government to let widows and children and so on of miners and so on suffer unduly because of things that were above - We are prepared to review the thing in 1981 and obviously do the right thing. Obviously it is an issue that I think is a very important one and it was a ten year programme by the way, 1971-1981.

The hon. member asked about the transfer of people to occupational health and safety and I just mentioned those from Hydro we are taking forty people, from the Workman's Compensation Board the nine that are now in the safety division, twelve people joined the year from the Department of Mines and Energy plus our own, our occupational health and safety director, and also I have a couple of positions - a hygienist and a radiation person plus the staff. So that will obviously build as time goes by and the needs for a -

MR. NEARY: Are all the Workman's Compensation or (inaudible)

MR. ROUSSEAU: No, only nine.

MR. NEARY: Nine. Did they take all nine?

MR. ROUSSEAU: Yes, taken the ones that were involved in - Now they are responsible as I understand it for safety outside the mining industry with the exception of some that are under the Federal jurisdiction. So they will all come to the Department of Labour and Manpower and we go from there.

MR. ROUSSEAU: Talking about the training for urban and rural, or the best value for our training dollar, we agree; could not agree more. We have been arguing, as a matter of fact we should have signed a three year agreement with the Federal Government on the new training programme, the manpower training programme, but we have refused to do it, and all the provinces have, only because we do not like the concept that appears to be, although Mr. Cullen keeps telling me it is not there, but we still feel it is there. If you will recall, any extra money that was money as a result of the new unemployment insurance programme would be put back into manpower training, but where they are going to put that is where the jobs are and there are provinces in this country and even those provinces who probably might get the bulk

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MR. ROUSSEAU: of that extra money support the provinces that would not, so ten provinces are in unison on this.

MR. NEARY: The jobs in Newfoundland are in fish.

MR. ROUSSEAU: Right. But first of all is this, we have not signed the agreement because any extra money goes where the jobs are. Now we feel this is a country, it is citizens' money from this country, and we feel that everybody has the opportunity and should have the opportunity in this country to at least get a basic level of skill development. I could not agree more with the water and the related areas as the hon. member for LaPoile (Mr. Neary) says certainly and we have to look at that, we certainly have to start training.

For example, one thing happened the other day, this year, this semester I believe it is, or the semester coming up, we had linesmen for the possible development of the Lower Churchill. We had Seal Cove and the College of Trades and Technology - I am sorry, Seal Cove and Stephenville. Now we have introduced a third programme in Happy Valley so that instead of thirty-five a year, which is twice a year, seventy linesmen a year. Now we will have sixty, or because it is a two a year programme we will have one hundred and twenty. We have, signed by this government, a Federal-Provincial Manpower Needs Committee. These are people who are jointly funded by the provincial and federal governments whose job it is to go out and look at what areas we need to have people trained in. I agree there are lots of times when we train people for jobs that are not there. We should be able to be flexible enough to change our training programme and do it quickly. If we need one hundred linesmen we should be able to do it in a short period of time. If we need a hundred beauty technicians or whatever you should be able to have the programme so flexible that we could always respond and respond quickly.

MR. NEARY: What of cases where we are locked in (Inaudible)

MR. ROUSSEAU: There is one thing that the federal government - they have been very good on that and that is why this Federal Provincial Municipal Trade Committee is there and it has representatives from all areas of government.

What is the legislation coming - the hon. member, I think I answered that question for him. I would like to say something - maybe the hon. member for Port au Port (Mr. Hodder) is also within listening distance because I would like to - something that has not been talked about very much. This weekend I had the normal suggestion we have during the weekend, we relax and so on, we all take off. I was out on the Port au Port peninsula over the weekend.

MR. NEARY: Doing a bit of politicking.

MR. ROUSSEAU: No not doing any politicking. I was out in the Port au Port peninsula with - what?

MR. NEARY: The Tories had a meeting there.

MR. ROUSSEAU: I was down in Port au Port, if the hon. member would listen because I only have a few minutes, to look at some project that were undertaken by the people themselves on the Port au Port peninsula.

MR. NEARY: The hon. gentleman did not attend that Tory banquet in Port au Port before

MR. ROUSSEAU: So on Saturday we went out, I think we left about noon, about one o'clock and we toured the whole peninsula and we got back about six o'clock, and we had a dinner with the people at seven o'clock and we were there until about ten o'clock and lots of sub-committees, people from the area read out some items. It is called a Community Employment Services programme; it is a jointly funded federal-provincial programme and what it does is this, it tries to create jobs of a longterm nature. For example, out in Blue Beach, in Fox Island River, Mainland look at wharves being put out, people on longterm assistance building boats in a boating project there, I think there are ten or twelve boats being built this year, twenty-eight footers. They were on their last three; one was ready

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MR. ROUSSEAU: to go in the water, one had to have his bottom painted and one had to be caulked and painted and it will all be done by the end of this week. You will have this year, I think twenty-five, two years, twelve or thirteen this year of longterm social recipients, social assistance recipients who will be out of the water fishing. Now maybe it will not be a twelve month operation but at least they have five or six or seven months in which they are out earning their own money. The problems down in Fox Island River, and the Hon. the Minister of Fisheries was down to see it too talk to Mr. Chaisson down there and I think the prospects are very good in the fishing industry. These are things that people are going to need and they have done it themselves.

MR. NEARY: Thanks to T.J. Hardy.

MR. ROUSSEAU: And he is buying the fish. They have done it themselves, they have provided the initiative. We had some problems in the beginning with the CES programme but they have been worked out, they have provided the initiative themselves, they have worked hard as a matter of fact, I was extremely impressed Saturday evening when they came up with every area, fisheries and tourism and other programmes that each individual sub-committee group had looked at and they had provided really a blueprint for the Port au Port peninsula all of which, by the way, I do not think there was one thing I heard there that night that was unobtainable, not at all. What I am afraid of is that they got too many things, whether they go department by department or take one or two of each department.

MR. ROUSSEAU: and try and attain it but the program was a very good one, how to establish a better tourist industry in the area, the fisheries program, the other programs that were suggested, very, very good. This is the sort of thing that people themselves on the peninsula - and we have one, by the way, too, in the Straits of Labrador, two presently in the Province, a jointly funded Provincial/Federal program. We are considering the Bay D'Espoir area - we have the member back - for that sort of program. This is a program where we have a Federal/Provincial co-ordinator -

AN HON. MEMBER: (inaudible)

MR. ROUSSEAU: - The hon. member for Burgeo-Bay D'Espoir (Mr. Simons) is -

AN HON. MEMBER: (inaudible)

MR. ROUSSEAU: - where we have the program, I was saying that we saw in the Port au Port peninsula, and maybe his colleague (the member from Port au Port (Mr. Hodder), and I am sure the member from Stephenville (Mr. McNeil) could give him some indications that we think a very, very practical program, CES, Community Employment Services. It is a Federal/Provincial jointly sponsored and jointly funded program. We have two co-ordinators, Mr. Sans from the Federal Government and Ed McCann from the Provincial Government are the permanent co-ordinators. They meet with people in the area, and out in the Port au Port Peninsula, for example, wharves, the building of things, not the things that are not going to create jobs but the ones that will create jobs, boat building projects where people build their own boats and go out in them. Sometime this month we are going down to the Bay D'Espoir area to take a look at that concept. That is not the development corporation because I was not aware of that and, of course, I cannot speak to that, that is one of the other of my colleagues. But, sometime before the -

AN HON. MEMBER: (inaudible)

MR. ROUSSEAU: - and it is the people themselves - as I say the people on the Port au Port Peninsular in the presentations they made at the luncheon we had after and then the discussion, each person, the Chairman of the sub-committee presented their program on various tourism

MR. ROUSSEAU: and fisheries, and various related programs.

It is like a blueprint for the Port au Port Peninsula, all of which were attainable, nothing big, a lot of small things but I was really, really, very much so impressed, and as I say, we are going to be taking two persons and the other one, and apparently the people themselves. It is not something that is foisted on people, they have to participate as well.

MR. SIMMONS: Are you going down, too?

MR. ROUSSEAU: I am not in the first instance. We are going down to talk to the leaders in the area if there is a desire on their part. I have already talked to Mr. Everard, who is the Federal counterpart here on the Island, and he is prepared to go along with it. We are, too. If the reception is down there from the people in the area on the initial one in which the two permanent people, the Federal and the Provincial co-ordinators talk to the people, explain the program to them; if they are interested in it I see no problem in undertaking that program in the Bay D'Espoir area.

We are thinking about a fourth area as well, one as a matter of fact in the Stephenville area and the other side there is a possibility as well. I think the program is a very good one and -

MR. SIMMONS: Who in his Department will be co-ordinating

-- ?

MR. ROUSSEAU: Mr. McCann, Provincially, and Mr. Sano, Federal.

MR. SIMMONS: No, I mean who will be co-ordinating the Bay D'Espoir program?

MR. ROUSSEAU: These two people. It is Federal/Provincial. These two people will go themselves and -

MR. SIMMONS: They will be going down there soon?

MR. ROUSSEAU: - meeting, I forget the names of the persons they will be meeting, but they will meet with people down there, talk about it from a community viewpoint, and if the reaction is there from the people and they want it, there does not appear to be any problem with it going ahead, so just to let the hon. member know that.

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Tape No. 780

MR. CHAIRMAN: The hon. member for St. John's West,

DR. KITCHEN: Mr. Chairman, just a few points that I would like to raise in connection with the (inaudible) here. One, I would like to have a word on behalf of the people who are not organized. We have heard a lot here today about the people who are in labour unions and so on. I understand that is the case, and I would like for the Minister to do something about it if this is the case, that people who are unorganized and who are therefore protected in their wages only by the law really, when they work overtime are not compelled to receive any more than the minimum wage time and a half, and for many people they are trapped into that situation. I believe it would be fairer if the overtime would be at time and a half times their regular wage, rather than time and a half times their overtime. That is one point I would like to make.

Another point has to do again with people who do not have work. I am referring to the many apprentices who are turned out by the College of Trades and the graduates of the District Vocational schools after one and two years training who, like people who have taken the electrician's trade or various electrical and plumbing trades and so, they graduate full of energy having quite a bit of their paper work done and their first year or so in, and then they go and look for a job only to be told that there is no work in this particular industry and they are unable to find a job, people who then go to the Mainland and sometimes are unable to find a job there. I am just wondering if there is any way by which these people can get their on-the-job training without necessarily having to be employed by the employer in the traditional way. Surely,

DR. KITCHEN: it does not make any sense to put somebody in for a year's training at great cost on behalf of the Province, great cost on the Government of Canada, to end up with a person who is only partially trained and who is unable to get a job, say, in the electrical industry mainly because at the present time there are many qualified electricians who are themselves out of work and who are barred from work because of the union regulations and their agreements with employers. Such is the case in the electrical trade now. I am not trying to do any union busting, but I am suggesting that it may be possible for us to devise a way by which people can get their on-the-job-training in some way rather than just have to forego that training and go into some other line of work. It seems to be a tremendous waste of energy and time and it would be very frustrating from the point of view of the person.

We have a great many people now in this Province, men and women as well, clerk-typists, all sorts of people who have done their duty. They have worked hard in school, they have gone through the various trade schools and still they can find nothing to do, and they cannot even finish their training, which is probably more serious than anything else.

I would like to support as well what the hon. member for LaPoile was saying about the type of training that is being offered as opposed to the type of training that should be offered. In addition to the fishery we realize, of course, that the large development in the Province will be in areas with respect to Labrador, Labrador development, and in that area, perhaps, it is high time we should be training people for the jobs that can exist.

DR. KITCHEN:

Another point I would like to give credit, I think, to the present government for is the tremendous number of jobs that they have created in the area of liquor establishments. I think if there is any area that you have really done is magnified and multiplied these establishments to the point where people are - and another area of credit I would like to give too, there is a tremendous number of part-time jobs that have been created for party hacks in the issuance of marriage licences. A tremendous piece of work there. And, of course, we should also give credit - the hon. member for LaPoile (Mr. Neary) forgot to mention today, although he has mentioned it before, the jobs that were created by getting these people in the Action Group. I mean, this is a tremendous public service in the performance of cutting down on the unemployment. It means that the CBC has been able to fill a job, I think.

I am not too sure though that I would like to give credit to the government for their attitude in the Waterford strike, when I understand that certain people who were connected with the government side were actually working in there as strike-breakers. I do not think that that is any way to encourage the type of people who were on strike there. I do not think government should take very great credit for that.

One thing I would like to ask the minister to do - it has to do more with the federal government than with the provincial - and I am referring to the tremendous climate of fear that many unemployed people are in, particularly those who are on unemployment insurance, and I would like to ask the minister if he would use his good offices to impress upon the federal government that when they cut down on people who are supposedly cheating on unemployment insurance, in many

DR. KITCHEN: cases they are cutting down on people who do not really know they are cheating. I think that is quite true. I know of a number of cases that have been brought to my attention. And also the fear that they have of making appeal to Canada Manpower and the Unemployment Insurance people who deal with appeals. I have been with people who are unemployed to appeals boards and they are afraid. There is a tremendous climate of fear there and very often people are unable to tell their story because they do not know how to tell it. I believe it would be proper coming from the Minister of Labour and Manpower here, to impress upon the federal minister, as we are doing privately, that there does exist a situation in this Province when people who are out of work, trying to negotiate with the Unemployment Insurance Commission and with Canada Manpower, are very often in a situation that they cannot handle themselves.

As members I am sure that we are all dragged into that situation from time to time, but I believe that the federal government institutions, like some of the provincial government institutions, have to be more sympathetic to the person who is unemployed, on welfare and in situations of that nature.

Now, two more points I want to make and then I will stop. One concern - I believe we have to make in this Province

Dr. Kirkham: a type of survey of manpower requirements in the years that lie ahead. I know we cannot be too specific on that because if you are too specific in making forecasts of manpower you may be wrong, and you may set in motion training schemes that will never come to pass because the industries never come to pass. But a certain amount of that should be done.

I believe we could very well at this time make an analysis of the type of fishery people that we will be needing five, ten, fifteen years down the road, for example, and see that that proper survey is carried out. What is likely? A few years ago, for example, we had places in the College of Fisheries for the training of skippers, and nobody taking the courses. We had people in naval architecture, places over there had vacancies because no Newfoundlanders were going into that very lucrative trade, and that sort of thing should be done, but not only with respect to the fishery, the fishery is an important one, but with respect to other occupations as well. If we go ahead with Labrador development and the processing of iron and things of that nature, and the processing of forest products, and all these as we talked about on Wednesdays here, we are going to need a tremendous number of jobs, and we are going to have the training required - we must have the type of training that is required for these jobs, because otherwise what we will be doing we will have to import people to take the jobs that we are creating, and there is no profit in that, there is no purpose in developing a resource for people in other provinces, We might as well let them have the resources in the first place as to keep the resources here and develop them by bringing in people to do the developing. These industries in Labrador and on the Island part of the Province have to be developed for the benefit of the people and that means that the people who work in these industries have got to be local people, largely, and that means we have to have the training schemes in mind. And I believe we have to do that not only in a very

Dr. Kitchen: tentative, cursory way, but in a rather definitive way, and that the institutes of education should be built where the need is.

And in that respect perhaps the minister might give some consideration to discussing with his colleague, the Minister of Education, to relocating that polytechnical institute where it really should be, namely, in Labrador rather than somewhere here in the city of St. John's.

SOME HON. MEMBERS: Hear, hear!

DR. KITCHEN: The other point that I would like to make, I believe that we should have a labour code in this Province, a labour code in this Province which states in no uncertain terms that the jobs in this Province are for Newfoundlanders and Labradorians, and that the first preference has to be given. As I look around, I look in the banks, I look in the various businesses, look in K-Mart's and all places of that nature, without necessarily mentioning them, look downtown, Water Street businesses, and in nearly all of these businesses I find them managed, and top management, and secondary management people from outside and other places moving in here, Most of the new subdivisions -

AN HON. MEMBER: Are taking over.

DR. KITCHEN: - just flick up your phone book some day, and see the non-Newfoundland names that are there, With all due respect we need some people -

MR. NEARY: Memorial University is a good example of that.

DR. KITCHEN: Memorial University is a great example. Let me wax eloquent on that for a minute or two, if I may, if it is possible.

MR. NEARY: Husband and wife people.

DR. KITCHEN: Yes, I was not thinking so much about that, but that is part of it. One of the most sensitive parts of the University is the social sciences field, economics, sociology, anthropology, -

AN HON. MEMBER: Social works.

DR. KITCHEN: - social works, and places like that. These are very sensitive for this Province.

DR. KITCHEN: A few years ago I did a slight survey up there and I looked around there was not one person born in this Province in these departments, political science, not one in these departments. Now I do not want to go knocking the institution that used to employ me; they may very well employ me again, I hope. But one of the problems with it is that there does not seem to be any labour code that forces an institution to look within their province before - and also in Crown corporations. We had a hideous example of a Crown corporation here recently with a person getting, what? \$110,000 take-home pay or something like that in cash and in kind and he sort of took off. And I would say that same Crown corporation and in other Crown corporations operated by this present government and by the Federal government in this Province, you will find many, many people who have jobs that could just as easily be filled, perhaps better filled by people from this Province. I believe too many of the mining companies, and many of

DR. MITCHEM:

the civil service positions within this particular, our own provincial civil service positions, are filled by - now we do not want to go on a witch hunt here. I am not interested in any witch hunt against the people who were born in other places. That is not necessary. But I do feel that there should be some sort of a, more than a gentlemen's agreement, some sort of a labour code which specifies in no uncertain terms that the jobs in this Province are to be offered first to people in this Province, and particularly are we talking about high paying jobs, rather than taking all the high paying jobs and filling them from outside the Province and letting the Newfoundlanders remain huers of wood and drawers of water in our own Province.

MR. CHAIRMAN: Order, please!

I do wish to point out that the time for this head has elapsed.

On motion, Head V, Labour and Manpower, all items without amendment, carried.

MR. CHAIRMAN: Head XII, Forestry and Agriculture.

Does 1201-01 carry?

The hon. Minister of Forestry and Agriculture.

MR. MAYNARD: Mr. Chairman, it would be appropriate to have a few comments on the general terms under the department before we get into the actual subheads. I would suspect there are other members who will want to have a few comments as well. Obviously there is not going to be time in the first remarks that I have to make to go over all the aspects of the department and I suspect that there are many things, many questions that will have to be asked regarding the functions of the Department of Forestry and Agriculture. I hope they will not be too controversial.

But to go over some of the highlights of the department, 1977, and some of our outlooks for 1978. I will take it by section. First of all, Forestry. One of probably the most controversial issues in forestry, of course, is the budworm situation and the actions that we have to take to try to combat this very serious threat to the forests

MR. MAYNARD:

of the Province. It is not a situation that can be dealt with very lightly. There are many people who feel that the budworm problem has been over-stated by the department.

MR. CHAIRMAN: Order, please!

If the hon. minister will allow me. Some hon. members have difficulty hearing him. I do not know if the public address system is working properly.

MR. MAYNARD: The mike is not on I guess. Is it on now? Can anybody hear it now?

SOME HON. MEMBERS: Oh, eh!

MR. MAYNARD: Okay, I will try to get a bit closer. Maybe I am too far out from the mike.

MR. PECKFORD: Too big a man, that is what is wrong.

MR. MAYNARD: I will have to get in a crouch position so I can get closer to the mike.

AN HON. MEMBER: Kneel down.

MR. MAYNARD: Well that might be a good idea as well.

I was just speaking about the largest issue that we have in the Department of Forestry and Agriculture, or in the forestry branch of the department. It has been going on for a number of years. That is the problem which we are experiencing, of course, with the spruce budworm situation and the actions that have

MR. MAYNARD: be taken or should be taken to prevent that particular problem which is a very real and a very serious one. There are a lot of differences of opinions regarding the amount of spraying and it is serious if any should be taken against it, and whether the Department is doing the right thing or we should be following the methods of some other jurisdictions that are not controlling, in the sense that we saw the spruce budworm outbreak. The department over the years has spent a lot of time analysing the problem and they have collected a lot of material, all the material that is available, and they have had the opinions of many experts in the field of forestry and in the field of disease suppression and we could not find any other answer to the spruce budworm problem with the exception for a one year period carrying out a limited spray programme. I say 'limited' because with the amount of forestry that we have in the province, the number of square miles of forestry that we have and the amount that we are proposing to spray in 1978 relates to a very, very small percentage of the overall total, viable forest in this province. In 1977 we carried out a very limited programme over approximately 200,000 acres and I might point out we did not carry out that programme with the intent of coming up with any new scientific knowledge about the spray regimes, the damage to the environment and this sort of thing because obviously we could not do that in a period of one year.

We did however carry it out to test out the field requirements, to do some limited experimentation on the types of aircraft that would be needed, the types of equipment we would need on the various bases that we would set up to operate the programme from, and many other technical aspects that we did not know as it related to this province and the type terrain that we have. At the same time we did do - my department did not, but the other department of government, Consumer Affairs and Environment did do a fair amount of environmental monitoring and of course we set up the independent committee under the direction of the president of Memorial University to assess the material that was available to try to give us some guidance as to what we should do over the next few

MR. MAYNARD: years. I think all members are aware of the report that was filed by the Memorial University group. I think they gave a very objective report. They looked at a lot of material and their recommendation was that we did not really have any options but at least for the next couple of years to conduct a spray programme using chemicals that are well known to have an effect on the budworm populations.

But we are still not anxious as government or as department to go into a massive spraying programme that will tie us into any more than one year at a time and there are a number of obvious reasons for that. Even though at this point in time we are sure that based on the evidence that is available there is no appreciable adverse effect on either human life or wildlife from a chemical spraying programme in the sense that it has been carried out in the past in this province and in the other provinces, we cannot of course say what evidence will come to light in the future years.

The other factor which gives us some second thoughts about carrying out a programme of this kind is that it is extremely expensive and even with the approximately 1.2 million acres and possibly 1.3 million acres that we will do, in 1978 we are hoping to do it, is going to cost us in excess of \$3.5 million. Obviously that sort of money if we had it available could be used more extensively in the department of general forest management techniques and we would like to use it that way. However, we are well aware of the fact that unless we suppress the budworm and unless we suppress it now to the point where it is at least manageable then the future of the forest industry in this province is in jeopardy and forest management may not be necessary because we may not have anything to manage.

Forest management of course in relation to combating the budworm is

MR. MAYNARD:

something that we are doing, but it is a very long term thing. You cannot start forest management today and expect to see the results tomorrow. It takes many, many years. With the growth rate of the trees in this Province it takes in excess of maybe twenty-five to thirty years to see any appreciable results. Obviously we cannot wait that long and let the budworm go on its own.

Now there is the problem, of course, that is being expressed by many members of the public as to the possible harmful effects of any kind of chemical on human life or aquatic life, wildlife in general. And that fear that is being expressed, as I say, we do not have any evidence that it is justified. But the public, the general public, have the right to express their fears and we have to take into account what they have to say. We study very carefully any representations that are made to us regarding the chemical spraying programme. But we are not in the happy situation of being able to make a decision that is going to be pleasing to everyone. It is one that is probably not pleasing to anyone including ourselves. But weighing all the evidence, pro and con, in the balance we find that we have no choice but to take some controls.

We are very hopeful, Mr. Chairman, that the chemical control programme will not be necessary over a long period of time. As a matter of fact, we feel certain with the amount of scientific research that is going on at this point in time into other non-chemical suppressants, that it will not be necessary to use chemicals of this kind. So we have made the decision to only go at a one year programme and to do a complete reassessment of that programme every year. And if in two or three years down the road there is some product on the market, which we think there will be, that will give a more permanent suppression to the budworm problem, that will help us to suppress it without using chemicals, then we will gladly go into that sort of a programme. But for the time being there is nothing

MR. MAYNARD:

on the market that is completely operational. There are a lot of things in the laboratory stage with very promising futures or look very promising in the future. But at this point in time they are not products that can be applied over a large area, and when we are talking about the forestry we are talking about extremely large areas. So that issue is possibly going to be an ongoing one for some time until such time as a more permanent solution can be found for that particular problem.

There are a number of other items in forestry of course which are equally as important but unfortunately something like the budworm problem seems to overshadow everything else. We have been working for the past four years now with the Forest Management Taxation Act which set out the basic policy of the government regarding forestry. I had the pleasure of bringing in that act to the Legislature and bringing in the policy that went with it. That policy has been working and is showing very positive results in management of the forests in this Province. We are spending a great deal of dollars on forest management, forest access roads which, by the way, do two things; open up the forest to operators and as well enable us to salvage some of the wood that is being killed by various diseases or have been killed in the past by various diseases.

We are very actively, of course, involved in the suppression of forest fires. This year we are in the process of purchasing two Canso water bombers. And I cannot particularly say that they are new water bombers. None of the Cansos are very new. They are new as far as our operation is concerned. That will give us a fleet of seven Canso water bombers we own directly, plus the other aircraft that we have on charter, fixed wing aircraft and helicopters that we have on charter throughout the Summer which gives us

MR. MAYNARD: I think as good a capability for forest fire suppression as any place in Eastern Canada. We are very proud of the expertise that we have been able to build up in the department in fire suppression and we feel now that with the two new water bombers added to the fire fighting fleet that we have the capabilities to handle pretty well anything that might happen. Of course as with all items of this kind we hope that we do not have to use the water bombers. We hope that it is not necessary but unfortunately from time to time it is necessary to fight fires for one reason or another.

There are a number of things that we are looking at in 1978. Some of them are new. We have just set up in the department a new division - Forest Products Development and Utilization Division which we hope will be able to give a little speedier reaction to people who are making new proposals either through industrial development or rural development or otherwise regarding new product development and be able to deal with these applications faster from our point of view with the special division. That division is set up and it is pretty well in total function right at the present time and we certainly think that we will see some positive results from it throughout 1978. Throughout this year we will be hopefully, and we have been trying to piece this together for some time, doing a complete wood transportation study which will basically be aimed towards the Stephenville linerboard mill and the reactivation of the mill over there as a linerboard mill or some other product but aimed at getting wood transported into Stephenville from various parts of the province at a reasonable rate.

There has been in the past a number of ad hoc that he had done on transportation, marine transportation, rail and truck transportation in the province but there has never been a complete comprehensive study done on how to get wood into any part of the province efficiently and at a reasonable cost. We are hoping that with the results of the study, once we have been able to get it off the ground and get it completed, will give us and obviously any prospective buyers or operators of the mill in Stephenville the technical details as to how they can get wood from

MR. MAYNARD: various parts of this province into that mill and get it in there so that they can produce a product at a reasonable production cost.

Well the study may not have to be completed before any person would look at Labrador Linerboard, but obviously the results of the study would be very beneficial to them as it is one part of the whole effort of trying to get the mill reactivated and get a major wood using industry operating in the Stephenville area again.

I would like to go over a couple of other things in the department and I am sure that many members will be coming back with more questions on this. The agriculture sector, of course, I have just recently announced, and we have been accused over the years of not having a policy for agriculture that we could announce sort of thing, so consequently we have put it all together. We had the policies but obviously they were being announced at various times and in various places so people felt that there was not an overall policy for agriculture development in this province, and over the past year we have put all the policies that we had together and we have added some new elements to it for obvious reasons and have just recently announced in a speech to a group of farmers at McKay's our five year development policy for agriculture. Now the implementation of some of that policy is going to depend somewhat on whether or not we can get some funds from the Federal Government through DREE. I am not about to indicate what we are negotiating with DREE but suffice it to say that we are asking for some funds under the general development agreement to replace an agreement

MR. HANCOCK: that was in existence for a number of years under the AGSA program. If we are able to get some cost-sharing on the various programs that we have put forward, we feel that Agriculture has taken a large step forward in this Province over the past few years. I think we have to realize in regard to Agriculture that this is not basically an agricultural province; there is no point in us saying that Agriculture can be a primary industry in the Province or that it is going to create a great deal of extra money as far as the gross Provincial product is concerned, but within the confines of the potential, the land potential and the atmospheric or the weather potential that we have, the climates, there is a possibility for some basic agriculture production in the Province in certain sectors and in certain areas, and our intention is to concentrate in general on the areas that have potential and on the products that have potential. One of our problems in the past is that while we spent a fair amount of money on agriculture, and if you look back over the Budgets the amount of money spent on Agriculture compared to other industries and then comparing the gross Provincial product or the contribution to the gross Provincial product, that Agriculture has got some fairly large sums. But we have been trying to spread the amount of money a bit too thin and, consequently, we have not satisfied the requirement of developing in the products that are viable in this Province and in the areas in many cases that are viable. That is not to say that is the only problem we have. There are other problems, but I believe that with the outline that I gave a few days ago, we do have the policies now to put into place a fairly viable, even though it might be small as compared to other resource industries, a fairly viable agriculture industry in this Province.

Obviously, in another section of the Department there is going to be a number of questions on Crown Lands. Crown Lands is extremely complicated. From an administrative point of view, I doubt whether it would be possible if we had a week-long debate here to be able to get into all the intricacies of administering

MR. MAYNARD: Crown Lands in this Province and getting into some solutions, if you want to put it that way, of how to administer Crown Lands.

One of the large problems, of course, has been over the years the lack of a Crown Lands registration system in the Province, the lack of records as to who Crown Land has been leased or granted, and we are in a position now where it is very, very difficult to deal with it.

This is all the time I have to start the debate on the Department of Forestry & Agriculture. I assume I will be given an opportunity sometime throughout the next four hours to come back to it again and answer members' question or make more comments on the various issues.

MR. CHAIRMAN: Hon. member for Windsor-Buchans.

MR. FLIGHT: Mr. Chairwan, the Minister, in leading off the debate, spent a lot of time of the allotted twenty minutes, I presume, on the spruce budworm issue. Mr. Chairman, I want to make it clear that although this side recognizes the importance of the spruce budworm spray program and we recognize the implications for this Province, I personally believe that the issue is so important with such a division of opinion in this Province that the spray program itself should have been subject to a debate in his hon. House. I want to suggest, Sir, that it will be the subject of a debate at least by this side when the Budget Speech and the Throne Speech is again called. However, I have no intention, I do not think it would be proper to allow a substantial amount of time out of the five hours designated to this Department to be used up in debating the pros and cons of the spray program. However, there are a couple of issues that are glaring that need to be answered.

I propose to use my twenty minutes, Mr. Chairman, my allotted time, to present the Minister with some questions, specific questions with regard to

MR. FLICHT:

the administration of the Department of Forestry, and I would hope that when he rises in his place that he will address himself to the specifics that I wish to bring up.

Now with regards to the spruce budworm, I would ask the minister, are the areas to be sprayed in the spray programme, 1978, have they been designated and if so designated, then will the minister be making clear to the general public of Newfoundland where these areas are indeed located? That is an important issue, Mr. Chairman. I would ask the minister, Mr. Chairman, can he guarantee to the point it is possible to guarantee to this House, that during the experimental spray programme of this summer - now the member for Fay of Islands (Mr. Woodrow) should take note of this particular thought - that there were signs, indications, that the insecticide used somehow got into the Corner Brook water system. Now it got into the Corner Brook water system in a programme that was supposedly very much controlled, experimental, completely controlled, or so we were told. What kind of assurances can the minister give the House that under a massive spray programme, where controls will be harder to enforce and the programme harder to monitor, what kind of guarantees can the minister give the House or the people living adjacent to or in the designated areas that the insecticide, whatever it is will be used, will not indeed find its way into the water supplies of the various communities?

Now, Mr. Chairman, I am not asking the minister - I know some of these questions are impossible to answer but I suggest this, Sir, that that particular issue is so important that it should be determined. The minister should be able to assure the people living in the areas concerned that he is sure that under a spray programme that the chemical used will not find its way into the water supply of people living within the designated areas or adjacent to the designated areas.

MR. FLICHT:

I would like the minister to address himself to the fact that Nova Scotia have just refused to spray. Now, we have to assume, Mr. Chairman, - I have read reports on the Nova Scotia situation. These forests are subject to massive budworm attacks. The question of their future, the reserves in Nova Scotia are in question. They are as concerned presumably as we are. But given all the concerns, given the fact that there is a massive budworm problem in Nova Scotia, the Nova Scotian government has indeed turned thumbs down on the spray programme. What is so different, Mr. Chairman, in our case? And I would like the minister to indicate to the House what knowledge or what information or on what basis this Province made the decision to spray as opposed to the decision made in Nova Scotia that there would not be a spray programme? So much, Mr. Chairman, for the spruce budworm at this stage.

As important and as a direct result of the spruce budworm infestation, Mr. Chairman, we now have in this Province 2 million cords of wood dead, dead on the stump, presently dead, lost forever to the economy of Newfoundland. We have 3 million cords of windburned wood that is considered past the stage of saving, that will die regardless what we do, whether we spray or we do not spray. That, Sir, is 5 million cords of wood that within the next three to four years will become lost totally to the economy of Newfoundland. It represents the production, seven years production, the requirements of both mills for seven years. Now, I want the minister to indicate to this House what his administration plans for the salvaging of that wood. Has he written off that 7 million cords of wood? Is he satisfied that the paper companies are doing everything that they can do to utilize that wood now as opposed to using and harvesting new growth? Mr. Chairman, has the minister looked into all the possibilities of salvaging the 7 million cords of wood that we are about to lose - it does not matter how big a spray programme we have. It has got no bearing on it.

MR. FLIGHT:

in the situation now where we are about to lose - if all the budworm in Newfoundland today were to die, no more budworm problem, we have 7 million cords of wood that will be lost to the economy of this Province in the next three or four years. Now, Sir, to me that is as important - if the minister would have spent his whole last five months and all his staff in determining how to salvage that wood it would probably have served just as great a purpose as he has done for this past two or

Mr. Flight: three or four months. And, Mr. Chairman, the minister is well aware of this because I have had conversations certainly with all his senior staff that while we have 7 millions cords of wood dead on the stump in Newfoundland today, or dying on the stump, most of that wood situated on timber limits of the two paper companies, we have our sawmilling industry flat because there is a shortage of log supply. The biggest reason today that the sawmilling industry of Newfoundland is in trouble, Mr. Chairman, is that all of the timber that they need is located on Price and Bowaters limits, and Price and Bowaters are showing no desire to open up these limits. Now what is the minister doing about that when we have sawmills down, shut down because Crown Lands cannot find a supply of wood that will sustain their operation while the paper companies are sitting on 7 millions cords of wood, seven years production, and still refusing to allow our sawmillers to go into the woods and cut enough wood that will produce 200,000 board feet a year and sustain their operation. It is unbelievable, Mr. Chairman, and I would suggest, Sir, the minister will have to explain to this House and to the people of Newfoundland how this Province can reconcile and accept the situation where we have our sawmilling industry, the one that every minister indicates, the sawmilling industry of Newfoundland, it is a motherhood issue, it is supposed to be a viable industry, and yet we have them shut down because the paper companies refuses to allow them to cut on their limits - the same paper companies that brought immense pressure on the government to institute a spray programme. They said they were concerned about salvaging wood in this Province, yet they refused to allow our sawmillers to go in and cut enough wood to keep their operation viable.

Mr. Chairman, that to me is one of most important issues in forestry today. I want to hear the minister say what his department's approach and decision is with regards to the salvaging. How do we intend to salvage 5 million cords of wood that I have just indicated that is presently dead and dying on the stump and about to be lost to the economy?

Mr. Flight: Now, Mr. Chairman, I am going to use a specific incident here, and I want the minister to address himself to this one. Recently a company in Point Leamington, it is the place concerned in the Central Newfoundland area, put together a proposal to start a barrel factory in their area. They did months and months of research, they had resource people from the Newfoundland Development Corporation and the Exploit Valley Development Corporation, put months of work together; it was proved beyond a shadow of a doubt to have been a viable industry. The industry would have employed a minimum of thirty-eight people in the industry. But here is the most important issue - this industry, I will table this if I have to, but is available to all members, this industry would employ up to thirty-eight people when fully established, and would use approximately 2 million board feet of lumber. This wood consumption represents the production of ten small sawmills, and at least half is available in the immediate area.

Now, Mr. Chairman, that company was looking for \$300,000 funding from the Newfoundland Development Corporation, a corporation of this administration, a corporation that this government and this Cabinet must take the responsibility for. DREE had agreed to make a \$250,000 grant available to that corporation. The people involved in the corporation were prepared to invest \$100,000. The Province's share was \$300,000. Where was the minister when the cards were on the table, when the facts were there? Where was the minister? Where was the minister when that company was refused \$300,000? If it had not accomplished nothing else, it would have put ten sawmills to work, ten small sawmills. Where was the minister? Does Cabinet do or do not direct Newfoundland and Labrador Housing Corporation?

SOME HON. MEMBERS: No.

MR. FLIGHT: Newfoundland and Labrador Financing Corporation?

AN HON. MEMBER: Newfoundland and Labrador finances 75-25 -

MR. FLIGHT: Mr. Chairman, the administration has got to take the responsibility for the performance of the Newfoundland and Labrador Development Corporation, the same as they have to take responsibility for Hydro and the Newfoundland and Labrador Housing Corporation.

SOME SEN. MEMBERS: Oh, oh!

MR. FLIGHT: And here was a proposal in front of government that for \$300,000 - and everything else was equal, Mr. Chairman, the facts were on the table, BORE had agreed to make a grant of \$250,000, the participants in the company would have put up \$100,000, for a \$300,000 investment by Newfoundland and Labrador Development Corporation

MR. FLIGHT: we could have had an industry in Forest
Leamington that would have been viable, had not support as we could
have guaranteed the operation of ten small sawmills - there are only
five small mills located in my district, Mr. Chairman. How now does
the province take kind of an initiative? Is it now up to the
Province to subsidize the operation of ten small sawmills to
keep them going? They had a chance, Mr. Chairman, they had a chance
to guarantee the viability to the point it could have been of ten
sawmills.

Mr. Chairman, it is usual, and the minister
no doubt will address himself to it, but these are the facts and I
can produce, Mr. Chairman, the evidence. The government may disclaim,
they may not claim and not be prepared to accept responsibility for
the performance of the Newfoundland and Labrador Development
Corporation but that corporation was set up to fund industry in
this Province based on our natural resources and the timber in this
Province is one of the few natural resources that we have in that
area. So, Mr. Chairman, I want the minister - and that particular
issue will probably arise again before this session ends - I want
the minister to address himself to that one. That is ten sawmills
they could have had in operation. I want the minister to address
himself to a situation, Mr. Chairman, where a sawmill, again it is
timber resources, timber management, where a sawmill employing approximately
seven people after operating for twenty years on a moonlighting basis,
with no agreements from Price (Nfld), but they operated, they built the
business up from scratch, from nothing to where it was supporting seven
employees, and suddenly Price decided to get their backs up and get
tough and said "No more. You cannot cut any more wood." The sawmill
shut down flat. So forestry came in and offered the sawmill in question
timber supplies on Crown lands located in the area, specifically in
the North Arm area. The operator of the sawmill went and looked
at the timber, albeit he would have had to travel an extra

MR. FLIGHT: thirty miles to deliver the timber supply to his mill, but he was prepared to accept that if that was the only solution. But, Mr. Chairman, what does the minister say to this situation? When that sawmill operator went to the limits that was being offered and walked through the timber with a member of the minister's cabinet... they agreed, the forestry representative agreed that that area that the Province was offering to that mill to continue the operation could not sustain it. The timber was not there and it was the only timber lands available in Central Newfoundland, the only Crown limits available in Central Newfoundland. Now how do we keep our sawmills in Central Newfoundland going under those circumstances, Mr. Chairman? At what time, Mr. Chairman, is the minister going to sit down with Price (Nfld) and Bowaters and say "We have to work something out." Either it is a no-no, give up on the sawmill industry, Mr. Chairman, or face the facts that we have to re-negotiate, we have to get limits from those paper companies, that is the problem. Sure, sawmills will go bankrupt; we have hundreds of bankruptcies every day in various sectors of the economy. But the number one problem and Price (Nfld) and Bowaters know it, privately they will admit it- the number one problem facing the sawmill industry today is a lack of supply, is a lack of the resource, of logs themselves. What happened to the theory, Mr. Chairman, has the minister spent any time on the theory that all saw log material whether it is cut on Price (Nfld) property or Bowaters, that all the sawmills material is diverted to sawmills through a Crown Corporation, through something, that it never goes to the mill. We need that wood. After every log in this Province, all the wood that Price (Nfld) cut this year, if you had taken every sawmill saw log out of it and shipped it off to a Crown corporation to distribute to the sawmills, Price (Nfld) would have had all the pulpwood supply they would have needed. What happened to that theory? So, Mr. Chairman, the minister had better accept the fact that either Price (Nfld) gets

MR. FLIGHT: receptive to turning over some of its rights under some agreements to the sawmilling industry or to have the sawmilling industry.

Mr. Chairman, Labrador Lincolns, one of the reasons cited in this report is that the lack of the reasons that Labrador Lincolns shut down was the lack of economic wood, it could not operate on wood from elsewhere. It was generally conceded and I believe it was recommended

MR. FLIGHT:

by the Advisory Committee that there would have to be exchanges in timber limits, that limits would have to be made available from the present paper companies, transfers would have to be made to Labrador Linerboard.

I want the minister to indicate now, Mr. Chairman - the mill has been shut down for a year. It is only possible, one can imagine or assume - we know that the Cabinet and Premier have been talking to prospective buyers, prospective operators of that mill. One can readily understand that if a prospective buyer were to come in tomorrow he would want to see on paper, all right, one of the problems has been a lack of supply of timber. Now, assuming we buy this mill and try to operate it, where are you proposing that we cut our timber? I want to ask the minister have the paper companies to this point in time designated, can the minister stand up in this House and say that if Linerboard becomes reactivated tomorrow here is the timber that they will utilize, that Price (Nfld) and Bowaters have said, this is the timber they will utilize. Have we gone that far? We have had a year and I contend that that decision should be made and I contend that the minister should now be able to say to Newfoundland at large that the problem with the paper companies, the problem with the supply of wood has been worked out, here are the limits, this is where you will operate. This is where we will cut for the Labrador Linerboard mill. Have the paper companies been that co-operative? Has the department spent this past year in getting that kind of an agreement? If so, do we now know where exactly in Newfoundland Linerboard will cut its wood if we are able to encourage somebody to revitalize the mill?

Mr. Chairman, I raised the issue in this House some time recently that the Buchans Task Force Report - just an example, I do not want to drag the Buchans situation into this - but somewhere

MR. FLIGHT:

in there there is a recommendation that there are millions of cords of pine in the Central Newfoundland area, on Price limits again, that if utilized could keep three or four sawmills going, that could provide jobs for ten or twelve or fifteen people. Has the situation changed? Has the government talked to Price? I saw a letter from a past Minister of Forestry writing back to a constituent which indicated that I cannot help you get permission to cut pine on Price (Mfld) limits because Price (Mfld) uses all the pine that grows on their limits to build bridges. The Minister of the Department of Forestry and Agriculture actually said that, actually told a prospective sawmill owner, a developer, that he could not play any part in having the pine that Price will not use, the surplus to their needs that they allow to grow and become wind shoot and blow down, that he could not have any part in helping him secure a pine supply because Price (Mfld) needs it to build bridges. Now with that kind of approach, Mr. Chairman, and with that kind of rationale, the sawmilling industry in this Province is going nowhere.

So, I would like to ask the minister has he had any correspondence or negotiation with Price (Mfld) or with anybody else with regards to having the pine growing on Price (Mfld) limits that could support sawmills, that could employ people, you know, has that attitude changed. Are we in the same situation? And if we are, why? Why is not some research done? Why is not this the subject of negotiation?

Referred to, Mr. Chairman, in the budget is the administration of a new forest policy. Well I would submit, Mr. Chairman, that apart from the employees of the Department of Forestry, the minister himself and anyone else who believes that there is a new forestry policy in effect, the rest of Newfoundland, people cannot see the results of a new forest policy. I have had the occasion, Mr. Chairman, I have been lucky enough - Mr. Chairman, I have obviously only one minute left

MR. FLIGHT:

so there is no point in my getting into another issue. I do intend to continue on this line in this debate. Since I only have a minute I will yield to the minister.

AN HON. MEMBER: You have five minutes, go ahead.

MR. FLIGHT: No, that is all right. I am quite happy with my lot and I will get back in.

MR. CHAIRMAN: The hon. member for Grand Falls.

MR. LUNDRIKAN: Mr. Chairman, I guess we could call it six and -

MR. NEARY: No.

MR. LUNDRIKAN: All right, no problem.

MR. NEARY: You have the floor, talk.

MR. LUNDRIKAN: I think now if I started rambling I could ramble as long as the hon. gentleman and that would not be any compliment to him nor myself.

SOME HON. MEMBERS: Oh, oh!

MR. LUNDRIKAN: Mr. Chairman, I just want to say a couple of words on one aspect of the hon. member's remarks about the herring barrel factory for Point Lemington. The reason

MR. LUNDRIGAN: I want to speak on that for a minute or two, I believe what we have here sums up two of the problems that we have with respect to development in our province. We have ten or twelve businessmen who had been willing to put \$120,000 equity into a local business based on their own resources. We had a DREE grant offer of about one quarter of a million dollars, and we had a request for about \$300,000 as a loan from the Newfoundland and Labrador Development Corporation. What do we bring into play? Our own resources, business willing to put up their own money, a DREE department and a development corporation for funding for loans, all of the factors are in there. First of all we are pleased to know that it is an indigenous resource or something that we have been used to doing - building barrels, making barrels, something that is based on our own local resource in the area, so that is a plus. Secondly we have twelve business people pooling their resources. One of them is an engineer. Three or four of them are business people. Two or three of them investors, if you want, that are looking to make a dollar and all together they have formed a fairly good team.

About three months ago or so, roughly three months ago, I was very pleased one day to hear an announcement that there was a DREE grant offered the company in question. It is called the Exploits Valley Wood Products Corporation and there had been a DREE grant offer. I was equally surprised as the minister at the time responsible for the Development Corporation to hear - this corporation, by the way, I might point out stands as independent from the government as a bank does. They are fifty-fifty administered cost wise by the Federal and Provincial governments, and the Federal Government puts in the dollars for lending and the Provincial Government puts in the dollars for the equity that they are able to make available to a businessman or a group who are going into business - I was equally surprised to find that the development corporation rejected it. I said, now that is a little unusual. Here is DREE announcing a DREE grant offer and here is the Development Corporation, which are the two prongs of Mr. Lessard's development strategy in Ottawa, against each other, sort of at loggerheads and I do not think indicative

MR. LUNDRIGAN: that I took a fairly strong position on that particular decision as the minister, which was a bit unusual because the minister in the department never gets involved in reaching out and trying to influence decisions in that particular wing of the government which interacts with the Department of Industrial Development in this province.

I took a pretty strong stand. I, as a matter of fact, contacted the Federal minister involved and said, "What is going on here," and got involved with him in a correspondence fashion. The thing was reassessed and of course what the member is indicating, only a few days ago the matter came back as having been rejected again by the Development Corporation. Now this bothered me quite some and I have taken a public stand on it and I have indicated to the people involved that I think the Development Corporation was wrong in the way that they went about making their decision. They were not adventuresome enough. I think what is after happening to a certain extent they have gotten a little bit wary about the economic climate which is periodically hazy in the province and they have been worried about a few failures and they have stood back and said, Look, we cannot encourage the individuals to risk their money if we think it is a bad venture. And they have come back and said they do not think it is viable, they do not think it can succeed. I think they are wrong. And if they have the solid evidence that it cannot succeed then of course I would have to go along with it, but some of the reasons given I do not accept them. As a Newfoundlander and as a member of the government, or a member involved with the government process here in the legislature, I do not think they have been adventuresome enough. But I will go a little further than that and after the six o'clock break and then at eight - Well I cannot get the floor back, can I?

AN HON. MEMBER: Yes, you can.

MR. LUNDRIGAN: Maybe His Honour might be generous enough because I want to indicate something which I think needs to be said publicly, and maybe the government is not in as good a position as I am to say it, regarding DREE and the lack of real incentive to stimulating this type of industry in our province. One of the weaknesses in DREE and the

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MR. LUNDRIAN: recommendation I have - Maybe it will come out in the budget tonight and I will not need to say it.

Mr. Chairman, it is now six o'clock so I will have to take leave of the floor.

MR. CHAIRMAN: It now being six o'clock I leave the Chair until eight o'clock.

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
8:00 p.m. - 11:00 p.m.
MONDAY, APRIL 10, 1978

The Committee resumed at 8:00 p.m.

Mr. Chairman in the Chair.

MR. CHAIRMAN: Order, please!

The hon. member for Grand Falls.

MR. LUNDRIGAN: Thank you, Mr. Chairman.

Mr. Chairman, before the House rose at six o'clock I was saying a couple of things, and I appreciate the hon. member for Trinity - Bay de Verde (Mr. F.B. Rowe) for giving me a chance to finish my remarks. We were discussing an issue which was raised by the member for Windsor - Buchans (Mr. Flight) wherein he made some reference, in the estimates on the Forestry debate, to a decision by the Newfoundland and Labrador Development Corporation not to provide loan funds for the establishment of a herring barrel factory. I was giving a brief rundown on what had happened. Some three months ago I took very strong exception, as much as a private member as I did as a minister, when that particular decision was arrived at. Because the group involved had put up \$120,000 of equity themselves, they had received a DREE grant of approximately a quarter of a million dollars, and they had done a considerable amount of market research before making their application and the application had gone through months and months of discussion and evaluation, and it was rejected. I was surprised; I was shocked at it, as a matter of fact, and I made quite a bit of fuss about it then as the minister in the department responsible.

Subsequently the application was resubmitted, subsequently the application was re-evaluated, there were some adjustments made in the capital cost, there were some aspects of the plant eliminated, there were some new arrangements made with respect to purchasing the equipment necessary for the plant. I believe, in a way, that would have made the owners of the equipment part owners of the new plant rather than incurring a debt by virtue of the acquisition of the equipment.

MR. LUNDRIGAN: There was a new market survey done. The individuals travelled to Iceland, travelled to Norway and concluded that there were some significant benefits to be derived by having a plant manufacturing herring barrels in our Province.

The thing was resubmitted and it was again rejected on the basis of the fact that it was not considered feasible. There was a concern that the plastic barrel was taking the place of the wooden barrel and a concern that even though there is an expanding herring industry again in Norway, with the resurgence of the herring resource, that they might start manufacturing their own barrels, and away it went.

First of all, there will never be an elimination of the herring barrel in the European marketplace because it has some special properties that enable it to breathe or whichever - I forget the words which are used - take in oxygen or whatever the heck it is, so that it provides a different quality of a fish.

Secondly, I would -

MR. DOODY: Osmosis.

MR. LUNDRIGAN: Osmosis? Osmosis, the hon. Minister of Transportation and Communications indicates.

There was also the fact that Iceland - I cannot see Iceland really expanding their own barrel manufacturing. To my knowledge, from just a brief visit a few years ago, I believe Iceland is heavily involved in importing wood from the Soviet Union, because they do not have a heavy wood resource.

I was concerned and I am today. I wired off to the Chairman of the Board and I said, "I am concerned. I think you have made a mistake." What I am a little nervous about is that because of the fact that that there have been a number of failures, and there are

MR. LUNDRIGAN: failures in the industrial structure in our Province today, that the lending institution for small industries in our Province is becoming too conservative. Too conservative, a little nervous of people like the hon. member for LaPoile (Mr. Neary) who stands up on a daily basis and abuses them every time they make a decision. I think they have become a little shellshocked, and a little bit unnerved and they have taken too conservative a stand. I think that is unfortunate in this Province and I have to draw it to the attention of the public.

MR. NEARY: You are hiring former managers of finance companies, what do you expect?

MR. LUNDRIGAN: Mr. Chairman, I have every confidence in the Chairman, I have every confidence in his ability. I am not certain that you need an all-powerful board. Sometimes I wonder if it would not be better if the board were much more reticent, much more in the background, even though they are good, on an unpaid board and doing a great service, and allow the professional staff to have quite a bit of flexibility in making the decisions.

I just want to sort of serve notice on a couple of things which I hope hon. members will get involved in, because I think they are important. A DREE grant was made. It is a conditional grant, as I understand it - all of the DREE grants - conditional on the operation going into production. So you look at a process of months, in most cases up to a year before you can get a decision made on a DREE grant.

Secondly, once the decision is made, and it might only be three months, it might be six months, but when the decision is made then you go through a period of constructing your premises and getting to the point of production before you can draw down your

MR. LUNDRIGAN:

funds.

Now I am going to say -
nobody in the government are going to say it, Mr.
Jamieson is not going to say it, Mr. Lessard is not
going to say it - that it is about time that we reassess
the function of DREE in the incentive areas in this
country today.

MR. LUNDRIGAN: Not DREE in the infrastructure for fish plants, not DREE for roads, nor DREE for clearing the Gull Island, if necessary, if that is a project, not DREE for assistance with hydro development, not that type of DREE - and I do not want to mislead the House when I make this point - but DREE in the area of incentives.

What has happened is you have a heavy bureaucracy which is costing the taxpayers a lot of dollars. It becomes cumbersome and only the people who are knowledgeable and who have accountants and expertise in finance can engage with DREE, so it is not attainable to everybody. If you are not fairly well aware of the scene and able to prepare an application with a degree of efficiency, or hire a consultant to go and prepare your application, chances are your application is not going to be accepted. If you make one wrong move in your footwork you are out the door. I think it is about time, and I hope tonight Mr. Chretien, the Minister of Finance, and a new and aggressive minister, a fellow who certainly has his heart in the right place, is able to take a stand tonight and say, We are going to use the tax system in the country -

MR. DOODY: To win an election.

MR. LUNDRIGAN: - to discriminate in favour of regions when it comes to industrial development and industrial growth. We will use a tax system. If a company can establish in a province like Newfoundland, they are given advantages, tax advantages. Instead of it being a 50 per cent tax off the top if they make \$100,000, it is 20 per cent tax off the top, or something of that nature. They are given incentives through the interest rate system that we have. Easily administered, readily available, no complications, something that was designed by our ancestors decades, and almost centuries ago.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: What is the rate of interest at the Newfoundland Development Loan Corporation?

MR. LUNDRIGAN: It is 1 per cent, usually, above prime which -

MR. NEARY: It is 10.5 per cent, the same as the banks.

MR. LUNDRIGAN: - right now would be maybe upwards of 10 per cent because, as the member is aware -

MR. NEARY: It is the same as the banks charge.

MR. LUNDRIGAN: What is the point the member is making?

MR. NEARY: The point I am making is that the Newfoundland Development Loan Corporation should look after their own affairs and set low interest rates.

MR. LUNDRIGAN: Mr. Chairman, the hon. member knows that the Development Corporation can only lend money which they have, number one, and they can only lend it at a percentage equivalent to what they are being charged for it, plus a bit for administrative purposes which is prime plus one.

MR. NEARY: Five per cent would be quite sufficient.

MR. LUNDRIGAN: Mr. Chairman, I agree with the member. Maybe there should be no per cent. But nevertheless, the point is that I am suggesting that we reassess what we are doing in the DREE incentives programme. I think, and I believe the Minister of External Affairs about a year ago made a public comment which was very venturesome, very, very inclined toward that, and then he sort of found himself on a sticky wicket because it almost appeared like he was criticizing DREE, and he backed away from it. But I will bet you right now that the Minister of External Affairs will agree with what I am saying, that we

MR. LUNDRIGAN: have to reassess the DREE role in the area of incentives.

I will go a step further.

A few days ago -

MR. NEARY: We have to reassess the Loan Corporation.

MR. DINN: A period of incentives.

MR. LUNDRIGAN: Mr. Chairman, I have already said that. I think they ought to be more adventuresome, I think they have to -

MR. NEARY: They could lower their interest rates.

MR. LUNDRIGAN: Maybe they have to adjust their interest rates. Well, that is okay, Mr. Chairman, anything to keep the member quiet for a few seconds.

MR. DOODY: Why did you not bring it up at the Liberal Policy Convention? He keeps talking about that great Liberal Policy Convention, why did he not raise it up there?

MR. LUNDRIGAN: Mr. Chairman, I am already saying that I think we have to, in the Development Corporation, be more adventuresome. We do not need to loan out \$45 million, we do not need to start capital projects that cost \$205 million, but we have to go a little further than being concerned about whether we are going to fail when we have something almost equivalent to a Rural Development loan. That is what I am saying, more adventuresome. We have twenty-five new millions of dollars in the Development Corporation's pot right now, sitting there for the next five years. I would like to see us run out of that in about two years, so we are looking to Ottawa for more loan funds to come back at it again.

Unfortunately - I am not criticizing government, I am not criticizing the minister, the new minister - he will find it the same as I did, that your Development Corporation is almost like an independent

MR. LUNDRIGAN: lending institution, and you cannot hit the government. We might have to look at the overall terms, both governments, and maybe give them an indication that we are prepared to take more risks.

In DREE I think it is about time for us to reassess the whole concept of DREE incentives. And thirdly, a point that I would like to touch on, I would like to open up the topic for discussion, in the last few years I have had a lot of experience in dealing with the banks. In recent days I have had occasion to talk with a number of banking personalities and people at the management level about their policies respecting our Province and the institution, the banking institution. The original reason for the institution of the banks coming into existence, aside from receiving monies on deposit for safekeeping by the persons who had a few extra

MR. LUNDRIGAN:

pennies in his pocket, the original reason was to develop the economy of our Province. It was a tool for economic development. The banks today have become tools for profit. They have become profit centres. More importantly, many of the decisions about the banks in the Province of Newfoundland and Labrador are made in Halifax.

MR. NEARY: Sit down and stop making a fool of yourself.

MR. PECKFORD: Get up and make a point of order if you want to make a point of order.

MR. LUNDRIGAN: They are made in Halifax, made in Montreal, are made in Toronto, and we are finding that the top management in Canada in the banks are telling our local managers to dry up when it comes to any venture capital. And I have been advised by some banking people in the Province that they have no expertise at all in the area of venture capital, assessing things that are not the regular routine loan like a mortgage on a house, or perhaps even a few pennies for a small business or something of that nature in a small community. And they have no expertise, they have no mandate, and in fact -

MR. NEARY: A point of order, Mr. Chairman.

MR. CHAIRMAN: A point of order has come up.

MR. NEARY: Mr. Chairman, I would submit to the Chair that the member, former minister, deposed minister, is not being relevant, Sir. We are discussing Forestry and Agriculture and there is ample opportunity under the Department of Industrial Development and Rural Development to discuss the function of the Newfoundland Development Loan Corporation and the Rural Development Authority. These estimates are not yet done, Mr. Chairman, and I would submit that my hon. friend had wandered quite a bit from the minister's salary of the Department of Forestry and Agriculture and I would ask Your Honour to enforce the rule of relevancy.

MR. HICKMAN: Mr. Chairman, if I may on that point of order,

MR. CHAIRMAN: The hon. Minister of Justice.

MR. HICKMAN: Firstly, the hon. member for Windsor - Buchans (Mr. Flight), as I recall, this afternoon raised the question of the barrel factory in the Point Leamington area and an application that had been made to the Newfoundland Industrial Development Corporation, and argued rather convincingly that this was within the scope of the head that we are now discussing because it related to forestry development.

It is also my recollection that within the vote that is presently before the Committee there is some provision for DREE funding and that the hon. the hon. the minister in opening his statement indicated that there are further proposals presently before DREE. So it would appear, Mr. Chairman, that the position being so very carefully articulated and vaguely articulated by the hon. the member for Grand Falls is on all fours with the issue raised just this afternoon by the hon. the member for Windsor - Buchans (Mr. Flight).

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: Order, please! We have two principles here. In Committee on first item, on the minister's salary, we do allow considerable latitude. The House expects this and understands this. Secondly, the other principle is that in Committee one is expected to stick more to the subject perhaps than in other debates. So I think these two points should be borne in mind by hon. members.

The hon. member for Grand Falls.

MR. LUNDRIGAN: Mr. Chairman, the only time you seem to be out of order in terms of the hon. member's attitude is when you are talking a bit of sense. When you are talking a bunch of nonsense you are right on target.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: The Chairman said the member was out of order.

MR. LUNDRIGAN: Mr. Chairman, the hon. member should read the letters to the editor these days. He should get the message. He seems to be alert on that kind of stuff.

MR. LUNDRIGAN: Mr. Chairman, that is all I have to say on it. I hope that other members, as we continue the debate in the Legislature, will recognize the point I am raising about the banks as an institution for development in our Province. I am concerned about it. It might be necessary for either a government resolution or a resolution of the Legislature to question the mandate of the banks in our Province, not to criticize the manager of a bank, not to criticize that because these people find themselves in the same bind as we do ourselves, as we do and as a government does, that they have not got the mandate. They have not got the latitude. They are making a fortune off investments that are coming in on deposit and they are not ploughing it back into our Province. They are not taking the risk. Maybe the same thing can be said for other Provinces.

So these are in summary, Mr. Chairman, my remarks: Number one, I feel that more flexibility in the development corporation; Number two, I question and hope that we can look at analytically the role of Dree in incentives; And number three, I think the banks have to be more aggressive in the development field in this Province.

SOME HON. MEMBERS: Hear, hear!

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

MR. FLIGHT: Mr. Chairman, it was not necessarily my intention when I referred to the barrel factory to give the ex-minister, the hon. member for Grand Falls (Mr. Lundrigan), the forum to talk about the financing arrangements in this Province. I will concede that Mr. Chairman. The issue here is that we had offered to this Province a way to keep

MR. FLIGHT:

ten sawmills viable in this Province. The minister agreed that the proposal was good, he indicated in his remarks that he did not agree with the Newfoundland and Labrador Development Corporation's approach, they were being too conservative, that they were not prepared to take any risk. Now this administration must accept the responsibility of maintaining in this Province a sawmill industry and they had proposed to them on a silver platter. DREE had committed \$250,000, the principals in the company were prepared to put in \$100,000, they required a \$300,000 loan from the Newfoundland and Labrador Development Corporation. Obviously the ex-Minister of Industrial Development was aware of this. I have to believe, if the Minister of Forestry is on top of his department, then I have to believe that there were discussions ongoing, that if carried to its end result would mean the way would be there for ten small sawmills to be active in this Province, to continue their operations. Now I have to believe he was aware of that. Now let us assume and I will accept for a minute the Minister of Justice, the Minister of Mines and Energy in my earlier remarks as saying, no, you are wrong, you do not know what you are talking about, that the Newfoundland Development Corporation is not responsible to Cabinet, they are a entity that works on their own. I will accept that for a minute but you cannot deny that in the ongoing negotiations the Minister of Manpower and Industrial Relations and most important of all the Minister of Forestry knew that there was a programme being proposed in this Province that would have guaranteed the viability and guaranteed the operation of ten sawmills. So why let it slip through our fingers? Why not have it looked at? If we are so concerned about keeping our sawmills going, if government believes that there is an industry in this Province, that there is a future for sawmills, why do we not take another approach? If the Newfoundland Development Corporation could not fund that project, why could not the government, a government guaranteed loan? Any method of financing that would have made that \$300,000 available to that industry, that in turn would have guaranteed the viability and the success and the continuing operation of ten sawmills. The government, Mr. Chairman, is not going to get off the hook on this one. Either the government

MR. FLIGHT: is going to have to say that that industry was not viable, and there are all sorts of proof that it was viable, or they are going to have to accept the responsibility of not only not allowing that particular industry to get off the ground but in so doing denying the ability of ten small sawmills in this Province. That same government says that we are for sawmills and that they will do everything they can to guarantee the operation of sawmills. Mr. Chairman, anybody can see through that one, The minister indicated that he was not in charge of funding, his was not a funding department. Certainly it was not a funding department, but has not the minister got enough sense of responsibility to the sawmill industry in this Province, the industry that we indicate is one of the industries that we are going to have to lean on heavily, does he not have enough sense of responsibility to that particular part of his portfolio, of his department in knowing that there was something in the air that would have kept ten sawmills operating, to have not found out alternate ways of taking advantage of that particular programme or funding that project? Mr. Chairman, there is no way! And we have it documented that that industry was indeed a viable industry, DREE had committed \$250,000, the principals had committed \$100,000, the Province refused to fund \$300,000, that expenditure would have guaranteed the viability of ten sawmills.

I would like to ask the minister how much it would cost to subsidize those ten sawmills. Most of them are shut-down now and the people who worked them and owned them are either on welfare or some other means of survival because of the attitude of this administration with regard to the sawmill industry in this Province, because of the attitude if this administration in allowing Price (Wfld) and Bowaters to have, to exert that type of power. I sat down with representatives of Price and Bowaters over this Summer and I have found that they are not receptive to the slightest change in the status quo, And I suspect the reason, Mr. Chairman, is that they agree, they know what we are saying is right, they know that if the sawmill industry in this Province has got a chance of surviving that they have to relax the rules. But they are not going to for the simple reason that they see the least little concession, however

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MR. FLIGHT: insignificant, they see it as eroding the kind of power and the authority that they have had and they have exercised in this Province up to this day.

Mr. Flight: And I suspect, I have come to a point, Mr. Chairman, of suspecting the only way that those two paper companies that controls the bulk - Look! If we are going to exclude the holdings of Price and Bowaters in this Province that we do not need a Minister of Forestry, because there is very little in this Province to administer after we exclude those limits. The Green Bay area, as the member for Green Bay (Mr. Peckford) knows, may well have some Crown limits that can sustain a sawmill operation. The Bay of Islands area of Newfoundland may have some Crown limits that can sustain a limited sawmill operation. But by and large responsible people who responsibly talk about the operation of sawmills in this Province might as well accept that either Price (NEld.) willingly and Bowaters willingly change their approach or the administration of the day forces them to change their approach by legislation. Now either one of those two things happens or it is down the drain for a sawmill industry in this Province.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: Timber does not exist on Crown limits to guarantee a viable sawmilling industry. And that, Mr. Chairman, is the crux of the matter. There may be other problems, but surmount that one, get over that problem, work that one out with the paper companies and the solution.

The Minister of Industrial Development brought in a fantastic programme. I will be the first to concede the log inventory last year, the Minister of Rural Development at the time, the acting Minister, and it worked well. It was a good move. No doubt about it, it was a good move. But none of these programmes, Mr. Chairman, will work until we solve the basic problem, and that is a sort of supply for the sawmillers. I think that is enough said, Mr. Chairman, on that particular issue.

Now while I am on my feet, Mr. Chairman, I am going to ask the minister when he rises again to address himself to another pet peeve of mine in the sense of forest management. All through the minister's speech, Mr. Chairman, the minister referred to

Mr. Flight: The Forest Management Taxation Act, The Forest Products Development, new forest policy. Well, Sir, that new forest policy may exist in the mind of the minister. It may indeed exist in the minds of all of his administration. It may exist in the minds of the paper companies. But I have been lucky enough, or unlucky enough to have visited logging sites, spend days and days and days tramping around the cuttings, where the work is happening, where the timber jacks are hauling out the wood and where the slashers are cutting it up, and where the truckers are hauling it out. And, Mr. Chairman, I have seen nothing new by way of harvesting methods. For instance, we have all kinds of dollars there designated for new harvesting techniques, methods.

Now if the minister when he rises will he tell me just what impact any new harvesting methods have had on the operation again of those two great companies? I mean I see new equipment every day, new types of equipment, but it is not brought in by Price (Nfld.) or Bowaters to improve forest management. It is brought in to improve their profitability and if it does not improve their profitability it will not be there. So, Mr. Chairman, I would like for the minister to pinpoint, point out exactly what we are getting for the money we are spending for new marketing, new harvesting techniques.

He talks about reforestation. Would the minister indicate specifically when he stands up what reforestation programmes are going on in this Province? Where they are? Where on Bowaters and Price's limits that either one of those companies have indeed an ongoing reforestation programme? Would he designate for this House as to where indeed this is happening? Not only do they not have a reforestation programme, Mr. Chairman, but I submit to the Committee that the method of harvesting is not even conducive to natural revegetation. They are stunting the growth. Their method of harvesting that we are permitting them to get away with is probably stunting the growth, the

Mr. Flight: natural revegetation of this Province.

Another point that I want the minister to address himself to is the government's, the Department of Forestry's reforestation programme. I recall sometime recently that some official - he may not still be an employee of the department, I am not aware of for sure - severely criticized in public the present forest administration and the minister's department for an approach that wasted - I think the figure was \$3 million. He indicated that somewhere in Newfoundland the Department of Forestry was raising seedlings that would be used in a reforestation programme, and those seedlings

Mr. Flight: had to be transported from where they were being nurtured and grown to a new area in Newfoundland, but that he questioned that this money would be wasted because the area to which these new seedlings were to be transferred would not be ready in time to take the seedlings, that indeed the whole programme was a waste of money. I would like for the minister to either confirm or deny that particular charge, and to pinpoint and point out when he stands up exactly again to what extent that the Department of Forestry is involved in reforestation in this Province, just to what extent. What reforestation do we have going on in this Province?

So, Mr. Chairman, this afternoon when I spoke I raised some issues that I wanted the minister to address himself to. And having heard the ex-Minister of Industrial Development expound on the barrel factory, I want to hear the minister tell this Committee how, if believing and if having a sense of responsibility to maintain a sawmilling operation, that that particular project was not allowed to come on stream, was stopped from coming on stream by the withholding of \$300,000. And I do not care what source that money came from; it is the responsibility of this administration! Either they will stop making motherhood statements, stop calling seminars all around Newfoundland, stop making statements on the great future the sawmilling industry of Newfoundland has. either they will stop that or they will address themselves to the real problem in this Province.

Now the real one is the supply of logs, the first one. The second one is that this administration had in their hands the means and ways of keeping ten small sawmills operative, and we let it slip through our fingers. I want to hear the minister's explanation of that, Mr. Chairman, as well as addressing himself to some of the other points I have raised.

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

MR. F. ROWE: Mr. Chairman, I would like to address myself to the question of Crown land administration in this Province under this particular Department of Forestry and Agriculture. And in doing so, Sir, I would like to paint a picture that is all too common in our Province here today. And I have had this experience when I served the District of St. Barbe North, and now I am having the same experience while serving the district of Trinity-Bay de Verde; and that is this picture, Sir, where you have a situation with a middle aged or just past middle aged married couples in this Province living in a home in which they may have living there their grandparents on both or either side, and at the same time they have living in that same home, Sir, a number of their own children who have themselves become married and have children of their own, and they are all crowded into one single home which has had a number of extensions put on to it, grandparents, parents, children or sons and daughters and grandsons and daughters, and I suppose, in some cases in the extreme, great grandsons and daughters all in the same house, Sir, and it can be attributed to only one thing and that is that these young men and women are out working, gotten themselves married, had children, and end up living back with their parents and grandparents because they are still waiting for a Crown Land application for the leasing of land for residential purposes to be approved, hundreds and hundreds and hundreds, thousands of cases, Sir.

Now I think one has to be a representative of a rural district to really appreciate the magnitude of that problem because while you have that problem that I just described these same young married men, Sir, are probably seasonal workers, have made money, have it in the bank, and they have found time to go into the woods get their building materials that they can cut themselves, they have it stockpiled in the backyards all over the place, they bought the necessary

MR. F. ROWE: materials for the building of their homes, things you would normally have to buy. Some of them are indeed electricians or plumbers, or are capable of at least doing the work and having it inspected themselves during their off work periods. But no, Sir! They are stuck in with their parents and grandparents and their brothers and sisters and themselves who have families only because the Crown Lands division is in a total and complete mess. Now, Sir, I am not criticising the personnel of the Crown Lands Administration and neither am I saying that it was not a mess before this administration took over -

MR. WELLS: Would you permit a question?

MR. R. ROWE: Yes, Mr. Chairman.

MR. CHAIRMAN: In your experience, is it a question of months or years, this waiting period?

MR. F. ROWE: Of months and years, Mr. Chairman.

MR. WELLS: What would the average in your experience?

MR. F. ROWE: In my experience, Sir, I have had hundreds of cases I would say on the average of years and some going into two years on the approval of an actual application and three and four and five years when they have tried - they have given up on one application, one site and have gone to another site. Three and four and five years! It is just absolutely incredible, Mr. Chairman.

Now, it is no good for the hon. members opposite to get up and say, "Things have not changed. It was just as bad during the previous administration." The fact of the matter is that I have stood up in this Committee, Sir, for the past - this is the sixth time now in this particular department and brought this to the attention of the Committee, Mr. Chairman, and I have made concrete proposals or suggestions to alleviate these particular problems. One was obviously the beefing up of the Crown Lands Administration Division. I see that this year we have gone from the grand revised Estimates of 1977/78 of \$50,000 to this year's - I am sorry I am in the wrong division. So, I am not - \$50,000 last year to \$58,000 this year. Now, Sir, that is not going to make the least bit of improvement. Sir, as the Committee members know, when you make an application for

MR. F. ROWE: Crown Lands for residential purposes you get all of these referrals going out, to start off with, to the Department of Highways, Municipal Governments, through the planning division of Municipal Affairs and Housing, Department of Health, Environment and heaven knows what else. They do not have time to open the mail up down there to start with, Sir.

MR. S. NEARY: Do not forget development control.

MR. F. ROWE: Development control, that is an indescribable mess, Sir. I cannot find the words that are appropriate to use in the Committee stage to describe that mess down there. But the fact of the matter is, Sir, we had these referrals coming back and we had this kind of a situation: a person goes out there, a person makes an application, a young fellow, a couple of kids in the family, and he has somebody come out from two or three departments and they say it looks good to me for, say, the ribbon development point of view, that is from the Department of Highways. The Department of Health will come out and say it looks good from the environmental point of view or the health point of view, and he gets two or three officials. I would ask the minister if he would ask officials of the other departments not to go out and say one word to a person who has made an application, not a word indicating that yes there is a possibility that his application will be approved, because you can have ten referrals back to the Crown Lands Committee saying 'yes' and one referral back saying 'no' and the whole application is wiped out. And we have had instances where chaps have built their foundation and then - in the Summer, say, and then just before the Winter they covered her in and then during the Winter they would do some inside work only to find out a year later that their application for Crown Land for residential purposes has been turned down and here they are being threatened to be bull-dozed off their land. Now we all know darn well - I do not think there are any instances of people actually being bull-dozed off their land but there is a very insecure feeling, Mr. Chairman, for people with a young family to be living

MR. F. ROY:

in a house when, for instance, the Newfoundland and Labrador Hydro will not hook up to that house because the crown land application has not been approved.

Now, Sir, I would suggest that the Crown Lands Division be converted into a very major division of the Department of Forestry and Agriculture, almost a department, and untangle the ten, or fifteen or twenty - well, hundreds of years I guess - of a tangled mess that we have in this Province with respect to Crown Lands and bring in the

Mr. F. Rowe: Health officials, the planning officials, the Environment officials, the people in Municipal Affairs and Housing, the people in Highways, bring them into the Crown Land Division instead of going outside and have the administration of Crown lands carried out within the Crown Lands Division. Now there are just a few bodies down there, Sir, who have to go outside for referrals, and they are waiting there for Health and they are waiting there for Environment, and they are waiting for Highways, and they are waiting for this and they are waiting for that, and it is a tangled mess, Mr. Chairman, and thousands of our people are living in over-crowded situations. If you subject, in my studies in biology, if you subjected rats, mice, hamsters, to the same type of over-crowding, Sir, they become cannibalistic, and obviously under these same circumstances these people are subjected to psychological stresses and strains that cannot help but do harm to the bringing up of a young family in our society in Newfoundland and Labrador today.

And another thing, Sir, that I would like to point out is the discrepancies and the inconsistencies of the rulings of the Department of the Crown Land Divisions. I have examples documented down in my office where, for example, a chap puts in an application for Crown Land, it is turned down by every referral except, say, the Department of the Environment, I am thinking of a specific example in a particular community. He is turned down because he is within seven-tenths of a mile of a waste disposal site. In the meantime, Sir, there are three houses between the land that he applied for and the waste disposal site, built, with people living in them. There is a club in one instance within a half a mile of the waste disposal site, and a Canada Works -

AN HON. MEMBER: Who owns it?

MR. F. ROWE: Now I do not want to get into personalities, I could get partisan and talk about who owns it, but, no, Sir, I do not want to get partisan, Mr. Chairman. These obvious discrepancies and inconsistencies are turning the people absolutely vicious out there, and I would not blame them. On top of that, Sir, in this same example, this Summer a Canada Works project was approved for an area between this particular site and the waste disposal site for a recreation park for volleyball and what have you, and they are going to put up a canteen there, And that Canada Works project had to be approved by Provincial authorities before funds were granted from the Federal Government. The inconsistencies of the rulings from the various referral departments and the Crown Lands Committee, Sir, are too numerous and of such great magnitude that a great deal of an M.R.A.'s time is taken up trying to explain, you know, why are they discriminating against me? I have had it in St. Barbe North, I have had it in Trinity-Bay de Verde, and I am sure that hon. members in the Committee here tonight, Sir, have had the same sorts of problems particularly in rural Newfoundland.

So, Sir, I request sincerely, for the sixth time in a row since I have been elected to this House, Sir, I have asked in the Committee stage that the minister responsible for the Department of Forestry and Agriculture take the Crown Lands Division and make it a major division of his particular department in order to help these poor people out there who want nothing more than a simple house to live in.

MR. F. WHITE: They spent \$2 million this year on it.

MR. F. ROWE: It is just absolutely incredible, absolutely incredible.

MR. F. ROWE: And here these same people with the material cut, the material bought, capable of doing their own plumbing, own electrical work, their own building during their off season if they are fishermen or if they are laid off for some other sort of a job. It is a crime, Sir, to have to get up here year after year, after year and speak up on behalf of these poor people. And I again ask - and to add insult to injury, Mr. Chairman, one of the best individuals and I would like to pay tribute to him not because he is dead, but I would like to pay tribute to the liaison officer -

AN HON. MEMBER: Mr. Windsor.

MR. F. ROWE: He is not dead, he is alive. You do not have to be dead to have a tribute paid to you, Mr. Chairman. There is an individual, a liaison officer in the Department of Forestry and Agriculture in the Division of Crown Lands who was doing an absolutely magnificent job in a

MR. F. ROWE: very difficult division and - and behold! I have learned, Sir, that he is yanked out of that into the Action Committee answering telephones.

AN HON. MEMBER: Is that Bob Windsor you are talking about?

MR. F. ROWE: Bob Windsor, yes, an excellent job. He was taken from a position of action and put into a position of inaction, an answering service, when he was doing a wonderful job in a Crown Lands Division. So I should recommend, Sir, that the hon. gentleman be taken back and if any salary adjustment needs to be made it be put back in that particular division where he was doing an absolutely terrific job. I understand in fact, that he is not really taken out of the division, he is doing both jobs now, both jobs.

MR. F. WHITE: He still helps his buddies.

MR. F. ROWE: He still helps his buddies, Sir, a wonderful gentleman. But the major point is beef up the division and make it a crime for any official of any department of government to go out and give any person who has made an application for Crown Lands the slightest hint that his application will be approved when that individual knows that there are a dozen other referrals to come in and one referral could snoot his whole application down. Too many people are going ahead and spending money, putting in foundations, partly building houses and then being told they are not allowed to build there. An absolute crime, Sir, and I hope the minister addresses himself to that particular point when he does speak.

Now, Mr. Chairman, I would like to address myself to one other problem that the Minister of Justice is fully familiar with and I hope that -

MR. HICKMAN: The Newfoundland Railway Lands.

MR. F. ROWE: Yes, and this is a very important point, now we can treat this in two ways, Mr. Chairman, we can treat it in two ways: The hon. Minister of Justice can jump up or leap over to the Minister of Forestry and Agriculture and say, give the gears to Ottawa, give the gears to the CN or the federal government, at which point I would be provoked and

MR. F. ROWE: forced to get up and talk about some negligence on the part of the minister and his department. I would rather not get into that particular aspect of it but here is the problem that exists in this Province, Mr. Chairman. There is in this Province a considerable amount of abandoned Newfoundland railway lands, a considerable amount. Now, Sir, I have been making representation to the Department of Forestry and Agriculture and later to the hon. Minister of Justice and to the President and Chief Executive Officer of CN, Robert A. Bandeen and in order to get this whole question of abandoned railway lines straightened out because there are a number of people who have built homes on abandoned railway lines, they have at least had the courage to do that and there are other people, Sir, who are afraid to build homes on abandoned railway lines but have stuck trailers in there in case they are ever ordered off it. Obviously those abandoned railway lines, Sir, old Newfoundland Railway lines have been passed over to the CN. It is CN property at this very moment. Now here is the problem. The problem is that the railway can do what they want to with this land. They are very understanding but understanding is not good enough when you got a chap putting up a \$40,000 or \$50,000 house and he does not know what the CN is going to do with the land. The only way to solve the problem, Sir, and we have plenty of this old abandoned railway line in the Province, is to have all of the abandoned railway land in this Province reverted to the Crown of this Province so that with a beefed up Crown Lands Division presumably people can make applications in the usual way and build homes.

Now, Sir, I am going to read out segments of a letter that was sent to the Minister of Justice from the President, Chief Executive Officer, of Canadian National, Robert A. Bandeen. The minister was kind enough and has been very helpful, I might add, and I hope we do not start getting into partisan politics -

MR. HICKMAN: Representatives were down there last year.

MR. F. ROWE: Good. Well I am hoping to hear from the minister in that case. And here is the problem, Sir. This is a letter from Bandeen to Mr. Hickman. "Dear Mr. Hickman: This is further to your

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Tape No. 802 (Right)

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MR. F. HOWE: letter of January 19th and our interim acknowledgement of January 24th relative to certain difficulties being encountered with respect to Newfoundland Railway lands and in particular to those which have been abandoned prior to Confederation.

"I am informed that plans illustrating the lands

Mr. F. Rowe:

occupied and/or in use by the Newfoundland Railway were prepared but for various reasons there has not as yet been agreement between the Province and railways as to their accuracy."

"Then we get to the other category. "With respect to railway lines abandoned prior to Confederation and these lands which were not at the time of Confederation or subsequent thereto occupied and/or used for railway purposes, I am informed that the problem is considerably more difficult." And we go further there, "We could certainly agree that if you could identify the property in question, this company would recommend that CN would recommend to the Crown in the right of Canada that quick claim letters patent or an Order-in-Council transferring jurisdiction to the Crown in the right of the Province of Newfoundland be issued." Now presumably that means in layman's language, Mr. Chairman, that if this Province could identify the old railway land that had not been surveyed prior to Confederation, that individuals could apply to the -

MR. HICKMAN: The Governor-General in Council, not the Lieutenant-Governor. An Order in Council.

MR. F. ROWE: Yes, in Canada, an Order-in-Council, and they could do it on an individual basis.

Now here is the challenge I throw out to the hon. Minister of Forestry and Agriculture; if such is the case, obviously in the beefing up of the Division of Crown Lands there would have to be an additional little subdivision, if you will, of that Crown Lands Division dealing with this specific point in case, because this has to be done on an individual basis to the Government of Canada, individually. Now this is very, very difficult and complex -

MR. HICKMAN: It will take a lifetime.

MR. F. ROWE: Now if the minister has some other suggestion other than jumping on the feds, I would love to hear the suggestions, Mr. Chairman.

MR. CHAIRMAN: The hon. member has two minutes left.

MR. F. ROWE: What is my time?

MR. CHAIRMAN: Two minutes.

MR. F. ROWE: Two minutes.

Well, Mr. Chairman, I think I have made the two points that I wanted to make. I understand I only have a couple of minutes left, but I would like the Minister of Forestry and Agriculture to take these two points into consideration because there are too many people in our Province tonight who cannot do what we can tonight in this House, go home and sit down with our wives and our children, in the privacy of our wives and our children; they have got to go home with their grandmothers, their grandfathers, their children, and their grandchildren and in some cases their great grandchildren. And if you are telling me that that does not have an effect on the psychological development of these people there is nobody in this House, Mr. Chairman, who has taken an elementary course in the most fundamental social psychology. And it is crime what is happening out there in our rural Newfoundland communities today, particularly when we have able-bodied men ready and able, with the materials on the ground, the materials of the wood ready to build their houses and away to go except for this mess down their in the Department of Forestry and Agriculture.

MR. CHAIRMAN: (MR. YOUNG): The hon. the Minister of Forestry and Agriculture.

HON. E. MAYNARD: Mr. Chairman, I think I should answer a few of the points put forward by the hon. members over the past hour or so. I suppose first of all I will address myself to the hon. member for Trinity -

Mr. Maynard:

Bay de Verde (Mr. F. Rowe). I must say that he made a very dramatic presentation regarding the many families who are living with their fathers, grandfathers, great grandfathers and cannot find a home for themselves because of the Crown Lands Division. It is the first time, I must say, in my experience with government that we have been accused of keeping people out of their own homes, or keeping people from building their own homes. I think that every other conceivable problem that has been put forward to me over the years, but that is a new one.

I realize, Mr. Chairman, that there are problems with the administration of Crown land in this Province. I realize that the problems extend, and I am not going to, and I never have in the past, as mentioned by the hon. member, accused the previous administration or the previous administrations whether it was twenty years ago or one hundred years ago, whatever. What I have said in the past and what I will again repeat at this point in time is that the problem stems from possibly 400 years of, for the want of a better word, mismanagement of Crown lands, and the attitude that land in this Province was unlimited, and that anyone could make use of whatever land they happened to decide was a good parcel of land, whether it was for residences or agriculture or whatever in that point in time.

Now it is only in the past few years that we have attempted to come to grips with the problems of land management in this Province, and it has come about because of the fact that we have suddenly realize that land is not unlimited. While this Province does have a great deal of land available, there is only a very limited amount of land that is available or

Mr. F. MAYNARD: suitable for development of any kind and therefore we have had to belatedly get into a system or try to get into a system of land management. The administration of Crown Lands in this Province is a very difficult one. The hon. member says beef up the department, but over the past four years we have tripled the staff in the Crown Lands Administration. He refers to some item in the Estimates that says \$58,000 for Crown Lands Administration. Obviously the hon. member is not serious, since the salaries of administration in the Crown Lands Division is \$778,000, a far cry from \$58,000 as mentioned in one small section which relates to the preparation of titles and topographic maps.

So we want to be honest about the thing; we are spending a fair amount of money in Crown Lands Administration. There is only one conceivable way, Mr. Chairman, that we can get a system in this Province that will enable us to properly administer Crown Lands and that is to know what is Crown Lands and what is private lands, whether it is private lands by definition of the old Squatter's Rights provision or private lands by definition of leases and grants that have been issued over the years, and that is literally to survey every inch of this Province. And I would suggest to you, Mr. Chairman, that the people in this House of Assembly who are responsible for voting monies that are to be spent throughout the fiscal year would be extremely reluctant to talk about \$25 million or \$30 million, which is the ballpark figure that would be needed to do that sort of a land registration system. But because we do not have that amount of money available, because we will not have it available over a period of time, we have to try to live in the best possible manner with the system that we have, with the records that we have and we are trying to put together as accurate a record as we can over the next few years with the amount of money that we have available.

I do not think the hon. member could have been serious when he suggested that people were living with their great grandfathers because of the fact that they could not get a Crown Land lease or a Crown Land grant. That is stretching the imagination.

MR. MAYNARD: a little bit too far. We do and we have handled thousands of applications over the past few years. Right at this point in time we are handling thousands of applications per year. The ones the hon. members hear about, and I hear about them myself as a representative for a rural district, are the ones that run into some problem either from the Crown Lands management point of view or from another point of view such as health matters, environmental planning, highway construction or whatever. We have to, if we are being realistic about issuing leases for Crown Land, we have to be cognizant of the rules and regulations of other agencies. It is totally pointless and senseless to me and dishonest for me to issue a lease to a parcel of Crown Land when I know that there is a probability that the people who are getting the lease may not be able to develop on that because of a regulation that exist in some planning agency or a regulation existing in the Department of Health or the Department of Environment, whatever. So we have to check with these people and that takes time.

I will say to this House, and I said before, that the time on the average it takes now compared to the time that it took a few years ago is drastically reduced and it will continue to reduce as long as we are able to continue with our programme of land identification, mapping and registration that we hope to put in place over the next few years. The hon. member spoke about thousands of applications that he knew of that were waiting for Crown Lands Administration to make a decision on them. Well, there cannot be too many thousands. While we do handle a number of applications, our total number of applications for the Province in 1977/78 is 4,354

MR. MAYNARD: So if the hon. member had thousands in his district I suggest that he must have ran into most of the problems.

MR. NEARY: How many were processed? Ten?

MR. MAYNARD: Four thousand three hundred and fifty-four.

MR. NEARY: How many got their deeds?

MR. MAYNARD: How many got their deeds? There are a thousand and ninety-five approved out of that four thousand -

MR. NEARY: Three to one.

MR. F. ROWE: On a point of order, Mr. Chairman.

MR. CHAIRMAN (MR. YOUNG): Order, please! A point of order has been raised.

MR. F. ROWE: I would not want the minister to misquote me, Mr. Chairman, nor would I wish to mislead the House. I do not mean to mislead and I would just like to clarify it now that I do not obviously have thousands of applications from any one district or even from the Province. The point that I was making was that there are thousands of people in this Province affected by these applications not being processed in time. I know of a case where you have got in excess of twenty people in one home, so I would just like for that to go on record, Sir, for the benefit of the Committee.

MR. FLIGHT: That is the efficiency of Crown Lands.

MR. CHAIRMAN (MR. YOUNG): Order, please! I feel that it is not a point of order, but it is more a point of clarification. I would like to recognize the hon. minister.

MR. MAYNARD: Thank you, Mr. Chairman.

Okay. I assume he was talking about thousands of people, and not thousands of applications.

MR. NEARY: You have 3,000 people who did not get any satisfaction.

MR. MAYNARD: That is not three thousand people who did not get any satisfaction: that is three thousand people who may not have gotten a lease.

MR. NEARY: How many were left over from the year before?

MR. MAYNARD: But that does not mean that they were not given satisfaction. Obviously there -

MR. NEARY: Well, they were dragged into court, I do not know if you would call that satisfaction, and made looked like common criminals.

MR. MAYNARD: That, Mr. Chairman, is totally irrelevant comment. It has got nothing to do with dragging people into court at all; we are talking about the processing of Crown land applications.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: That is right.

MR. MAYNARD: Not the illegal occupation of the Crown land which -

MR. NEARY: While they are being processed -

MR. MAYNARD: - is totally different -

MR. NEARY: - people have been taken to court.

MR. MAYNARD: - which is a totally different issue, Mr. Chairman .

MR. NEARY: No, it is not.

MR. MAYNARD: If the hon. member would care to listen for a few minutes he might learn something for a change, but I doubt it very much.

SOME HON. MEMBERS: Hear, hear!

MR. MAYNARD: The other comment that was made regarding Crown lands was the assignment of the liaison officer, Bob Windsor to the Action Group. There is no question about it, Bob Windsor was and is a valuable employee of the Department of Forestry and Agriculture. He is still an employee of the department assigned to the Action Group which we consider to be a very important agency within government for the development of this Province. His job will be filled. I

Mr. Maynard: would suggest to you, Mr. Chairman, that if Bob Winsor had not been assigned to the Action Group that he would have sought and obtained another job higher up the ladder within a very short period of time. He was not a person that you could keep under wraps for any period of time, especially in a job that is as difficult, extremely difficult as being a liaison officer in Crown Lands.

I would like to go back while I am on my feet, Mr. Chairman, to some comments made by the hon. member for Windsor-Buchans (Mr. Flight) regarding the sawmill situation. One of the last points that he brought up, or one of the large points that he brought up on the last speech that was made was the barrel factory in Point Leamington. As far as I am concerned the ex-Minister of Industrial Development, the member for Grand Falls (Mr. Lundrigan), has explained the situation very well. To suggest that the Department of Forestry and Agriculture is not interested in the sawmill industry in the Province because it suddenly did not come up with a magical formula to get \$300,000 for these people is totally ridiculous. We do not within the Department of Forestry and Agriculture have any funding programme for forestry development. We do not. We deal with the Department of Industrial Development, we deal with the Department of Rural Development. It is not the same as in agriculture where we do have a Farm Development Loan Board.

I am not going to comment at this point in time on whether or not we should have a Development Loan Board in forestry, but I would suggest that up until this point in time at least we have not been dissatisfied with the funding agencies that are presently in existence. Now I do not know why the Newfoundland and Labrador Development Corporation turned down that particular proposal. I have

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Tape 805 (Night)

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Mr. Maynard: some ideas which I cannot substantiate at this time because I have not seen the actual reasons for the rejection, but I would suspect that they had some fairly good reasons somewhere along the line even though they had a lot of things going for them. I cannot tell the Newfoundland and Labrador Development Corporation or DREE or the chartered banks or any other funding agency that they must loan something to someone.

MR. MAYNARD: And as far as any one barrel factory, Mr. Chairman, enabling ten sawmills to remain in operation, it seems pretty far fetched and I would like for the hon. member to substantiate that sort of a statement because it seems to me from past knowledge of the barrel industry in this Province that one sawmill with two barrel saws, with the proper amount of timber made available to them, can supply all the barrels that are needed or used in this Province in any one period of time.

MR. FLIGHT: Two million board feet of lumber per year that industry would have absorbed, two million.

MR. MAYNARD: Well, Mr. Chairman, we are going -

MR. FLIGHT: That is 200,000 board feet for one mill.

MR. MAYNARD: You are going to use a tremendous amount of barrels with two million board feet of timber per year.

MR. FLIGHT: That is right. That is what the Newfoundland Development Corporation said.

MR. MAYNARD: I would suggest that you are going to have to have some new products to put into them but in any case I suppose the hon. member knows whereof he speaks. - I doubt it. But anyway, on cases like that we can normally come up with the timber the sawmills can use or that type of manufacturing can use, but we do not get into the financing aspect except to comment on the availability of timber for the particular manufacturing enterprise and where the timber might be made available. As far as any company interference in getting such industries going, we have never, to my knowledge, Mr. Chairman, run into any great problems with the companies in getting timber available from their limits for any viable industry. We have run into some problems where people, and it was referred to earlier today, where people have cut on the company limits and not lived up to the terms and conditions of their permits and the hon. member knows the situation in that particular regard. I cannot and I will not tell the companies that they should give a permit to anyone who comes along, to anyone who wants to cut timber under any conditions on their limits. I think that Price and Bowaters are very important industries in this Province.

MR. FLIGHT: So do I. So does everyone.

MR. MAYNARD: I would like to work with them instead of against them. I think, Mr. Chairman, that I am safe in saying that every speech that I have heard or every comment that I have heard in the House of Assembly in the past few years by the hon. member has indicated to me that he would very much like to see Price close down completely.

MR. W. ROWE: Oh, come on!

MR. MAYNARD: He would like to see them close down, Mr. Chairman. He does not want to see them operate there. What I am wondering about, Mr. Chairman, is whether the hon. member's constituents want Price to close down.

MR. FLIGHT: (Inaudible)

SOME HON. MEMBERS: Oh, oh!

MR. MAYNARD: I have the floor, if you do not mind. You will have your chance to get up again. Mr. Chairman, I would suggest that he would rather not see Price (Nfld) operating in Central Newfoundland because he feels that they are a detriment to the things that he is trying to do. Well, Mr. Chairman, my attitude is that we will work with Price -

SOME HON. MEMBERS: Hear, hear!

MR. MAYNARD: - and we will work with Bowaters, and I will not work for anyone but I will work with them at any time that they are operating a viable industry in this Province. If hon. members do not want me to do that then I suggest that they change the policy after they have had the opportunity sometime down the road to get in a position to change the policy.

Now, Mr. Chairman, I know there are other people who want to talk on this so I will answer more questions after.

MR. CHAIRMAN: Hon. member for Eagle River.

MR. STRACHAN: Thank you, Mr. Chairman.

MR. FLIGHT: You should be ashamed of yourself. For the last five minutes you should be ashamed of yourself. I never thought I would see the time I would have to say that.

MR. PECKFORD: A point of order.

MR. CHAIRMAN: A point of order.

MR. PECKFORD: On behalf of the member for Eagle River (Mr. Strachan), would the hon. Chair restrain the member for Windsor-Buchans (Mr. Flight)

MR. PENFORD: so that his colleague, the member for Eagle River (Mr. Strachan), can get on with his speech? I am very interested in hearing what the hon. member for Eagle River (Mr. Strachan) has to say on this department and he is having trouble even getting started because his own colleague behind him is not giving him the opportunity to do so.

MR. CHAIRMAN: Order, please! I feel that is not a point of order. I recognize the hon. member for Eagle River.

MR. STRACHAN: Mr. Chairman, I will be very concise in the part of this department I want to discuss. I notice without getting into subheads, I do not want to discuss the subheads here, but I notice in the subheadings that there is a decrease in the amount of capital available for forest fire protection and

MR. STRACHAN: I would like to bring up a point that I brought up last year and the year before concerning forest fire protection and obviously specifically in Labrador because we are concerned about it. I noticed, and I have no complaint with the minister about the budworm control programme requiring \$2,220,000, but I noticed that the capital allowance from last year for water bomber fleet, for instance, has gone down from \$1,074,000 to \$212,000 and a similar decrease in the forest fire equipment capital, \$410,285.

Last year and the year before I brought up particular situations in Labrador in which fires broke out through no fault of people. It is not through carelessness. Obviously in many areas it is due to lightning strikes during the Summer months. I have also been concerned that these fires in many cases, and in most cases and in majority of cases are left to burn and they can burn for a number of weeks and months. In fact one fire, a noticeable fire, a very large one behind Charlottetown in the southern part of my district, burned for a matter of almost two months - seven weeks of fire. At that time we were deeply concerned because the fires were allowed to burn without or with very, very little attempt at putting them out. I understand the vastness of the area and the region makes it a considerably expensive job. Obviously it requires a great deal of forest fire equipment and I know the standard answer is that you cannot have that kind of equipment or that amount of equipment which would cost a tremendous amount of money in capital cost sitting around waiting for such a case.

But what I have noticed is that the fire protection force or the fire fighting force in Labrador when they do go to fight some of these fires generally are particularly useless inasmuch as that they have no equipment to work with. One single engine Otter and one helicopter certainly will not contain a fire over many thousands of square miles -

MR. S. NEARY: Craig got seven new ones the other day. You will not have that problem anymore.

MR. STRACHAN: - especially when we understand that the helicopters are often used elsewhere or the aircraft are being used elsewhere and especially when we see, for instance, at the same time last year in which a fire did occur out near Gander - a number of miles west of Gander, that a tremendous amount of equipment went in to contain that fire, I believe at Rodney Pond? - I believe at the time it was Rodney Pond. But at the same time we noticed that in Labrador almost all the fire fighting equipment was burned out. The people in fact were almost caught and only saved by running into a lake, and their tents and personal belongings and equipment were all lost by fire. And I am wondering whether the minister can answer as a point of view policy rather than economic fact, the policy, exactly what the administration's view is as to the containment of fires in Labrador and if through economic reason the department obviously cannot or states it cannot, because it has no capital to be able to contain these fires, then state so and make sure that the people understand the facts rather than state that we are going to fight these fires and prevent vast areas being devastated.

I think that the budworm programme is excellent. I have no argument with that and feel that it has to take place. But at the same time I know of vast areas of timber in Labrador of economical - or could be possibly future economical value, especially around the Port Hope Simpson - Charlottetown, the southern area, are left to burn out and in fact when one flies across it you fly for many, many miles of burned out wood stands which cannot be harvested at this point and obviously will take years and years of regeneration. So that in essence similarly as the budworm is ruining some of the forest stands within this Province, we are seeing within the Labrador section vast stands which could be economical down the road also being wiped out forever or for certainly a long, long time and certainly the foreseeable future. So I wonder if the minister in view of the fact that we are prepared to spend funds, and I have no argument with that kind of funds being

MR. STRACHAN: spent on budworm spraying to protect forests within the Island, exactly what we are going to do on the protection of forest in Labrador which burn out. I know that some of the communities in fact two years ago some of the communities were very close to being burned out themselves - Charlottetown, for instance, and Port Hope Simpson, as was Port Hope Simpson four or five years ago. But people there get quite furious and kind of upset when they realize or see on television for instance that a small fire, which could become major obviously on an island, but a small fire was put out by the application of three or four water bombers and a number of helicopters and fire ground crews and so on when a very serious fire and very good stands in Labrador are left to burn.

Now I also understand that in the Northern part where there is very little forest, and forest only occur at the head of the bays and at the foot of the mountains, then I can see the point that many times it would be very difficult to put a good fire fighting force in there and contain that fire over stands which are uneconomical from our point of view. But I still feel there should be some cases attempts because the little stands that are there also harbour most of the wildlife and from that point of view we often feel that there should be some attempt. But I understand full well that you cannot go around a large area like that and be able to - one has to dispose of forces according to the best means, and if the choice is between an economical stand in the Southern Labrador or a fire at the head of a bay in Northern Labrador that the choice will obviously be to go and fight that fire in an economical area.

But our main argument is that for many, many years we have seen these fires essentially burn themselves out and we are wondering whether if this is the policy, whether it will continue to burn on and on, or whether there can be some method of applying extra funds or if not funds some method of adopting a policy - I know there is an agreement with other Atlantic Provinces for the sharing of aircraft but so far we have not seen the benefit

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MR. STRACHAN: of that in Labrador. I am wondering whether there can be a definite policy down the road so the people who get quite mad and quite furious and quite angry about it

Mr. Strachan: can get an answer at least know what is being spelled out for them rather than allow them to sit and feel that they are being neglected. Of course this goes on top of the whole political feelings there, and I am not going to try and get into that. I think the whole argument here is basically they want to see something done about the forest fire situation in Labrador.

I certainly do not want to take up much time of the Committee but it is a serious point that we want explained, I think that we want a policy statement on some philosophy that we can go back and say that is it, And if there is no money available, and if it cannot be done, and if the forces cannot be deployed, we'll tell the people the truth so we can understand full well that this Province is not rich enough at the moment to do it. If that is the case then spell it out, but do not tell people that we are going to fight the fires, as it has been said in this House previously, that we are going to see that they are contained, and yet for the last two years never contained them, and never make any real serious effort to contain them. And I think the minister has a responsibility to the people there to spell this out quite clearly so we know exactly the position we stand in.

MR. NEARY: Mr. Chairman.

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

MR. NEARY: Mr. Chairman, I have a few questions for the minister before the minister gets up to respond to the question that was just put to him by my colleague, the member for Eagle River (Mr. Strachan). First of all, Sir, I want to raise that perennial question of the freeze on agriculture land in the greater St. John's area. Mr. Chairman, as hon. members will remember, several years back, four or five years ago, the government placed a freeze on all -

AN HON. MEMBER: Farmland.

MR. NEARY: - farmland, agricultural land in and around St. John's, in the greater St. John's area, to protect the land for farming in the

Mr. Neary: future.

Now, Sir, there was suppose to be an inventory done on the amount of agricultural land that was proven to be available in this area. We have not had a report from the minister recently on whether or not the inventory was ever complete, what the results of it were. We know the freeze is still on. We know that people who want to build houses and who want to develop their land are completely frustrated because they cannot get approval to develop or to build houses on family land and so on. And I believe, Mr. Chairman, the time has come for the minister now to move or to get off the pot. I believe, Sir, that where the government wants to maintain the freeze where they feel that the land is good for agricultural purposes, then the government has to buy that land. They just cannot put a freeze on, Sir. In my opinion, Mr. Chairman, it is unconstitutional to keep that freeze on unless the government is prepared to purchase the land. The other land they can free it up, the land that is not suitable for agricultural purposes. But it is not constitutional, in my opinion, Sir, for the government to continue that agricultural land freeze any longer without purchasing the land from the people who own it, at the going price, whatever that may be.

I would like to know if the government have made any attempt along these lines, if they purchased any farmland in recent years in the greater St. John's area. It is a very troublesome problem, Sir, something that is annoying a lot of people in the greater St. John's area, and something that needs to be straightened out. Either the government lifts the freeze after several years, I think it is four or five years now, they either lift the freeze or they buy the land, one thing or the other. But it is time that they started acting in good faith.

The other thing I want to ask the minister, Mr. Chairman, while I am on my feet is in connection with the government's policy change in connection in giving grants to people who take over Crown land for farming, for agricultural purposes. I understand that

Mr. Neary: some time last year or within the past year or so, the past year and a half, I believe it was in the past twelve months, the government have adopted a policy of leasing the land instead of issuing grants to the farmers, to those who want to get into agriculture. And as a result of that, Sir, the initiative of

MR. NEARY: people have been taken away. People are not going to go out, Mr. Chairman, and work hard, night and day, as farming is, it is pretty hard work, night and day and then only get a lease, and short-term leases at that. There is no such thing now as a grant any more, so I am told; the farmers are not given grants, they are given leases.

AN HON. MEMBER: Is that a fact?

MR. NEARY: Well, the hon. minister will answer when the hon. gentleman gets up. The hon. Minister of Justice may be surprised to hear that, but the hon. gentleman hears a lot of things from this side of the House for the first time. The hon. members on that side, if they want to get a bit of news all they have to do is listen to what is being said on this side of the House. And here is another example, Sir, of where some of the ministers are completely ignorant of the policy that is being laid down by the present Minister of Forestry and Agriculture. The farmers are being given leases now instead of grants and so therefore they are discouraging, that policy is discouraging people from getting into farming. They will not get in and develop the land, cultivate it, develop it and then have it whipped out from under their feet at short notice, which could very easily happen because they only get a lease and not a grant.

Now, Mr. Chairman, while I am on my feet too, the minister might make a note to tell us where forest access roads are going to be built in the present fiscal year. The amount of money, Sir, allocated for forest access roads is up considerably and perhaps the minister could tell us where these roads are going to be built this year? And while we are on the subject of the water bombers and fire-fighting, could the minister tell the committee why it is necessary in the Wintertime, in the Fall of the year and in the Wintertime to lay off the pilots and the first officers of the water bombers? Why cannot they be sent away in the Wintertime on courses? It is a very dangerous and hazardous occupation, Sir, that these people are employed in and I believe myself they should be sent away in the Wintertime on courses to do upgrading and so forth.

MR. NEARY: Instead of that they are laid off. They are only working I believe for about six months out of a year. I would like for the minister to be able to tell us why these pilots and these first officers cannot be sent away every Fall or every Winter to do courses.

Mr. Chairman, what happened to the two water bombers that the minister told us last year they were going to get at bargain basement prices in some other province of Canada? I believe it was two. The minister discovered to his amazement that there were two Canso water bombers available in one of the other provinces, and I think it was \$250,000 apiece, the minister told us last year, the last session of the House that the government could get these water bombers for. I would like to know if they were purchased and now make up a part of the water bomber fleet that we have in this Province.

Mr. Chairman, my hon. friend the member for Trinity - Bay de Verde (Mr. F. Rowe) made a very emotional plea to the hon. minister to try and streamline the procedure for applying for Crown land to build houses and the hon. gentleman got up and scoffed at that.

MR. MAYNARD: What do you mean, scoffed at it?

MR. NEARY: Well the hon. gentleman did. The hon. gentleman just brushed it off, dismissed it as if it was nothing. I interrupted the hon. gentleman, I interjected and I reminded the hon. gentleman that people in the rural areas of this Province, while they are waiting for their application to be approved, have been hauled into court and fined \$200 and treated like common criminals and the minister said I did not know what I was talking about. Well now I have the floor, Sir, and I will tell the minister what I am talking about. I can speak for my own district where people have had applications outstanding for anywhere from one year to two years for a piece of Crown

Mr. Neary: land to build a house, and they lost their patience with the government, they could not wait any longer, and they either put in the foundation or they started to build a house while they are waiting for the minister's department to give them approval to occupy the Crown land. An illegal act, The minister will get up and tell us, "Well, they had no business to do it." They could not wait any longer, Sir. And if the minister knows the Southwest corner of this Province where you have nothing but boulders and rock that a man who wants to build a house has to build it, he cannot pick and choose like you can in this area around here.

MR. NOLAN: He has got to find a big rock.

MR. NEARY: He has got to find — well, that is what the minister is trying to force him to do, build his house upon a rock like St. Peter did when he founded the first church.

MR. MORGAN: You are not easy tonight.

MR. HOUSE: That depends on who you are.

MR. NEARY: Mr. Chairman, these people who have lost their patience with the government, who have been waiting for a year or a year and a half, started their homes and recently within the last few weeks were taken to court. And in one instance, I told the minister the other day but it does not seem to penetrate through to the minister, that one of these applications was from a man in Rose Blanche who was told that the Department of Forestry and Agriculture, the Crown Lands Division was waiting for word from the Department of Health because at the time the gentleman made the application it was thought that he had to use a septic tank. But the application has been there so long that they have now put in a water and sewerage system in Rose Blanche.

MR. DOODY: What is he complaining about now?

MR. NEARY: And the man was hauled into court and fined \$200 the other day for occupying Crown land. And the hon. gentleman should know how that gentleman is feeling right now.

MR. DOODY: He is feeling poorly.

MR. NEARY: He is feeling pretty miserable, and made look like a common criminal. And the hon. minister stands over there and scoffs at it and says, "The hon. gentleman does not know what he is talking about, It is two different things." It is the same thing. The hon. gentleman should get a grip, get a handle on that branch of the hon. gentleman's department. Every year it is the same old argument in this House; year in and year out we get up and criticize the government and the minister for the procedures used in the Crown Lands Division of the minister's department. And every year the minister gives us the same answer, and we are getting nowhere fast. And the people of the rural parts of this Province are completely frustrated and fed up, and is it any wonder that they lose their patience and they go in and put in the foundation for a house? And then they are grabbed by the scruff of the neck, hauled into court by an ultimatum given the field staff by the hon. minister.

AN HON. MEMBER: Burn them down.

MR. WHITE: Burn the cabins, that is right.

MR. NEARY: That is right, burn the cabins was the ultimatum that went out.

MR. MORGAN: That is better than burn your boats.

MR. NEARY: Burn the cabins was the ultimatum that went out in connection with the Summer homes, but these are permanent residents that I am talking about. People who cannot pick and choose, they have to build a house wherever they can. The hon. gentleman should go down on the Southwest corner and take a look, and the hon. gentleman might be a little more sympathetic towards the applications that are made by these people. So therefore I hope the hon. gentleman will never get up again and say the hon. member does not know what he is talking about, two different things. It is the same thing.

And, Mr. Chairman, the hon. former Minister of Rural Development, the gentleman who resigned from the Cabinet because he could not support the government and now sits on the government side supporting the government -

MR. F. WHITE: Waiting for the leadership to come up.

MR. NEARY: Well, I do not know if he is waiting for the leadership. I saw him slipping the hon. the Premier a candy, a kiss this evening, a kiss; maybe the hon. gentleman is trying to get back into the Cabinet again.

PREMIER MOORES: He knew I was hungry.

MR. NEARY: I beg your pardon?

PREMIER MOORES: He knew I was hungry.

AN HON. MEMBER: He knew his weakness.

MR. NEARY: He knew the hon. the Premier was hungry.

Mr. Chairman, the hon. gentleman was talking about the Newfoundland Development Loan Corporation in connection with the proposed barrel factory for Point Leamington. And the hon. gentleman got up and criticized DREE. Well, Sir, in my dealings, in my experience with DREE

MR. S. NEARY: It is a lot faster to get an application approved with DREE than it is with the Newfoundland Development Loan Corporation that the hon. gentleman was talking about. And I asked the hon. gentleman what the rate of interest was charged by the Newfoundland Development Loan Corporation and the hon. gentleman I think said 6 or 7 per cent or something, did he not? Well, it is the going bank rate, that is what the interest is. It is 10.5 per cent. Mr. Chairman, business and industry may as well go to a chartered bank or a finance company as go to the Newfoundland Development Loan Corporation. There is no incentive there to create industry. The hon. gentleman said all are shellshocked down there because they get a bit of criticism. Well, Sir, we are against pork barreling and that has been going on in the Newfoundland Development Loan Corporation and we pointed out examples of that last year in this hon. House and that is the sort of thing we are against. We are not against genuine applications to the Newfoundland Development Loan Corporation to establish and create business and industry in this Province but we are against political patronage and perk barreling, the government using it for pork barreling purposes.

I would like for the hon. gentleman - the hon. gentleman was out on the Lady Johnson. I would like for the hon. gentleman to tell us what happened to the grant or the money that was given by the Newfoundland Development Loan Corporation to the Lady Johnson that the hon. gentleman went out to the seal fishery in to put a canning factory on board to can the seal meat. What happened to that loan? Was it written off or was it a grant? That is the kind of thing we want to find out about, Sir, and I hope when we get around to the department that is responsible for the Newfoundland Development Loan Corporation that we can find out about that grant, about that handout and all the other handouts, creating drive-in theatres down in Bay of Islands -

MR. MORGAN: Creating jobs, boy.

MR. S. NEARY: It is giving what? I did not get the hon. gentleman. It is giving what?

MR. WOODROW:

Employment.

MR. S. NEARY:

Mr. Chairman, I would like to know how the Newfoundland Development Loan Corporation can fit in its terms of reference * drive-in theatre.

AN HON. MEMBER:

It is for sale now.

MR. S. NEARY:

It is being sold now, is it? Well I hope if it is sold the Newfoundland Development Loan Corporation will get its money back.

MR. WOODROW:

I am sure they will.

MR. S. NEARY:

Well, I hope they do. But we will never know, Mr. Chairman, we will never know because we cannot list of the loans that are given by the Newfoundland Development Loan Corporation or the Rural Development Authority. They have too much to hide, they will not give us the list. They apparently want to cover up the names of those who borrow money from the Newfoundland Development Loan Corporation or from the Rural Development Authority. The former minister of Rural Development says they are like a chartered bank, They are not like a chartered bank! They are using taxpayers money and we have a right to know how that money is being used, how it is being spent and who it is given to. And we would like to know the successes and the failures. We are not against the Newfoundland Development Loan Corporation if they have some failures, They are bound to when you are risking capital like that. The only reason that these people get these loans and grants from the Newfoundland Development Loan Corporation is because the ordinary chartered banks and the Federal Business Development Bank will not give them the money. That is why they get the money because they cannot get it from an ordinary chartered bank.

MR. MORGAN:

That is a regulation.

MR. S. NEARY:

It is not a regulation, Sir, It is a political set up, it is a political organization. It is created by this House -

MR. DOODY:

The Federal Government are backers of it.

MR. S. NEARY:

Mr. Chairman, the hon. gentleman knows that the Newfoundland Development Loan Corporation

MR. DOODY:

It is the last resort.

MR. S. NEARY:

- is the last resort, and if you are in enough with ministers or the Premier you can get your loan approved -

MR. DOODY:

Where?

MR. S. NEARY:

At the Newfoundland Development Loan Corporation, but if you are not -

MR. MORGAN: You are taking shots at the Newfoundland Development Loan Corporation.

MR. S. NEARY:

Mr. Chairman, the hon. gentleman should do his homework, Sir, I know more about the Newfoundland Development Loan Corporation, my little finger knows more about it than the hon. gentleman knows.

MR. MORGAN:

It is not the corporation at fault.

MR. S. NEARY:

Well I do not care what it is, it is still a loan corporation. It was set up by the government for no other purpose than to pork barrel. It should be abolished, it should be wiped out. And this government should use the facilities,

Mr. Neary: of the Federal Business Development Bank and take equity into the company. If the government wants to put money up for business and industry let them go through the Federal Business Development Bank and put equity into the company themselves if that is what they are going to do.

MR. MORGAN: One of your buddies got turned down.

MR. NEARY: The hon. gentleman would not understand that, and then we would be using federal money.

MR. MORGAN: Your brother-in-law was turned down, that is what it was.

MR. NEARY: Does the hon. gentleman want to get personal now?

MR. MORGAN: One of his buddies.

MR. NEARY: Does the hon. gentleman want to get personal now?

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Chairman, I have never used government money for a tavern, Sir, or a club in my life or a helicopter to go down when my club is being renovated.

MR. MORGAN: Vindictive! Look, there he goes now! Look!

MR. NEARY: Well, the hon. gentleman just better hold his fire there now.

MR. MORGAN: Rural Development Corporation, his buddies got turned down for a loan.

MR. NEARY: None of my buddies got turned down. The hon. gentleman may have got turned down.

MR. MORGAN: That is why you are against it.

MR. NEARY: Mr. Chairman, the hon. gentleman, as I told him one day before in this hon. House, the hon. gentleman lives in a glass house he better not take a bath.

MR. MORGAN: Innuendo, boy, that is hard to take.

MR. NEARY: Mr. Chairman, thank God, Sir, thank God I do not have any -

MR. MORGAN: When you make charges you have to prove them. The same old stuff. Innuendo and charges.

MR. NEARY: Thank God, Sir, I do not own any business or night club or anything else in this Province.

But, Mr. Chairman, I want to come back to a few remarks that the Minister of Forestry made in connection with the Linerboard mill, and I believe my hon. friend the member for Buchans (Mr. Flight) raised the matter of using the wood -

MR. FLIGHT: Where is the minister?

MR. NEARY: I beg your pardon?

MR. FLIGHT: Where is the minister?

MR. NEARY: No, the minister is gone outside so -

MR. FLIGHT: That is why he does not know anything about forestry.

MR. NEARY: That is right. - of using this wood that has been attacked by the spruce budworm for the Linerboard mill in Stephenville. Mr. Chairman, we have heard it said inside and outside of this House, and I heard it again in this session of the House, and I heard the minister I believe, a former Minister of Finance, the Minister of Transportation, mention it, I believe I heard the Minister of Justice, I am not quite sure about that, but I certainly heard the Premier make statements that the Linerboard mill is located in the wrong place, it is in the wrong location.

AN HON. MEMBER: What is that?

MR. NEARY: The Linerboard mill. I believe I heard the minister say it.

MR. MCNEIL: Nonsense! Nonsense!

MR. NEARY: Nonsense! It sure is, Sir.

The Linerboard mill is ideally located. It does not make any difference where you put a mill in Newfoundland. You have so much wood -

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: - that the mill has to be in the right place, if it is on the Island of Newfoundland at all it is in the right place.

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: And if you follow through on the minister's argument, Bowaters and AND would be in the wrong place. The fact of the matter is, Sir, that the Linerboard mill is ideally situated, and there is no problem with the Linerboard mill. There is nothing built before or since that can equal that Linerboard mill. It is one of the finest mills of its kind ever built in the world. And there is nothing wrong with that mill. But there is something wrong -

MR. MORGAN: John C. Doyle!

MR. NEARY: - there is something wrong with the cost of the wood.

MR. MORGAN: Yes.

MR. NEARY: I beg your pardon?

MR. MORGAN: I said the same thing.

MR. NEARY: There is nothing wrong with the Linerboard mill, Push the Linerboard mill out of your mind. It is the wood that is the problem, and this government and the minister have not been able to come to grips with the -

AN HON. MEMBER: The wood costs.

MR. NEARY: - the wood cost is the problem, Sir. And, Mr. Chairman, this hon. crowd had gone throughout the world saying we are satisfied to give away the mill for a dollar, and if necessary, we will subsidize it. And any company with a grain of sense at all will say let us see your records, let us have a look at your books. And as soon as they look at the cost of the wood they would say, sorry, we would not touch it with a barge pole. And so, Sir, what they have to do, they have to get the cost of the wood down. They have to come to grips with this problem of high cost wood, and once that is solved there will be no problem with the Linerboard mill; it will start up and become a going concern.

Now I understand my twenty minutes is up, Sir, but I hope to get back on this Linerboard thing again in a few minutes because it is most important, and there are a few other things I want to say about it.

MR. CHAIRMAN: The hon. the member for Naskaupi.

MR. J. GOUDIE: Thank you, Mr. Chairman. I might mention in beginning my remarks, Mr. Chairman, that I pretty near get parnoid when we talk about forestry in this Province now after the experience - well, the hon. member for Stephenville (Mr. McNeil) knows what I am talking about, but in the Happy Valley-Goose Bay area with the close down of the Labrador Linerboard I hate discussing trees. I used to love to go into the woods in the Fall, in October and November for a partridge hunt and I am half scared now when I go in the trees are going to attack me, that is how parnoid I am about the whole forestry business. However, hopefully that is going to change in the Happy Valley-Goose Bay area shortly, and

MR. COODILL: I will make some specific comments on that when the estimates come up for the Department of Industrial Development. But the spraying programme I guess is quite important to Labrador although I am told that it is not as important to Labrador, the spraying per se, as it is to the Island part of the Province, and perhaps the minister, before the estimates close tonight, might refer to that, the difference in the trees and so on. I understand because of the - not just the density of the fiber but the toughness of the spruce tree itself in Labrador that it may not be necessary to spray in Labrador as early as it might on the Island part of the Province.

I would like to draw hon. member's attention to one particular little statement. In the Fall of 1976, the Canadian Forestry Service made a forecast that in 1977 budworm defoliation would be moderate to severe over three to four million acres and light over some four point seven to five point seven million acres of productive forest. The total area of infestation of eight point seven million acres represents about ninety per cent of the total productive forest area of the Province and that is what is now currently infested by the spruce budworm.

The hon. member for Eagle River (Mr. Strachan) made reference to forest fires down in the Port Hope Simpson area which was, before the forest fires, a fairly - not productive area, because there was no forestry activities being carried out there, but the potential was there for a tremendous forest industry. I think, and hopefully natural regeneration will some day result in it being a forest product producing area. In flying over various parts of Labrador you can see, especially on the Southern part of the Churchill River in the Western Lake Melville area, that the trees are just turned completely brown. I do not know how long it takes for a tree to degenerate, but perhaps the minister might address himself to this as well when he speaks. But in thinking in terms of a woods industry for the Labrador portion of the Province, I think even though we do have a hardy tree, a spruce tree that is suppose to be tough in terms of combating the spruce budworm, I think it might be useful to the hon. House and to the

MR. JUDGE: residents of my district to find out exactly how much time we have to play with in that part of the Province when it comes to spraying and taking action against the infestation of the spruce budworm.

I should have asked the member for Eagle River (Mr. Strachan) when he was addressing the committee which forest fires he was referring to when he talked about the forest fire fighting equipment aircraft. I know in the Lake Melville area over the last ten or fifteen years we have gone through a tremendous number of forest fires and damage to the country up there. We have always had a number of the Canso water bombers in the area fighting the fires and I got the implication from the hon. member from Eagle River (Mr. Strachan) that that was not the case on the coast, they did not use the Cansos at all. What were the reasons for that, I wonder? Perhaps the minister might address himself to that as well when he gets up to speak.

Crown lands seem to be a problem in every district of this Province. I know it is certainly a problem in my district and it has been a problem with Crown lands and getting grants to property ever since the RCAF in the days of the construction of Goose Base came down and said, "Alright you can build here, you can build there." There were no surveys done; a couple of stakes were driven in the ground and that was the extent of it. And that is the way it seems to have gone on now for quite a number of years. Surveys were carried out when I worked with the municipal council up there, but because of the instability or improper placing or some problem or other in relation to markers from which surveyors can get their bearings, we still end up with a situation where very few people have been able to acquire grants to their land. I have been waiting since the Fall of 1974 myself, four years now, and have not had any luck yet but I do understand, from talking to the minister and some of his staff, that street-line surveys were done last Fall. I do not know the exact status of that yet but I would like to know from the minister if, as a result of that street-line survey being done, residents of the

Mr. Goudie: town of Happy Valley-Goose Bay will be able to acquire grants to their land in the not too distant future.

The agricultural part of this department I believe is going to start playing a larger role in the Happy Valley-Goose Bay area of my district at least. Just as an example, the year before last there were fifty home gardens in the town of Happy Valley. Last Summer that jumped to 150, and the agricultural group there is expecting an even larger increase this year. Of course, a part of that is dictated by the price of fresh vegetables that we get in the area. And I might even question the term that I just used, 'freshness.' It all depends on what time of the year you are talking about, I guess. But there is an association that holds an annual fair every Fall to exhibit their produce, some of them coming out with twelve, fourteen, sixteen pound cabbage, huge potatoes and that sort of thing. I do know there are at least two applications in now for Crown land on what is referred to as the Freedom Road, the Churchill Falls Road, I think fifteen acres in both cases initially for agriculture to begin. The first-I should not say the first, but the latest chicken farming, or whatever that industry is called, began a little over a month ago, flew in chickens from some part of the Maritimes, a couple of gentlemen in the area, and they are producing something like 350 dozen eggs per day. So it is beginning to pick up in our area, agriculture I mean.

MR. DOODY: The soil up there is good? It is not rocky?

MR. GOUDIE: No, there are very few rocks in the soil around Happy Valley-Goose Bay area. As a matter of fact, -

MR. DOODY: Farming is easier up there than it is on the Island then?

MR. GOUDIE: Well, just to illustrate.

MR. FLIGHT: Give an example.

MR. GOUDIE: Yes. Just to give an illustration to answer the minister's question, we have drilled for sources of water in Happy Valley as deep as 160 feet and we still did not reach the bottom of the sand, I do not know how much further you have got to keep on going. So we end up with a soil that is sandy with about four inches, perhaps, of top soil on top of the sand, and that is what you have to deal with.

Mr. Goudie: So as a result the people who are engaged in growing vegetables and so on end up making composts from fish and whatever other items they use to do that sort of thing. I do not have a green thumb so I do not really know what is involved in it.

But the questions I had for the minister was in relation to Crown lands and the possibility or the probability of a number of applications for grants within the municipality of Happy Valley-Goose Bay being processed - not processed, but at least dealt with this Summer, beginning to get the problem solved. It is a big problem in our area. I could not count the number of people who have come into my office in the last two and a half years complaining of the fact that they were unable to get a grant to their land. They had a sale for their home or a sale for their property or whatever and the prospective buyer could not get loans because there was no grant to the land. So that has been a big problem in the area so far.

I am a little concerned about the spraying programme. I mentioned earlier the fact that these black spruce in Labrador are supposed to be a tough tree in terms of not suffering damage so heavily as the trees down South by the spruce budworm. But we have seen spraying in the area using DDT. I have seen aircraft crash into the side of a hill while they are spraying, and that whole bit. And I do not like insecticides. I do not like the possibility of damage to the rivers, to the wildlife, to the fish and so on. But I would like the minister if he will to address himself to the type of insecticide they are using and how extensive any damage might be to the environment.

I think these are the few concerns that I had, and hopefully if the minister gets a chance before the debate wraps up perhaps he could address himself to some of the points.

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

MR. FLIGHT: Mr. Chairman, under normal circumstances I probably would not have been up again to speak in this particular debate, but I want to draw to the attention of this House and to the press -

MR. DOODY: The press are all gone.

Mr. Flight: I can draw my own attention to the press which I will do. But I want to challenge the minister that in my remarks up to this point tonight I have asked the minister to address himself - now this minister spends \$18 million of public money in this Province, Mr. Chairman, and that minister is charged with the responsibility of administering a department that will guarantee this Province that we will get the most benefit out of our forest resources. And, Mr. Chairman, in my first twenty minutes that the minister referred to I raised germane questions on what are we going to do about, what is the minister or his department's plans for the harvesting of the 5 million cords of dead or moribund wood in this Province, seven years production for the mill. No answer. No reference to that particular issue, Mr. Chairman. I asked questions on sawmilling. I alluded to the fact that most of the

MR. FLICAT: sawmill material in this Province today is on Price and Bowater's limits; that is the only reference I made to Price and Bowaters. No answer, not even a reference to that issue, Mr. Chairman. Labrador Linerboard mill: I asked a question that a lot of people in this Province are asking, No reference, nothing, Mr. Chairman, no attempt to answer the question or address himself to it. Reforestation, Mr. Chairman, another fundamental approach to forestry in this Province, \$5 million there covered up that takes care of reforestation, mineral evaluation surveys - reforestation, management planning, regulation of harvesting, No acknowledgement, no answer, Mr. Chairman.

The budworm: I did not try to get into a debate and try to make political Brownie points on the budworm situation in this Province. I asked the minister very germane questions that everybody in this Province, the pros, even the people who are supporting spraying, wanted asked in this House, No answer, no recognition, Mr. Chairman. Instead the minister got up and for ten minutes he weaseled his way out of addressing himself to those issues. He either admitted to me that he does not have the answers or that he is deliberately trying to avoid the issues. And, Mr. Chairman, if he indeed is deliberately trying to avoid the issues, he should not be administering \$18 million of public money in this Province. I want to assure that particular minister - and this is the second time, Mr. Chairman, that that minister has accused me of having something against Price (Nfld) and Bowaters - well I want to tell him that I am as aware of Price's contribution to this Province, to the economy of this Province, as he is or any of his department. I am aware that the two paper companies in this Province today are holding body and soul together. With the mines on the way down in this Province, with the fishery in a stage of revitalization, thank God for Price and Bowaters because that is all that is holding this thing together. And I want to tell that minister, Mr. Chairman, for all his arrogance that I have as good a working relationship with the officials of Price and Bowaters as he has. I have probably held as many meetings with representatives of that company as he has, and I have read, Mr. Chairman, that as the result

MR. FLIGHT: of some of those conversations that some of the issues I raised Price and Bowaters would be receptive to if only the Province would show the initiative of going in and requesting that some of the agreements and some of the ways that Price manages and keeps other people off their limits, if the Province was prepared and the minister was prepared to go and sit down -they do not want to fling the doors open to everyone who wants to go in on their limits, of course they do not! - but they are receptive to a sensible, responsible approach. Assuming that he is right, assuming that I have a thing against Price and Bowaters, at least I must have some sympathy for the sawmillers and that is something that he has not shown in this house.

Now, Mr. Chairman, in as far as the minister, that was the worst display of political partisanship that I have ever seen, Mr. Chairman. I at no time, and I can produce Hansard to show that I said nothing derogatory about Price or Bowaters. I just suggested that if we are going to have a sawmilling industry in this Province, then Price and Bowaters either, by choice, by negotiations where we recognize the conditions that they have laid down, either they are going to have to face up to the fact that they are going to have to share, they are going to have to allow some of their timber limits to be turned over one way or the other, either as a joint effort, one way or the other they are going to have to be turned over to allow the sawmilling material in this Province to go to the sawmills. And, Mr. Chairman, as far as my constituency is concerned - and the minister is aware, and of course I have said it here before, that by and large the most of my constituency is employed and owe their way of life and living to Price. But in as far as being concerned, Mr. Chairman, about the things that I have said today with regard to my constituency, I would suggest to this minister that I am prepared to publicize every word that I have said in my constituency. I am prepared to let every person who lives in my constituency judge me as to whether or not the questions I have raised were significant, whether or not they are the kind of questions that are being raised everywhere in this Province. I am prepared to publish every word. The minister indicated in a backhanded way that it was a political situation. He said in a weaselling way that because

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MR. FLIGHT: My constituency is basically dependant on the paper mills and the end products of

MR. G. FLICHT: the paper mills and the spin off effects, which is right, that therefore I must have something against the paper mills and that I should go back to my constituency and demand that they close. I should have raised on a point of order, Mr. Chairman. The minister attacked motives and, Mr. Chairman, enough for me to say is that for a minister who oversees the expenditure of \$18 million, the remarks he made were below his dignity, below the dignity of this House, that he would stand up, Mr. Chairman, and for ten minutes launch into a personal attack on me when here were the issues: the dead timber, 5 million cords, that I have presume that he do not know what he is doing, that he has no approach to it. Is he going to harvest it? Is he prepared to sit and watch it be lost to the economy of the Province? Sawmilling. What about the problems in sawmills on this Island? Reforestation, budworm-I could go on and I raised them all, Mr. Chairman, and that hon. minister did not address himself to one, not one. And he is going to administer \$18 million! Mr. Chairman, I suggest that the performance of this minister, as I said, is below the dignity of any minister and maybe it is the reason why, maybe it is a good example as to why the forestry in this Province today is in the mess it is in under the stewardship of that minister.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: The hon. member for Bonavista North.

MR. G. CROSS: Mr. Chairman, I have listened with intense interest to various speakers in the debating of these Estimates in Forestry and Agriculture. As I listened to the hon. member for Eagle River (Mr. Strachan) not too long ago, about an hour ago when he spoke of the forest fires that had burned in Labrador and had been left to burn themselves out, I think this was the way I got the message, anyway, I could do no more than let

my mind wander back in history to 1961 when we had, in the district that I have the honour of representing now, one of the most devastating forest fires that ever raged on the Island of Newfoundland, starting at Traverse Brook in Hare Bay, burning its way through most of Bonavista

MR. G. CROSS: Worth into Foxo district, right down the shore to Carmanville where thousands and tens of thousands of acres, certainly, of good forest land were burned. And certainly at that time it did take away a livelihood from a great many of the people who lived in Bonavista North and elsewhere, the centre of the district. One time people could come in to a woods operation from outside of the district and certainly with that fire came the end. I think parts of my district at that time could have been declared a disaster area as far as employment was concerned. Certainly very little was done about it and the fire was left, to a point, to burn out of control. Since this administration, and possibly shortly before, but certainly since this administration we have been gradually building up a forest fire fighting fleet of planes and I believe that if we had the water bombers then that we have now that fire would have been put out long before.

But certainly the forest fire took something and possibly it left something and this is what I would like to address a few remarks to at this point in time.

MR. STRACHAN: Could the hon. member tell us what year was that fire?

MR. G. CROSS: 1961.

MR. STRACHAN: Yes, I knew the year. The point I was trying to make was that was 1961, this is 1978.

MR. G. CROSS: But certainly the fire took our forest, but a couple or three years after we found that the fire, too, had left something and that was blueberries. Blueberries became very plentiful and people began to make money on that blueberry industry. And certainly I know at this point in time that possibly the minister will address himself a little bit to the blueberry programme that is to be taken up.

MR. NEARY: Burn the woods down to get the blueberries to grow up.

MR. G. CROSS: No, not necessarily so. But this is what happened, that another crop did come along.

MR. CROSS: So here again we know that we are beginning to manage the blueberry industries, that management zones are being brought about. We know that land is being cleared and burned, and certainly we know that access roads are being built as access roads to the blueberries. But certainly with the old Bowater roads that are there, the old loop road, the Shambles Cove Road, and the new loop road all through blueberry country, a few short access roads are practically all that would be needed by way of access to the blueberries, but there is a need certainly to clear and burn more blueberry lands in the district, not only in the district of Bonavista North but possibly on the Avalon too, that is the largest blueberry area, and Bonavista South as well as Bonavista North. Certainly the aim is to increase the yield of blueberries over the next five years possibly to 5 million pounds. And if we could clear and burn and manage 50 per cent, or I go lower to say 30 per cent of the blueberry acreage in Bonavista North, I think we could bring in the next six or seven years 5 million pounds of blueberries out of Bonavista North alone.

And certainly last year - and it did have some bearing on my district as well as in other places in Newfoundland - last year we did begin to clean berries in Newfoundland. And actually for the first time in the district where the berries are picked they were cleaned, not all of them, maybe one-third of the blueberries picked in Bonavista North last year were cleaned in Bonavista North. I think we do have to look to the time when they are not only cleaned and frozen, but that we do process blueberries too, the final product in time.

But certainly I am pleased to know that the monies given to wild fruit development in Newfoundland has climbed since 1972 from \$81,000 to this present Budget of \$229,000. Certainly the increase is there. And these dollars that will be spent on blueberries will certainly, we know, create new dollars down the road. No dollar spent in our resources can be a wasted dollar.

Mr. Cross: There is certainly, when we look at the forest aspect, when we look at the spruce budworm problem where the hon. member for Naskaupi (Mr. Goudie) spoke of 90 per cent of our forests being infested, and we think that is the case, we see 2.1 million cords of wood that are dead; 3.5 cords of wood in a state where it may not survive, dead or dying, and then 2 million cords more than severely damaged, certainly there is a need for a spray programme. But also I think there is a concern being expressed by some groups as to how the spray will affect our wildlife and the environment. So there are two things there, the budworm programme and the concern over the environment as spraying.

Certainly from what the minister has said I think we can see the need for a spraying programme, but I would like for him as he speaks also to address himself to the problem of the spraying and how it will affect the wildlife and the environment of the Province.

With these few words I will take my seat.

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

MR. E. MAYNARD: Mr. Chairman, I think I should try and answer some of the questions that have been asked before other hon. members get up. It is going to be impossible to answer all the questions in a twenty minute time period, but I will do my best.

First of all, I will address myself to questions that were asked by the hon. member for Eagle River (Mr. Strachan) and as well the member for Maskaupi (Mr. Goudie) I think mentioned the firefighting capabilities in Labrador. I believe that I outlined here in the hon. House last year a policy that we were using as far as firefighting in Labrador area is concerned. I think the hon. member is well aware that Labrador, being such an extremely large territory, it would be almost impossible to cover the whole area of Labrador with adequate firefighting capabilities. So what we have had to do is take a sort of a circle around communities and forested areas, if you will, and within that imaginary area we first of all, of course, try to protect property, which would obviously be communities, and in the same priority basis try to protect commercial forest stands.

This year we will be pretty well doubling our firefighting capability in Labrador because in the past we have had one Canso water bomber there at all times with others on standby at Gander or wherever ready to go in. This year we will have two Canso water bombers stationed in Goose Bay at all times and we feel that we will be able to respond to many of the fires, possibly, we have not been able to respond to in the past. When there is a fairly large fire, of course, and I think members are aware of this as well, we have from time to time called in assistance from the Province of Quebec, unfortunately there are no other provinces in Eastern Canada that can give us assistance because Quebec and Newfoundland are the only ones with aerial firefighting capabilities. But we have within the limitations of our budget, and I do not believe that it will ever be possible to have a budget large enough to cover the whole of Labrador

Mr. Maynard: adequately to try and fight every fire and we have to draw some priorities to it, but within the capabilities that we have and the budgetary restrictions we have, I believe that we have a fairly good policy as to fighting fires.

I am not aware of deliberately allowing any fire in commercial timber to burn. That may very well have happened but I am not aware of that situation occurring, and it would seem a little strange to me that it would occur, although there may be something that the hon. member is aware of that I am not. However, as I say we are doubling our capability in Labrador this year, and hopefully that will overcome some of the problems, at least, that we have experienced in the past years. And, of course, if we can get more money from time to time I am sure that we will be only too happy to increase the capabilities once again because we do feel that while we hope that no money is necessary to fight forest fires because there is not going to be any, we are always realistic in knowing that there are going to be some.

In that same context I think the question was asked as to why there was so little money in capital this year as compared to last year in the water bomber fleet. That came about because of the fact that we did buy the two Cansos, and only a small payment is to be made in this fiscal year, the final payment on the Cansos.

MR. STRACHAN: How many Cansos do we have now?

MR. MAYNARD: That gives us seven Cansos now, two in addition to the five that we had. These Cansos I think cost, both of them, with the purchase price and then the complete refurbishing, the standardization to make them the same as the other water bombers that we have, and both of them had to be converted to water bombers, cost us somewhere in the vicinity of \$1.2 million by the time that they were ready for operational use.

MR. STRACHAN: Mr. Chairman, if I may? What the minister is saying then, we have seven Canso water bombers -

MR. MAYNARD: Right.

MR. STRACHAN: - two of which will be stationed in Labrador this year. I am not interested in the past, the indications or the explanations in the past. What I am interested in is the protection this year. So two will be stationed in Labrador. Can the minister give us assurance that in the initial stages of a fire, I do not mean the middle stages, the later stages, but the initial

MR. STRACMAN: stages of fire that should these water bombers not be used on the Island, the other five, that they will be immediately sent to Labrador to assist in putting the fire out in its initial stages when it can possibly be caught rather than to allow it to continue or to get to a size where it cannot be handled at all?

MR. MAYNARD: I think that is a reasonable assurance. If a fire situation in Labrador is serious enough, Mr. Chairman, with two more water bombers in the fleet obviously we will have a lot more flexibility in allocating water bombers. It is very unlikely that we will have to use all five of the water bombers that will be left on the Island portion, in any one place at any one time, so while the increase is not large percentage wise it does give a lot more operational flexibility. And I feel that we will be able to respond to potentially serious fires in Labrador probably much more readily than we have been able to respond in the past. At least hopefully that will be the case.

Now to move on to a couple of the other areas:

The issue of the budworm situation has been brought up on two or three occasions. It would be virtually impossible for - while I can answer all of the questions that have been asked, and as a matter of fact if my estimates had not come up today I had a statement to be issued updating the House of Assembly on where we are as far as the 1978 budworm control programme is now. That outline is about ten pages long and I do not think hon. members would want to hear it at this time. In a sense we have -

MR. NEARY: Table it.

MR. MAYNARD: I will be making it available to the House, Mr. Chairman, no problem there. I will probably make copies available tomorrow since I only have one here now. We do have the areas outlined, We have tried in every possible way to take into account all the environmental factors that we can find and take into account the objections that have been raised by a number of people regarding the type of chemicals being used, the type of mixture we use for the chemicals, number two fuel oil versus other types of petroleum products that are used to disperse the chemicals. When I table this in the House, possibly tomorrow - well I will table it tomorrow - it

MR. MAYNARD:

will outline where we are at this point in time regarding the budworm spray programme. Rather than get into all the details that happen to be in that paper, which are all self explanatory, and I would welcome any questions on it after or during Question Period or whatever, the issue of budworm damaged wood was brought up. We are, and have been for a number of years, into a salvage programme regarding insect damaged wood. We have over the years built a number of miles of access road - I do not have the number of miles here with me but I think one would see that in last years budget we had estimated around \$5 million. It is not quite as much this year. A lot of that access road was built with the idea in mind of salvaging bug killed timber or timber that was over mature. Now some roads have been built on company lands, and a lot of the roads have been built on Crown lands of course. We have agreements with the companies whereby they will salvage a certain portion of their wood requirements from the budworm infested areas. It will be impossible to extract all of the wood that is dead or in a dying stage and there is a very basic reason for this.

MR. NEARY: How much will we loose?

MR. MAYNARD: As a rough estimate we will probably loose about half of what is now dead or dying.

MR. NEARY: How much is that in cords?

MR. MAYNARD: Two point five to three million cords.

MR. NEARY: That we will loose across the Province?

MR. MAYNARD: That is right.

MR. FLIGHT: A sawmiller is not allowed to cut budworm killed wood inside Bowaters limits.

MR. MAYNARD: Well now that is not quite true the sawmillers are not allowed to cut wood on Price or Bowaters Limited. I will come to that in a few minutes as well.

The reason why - and I cannot argue with the technical or mechanical aspects of it, whatever might be appropriate - the reason why we will loose a fair amount of wood is because

Mr. Maynard: the paper making process cannot use any more than approximately 50 per cent of wood that has been infested with the budworm or some other insect such as the hemlock looper, and essentially is in a dying stage. They cannot use any more than 50 per cent in their process. Otherwise, for some reason, I guess it is the fibre or whatever, the sap in the trees, the paper is not of a quality that they can use. Now that is a technical argument, and I cannot argue against it. I doubt if there is anyone in the House that is -

MR. NEARY: The Chief Forester for Bowaters said you could use it up to five years, after five years.

MR. MAYNARD: That is right. You can use it up to five years after it has been considered moribund or in the dying stage.

MR. NEARY: That is right.

MR. MAYNARD: But you can only use a certain percentage at any one time. Now it takes approximately five years after the wood is considered moribund or in the dying stage before it goes completely dead and we have 2.1 million cords that is completely dead, that is really no good for anything right at this time because it is no good for lumber, it is no good for paper or anything. But during that five year period as I understand it from a technical aspect there is only approximately 50 per cent that can be used of the dying wood. The other 50 per cent has to be prime timber, so therefore you can only salvage so much per year.

Now I think both companies are salvaging at this point in time as much as they can inject into their system. There may be more that they can salvage if we extend the road network or whatever but it appears to me that they are interested and -

MR. NEARY: Well, what about the Linerboard mill a few miles up the road?

MR. MAYNARD: - that they are co-operating in salvaging with us.

Now the same situation as far as the budworm killed wood that can be used in the paper making process applies to linerboard as well.

MR. MCNEIL : It is not true. Linerboard can use -

MR. MAYNARD: Well if it is not true, then I would suggest that the hon. gentleman get some scientific papers on it because that is what I am told from a technical and scientific viewpoint. You know, there is a great misconception about linerboard in the process as people feel you can throw anything into the mill and make linerboard out of it. That is not quite true. Linerboard has to have quality standards as well as anything else. And, you know, the misconception that any old thing that you take off the ground and regardless of what it looked like as long as it was called a tree was going to make linerboard -

MR. NEARY: What about all of that trash they brought in for recycling?

MR. MAYNARD: - is totally untrue and it is a total misconception. The point was brought up that we could harvest the budworm killed wood - I think this was inferred, I am not sure - and keep Linerboard going. Well let me put aside another misconception, Mr. Chairman, that the problems with linerboard while a wood supply and wood cost was a part of that problem by no means was it the total problem as far as Linerboard was concerned. Under no conditions was it the total problem. It was part of the problem. But Linerboard never during its history had any problems with the amount of wood that they could get.

MR. FLIGHT: It was the cost of getting at it.

MR. MAYNARD: There was a problem with the cost. And, as I say, we hope and we are pretty sure that we can get the wood supply into a mill in Stephenville at a reasonable cost. And the wood is available in the Province. We have already established that. The subcommittee that was set up last year established that. The fact of the matter is that we have to devise a different transportation system. And assuming that the wood can be brought into Stephenville at a reasonable cost, that is not the total solution. There is marketing. There are many other factors involved in Linerboard which cannot be solved just by saying, "Okay. We got a lot of bug killed timber. Let us cut it and put it into linerboard." While that would be part of the solution it is not the total one. The Linerboard or a mill in Stephenville I am confident will start up and will produce a product. I would doubt, as many people said

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Mr. Maynard: in the past, whether it will ever produce linerboard again, but I am convinced that it will produce a product. We do not feel that there is any problem whatsoever in allocating timber supplies to Linerboard, to the mill in Stephenville. We cannot, and there is no point in saying that we are going

MR. MAYNARD: say to Bowaters, "Okay. Give up half your Humber Valley holdings and give it over to Linerboard," because that is not solving anything. That would so uneconomical that Bowaters would not be able to operate and then you would have two mills not operating. We cannot say to Price, "Give us half of your timber around the mill and move out another 150 miles, 200 miles and get your timber either off the Northern Peninsula or Labrador or Baie d'Espoir," or wherever. That makes it uneconomical for them, so there is no point in us doing an allocation of wood to any mill in Stephenville that is going to jeopardize the life of one or the other mills. The problem is not as simplistic as it was pointed out in many cases. But we do feel that with the transportation solved that we can get wood fibre into the mill in Stephenville at a reasonable cost and we do not think that that is going to be a problem as far as the future operation of a wood using industry there is concerned.

MR. FLIGHT: Would the minister indicate where is this wood supply he is talking about?

MR. MAYNARD: There is a number of areas where the wood can come from, Mr. Chairman. There is almost the whole of the Northern Peninsula, which has some substantial holdings; there is the Bay d'Espoir area; there is the Bonavista North area; there is a number of areas around Stephenville now that are available to Linerboard that is not allocated or has never been allocated to Price or Bowaters. There are a number of areas in this Province where wood can be made available.

MR. LUSH: On the Island?

MR. MAYNARD: On the Island, yes.

MR. LUSH: There is enough wood on the Island to supply three mills.

MR. MAYNARD: There is theoretically enough wood on the Island for three mills, assuming we do not run into any more budworm problem. But even with that if we are able to keep the budworm suppressed, we think there is enough wood on the Island to supply the three mills and we always have the fall-back of Labrador wood. I do not know how

Mr. Maynard: we solve the problem of the cost of wood from Labrador, that is something I am not going to get into a debate about, but certainly the supply of wood is there in Labrador, and it is good timber. It has a very good conversion factor, better than anything we have on the Island. It is just too bad that we have run into so many problems in getting it down. I am sure that nobody is going to indicate that we have quit trying on that, but it is a problem that is more significant than anything we have as far as the Island transportation system is concerned.

While I am talking about Labrador, the hon. member for Naskaupi (Mr. Goudie) mentioned the difference and I think asked a question about the budworm situation in Labrador versus the Island portion of the Province. To be very brief about it, the situation is that while the budworm does attack spruce forests, and attacks them just as viciously as it does fir forests, spruce forests, seem to be able to withstand the attacks. We do not consider it necessary, and you will see when the outline is given we have not considered it necessary to have an aerial application of insecticides in spruce forests either in Labrador or on the Island because the spruce forest is able to stand up to the attacks a little bit better. There is one exception and that is we are trying through the nursery in Grand Falls, which is a part of the overall forest management policy and replanting that the member for Windsor-Buchans (Mr. Flight) refers to, we are trying in Grand Falls to build up a fairly substantial nursery of spruce seedlings. Now in order to get these spruce seedlings, we have to get them from fairly young and vibrant spruce in the Province. And over the past couple of years we have noticed that the budworm has attacked the young spruce where we normally gather our seed cones and this is causing some problems in getting future seeds. We will be obviously protecting those stands as a sort of a special effort because the nursery is very important to the overall forest management policy in the forest future of the Province.

April 10, 1978

Tape 821 (Night)

PK - 3

Mr. Maynard: And I see I have got one minute left so I will
sit down and see if I can get another chance in a few minutes.

SOME HON. MEMBERS: Hear, hear!

MR. CHAIRMAN: The hon. member for Terra Nova.

MR. T. LUSH: Mr. Chairman, I was delighted to hear the minister say that they have quickened up, that they have speeded up the process of applications with respect to Crown Lands, last year having received approximately 4,000 applications and processing approximately 1,000 applications. So it looks like they have moved from, they have progressed from glacial speed to turtle speed but that is not the burden of my address really.

MR. PECKFORD: Turtle speed?

MR. T. LUSH: Yes, from glacial speed to turtle speed. I wanted to ask the minister a few questions. First of all, I wanted to direct the minister's attention to the regional offices. Now I do not know what they are referred to as, whether it is a Crown Lands or the forestry offices, but anyways the regional offices sponsored by the Department of Forestry and Agriculture. I am wondering what the purpose of setting up these regional offices was for because the way it looks like to me right now is that these regional offices have absolutely no power, about the only thing you can do is get applications there. What you do is save a fourteen cent stamp, because I understand to get a permit for cutting you just go and get an application, fill it out there and that is mailed to here in St. John's. The same thing with a permit for a sawmill operation; just fill in the application there and it is sent back here to St. John's. I had the experience of accompanying a man from St. John's who wanted to set up a sawmill somewhere in Bonavista Bay and we were told to go to a regional office in that area. We went there and found out we thought we could pick up both applications or permits, the permit to cut and the permit to operate a sawmill, right there, to find out it would take several weeks because it had to be sent back here in St. John's.

MR. T. LUSH: Now certainly that is a waste of public monies if that is all these public offices are going to be for, to be able to pick up applications. And I am not at all saying that the regional offices should not be there but if they are there give them some power, let them be able to approve various permits and applications, but under the present situation it is just a waste of public funds.

Secondly, I want to comment on the Crown Land regulations respecting cabins. I want the minister to be very specific about this when he responds as to precisely what is the purpose of these regulations? What is a temporary cabin? What people will have to destroy their cabins? - I do not think the minister is listening and this is a very important and vital matter - What cabins would be permitted or what types of cabins are permitted to remain as is? What cabins have to be destroyed? Just tonight I have had three calls from my district from people with cabins on Morrissey's Island and out around Burnside who received notices that they have to get their cabins removed.

MR. MORGAN: Because they built without a permit!

MR. T. LUSH: Yes.

MR. F. WHITE: Like hundreds, like thousands in Newfoundland. Where are we? In Russia?

MR. T. LUSH: Again I make the point - I am just wondering who is making these laws. I cannot believe that it is the minister, a bona fide Newfoundlander. I cannot believe that he is attempting to uproot the lifestyle of Newfoundlanders, people who were accustomed to building cabins. What we are doing, Mr. Chairman, is that we are denying these people a bit of pleasure. I mentioned a couple of days ago in speaking to a petition that what has happened is that in addition to these people who have these temporary cabins set up for hunting and fishing, we also have people building cabins a little ways

MR. T. LUSH: From their homes, down by the seashore, up in the woods a little bit so that they can take their families away for a weekend and give them a little bit of pleasure. I mentioned they cannot afford to go South, they cannot afford the luxury.

MR. F. WHITE: And now they have to go to court.

MR. T. LUSH: And these people are being denied this opportunity of building a cabin to give their family a little bit of recreation, to allow them to go out in the bay and soak their feet and swim and catch a few tomcods. It is cruel, Mr. Chairman, cruel in a Province where we have so much land available.

Mr. Lush: such a large landmass, and making it so difficult for our people to obtain land.

MR. WHITE: Like Russia!

MR. LUSH: Cabins eight and ten miles up into the woods, asking people to get that surveyed, and the survey will cost twice as much as the cabins they got up there. A ridiculous situation -

MR. WHITE: Scandalous.

MR. LUSH: - changing the lifestyle of our people, and it is an outrageous policy. I see no reason for it at all. There must be some more humane way we can go about this to try and come up with mapping of the land of this Province without denying the people the privilege of going out and, as I said before, taking their family away for the weekend for a little bit of recreation and living according to their style.

MR. MORGAN: We have had the same problem every year, long before this Administration came in.

MR. LUSH: Well, obviously it was not enforced. And now I cannot say that I can agree with the way that the government is enforcing this.

SOME HON. MEMBERS: Hear, hear!

MR. LUSH: There was very little publicity to the whole matter. As a matter of fact I know of people from the Department of Forestry that went in areas where men were building cabins last Summer and did not tell them that they were doing it against the law, and the same people now have issued notices to those people to destroy their cabins.

DR. KITCHEN: Burn the cabins.

MR. WHITE: They will live to regret it.

AN HON. MEMBER: Yes.

MR. WHITE: They will live to regret it.

MR. LUSH: Mr. Chairman, I want to refer to farming for just a couple of minutes.

MR. LUSH: The area of Lethbridge and Musgravetown is one of the largest farming areas in the Province, the largest farming area. I would like for the minister to tell the House just how it compares with other farming areas in the Province. But with farming, I would just like for the minister to direct himself to this question: just how far can we go with respect to self-reliance in farming? What vegetables, for example, can we hope to be able to supply this Province without importing vegetables? And I am of the firm belief that there are some vegetables in which we can be self-reliant - potatoes, turnip, cabbage, these vegetables.

Now, Mr. Chairman, the difficulty in the Lethbridge-Musgravetown area is with marketing. And I believe with a little bit of effort from the government, a little bit of concern, that this problem can be solved. But I am not sure that the Department of Agriculture know that Lethbridge and Musgravetown exist.

MR. WHITE: Of course they do not.

MR. LUSH: I see very little evidence of government presence in that area trying to assist the people. Mr. Chairman, it is a prosperous area, a booming area and all we need is a little bit of help with respect to marketing. I know that minister has attempted to set up some sort of a marketing board, but I am not sure that farmers have been given the right information, if they have been given any information at all, as to the pros and cons and the kind of market system. Oh, yes, they have been sent out questionnaires.

MR. NEARY: Right.

MR. LUSH: But, you know, farmers do not have time to read questionnaires. We have 117 people in the Department related to agriculture - 117 people. Certainly with these numbers of people there should be enough people there to go down into Lethbridge and Musgravetown and tell the people there what it is the minister has in mind.

MR. WHITE: If he does not know how can they tell them?

MR. LUSH: And I just wonder -

MR. MORGAN: (Inaudible) out in Clarendville.

MR. LUSH: Yes, I know he is there. I know he is there.

SOME HON. MEMBERS: Oh, oh!

MR. LUSH: But, Mr. Chairman, there is a need to pay attention to those areas where farming is viable -

MR. WHITE: Tell him off!

MR. LUSH: - and to make it more productive.

SOME HON. MEMBERS: Hear, hear!

MR. LUSH: And to send in the experts from the Department of Agriculture to help the farmers with marketing their vegetables, and I just want to make this point and then I will take my place. There are two things I think the government can do with respect to helping farmers market their produce; Number one -

MR. WHITE: Recognize that there are farmers.

MR. LUSH: - the Minister of Industrial Development. I think it was some time early the Fall made a statement of policy with respect to construction. I think the impact of the statement that with respect to government jobs that it was going to become mandatory to use local materials and local manpower. A good policy. Now I am wondering why we cannot transfer that policy into our

Mr. Lush: agriculture, into farming, vegetables.

MR. WHITE: Quebec did.

MR. LUSH: And there are two things we can do; One is that the government can encourage and make it mandatory for government institutions to use our local produce. This will help immensely. It certainly would not solve the problem but any step in this direction is a help, so make it mandatory that government owned institutions use our local produce. And secondly, let us carry on a promotional campaign encouraging our own people to buy our local produce. I think these two steps, Mr. Chairman, would not solve the problem, certainly, but would certainly help immensely.

And there are many other things I want to say, Mr. Chairman, in this respect, but there are other people anxious to speak so I will take my place.

MR. CHAIRMAN: The hon. the member for Stephenville.

MR. W. MCNEIL: The Minister of Forestry has stated that the Linerboard operation can only use a good fibre of wood. Well I do not know where he got his information, but the Chief Executive of the mill last year, Mr. Jack Sweeney, stated that they could produce linerboard from the wood almost to the point where it was almost to where the material was crumbling, where by comparison to newsprint, newsprint could only use a good fibre. Linerboard is made out of a junk product. And basically he said you could use roots and all, whereby in newsprints it cannot be.

Now another point is why are some mills operating solely on a secondary fibre? They do not use any wood whatsoever, they just use the secondary fibre, some of the clippings that we used to see coming into the Linerboard operation. The problem was in Stephenville the mill was not equipped with a proper machine to purify the incoming secondary fibre.

The philosophy of this government actually seems to be that if you are sick they would recommend that you take a trip to the morgue. And that is actually what happened with the Linerboard mill in Stephenville in effect. But the former Minister of

Mr. McNeil: Rural Development stated that the banks, the financial institutions were not doing their part. Maybe so. But I do not think the problem lies there, I think the problem lies in that this government is not setting the proper atmosphere, the climate to induce or encourage risk capital to come into this Province. And I will give you an example of this dealing with the sawmill industry. In January I had an opportunity to meet in Central Canada one of the major brokers in the lumber industry; as a matter of fact this one company sells in the run of a year over 200 million board feet. This Province only consumes in the vicinity of 70 million to 90 million board feet. Now this company is spread out in Central Canada and selling down in the U.S. and it was thinking of marketing its product in Europe and they were thinking of setting up an operation or a depot in Newfoundland, in Western Newfoundland where they would be close to the European Common Market.

So he went to his financial people, he put his scheme forward, and he asked for some capital, some risk capital. He had already proven himself and he has a very successful operation. And the words that came back to him was that we do not want to play Russian Roulette with five bullets in the chamber with our money down in Newfoundland, and in particular in Stephenville. And then they pointed to the fact that we had one of the finest mills in North America, if not the world, and we could not make a success of it, and that the government had a beautiful opportunity to make in-roads in labour, in industrial relations, for example, and that seems to be the new trend in Canada whereby we are asking some of our workers to sit on the Board of Directors and have input in decision and policy making in the future of the company.

MR. McLELL: So, Sir, when you say that the Banks are not being responsible in this Province in providing risk capital, I think the problem does not lie with the banks but lies with this government in not providing the climate to encourage it.

Another good point I would ask the minister to point out is that on the - he mentioned the waste from the damaged wood and he mentioned that there was fifty per cent of this damaged wood that would be just left in the forest to rot with no economic return. Looking back a little, would it not have been better if the government had tried to save some of this wood and the fact that Linerboard could take this wood from us in any degree - I think it is two to three years after the paper mills can use it that Linerboard could use it - would it not have been better in order to keep people employed in this Province to bring it to the mill, you could have put it in rolled pulp and then you could have sold it back to the other mills, you could have preserved it a little bit? As a matter of fact I think Linerboard has a rated capacity or has produced rolled pulp up to fourteen hundred-some-odd tons. They did not have to produce just linerboard. They could have produced rolled pulp and stored it, or even sold it to the other companies for that matter, and we would have saved on this wood and would have got a little economic return back.

Maybe the minister could emphasize if his government or if the Advisory Board did in fact recommend for the Linerboard mill to consume a lot of this raw resource, this infested wood, and did not Price and Bowaters agree to work with Linerboard in order to clear up some of the infested areas? Now I am not sure if this is correct or not, but I understand that Price and Bowaters were willing to work in conjunction with our provincial government in trying to clean up some of these infested areas. They would go in whatever direction that the government indicated. Could the minister explain that for me?

MR. MARSHALL: Mr. Chairman.

MR. CHAIRMAN: The hon. member for St. John's East.

MR. MARSHALL: I have a couple of observations, one by way of a question really to the minister, but first of all I cannot let pass the

MR. MARSHALL: observations of the member for Terra Nova (Mr. Lusa) that I heard and where he indicated why should not people be allowed to just build cabins wherever they wanted, anywhere around. Well if that is so, if that is the policy we can scrap completely the Crown Lands Division and not make it necessary for any land grants, not make it necessary for any titles, just let anyone build anywhere, and let them build in the middle of Rawlin's Cross if they want. It is as ludicrous as that.

Now I want to ask a question of the minister and I will be very brief because I know the time is going. I do not like to ask; it is rather a sort of queer feeling to ask the minister a question when I am talking to him and he is back on, It is a sort of queer situation. I can assure the minister that I am not going to stab him in the back but I will make the question as brief and concise as I can. The topic of the question comes up as a result of meetings I had tonight and it results from somebody voicing concern with respect to residents in the St. Thomas's area. This relates to the granting of a reserved roadway, and these are reserved roadways that are granted and reserved in the Crown lands in the Dogberry Hill road area down around St. Thomas, to private citizens. I understand and I have not been able to check the veracity of these facts but I know the minister will want to check it, and I do not expect him to be able to give the answer immediately but I would like him to take it under advisement - that there is a roadway down there that has been granted to two or more private citizens and that this will block the access of citizens in the St. Thomas's area to their land in the area itself. I would like the minister if he could to check into this and in the meantime if he does have time to respond - I know time is going on now and perhaps he may want to deal with it at a later date - to inform us what exactly is the policy with respect to the granting of these reserved roadways because

Mr. Marshall: it would appear to me to be something that ought to be looked into and looked into very carefully, if in fact my facts are correct, and they would appear to be because it has been expressed by a number of citizens in the St. Thomas's area, that a reserved road way is being granted to private citizens. And the net result of this will be that it will block access to land in the back owned by citizens of the area that the matter ought to be, first of all, looked into and at the same time perhaps he can, if he cares, if he does not have time perhaps later on acquaint the Committee with the policy in instances such as this.

MR. CHAIRMAN: The hon. member for St. John's West.

DR. KITCHEN: Mr. Chairman, I shall be very brief.

In all this discussion of Crown lands, I think it should be kept in mind that the purpose of the Crown Lands Division is to make land available to the people for use. That is the only purpose for which it exists, is to control making available of land for use, not the prevention, not keeping the land from the people and the industries and so on. It is to co-ordinate and make available land, not to prevent it.

SOME HON. MEMBERS: Hear, hear!

DR. KITCHEN: And the attitude seems to be on the other side here that the purpose of the Crown lands is to keep the sons of guns from building on it.

MR. WHITE: That is right.

MR. LUSH: Preserve it -

DR. KITCHEN: This is the attitude that was just displayed in the recent speaker.

MR. LUSH: - in its virgin state.

MR. NEARY: You would not know but he owned it himself.

MR. LUSH: Preserve it in its virgin state.

DR. KITCHEN: Now a few little points on Crown lands. I was in Gander the other day and some residents of Glenwood brought to my attention that there is a very lively industry in that area, hunting,

Dr. Kitchen: and hunting rabbits, and people make a fair amount of money in that. What they are afraid of is that this policy of closing up the cabins on Crown land, burning them down, will actually prevent them from making a living. Now what I want assurance on from the minister is this, can he assure the people that where people have cabins that they use in the Winter for hunting rabbits, and they have been using them for twenty and thirty years, that they will not be booted out of these cabins -

MR. WHITE: And burned down.

DR. KITCHEN: - and burned down, and that they continue to use these cabins to make their living hunting rabbits in the Wintertime and doing other hunting operations.

I might also call to the attention of the Committee, Mr. Chairman, the fact that in the Department of Crown Lands, I was looking at the salary details, and I was looking at the overtime amount: \$683.00 for sixty-three people. It is not an awful lot of overtime, in case somebody got stuck for a bit of land they really wanted to process that night. Perhaps -

MR. WHITE: They work at night, 'Herb'.

DR. KITCHEN: Nobody works overtime at all, is that right?

MR. LUSH: Christmas Eve.

DR. KITCHEN: Christmas Eve. What was that, \$683? That is a terrible lot of money compared to some of the other departments.

But on a more serious note though, the sawmilling timber supply: It has been raised twice now by the member for Windsor-Buchans (Mr. Flight) and not answered by the minister, and I would like very much for the minister to address himself to this problem of the timber supply for sawmills. I remember some years ago when the person who is the present Premier ran for a federal riding and the main plank in his platform was the making of wood available for sawmills in the Trinity Bay area. All over Trinity Bay we use to hear this person who was running for Bonavista-Trinity-Conception at the time saying how he would love to make the timber available. And that is one thing

Dr. Kitchen: he has not done, and that is why he is not going to get any votes in that area any more.

MR. WHITE: He forgot about it.

DR. KITCHEN: He forgot all about it.

MR. WHITE: He forgets about it after every election.

DR. KITCHEN: Price is no sacred cow. There is nothing sacred about Price(Nfld.). They are a fine group. We grew up in one of the Price towns. And if you moved out of that town, the little town of Millertown, if you moved out and you happened to have built an outdoor toilet on your property and you moved out, you had to get the company's permission to sell it to your next door neighbour. Now that is the type of mentality that Price had. They were lords and masters of everybody and everything, and they should not be that. This is our country. It does not belong to a bunch of Abitibians, whoever they might be. We are already subsidizing the power that they are using in Grand Falls, and we were assured the other day that there were no attempts made to renegotiate that, afraid we might frighten them off. This company, this mill has been one of the most highly productive and profitable operations that there has ever been in North America, even during the Depression,

DR. KITCHEN: That group was cleaning up millions and millions of dollars. We do not owe Price anything, we owe them nothing. They have taken blood from the people of this Province and they have taken money from the Province and they are continuing to do it. What they have to do in this Province is act as responsible, corporate citizens and one of the things they have to do is to allow people to cut wood on their timber limits for sawmills. And the same thing is true with respect to any other companies that are operating. It is our land, it is our timber. They may have certain rights but they have to play the game with the people of Newfoundland and do it properly. If this present government is not prepared to do it then perhaps some other government is going to have to do it some time.

The other question I am going to ask rather quickly has to do with agriculture. Many of the farmer friends that I have are not particularly happy with the treatment they are getting from the Department of Forestry and Agriculture. They feel that the Department of Forestry and Agriculture, like so many other aspects of government, are not run for their benefit but perhaps for the benefit of the people who are working in the Department of Forestry and Agriculture - 117 employees, \$2.5 million. I would like to ask the minister this question: Of what value to the farmers of Newfoundland is the Department of Forestry and Agriculture? Let him tell it: What is the value of the Department of Forestry and Agriculture to the farmers of Newfoundland? How many new farms have they encouraged to be established? How many farmers who are trying to get government assistance to get a farm going have they helped this year and last year and are they are going to help this year under the present Budget?

These are real questions. No government department exists just to perpetuate itself. It must serve the people of this Province. The Agricultural Department must serve the farmers of the Province, the Crown Lands must serve the people who need land, and the Forestry Department must serve the people who need wood.

SOME HON. MEMBERS:

Hear,hear!

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

MR. SPEAKER: The hon. Chairman of Committees.

MR. CHAIRMAN: Mr. Speaker, the Committee of Supply have considered the matters to them referred and have directed me to report having passed Estimates of Expenditures under Heading V, Labour and Manpower, without amendment and have made further progress and ask leave to sit again.

MR. SPEAKER: The Chairman of the Committee reports that they have considered the matters to them referred, having passed all headings of expenditures without amendment, under Heading V, Labour and Manpower, made further progress and ask leave to sit again.

On motion report received and adopted.
Committee ordered to sit again on tomorrow.

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

MR. HICKMAN: Mr. Speaker, with the consent of hon. members I have a short statement.

MR. NEARY: We already know about the 8 per cent sales tax.

MR. HICKMAN: Do I have consent?

Mr. Speaker, effective midnight tonight the retail sales tax rate in the Province of Newfoundland will be lowered from 11 per cent to 8 per cent. This reduction will apply on all purchases except wines and spirits sold for home consumption, tobacco products and amusements.

The 8 per cent rate will remain in effect over the six month period ending October 7, 1978. Similar tax cuts are being initiated in six other provinces as part of a co-ordinated effort by the federal government and the provinces that is aimed at stimulating the economy. In order to bring the tax reduction programme into effect, an agreement is being signed with the federal government that will allow the transfer of additional federal income tax revenues to the Province. Details of the transfer are contained in the federal budget that is being presented in the House of Commons this evening, and still in the process of being presented.

The transfer of additional income tax revenues to the Province does not result in an additional tax burden being imposed on Newfoundlanders. By transferring these revenues to the Province a reduction in sales tax is made possible.

This tax reduction will hopefully increase consumer spending in Newfoundland and Labrador over this period, and it should stimulate the

MR. HICKMAN: Newfoundland economy and should contribute to real growth.

If we can provide stimulus at this time, then we can expect to attract tourist dollars to our Province, and to spur growth, particularly in the service sector. I am hoping this action will contribute to improving business confidence and lead to additional employment opportunities.

The six month reduction in the sales tax should bring prices below current levels on many consumer items, thus helping to bring a reversal to inflationary trends as we move into the post-control period.

AN HON. MEMBER: Hear, hear!

MR. HICKMAN: When this proposal was put to me last week by the Minister of Finance of Canada, I informed him that we would accept his proposal but I was obliged to advise him that this programme would end just as Newfoundland entered a period of seasonal unemployment and I would very much prefer that it cover a period of at least one year.

However, the Minister of Finance did not agree with that suggestion.

SOME HON. MEMBERS: Hear, hear!

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

MR. W.N. ROWE: Thank God, Mr. Speaker, that we have a government in Ottawa which will do for this Province what the provincial government refuses to do -

SOME HON. MEMBERS: Hear, hear!

MR. W.N. ROWE: - what the provincial should have done when it brought down its budget two or three weeks ago.

SOME HON. MEMBERS: Hear, hear!

MR. W.N. ROWE: The only question you can ask, Sir, is what would the Federal Government of Canada, the Liberal Government of Canada, do to help this Province if they had a provincial government that they would deal with and co-operate with?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Order, please!

I must point out to the hon. gentleman, as he is well aware, that the rules do not permit him to debate the statement, but to comment on it or ask questions thereon.

The hon. the Leader of the Opposition.

MR. W.N. ROWE: Well, Sir, we are doing it by leave of the House in any event. We gave the minister leave so I assume I have leave, Sir, to make a few pertinent comments. Because, Sir, if Your Honour would remember it correctly, while the Minister of Finance was making his statement, even in the face of this generosity and largess by the Liberal Federal Government in Ottawa, he could not resist the little sting at the end of the tail, Sir -

MR. NEARY: Little dart.

MR. W.N. ROWE: - the little dart, trying to pretend that somehow the federal government is letting us down because they will not accede to his request to keep this into effect for a year rather than six months.

MR. NEARY: They had to force him to take this.

MR. DOODY: We tried to have it in effect for our -

MR. W.N. ROWE: I would love to have it in effect for ten years, Mr. Speaker. All I am saying is what could we get in this Province if only, Sir, we had a government, a provincial government, which could co-operate with Ottawa, deal with Ottawa, rather than consistently and

MR. W.N. ROWE: constantly lash out and kick at and bite the hand that continuously feeds it.

SOME HON. MEMBERS: Hear, hear!

MR. W.N. ROWE: That, Sir, that problem will be remedied. The Liberal Federal Government will undoubtedly now as a result of this make a clean sweep of most of the Provinces of Canada, if not all, and, Sir, the problem that I have just mentioned, namely the lack of co-operation in dealing with the federal government in Ottawa, will be remedied, Sir, sometime between now and the next two and-a-half years. When we can get to the polls here in this Province, then we will have a government, Sir, that can deal with and co-operate with the generous Federal Liberal Government in our Capital, Ottawa.

SOME HON. MEMBERS: Hear, hear!

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

MR. HICKMAN: I am not sure, Mr. Speaker, if the hon. Leader of the Opposition asked me a question that he wanted me to respond to.

MR. W.N. ROWE: No, Sir, you said it all.

SOME HON. MEMBERS: Oh, oh!

MR. HICKMAN: All right, Mr. Speaker. In moving the adjournment, may I say that I am shocked to learn that the government in Canada would discriminate against the people of Newfoundland because they have a government in power of a different political stripe. I am sure that the hon. Mr. Chretien would not like that.

Mr. Speaker, I move that the remaining orders of the day do stand deferred and that this House at its rising do adjourn until tomorrow, Tuesday at 2:00 p.m., and that this House do now adjourn.

On motion, the House at its rising adjourned until tomorrow Tuesday, April 11, 1978 at 2:00 p.m.