

PRELIMINARY

UNEDITED

TRANSCRIPT

HOUSE OF ASSEMBLY

FOR THE PERIOD:

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

WEDNESDAY, AUGUST 8, 1979

The House met at 3:00 p.m.

Mr. Speaker in the Chair.

MR. SPEAKER: (Simms) Order, please!

On behalf of all hon. members, I would like to welcome to the galleries today seven members of the New Brunswick Legislature who represent the New Brunswick Select Committee of the Legislature on Renewable Resources, and as Chairman Reverend David Bishop. And we trust that their visitation to our Province will be both enjoyable and informative.

SOME HON. MEMBERS: Hear, hear.

STATEMENTS BY MINISTERS

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

MR. L. BARRY: Mr. Speaker, I have the honour today to announce the commencement of the largest construction project in this Province since the construction of Labrador Linerboard, namely, the Upper Salmon hydro electric development which will have a total capital cost of \$155 million and at its peak will employ over 400 men.

SOME HON. MEMBERS: Hear, hear.

MR. L. BARRY: And because, Mr. Speaker, this government believes in concern for people as well as for the development of resources, I had the privilege this morning of meeting with people in the Bay d'Espoir area and telling them first-hand that this project would commence and that the access road for the Upper Salmon development project would go in through the St. Alban's area.

SOME HON. MEMBERS: Hear, hear.

MR. L. BARRY: The people of Buchans, however, I want to make clear, will be given preferential treatment for employment on this project together with the people of the Bay d'Espoir area - these two areas of our Province. The Bay d'Espoir area has suffered long-term unemployment problems really since the Bay d'Espoir development ceased operations down there. There has been very little in the way of employment opportunity for the people of Bay d'Espoir

MR. L. BARRY: and we are also very much aware and very much sensitive to the needs of the Buchans area which is now facing the phasing down of the mining operations, and we know there are already large numbers of men that have been laid off and possibly others to come if the life of that mine is not extended. So we, as a government, have decided that there will be preference given to both of these areas in employment on the Upper Salmon power project and provisions will be made for special employment offices of Newfoundland and Labrador Hydro to be located directly in each of these areas, one in Buchans, one in the Bay d'Espoir area.

SOME HON. MEMBERS: Hear, hear.

MR. BARRY: These offices will operate in conjunction with Canada Manpower but will be a special, exceptional arrangement made to ensure that the people of these two areas get an opportunity to benefit from the construction activity. We are also looking at ways in which the workers from Buchans who can get employment on the site, arrangements for the regular commuting of these workers back and forth to Buchans over the term of the project. So we will be very much aware of the need to meet the employment problems in the Buchans area as well as that of Bay d'Espoir.

Now generally, just briefly, Mr. Speaker - and this statement is being distributed to all hon. members and I will not go through it in detail because it is quite lengthy - but if I could just mention a couple of factors: First of all that in approving the release, giving the approval for construction of this project, this government has been very much aware of the fact that there are environmental considerations. We have since 1975, and I had the opportunity as previous Minister of Mines and Energy to commission environmental studies, we have been aware of the fact that there could be possible disruption to the wildlife in the Upper Salmon area, and for that reason we have taken certain exceptional measures. The first phase of the project will be the construction of the access road; that will start immediately for completion in this coming year. But even though the access road is underway, as of now there will be provision made for the modification of this road in the event that the continuing environmental studies which will be going on through this year, and indeed through the life of the project, indicate that measures are needed in order to permit the migration of caribou herds and so forth. There has been a decision that we will have an environmental monitor, not employed by the Hydro Corporation but employed by the Department of Consumer Affairs and Environment, and this person will monitor the project from an environmental point of view and will ensure that the project takes

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MR. L. BARRY: place under certain control conditions
so as to minimize the impact upon wildlife or on the environment
generally. There are many things that we are already aware need to
be done in order to protect the caribou, for example, and the instructions
have already gone out that this be done, things such as maintaining
the natural vegetation as much as possible, keeping the road as narrow
as possible, keeping

MR. BARRY: ditches as shallow as possible so as not to provide impediments to the migration of the caribou herd, and many other details, all of which are set out in this statement which I will leave hon. members to go through themselves.

By 1983, Mr. Speaker, we will need the energy of the Upper Salmon development in order to meet the needs of this Province. Prior to the Labrador power in-feed being completed for the Island, we have to meet our needs in 1983, 1984, 1985. And the Upper Salmon at 40 mills is not cheap power, but at 40 mills it is the cheapest of the alternatives, the most efficient of the alternatives for meeting the needs of the Province.

I am sure all members will agree, Mr. Speaker, that this is a very significant decision for this government to have taken, a decision that will help ensure the continued prosperity and growth of this Province.

Thank you, very much.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. SIMMONS: Mr. Speaker, it is a very happy day for Bay d'Espoir. I welcome the announcement on behalf of the people of Bay d'Espoir. It is an announcement that is somewhat overdue, an announcement that was somewhat the subject of some political manoeuvring but I suppose that is to be expected. I noted the minister's new-found concern for people and I welcome it. I welcome it. It was totally absent in his commitments to the people of Buchans who were -

AN HON. MEMBER: Now do not be sarcastic.

MR. SPEAKER: Order, please!

MR. SIMMONS: - led down the garden path on the issue of the Upper Salmon, it was totally absent in the government's manoeuvrings on this matter during the election. But thank God, Mr. Speaker, even the minister has seen the light and now has some concern for people.

MR. WHITE: Hear, hear!

MR. SIMMONS: Mr. Speaker, the minister is getting the two issues confused. Number one, I welcome without equivocation the very happy announcement today for Bay d'Espoir. I cannot, Mr. Speaker, allow that to be construed that I condone the minister's cruel dealings with people in the Millertown area and the Bay d'Espoir area over the past several months.

MR. BARRY: You want both roads going in?

MR. NEARY: The Premier said that both roads would go there.

MR. SPEAKER (Simms): Order, please!

MR. SIMMONS: Mr. Speaker, the decision is a happy one. The events that led up to the announcement of the decision are despicable in the extreme.

MR. FLIGHT: Scandalous! Scandalous and disgraceful!

SOME HON. MEMBERS: Hear, hear!

MR. SIMMONS: Despicable in the extreme.

MR. NEARY: Cruel. Cruel.

MR. SIMMONS: If they want to show concern for people -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. SIMMONS: Did you get your happy pills today or not?

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

MR. SIMMONS: I welcome also, Mr. Speaker -

Mr. Simmons: Mr. Speaker, is there any way -

MR. NEARY: What is wrong with the happy undertaker today, Sir?

AN HON. MEMBER: "it for tat.

MR. SIMMONS: Is there any way to put him on there for a few minutes, Mr. Speaker?

AN HON. MEMBER: (Inaudible)

MR. SIMMONS: Mr. Speaker, I welcome in particular the minister's announcement about preferential treatment in hiring practices for the people of Bay d'Espoir and the people of the Millertown, Buchans area. And again, Mr. Speaker, I am sure I will be allowed to add a word of caution, because the last time we heard such a commitment from a Minister of Mines and Energy, the minister concerned is now the Premier, and he made a commitment to the people of Buchans and Bay d'Espoir in regards to the Hinds Lake project.

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

MR. SPEAKER (SIMMS) On a point of order, the hon. the Premier.

PREMIER PECKFORD: On a point of order.

MR. NEARY: He is in a fousy mood today.

PREMIER PECKFORD: Mr. Speaker, the hon. member for Burgeo-Bay d'Espoir (Mr. Simmons) has just made an allegation that at some time when I was Minister of Mines and Energy I made a commitment for preferential treatment for employment practices to be practiced at the Hinds Lake project, which is completely erroneous. At no time while I was Minister of Mines and Energy did I make such a commitment and therefore I would ask the hon. member for Burgeo-Bay d'Espoir if he would withdraw that allegation because at no time, either verbally or in print or over any media or in any forum, did I indicate preferential treatment as it related to hiring practices at the Hinds Lake project for any party.

MR. SIMMONS: To the point of order, Mr. Speaker.

MR. SPEAKER: To the point of order, the hon. member for Burgeo-Bay d'Espoir.

MR. SIMMONS: The printed record to which the Premier refers, of course, will show me correct on this one. Had he waited until I completed the sentence he might have got the thing more in context. What he said, and what I was about to report to the House, was that in regard to the Hinds Lake project arrangements had been made for two Manpower offices to be set up so that people in the Corner Brook-Deer Lake area would get preferential treatment but to the same degree only that the people being served by the Grand Falls office would get treatment. He gave the information publicly that the two offices would treat applicants the same and to that degree the people from Corner Brook and the people from Bay d'Espoir, Buchans, and Grand Falls would get preferential treatment over and above people from other parts of the Province, Mr. Speaker.

MR. SPEAKER (SIMMS): To the point of order, I would rule that there appears to be a difference of opinion on this particular matter and not a point of order.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I would also remind the hon. member for Burgeo-Bay d'Espoir (Mr. Simmons) that the time allotted for speaking after ministerial statements should be related to simply a few comments and clarification.

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

MR. SIMMONS: Thank you, Mr. Speaker. I shall hope to conclude quickly. I was of the impression that it was also related somewhat to the length of the ministerial statement made by the minister, but I am open to Mr. Speaker's guidance on that matter.

Mr. Speaker, I do welcome in particular the preferential treatment which has been announced. We shall monitor it

MR. SIMMONS: when he made that important announcement for Bay d'Espoir. He saw fit to tell my political opponent last night, but he did not see fit to tell me and perhaps to have me along for the meeting. That is his concern for people who voiced their decisions at the polls and do not happen to agree with the minister's view of things.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Simms) Order, please!

ORAL QUESTIONS

MR. SPEAKER: The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, I have a few questions for the Minister of Finance (Dr. Collins), Sir, in connection with the media tax. There seems to be a storm of protest not only in Newfoundland but right across Canada over this media tax being very unfair. Yesterday the minister was presented with a brief by the St. John's Board of Trade, who feel that this tax is

MR. S. NEARY:

unprecedented in North America, with the exception of Quebec. There is no tax on broadcast advertising in any other Province of Canada and it is rendered to be unconstitutional in the United States. Would the minister care to comment on these statements made by the Board of Trade? Are these statements correct, that this media tax is unprecedented in Canada except in the Province of Quebec and is unconstitutional in the United States? Is that a fact?

MR. SPEAKER: (SIMMS) The hon. Minister of Finance.

DR. J. COLLINS: Mr. Speaker, the hon. member is quite correct. The Board of Trade have put in a brief, the brief is being studied and an appropriate response will be made in the near future.

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

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

MR. S. NEARY: Mr. Speaker, the Board of Trade also say that the tax is very complex and will be very difficult to apply and costly to administer. Would the minister care to comment on that statement? Is that true or false?

MR. SPEAKER: The hon. Minister of Finance.

DR. J. COLLINS: Mr. Speaker, I think it would not help if I commented piecemeal. I think that the brief was of such a nature that it deserves a comprehensive response and this is what we intend to do.

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

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

MR. S. NEARY: Mr. Speaker, the Board of Trade also indicated in their brief—and the hon. gentleman obviously is refusing to comment on the Board of Trade's brief, but surely he must have something to say about it publicly — that some of the advertisers and advertising agencies and so forth have indicated that they will refuse to pay this tax and as a matter of fact some have already changed from paying cash to coupons. Is the minister aware of this, that some of these agencies and advertising companies and so forth, advertisers, will

MR. S. NEARY: refuse to pay the tax? Does the Minister have any knowledge of that? If so, what will the minister do if some company on the mainland who is advertising in a national magazine for a business in Newfoundland, how does the minister propose to collect the tax?

MR. SPEAKER (SIMMS): The hon. Minister of Finance.

DR. J. COLLINS: Mr. Speaker, a bill will be brought in related to this matter and if it is passed in this House we anticipate that the citizens of this Province, or those business people and concerns doing business in the Province, will abide by the laws of the Province.

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

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

MR. S. NEARY: In the light of all the arguments, Sir, that have been submitted by various groups against the imposition of this 4 per cent tax on advertising, the Board of Trade yesterday urged the minister to re-examine the proposal or to withdraw the tax. Now in the event that the government refuses to withdraw the tax, the Board of Trade made a suggestion that the implementation be deferred at least until such time as an independent body acceptable to both the government and the Board has had opportunity to thoroughly study the ramifications and implications of such a tax. Is the minister going to accept

MR. NEARY: this recommendation of the Board of Trade? I would go a step further, Sir, and ask the minister if he would consider deferring the tax until such time as an independent group is set up comprised of representatives of government, the Board of Trade and consumer associations to study the ramifications and implications of this tax. Would the minister agree to that recommendation made by the Board of Trade yesterday in their brief?

MR. SPEAKER: (Simms) The hon. the Minister of Finance.

DR. J. COLLINS: It is our intention that prior to bringing in the bill for consideration in this House that all submissions will be given due consideration.

MR. SPEAKER: I indicated a final supplementary there.

The hon. the member for Burgeo -
Bay d'Espoir and then the member for Port au Port.

MR. SIMMONS: Mr. Speaker, I have a question or two for the Minister of Fisheries (Mr. W. Carter). It relates to the Fisheries Loan Board. Notwithstanding the good news in the Budget about amounts available to the board - it is my understanding that the board has not met since June 11th, nearly two months ago now - and that, notwithstanding the fact that there is quite a backlog of applications awaiting the board's consideration - and I should say further to the minister by way of preliminary that it is also my understanding that there is no decision as to when the board will meet again; I could not determine the day, the nearest I could get on asking several questions of a representative of the board was, I finally said, 'Well, will it be weeks or months,' and I was assured that it probably would not be months before the board met, but it seemed to me that the board has no imminent plan to meet. I wonder would the minister indicate whether there is any particular reason why the board has not met for a couple of months and might not meet in the near future?

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

MR. W. CARTER: No, Mr. Speaker, my understanding is that the board met, I believe, on Monday or Tuesday of this week.

MR. SIMMONS: Not to consider applications.

MR. W. CARTER: There was a board meeting, I believe it was Tuesday or Wednesday. No particular reason, Mr. Speaker, why the board is not meeting. Certainly, I will find out and maybe report back to the House tomorrow as to when they last met and when the next meeting is planned for.

MR. SIMMONS: Mr. Speaker, a supplementary.

MR. SPEAKER: (Simms) A supplementary, the hon. the member for Burgeo - Bay d'Espoir.

MR. SIMMONS: Mr. Speaker, the minister, from the information that I have, is quite correct that the board did meet this week but not for the purpose - and this point was made by the representative of the board to me by 'phone today - that the board has not met to consider applications since June 11th. I asked the person to verify the date and it was verified while I waited on the 'phone, and June 11th was the last date on which applications were considered.

Now, Mr. Speaker, I have asked, Is there any particular reason? And perhaps I could be a little more specific. To the minister's knowledge, has the board run out of funds for this year? Have all the funds been allocated for this fiscal year? Does the minister know that that might be the reason the board has not been meeting?

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

MR. W. CARTER: The funds available to the board this year have increased from \$5.5 million last year to, I think it is \$8 million this year.

MR. NEARY: You cannot get out of this one, 'Walter'.

MR. W. CARTER: It might be a case of the board, Mr. Speaker, slowing up the process. We know that last year there was quite a run on the Loan Board,

MR. W. CARTER: a lot of applicants, where a lot of applications were made for money to buy into, to build boats to improve boats, new technology and so on but a large part of the money, of course, that is available for the Board is money that is paid back by people who had loans from the Board over the years and the same thing will happen this year.

We have made available \$8 million as opposed to \$5.5 million last year, and I expect there will be some sizable amounts coming in from these areas, fishermen who had gotten loans from the Board especially now with the increased interest. We increased the interest rate from 3 1/2 to 6 per cent.

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

MR. SPEAKER: (Simms) A supplementary, the hon. member for Burgeo - Bay d'Espoir.

MR. R. SIMMONS: Mr. Speaker, the question that I would like to have the answer to - I am grateful for the information, the regurgitation of the Budget Speech about the great new amounts of money-but the specific question that I wanted the answer to was, has the Board run out of money, has it run out of the \$8 million? The minister indicates in the negative. Could I ask the minister a further supplementary? Is the reason for the Board not meeting since June 11th that it has received an instruction, an instruction from the minister, is the reason that they have received an instruction from the minister not to hold any further meetings for the time being?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: No, Mr. Speaker, no such instructions were given by me and I will check into the operation of the Board in terms of when the last meeting was held, when the next meeting is planned.

I think at the Resource Policy Committee meeting yesterday, the question was asked by one hon. member opposite as to how much of the \$8 million was being spent to date. I believe the reply given by the Chairman was, I think, \$7 million

MR. W. CARTER: was it not?

AN HON. MEMBER: Around \$7 million.

MR. W. CARTER: Yes, which would indicate that the Board is certainly not broke. It might be a case of slowing up the process because we do know that there are a lot of applications coming in. I suppose if we were to concede to all the requests made, we would need probably four times the amount we were given this year.

MR. R. SIMMONS: Supplementary, Mr. Speaker.

MR. SPEAKER: (Simms) Supplementary, the hon. member for Burgeo Bay d'Espoir, then the member for Trinity - Bay de Verde, followed by the member for Windsor - Buchans.

MR. R. SIMMONS: Mr. Speaker, it is not, as the minister understands, I am sure, a question of whether a Board meets or not. A number of dozens, probably hundreds of fishermen or would-be fishermen, fishermen in most cases, have had their plans for a whole fishing season quite disrupted because of the failure to get a decision from the Fisheries Loan Board on this particular matter. Now, I can understand the wisdom of slowing up the process but at the same time I do not think people who have gone through

MR. SIMMONS: the pain and planning of putting an application in should have to wait unduly several months for a decision. If that decision can be forthcoming now it can help them -

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

MR. SPEAKER (Simms): On a point of order, the hon. the President of the Council.

MR. MARSHALL: The Question Period is for the purpose of asking questions, Mr. Speaker. The hon. gentleman is getting into statements, debate and what have you.

MR. SPEAKER: To the point of order, I would draw that to the attention of the hon. member and ask that he ask his question.

MR. SIMMONS: On the point of order, Mr. Speaker. He is a little vexed today, the President of the Council, that is fine, but I was just getting into what I thought was a very brief preamble before putting my supplementary and I submit I was therefore in order.

MR. SPEAKER: To the point of order, as I said I would ask the hon. member to ask his question now and forgo comments.

MR. SIMMONS: Mr. Speaker, my supplementary to the Minister of Fisheries relates to another aspect of the Loan Board operations. It is my understanding that a number of fishermen are having their applications delayed in another way and that is by being obliged to wait for inspection staff from the Fisheries Loan Board to arrive at a given location to inspect the boat that is being purchased by a loan applicant. I wonder if the minister can indicate why the long delays here? Has it anything to do with a shortage of staff, perhaps, or is it part of the overall strategy which the minister has just indicated to the House of slowing down the process of application approvals?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Yes, we have had a staff problem, of course, and we are advertising now for I think four or five additional inspectors.

MR. W. CARTER: The work load of that board has increased, Mr. Speaker. In 1971-72, when this government assumed office, there were 285 loans made to fishermen. In 1978-79 there were 1118 loans, an increase of 292 per cent, with an overall increase, Mr. Speaker, from 1971 to 1979 of 1229 per cent.

SOME HON. MEMBERS: Hear, hear!

MR. W. CARTER: The cash flow, Mr. Speaker, of the Fisheries Loan Board has increased from \$1,002,000 in 1971 -

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

MR. SPEAKER (Simms): On a point of order, the hon. Leader of the Opposition.

MR. JAMIESON: Mr. Speaker, in view of the intervention earlier by the House Leader with regard to the irrelevancy of the question, surely it is appropriate also to say that in this particular case the hon. minister is not in fact answering the question that was put to him in the precise form.

MR. MORGAN: He does not want the information. He does not want the information.

MR. SPEAKER: To the point of order, if I might I would bring to the attention of all hon. members, Standing Order 31 (c) which clearly states that "in putting an oral question" no argument or opinion is to be offered nor any facts stated except insofar as may be necessary to explain the same; and in answering any such question, the Minister is not to debate the matter to which it refers."

I call on the hon. minister to furnish the reply to the question.

MR. W. CARTER: That is what I attempted to do, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

MR. W. CARTER: There has been a very substantial increase in the workload of that Board during the past few years. In fact, I believe last year, 1978-1979, there was a very substantial increase. For that reason we have had to take a look at getting additional staff for the Board, and that is now in the process, Mr. Speaker, of being done. I think there are ads about to appear in the daily newspapers soliciting applications from people to occupy positions of inspectors on that Board. And for that reason, Mr. Speaker, I suspect that maybe the Board is behind in its inspections, and that is strictly from an over worked load rather than certainly not on the instructions of the minister. But I will look into it, Mr. Speaker, today and tomorrow and report back to the House later as to what the status of these applications what it is and just how many are in the backlog.

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

MR. F. ROWE: Mr. Speaker, in view of the fact that the minister took great credit in having an increase from \$5.5 million to \$8 million in the Fisheries Loan Board for this year, and we found out during the consideration of the estimates - it is quite an astounding fact - and that is that \$7 million out of the \$8 million of these had already been committed or spent. During the consideration of the estimates I was wondering if the minister could supply, he probably cannot do it today, could supply the number of applications presently on file, the total value of these applications in dollars, or millions of dollars? And since the \$8 million is an estimate, whether the minister is giving any consideration to increasing the allotment to the Fisheries Loan Board for this year, since, in fact, at this point in the game, during the consideration of the estimates, \$7 million out of the \$8 million has already been spent. Is the minister thinking at all of increasing the vote to that particular division of his department?

MR. SPEAKER (SIMMS): The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, the Loan Board last year, on the basis of government's money of \$5.5 million put into the Loan Board, made loans, I think, totalling around \$17 million, in excess of \$17 million. A large part of that, of course, resulted from revenue that was generated by means of pay back on the loans. The \$8 million amount this year will - well, there is about \$1 million left, I think, at the present time, but certainly if it is found necessary to increase that amount and if the needs of the fishermen are such that additional money is necessary, well then I am sure that my Cabinet colleagues will see fit to increase the amount. But certainly the Loan Board is operating well, it is a busy operation, business has increased considerably, the workload is outstanding and I think the fishermen are pretty happy, Mr. Speaker, with their Loan Board.

MR. F. ROWE: A supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary, the hon. member for Trinity-Bay De Verde.

MR. F. ROWE: I am wondering about the first two parts of the

MR. F. ROWE:

question, Mr. Speaker, if the minister would undertake to table the number of applications presently on file and the total value of the applications on file at the present time?

MR. W. CARTER:

I will get them tonight,

Mr. Speaker.

MR. SPEAKER: (Simms)

The hon. member for Windsor-

Buchans.

MR. FLIGHT:

Mr. Speaker, I have several questions for the Minister of Mines and Energy (Mr. Barry) with regard to his Ministerial Statement today.

Now that the decision has been made to bring the road in from Bay d'Espoir, I will call to the minister's attention that when the access through Millertown was being considered, and I could go further and say dangled in front of the people in the Buchans area, one of the main considerations was that building the access to the Upper Salmon may expedite the activity in the mining deposits known in the Great Burnt area and that Hydro and the minister and the Premier, certainly the Premier, indicated that building the road, the access road to the power site would expedite or would have any effect on bringing about the production of the ore bodies that that would be a consideration. What are we to read in the fact that the road has come in from Burgeo? Is the priority gone off the development of those ore bodies? What effect will that have on the mining companies' ability to bring those ore bodies into production and deliver the ore to Buchans as was their intention?

MR. SPEAKER:

The hon. Minister of

Mines and Energy.

MR. BARRY:

Mr. Speaker, as I indicated to the member last evening in the discussion of my estimates, the most promising ore body is the Tulk's deposit. Now this is the one in which the company is now carrying on a feasibility study. In the course of deciding the route of the access road, we expressly considered

MR. BARRY: the potential of the Great Burnt Lake deposit. We contacted the company to see just how far down the road they saw this project, how commercially viable they considered it at this time, and the conclusion we reached was that it is too early to say at this stage, and the company is not yet in a position to say at this stage whether that can be developed. But they are looking at the commercial development of the Tulk's deposit and with this end in view government is going to be prepared to consider applications relating to the establishment of roads leading to that particular deposit. That is, as you know, at the far end of Red Indian Lake from Buchans and the access road in this case would not relate, if it had gone through Millertown to the Tulk's deposit, which is the one that is now presently being studied as far as feasibility is concerned.

MR. SPEAKER: (Simms) A supplementary. The hon. member for Windsor-Buchans.

MR. FLIGHT: This supplementary comes from something that was alluded to by the hon. member for Bay d'Espoir (Mr. Simmons). With regard to the government's stated intention now to give preferential treatment to the people of Bay D'Espoir and Buchans, how would the minister reconcile that with the fact, the given fact, that the major construction companies in this Province - they ran into this in Hinds Lake - the major construction companies, the people who would bid on that size of a project, have got an agreement with the Construction Trade Unions, covering all the trades and the labourers' unions, that their unemployed people, wherever they are in the Province, be hired first? How does the minister reconcile that particular fact with his ability to give preferential treatment to the people of Bay d'Espoir and Buchans?

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

MR. BARRY: Mr. Speaker, it boils down

MR. BARRY: to that, this was a government elected by the people to govern. There are going to be conditions set for the development of this Upper Salmon project. One of the conditions is going to be that the people of Buchans and Bay d'Espoir obtain preferential treatment. Contracts that are going to be let will include a clause that the contractor must give preferential treatment and it will be up to the contractor to work out with any unions involved a way of doing this. Purely and simply this government is here to govern and is going to govern.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

A supplementary. The hon.

member for Windsor-Buchans.

Mr. FLIGHT:

Would the minister indicate-

he alluded in his Ministerial Statement to employment offices being established in Buchans and in Bay d'Espoir. Now in view of the fact that the Canada Manpower Office in Grand Falls was indeed designated as a referral center for the Hinds Lake project and that not one referral was made from that office to the Hinds Lake project unless it was channeled through Corner Brook,

MR. G. FLIGHT:

unless Corner Brook could not fill that job, well, would the minister care to explain to us what kind of a hiring on that he sees operating? Will it be the contractors that will get the contracts maintain the employment office there, or will it be the Provincial Department of Labour and Manpower or will it be Canada Manpower?

MR. SPEAKER (SIMMS): The hon. Minister of Mines and Energy.

MR. L. BARRY: I made it very clear in my statement, Mr. Speaker, that these will be employment offices run by the Newfoundland and Labrador Hydro Corporation. And just one further point; I am sure that all unions in this Province are responsible enough to recognize that the policy which is set by government is one that they can live with as well.

MR. G. FLIGHT: They were not on Hinds Lake.

MR. SPEAKER: The hon. member for Bonavista North.

MR. L. STIRLING: Mr. Speaker, I had a question for the Minister of Municipal Affairs and Housing (Mr. N. Windsor) but since he is not here I would like to direct it to the Premier, because it is something I am sure that he is not aware of; the minister might be.

The new Provincial Home Ownership Assistance Programme: The information that is being put out by Newfoundland and Labrador Housing Corporation is that the applications will not be available until some time between the middle of August and the last of August. I am sure that the Premier is aware that this programme was announced, and all of the people all over Newfoundland but certainly from my district have been waiting since the first of August to make applications. I wonder if the Premier can step in and at least get a mimeographed form. This elaborate thing could be done today. I wonder if we cannot at least get a mimeographed application out because one of the provisions requires that in order for them to get the money the unit must be 65 per cent

MR. L. STIRLING: completed and occupied. So we are in a situation where if the applications are not available until the middle of August, and then you have to have approval, we will have lost the construction season. Will the Premier intercede and see if can at least an interim supply of mimeographed applications?

MR. SPEAKER: (SIMMS) The hon. the Premier.

PREMIER PECKFORD: Will do, Mr. Speaker, and report back to the hon. member tomorrow.

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

MR. E. HISCOCK: Could the hon. Minister of Fisheries (Mr. W. Carter) advise the hon. House of the future of the two fish plants at Cartwright and Mary's Harbour? These two fish plants were built on the coast of Labrador, the only two that have been built, with a considerable amount of money from this Province and now for various reasons are not in operation, in particular Mary's Harbour, due to some problems with the private person getting finances. Could the hon. minister advise the House as to what will be done with the future of these two fish plants?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, I will take the question as notice and supply an answer tomorrow.

MR. SPEAKER: The hon. member for Torngat Mountains.

MR. WARREN: A supplementary, Mr. Speaker, to the Minister of Fisheries. On May 31st. a vacancy occurred in Labrador pertaining to the regional fisheries representative for the Labrador region. Since that time there has been no fishery representative in Labrador. I was wondering - and the minister did announce that they were advertising for inspectors-I wonder are they also planning to advertise for a regional fisheries representative?

MR. SPEAKER: The hon. Minister of Fisheries.

MR. W. CARTER: Mr. Speaker, I will take that as notice and supply an answer tomorrow.

MR. SPEAKER: (SIMMS) The hon. Leader of the Opposition.

MR. D. JAMIESON: Mr. Speaker, I have a question for the hon. the Premier. Would he confirm that the news reports of today are correct in that the environmental recommendations or study with regard to the Come by Chance oil refinery have been received and, if so, can he give some indication either of the contents or when the government will be in a position to make some response.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Yes, Mr. Speaker, the environmental report has been received and is now under study by people in government and Cabinet will be reviewing the recommendations within the next week or so. So it will be sometime after that the position of government concerning it will be made known. But it will take a week, I would say.

MR. D. JAMIESON: A supplementary, Mr. Speaker.

MR. SPEAKER: A supplementary, the hon. Leader of the Opposition.

MR. D. JAMIESON: In view of the fact that there are some speculative stories, I am wondering if the hon. the Premier is in a position to say whether or not in general that the environmental study is favourable or is there anything to these reports which were circulating today that the indications are that there is no impediment to proceeding on environmental grounds?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I would not comment on that at this time until we have looked at it first.

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

MR. NEARY: Would the hon. gentleman indicate, in this environmental study that was done, the sulphur content of the crude oil that was submitted to the people down in Boston for analysis? What was the sulphur content of the crude oil?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I cannot answer that in specific terms and I would not be prepared to answer it until a full review of the environmental thing was done and then all the information relative to it would be published at the same time as the government's position.

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

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

MR. NEARY: Would the hon. gentleman indicate if a sample of crude oil was sent to the environmental people down in Massachusetts, or were they just given the description on paper of the crude oil that would be used at Come By Chance in the event that First Arabian took over the oil refinery?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, government's position as it relates to the environmental study, and the detail and the mechanics under which it was conducted, will be made available to this House as soon as we have decided upon what our position will be.

MR. NEARY: Mr. Speaker, a supplementary.

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

MR. NEARY: Would the hon. gentleman indicate to the House when they will be in a position to make a report to the House? Will

MR. NEARY: there will be an extension of time to the First Arabian Corporation as a result of the government dillydallying with the environmental report, or will the decision be made within the deadline that was given to the First Arabian Corporation?

MR. SPEAKER (Simms): The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, I cannot accept the description of government's position or movement on this whole question of the environmental study. I think it was received in the Province the night before last. I do not think that one can, therefore, necessarily describe that as government dillydallying with a report. It is a highly technical report as, hopefully, the hon. member understands -

MR. NEARY: Will it be tabled in the House?

PREMIER PECKFORD: - and, therefore, we have to look at it very carefully.

MR. NEARY: Will it be tabled?

PREMIER PECKFORD: It is a very big matter that has to be considered. I can assure the hon. member that as soon as we have, as a government, reviewed it, most of the Cabinet have not had an -

MR. NEARY: When? When?

PREMIER PECKFORD: - opportunity to see it -

MR. NEARY: When?

PREMIER PECKFORD: I indicated in answer to a previous question, Mr. Speaker, that I hope that within a week, in the passage of a week or so, government would have had the opportunity to examine fully the report and to take a position relative to the report and the Come By Chance refinery.

MR. SPEAKER: The hon. the member for the Torngat Mountains.

MR. WARREN: Mr. Speaker, my question is to the Minister of Mines and Energy. Could he advise this hon. House if BRINEX is planning, in the very near future, to do a road mapping of the area between North West River and the Kirits-Michelin deposits?

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

MR. BARRY: Road mapping, was that the question?

MR. WARREN: Yes.

MR. BARRY: Mr. Speaker, the company involved has requested from government government approval to authorize it to commence the construction of an access road to the Kitts - Michelin deposits.

There are certain environmental considerations which government must look at here, and there are certain other matters which government must negotiate with the BRINEX company prior to government giving its full approval to the commencement of the Kitts - Michelin mining development.

However, we are aware of the need for an early start on the road and I have instructed officials to consider very carefully the possibility of a conditional approval which would not mean an ultimate approval of the overall mining development - a conditional approval might be possible to permit the company to meet its schedule for the development of this mine.

But I want to stress again that we have not given final approval nor will we give final approval, until the environmental and other concerns which we have are cleared up with the company.

MR. JAMIESON: A supplementary, Mr. Speaker.

MR. SPEAKER (Simms): A supplementary. The hon. the Leader of the Opposition.

MR. JAMIESON: Mr. Speaker, on the same topic to the Minister of Mines and Energy. I understand that there have been some corporate changes contemplated in the makeup of this company. Is the hon. minister aware of these and have these difficulties been resolved? There was to have been, as I understand it, or there was talk of a change of partners involving a change from, I believe, American to German, or perhaps it was vice versa, but in any event, is the company structure now such that they are in a position to proceed provided all of these other matters are dealt with?

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

MR. BARRY: Mr. Speaker, there was a public
release to the media by BRINEX Corporation - I just had it
here in my pile

MR. BARRY: of correspondence a moment ago,
if I could get it out I think it would clarify matters.

The announcement was by BRINCO and BRINCO Limited announced late last week that its wholly owned subsidiary, BRINEX, has exercised an option on the 40 per cent interest of Urangasellshaft (Canada) Limited - this was the German partner that BRINEX had in that operation - in the joint venture covering portions of BRINEX's concessionaries in Labrador, so that BRINEX bought out the German interests. Subject to government and regulatory approvals both in Canada and Illinois - the regulatory approval in Canada would be FIRA, the Foreign Investment Review Agency - BRINEX has agreed to transfer the 40 per cent interest to Edison Development (Canada) Incorporated, a wholly owned subsidiary of Commonwealth Edison Company of Chicago. An agreement in principle has been reached with Commonwealth Edison whereby it will, through its subsidiary, arrange financing of mine and mill construction at the Kitts-Michelin deposits in Labrador and will purchase up to eighteen million pounds of uranium. BRINEX will provide construction and operating management. Final contract arrangements are to be settled and will be subject to government and regulatory approvals. The project would be staged out of Goose Bay, where extensive infrastructure requirements already exist. An eighty-five mile all-weather road would be constructed from Goose Bay to the mill site. Direct employment during operation would be approximately 300 persons, most of whom would be housed at Goose Bay.

MR. SPEAKER: (Simms) Order, please!

MR. BARRY: Employment during construction, including support personnel, would be considerably higher.

MR. SPEAKER: Order, please!

MR. BARRY: I am sorry, that is the -

MR. SPEAKER: The time for Oral Questions has expired.

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

MR. SPEAKER: A point of order, the hon. the Leader of the Opposition.

MR. JAMIESON: With respect to the Chair - and I will not ask the supplementary - in all seriousness, I did not want to have a lengthy press release read to me. I asked a particular question about the change in structure. And I did have a supplementary to ask, but I will bow to it and I will do it tomorrow.

MR. SPEAKER: (Simms) Well, obviously, to the point of order, the time for Oral Questions has expired and I have to apprise hon. members of that. If it is agreed by leave then that is up to -

AN HON. MEMBER: By leave.

MR. SPEAKER: By leave.

The hon. the Leader of the Opposition.

MR. JAMIESON: I will make it very short. I want to ask the hon. the minister whether or not, in fact, it is only a FIRA issue when they refer to government regulations, or if it is not something considerably more serious and that is a change in the grandfather rights which the original corporation had and which, I believe, are questionable unless the Government of Canada is prepared, under the new structure, to extend to the company the same kinds of arrangements that existed before but which would not now exist in the normal circumstances?

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

MR. BARRY: Mr. Speaker, I understand that arrangements have been made to satisfactorily meet that problem. And as you can see, the reason I went into the press release is because it does give a lot of background information which indicates that this project is very likely to happen, provided again, the company meets with our environmental and other qualifications here.

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I wish to table, as I indicated I would yesterday, the list of the roads programme of the Department of Transportation and Communications for the year 1979 - 1980 -

AN HON. MEMBER: Hear, hear!

PREMIER PECKFORD: - which is broken down district by district to make it easier for the hon. member.

PREMIER PECKFORD:

There was some thought earlier to just produce a list which was alphabetical and then the members of the House would have to go to the trouble of trying to identify them in the different political districts around the Province and I thought that would not be wise - then somebody might accuse us of trying to still not give it, so we have done it according to each of the fifty-two districts in the Province and the amount of money and the name of the project and all the rest of it. So I will table that. I think there are copies already available, fifty-two copies for each member. I will table that as part of my promise of yesterday, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD: Secondly, Mr. Speaker, I want to respond to a question that I promised I would respond to yesterday as it related to the Newfoundland Hardwoods. Twelve people are to be laid off on a temporary basis. The reason for that is twofold; one, there is a three month inventory at that plant right now where these twelve men are affected, and secondly, the company is having trouble getting veneer. The shipment will not be in until the third week in September, and as soon as it is in then these twelve men will be rehired again. So it is a temporary layoff of twelve.

And, thirdly, I promised a couple of days ago to get the information as it related to the former Premier's rent, and I mentioned this to the hon. member for LaPoile (Mr. Neary) yesterday. Afterwards I went over to indicate that I had called and gotten the information for the hon. member, that the former Premier's rent at Mount Scio house was paid up to March 31, 1979.

MR. NEARY: Everything they say about him is not bad.

MR. SPEAKER (SIMMS): The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, a short time ago I indicated to the hon. member for LaPoile that I would get certain information for him. The information related to the final agreement for the sale of the Labrador Linerboard mill, and has the purchase price been deposited to the credit of the Province?

MR. NEARY: On a point of order. I cannot hear the hon. gentleman, Sir. Would the hon. gentleman speak up and go over that again? I did not hear what the hon. gentleman said.

MR. SPEAKER: On the point of order. I would not rule there is a point of order, but I would ask the minister if he would respond to the hon. member's request.

DR. COLLINS: Yes, Mr. Speaker. The hon. member asked me a few days ago if I would get certain information with regards to the Labrador Linerboard mill sale; as to whether the agreement for the sale was completed and, also, whether the payments had been affected?

Dr. Collins: The final agreement has been effected. In regard to payments a single payment of \$6 million was received on December 22, 1978. The 1979-1980 Budget indicated anticipated receipts of \$10 million in this current fiscal year and that is payable as non-interest bearing promisory note payable and due on the 31st. of December 1979. A further \$27.5 million of non-interest bearing promisory notes are also due on the same date, and they are convertible at the option of Abitibi, into redeemable preferred shares. Those shares are to be redeemed in four equal installments on the 31st. of December of each year from 1981 to 1984 inclusive.

Mr. Speaker, the hon. member also asked, concerning the statement by the auditors in the annual statement to the shareholders, concerning insufficient information. Note one to that statement, Mr. Speaker, states as follows: and I am quoting now from the statement that is available for December 31, 1977. The hon. member also asked for the 1978 statement, and I am in the process of getting that for him.

MR. NEARY: All (inaudible).

DR. COLLINS: Yes, I am in the process of doing that.

But this particular note, I think, clarifies that issue, and the note states as follows: "During the year the company discontinued its woods harvesting operations and on August 29, 1977, the Government of Newfoundland and Labrador shutdown the operation of the Linerboard mill. A divestiture committee formed by the government to sell the company held its first meeting on December 28, 1977. Due to the preliminary stage of the divestiture committee's estimates, and because of the practical problems involved in ascertaining break-up or liquidation values at this time, the financial statements have been prepared on an ongoing concern basis."

And, Mr. Speaker, the statement to the shareholders at the annual meeting also includes the following: "As explained in note one" - that was the note I just read out - "the

Dr. Collins: company has discontinued operations and, therefore, generally accepted accounting principles recommend that the financial statements be prepared on the basis of break-up or divestiture values. These values are not determinable at this time."

In other words, Mr. Speaker, this was purely an accounting matter, that because the mill had not been sold, the auditors could not determine the value of the assets of the company as a liquidation or a break-up situation.

DR. COLLINS: And, therefore, this was the reason why there was a statement included there that the report was made in the fashion it was.

MR. NEARY: No. That is not so.

PRESENTING PETITIONSMR. SPEAKER: (Simms)

The hon. member for Eagle River.

MR. E. HISCOCK:

Mr. Speaker, I wish to present a petition on behalf of the residents of Williams Harbour. Mr. Speaker, there are eighteen people who have signed this petition. And the prayer of the petition is that they erect a new school in this community. The other day I mentioned about the idea that these people moved into this residence with the idea of getting permanent electricity and setting up a permanent community. In this school, it is a one-room school, from kindergarten to grade ten, with two teachers in one classroom, one fire exit, an oil stove in the middle of the classroom that the principal of the school had to bring to the attention of the parents. He called a public meeting and during that meeting he hit the stove pipe with an eraser and it collapsed.

Mr. Speaker, I would like to draw to the attention of this House that the Premier, yesterday, was wearing a button, The Year of the Child. I would also like to point out the disgrace. With the development of Labrador - and a bill going to be presented in this House today on the Lower Churchill - and the development that has gone on there in Labrador, and the taxation that has gone to this Province, we have gross inequalities there. There is no library, no resource centre, no recreation. The Education budget for this year was \$322,933,900 and here we have a gross neglect of our greatest resource. As was mentioned last year in the Budget, the greatest resource of this Province is our young people and I would like to try to point out to this House, whether it is debate or not, that this point, in particular, needs to be brought to the attention of this House and I hope that speedy work will be done on it.

Mr. Speaker, thank you.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER: (Simms)

The hon. Leader of the Opposition.

MR. D. JAMIESON:

Mr. Speaker, I do not know whether it is debate or not and I hope you will provide a fairly wide amount of latitude because I want to say, and I do not believe any member of this House, of whatever party, could possibly disagree with the premise that has been behind this petition. What the hon. member did not say was that in addition to the adults who signed this particular petition, there are a number of students themselves. And it really is quite unforgivable for us in Newfoundland to be talking in the way we have been in this House and to see that there is a school left, only one, there may be others, that is in such terrible condition in a part of this Province. I would urge that the government and the Minister of Education (Ms. L. Verge) take not just the routine note of this particular petition but that, surely, within the resources of the department, it ought to be possible to treat this petition with the kind of special attention that, in my judgement and I am sure the judgement of all hon. members, it deserves.

SOME HON. MEMBERS:

Hear, hear.

MR. SPEAKER:

The hon. Minister of Education.

MS. L. VERGE:

Mr. Speaker, I would just like to comment briefly on the petition. A decision to constructing of the school was that of the applicable Denominational Education Committee in consultation with the School Board. I will take note of the comments made by the hon. member. The decision, however, regarding construction of a specific school would be that of the Denominational Education Committee using funds allocated by the department.

ORDERS OF THE DAY

MR. SPEAKER: (Simms) I believe it is agreed by both sides that we would debate Bill No. 26. Agreed?

SOME HON. MEMBERS: Agreed.

Motion, second reading of a bill

"An Act To Facilitate The Development Of The Hydro-Electric Power Potential Of The Lower Churchill River" (Bill No. 26).

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

SOME HON. MEMBERS: Hear, hear.

MR. L. BARRY: Mr. Speaker, this bill is being introduced following the signing of an agreement between the Province and the Federal Government. There have already been press releases and public statements made at the time of the agreement to form the Lower Churchill Development Corporation but it is necessary now to proceed with a bill of this House because there is no authority, otherwise, for

MR. BARRY: the carrying out of the agreement and the agreement contemplates, naturally, ratification by this hon. House. The bill involves, for example, the granting of an option to the corporation concerning water rights in Labrador. There is no provision for such an option in the Crown Lands Act or by any other existing provincial statute and, therefore, it is necessary to have the agreement, made between the Province and the Federal Government, ratified by statute before the Province can effectively implement the agreement already entered into.

Now, at the conclusion of the First Minister's Meeting in February, agreement in principle between the Federal Government and Newfoundland was reached to establish a Lower Churchill Development Corporation. Since that time there have been many meetings between the federal and provincial officials and a draft agreement, which is attached to this bill, arrived at. We have to make clear, Mr. Speaker, that the Federal Government has not, in this agreement, committed itself to enter into the development of the hydro potential of the Lower Churchill, in those words. It has, however, committed itself to carrying out a study, a study for which it has provided some \$5 million. And more than that, Mr. Speaker, it is not just a study in the significance of this agreement, it is not just that the Federal Government is going to carry out a study, the significance of it is that the Government of Canada agrees that following receipt of the study, the Federal Government will, in good faith, consider the results of the study and decide whether the economic, technical and financial viability of the project has been completed. And this on page 22 of the bill, it is actually in the agreement attached to the bill. We have a provision that sets out in Section 5, Study Stage Work, it says in Subsection 4 there, "Following the completion of the study stage work, the parties agree that they will meet and review the feasibility of proceeding with the project pursuant to the recommendations resulting from the study stage work and the

MR. BARRY: comments by the parties thereon." And they go on to say, "In the event that the parties agree to proceed with the project, either on the basis of the study stage work or the work as amended, the parties will exercise all reasonable efforts" - we have a commitment by the Federal Government to exercise all reasonable efforts to ensure that the Lower Churchill project is constructed and operated in accordance with the agreement. "And further" - there is just one final section I will refer to, Mr. Speaker. We will have an opportunity to go through these in detail at committee stage - "Canada and Newfoundland agree to consider in good faith" - this is the section I referred to - "when the study stage work is completed, whether either or both of them can, having regard to the existing conditions, support the financing by the corporation, which is referred to in the agreement so as to permit the corporation to obtain the financing needed for the project, it being understood that as a target the parties expect that approximately 90 per cent of the capital costs of the project will be obtained by borrowings of the corporation."

MR. BARRY: And that would leave, naturally, 10 per cent equity to come from both the federal and provincial governments."

It is more than just an agreement by the federal government to carry out another study on the Lower Churchill, it is a commitment to take all reasonable efforts and to, in good faith, determine whether the project is economically and financially viable once this study work is completed, and as I have earlier indicated to this House, the study we expect to receive by the end of 1979 or by early 1980.

So that is what this bill is all about.

MR. NEARY: Not a very great commitment, is it?

MR. BARRY: It is a very great commitment and the hon. member must be saying that he believes that the Government of Canada would be prepared to act in bad faith, because if the study establishes, if the experts who are now working establish the economic and financial viability of this project, the federal government has committed itself, has given its word that in good faith it will take all reasonable efforts to develop. Mr. Speaker, that is a very significant commitment by the federal government and that will, in my opinion, see the early development of the Lower Churchill, because I believe that this study work will indicate that this is a commercially feasible and viable project.

MR. NEARY: Another (inaudible) study.

MR. BARRY: The hon. member will get his chance in a moment so if he would have the courtesy just to sit back like a good fellow I will tell him a few things about the Lower Churchill Development Corporation.

MR. NEARY: Tell us about the explosion.

MR. BARRY: The people of this Province, Mr. Speaker, have put back another P.C. Government since the events that the hon. member refers to, and the people of this Province have shown a confidence in this government at the polls, a confidence which we do not intend to fall down upon.

MR. NEARY: Let her go.

MR. BARRY: We intend to carry out the mandate that we have been given by the people of this Province. One of the main planks in our election platform, which saw us carried to victory, was that we will enter into this Lower Churchill Development Corporation agreement and we will see that that project is carried out.

SOME HON. MEMBERS: Hear, hear!

MR. BARRY: Mr. Speaker, the principal features of this bill are that we have a corporation formed, incorporated under Newfoundland law. Two types of shares will be issued, namely, Class 'A' shares, common voting shares, and Class 'B', common non-voting shares. At all times at least 51 per cent of the Class 'A' shares, the voting shares, will be owned by Hydro for and on behalf of the Province and 49 per cent by the federal government. So at all times the government of this Province will maintain control of that Lower Churchill Development Corporation.

As far as profits are concerned, profits will be shared as follows: the federal government will get 10 per cent initially on the Class 'A' shares until they get a 10 per cent return, then all additional profits will be shared between Class 'A' and Class 'B' shares up to 18 per cent, and over 18 per cent all profits will go to the Class 'B' shares. In other words, if there are any so-called super profits, exceptional profits, as we see occurring on the Upper Churchill power contract, these super profits will go to the Province - profits in excess of 18 per cent.

MR. BRETT: Not to Quebec.

MR. BARRY: Not to Quebec, not to any other province, not to a private developer, but to this Province.

AN HON. MEMBER: Hear, hear!

MR. BARRY: And the federal government has shown very great wisdom and foresight in agreeing to these terms, because it recognizes that this is only fair and reasonable, and an 18 per cent return on any man's investment is fair and reasonable.

AN HON. MEMBER: That is exactly what I said (inaudible).

MR. BARRY: I must have been reading your mail.

MR. BARRY:

Mr. Speaker, the federal government has agreed to purchase 500 Class 'A' shares for \$5 million and this is the money that is now being spent on the study that is being carried out. Newfoundland receives 520 Class 'A' shares, its 51 per cent, merely in return for delivering this option, for supplying this option agreement. The option agreement will give the development corporation the sole and

MR. BARRY: irrevocable option during the term of the agreement to acquire all the Gull Island company assets and the water rights to the Lower Churchill sites at Gull and at Muskrat.

The agreement provides for the Lower Churchill Development Corporation to recognize, now this should be noted, Mr. Speaker, we have heard many comments in this House about money wasted, about explosions wasting money in connection with the Gull Island project. Here we have the federal government agreeing to recognize all expenditures made by Newfoundland on the Gull Island project and to give this Province credit in shares of this Corporation for the expenditures already made.

So these expenditures -

AN HON. MEMBER: All (inaudible).

MR. BARRY: Yes, all expenditures interest, however, which has been accruing and which continues to increase the amount there, there will be a cutoff point and the upper limit is \$100 million. There was - \$65 million, I think, the expenditures actually were, and since that time interest has increased the amount that is attributable to that work and the Federal government has said, we will provide a credit up to \$100 million in equity in the LCDC Corporation in recognition of the expenditures made by the Province and approximately, well, \$100 million class-A shares will be issued to Newfoundland in exchange for the assets of the Gull Island Corporation.

Also, the expenditure made by the Province of Newfoundland, the \$30 million paid to BRINCO to get back, to repatriate, to get back our birth rights that had been given away, \$30 million that was spent by this government to purchase these water rights from BRINCO will also be credited to the Province. And the class-B shares will be issued in return for these water rights with respect to Gull and Muskrat Falls which were obtained.

The Lower Churchill Development Corporation will initially carry out a study, and this study involves a capital and operating cost review, it is now going on, a construction programme with the development of an appropriate timetable. A

Mr. Barry: financial plan governing the programme, a marketing plan, all of this is now being done, environmental assessments, a plan to maximize Newfoundland employment and similar plans to maximize other elements of Newfoundland content, machinery, equipment, supplies etc. Another very basic proviso that this government insists go into any project of this nature, that Newfoundlanders be employed, that we use Newfoundland goods and Newfoundland labour. A very basic philosophical difference in the way that resource development has occurred in the past in this Province. Also, at the present time detailed plans are being prepared regarding the obtaining of licences and so on that may be involved in connection with the project.

Now, when the study is completed, as I said, the parties will get together and consider the feasibility and decide whether they can support - and decide in good faith, I might mention - whether they can support the financing which will be needed for the project as identified by the study. If a decision is reached to proceed with the development, the Lower Churchill Development Corporation has the right to exercise its option then on the Gull Island Power Company assets, and the Churchill River water rights. They do not get the rights until they decide that they are prepared to proceed with the development.

In connection with the option, the Corporation will provide a convertible demand debenture to the Province, and this is attached as the Third Schedule to this Bill, in an amount equal to the agreed value of the Gull Island assets and that could be up to \$100 million, and the water rights another \$30 million.

As the Lower Churchill Development Corporation incurs financial obligations beyond the \$5 million which was put in by the federal government initially for the study, the federal government will provide additional funds and receive additional

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Mr. Barry: class-A shares, and the 51 per cent-49 per cent balance will be maintained by Newfoundland's exercising of its right to conversion of the

MR. L. BARRY: debenture into Class A shares. So initially it will transfer the Gull Island assets in return for this debenture which could be as much as \$110 million to \$130 million and as the money is put in by the Federal Government the province's portion will be put in by decreasing this debenture. So, in effect, the Province will be converting the expenditures on Gull Island into equity in the project. It is anticipated, as I mentioned, that equity will be 10 per cent of the total project cost. So you can figure then 10 per cent equity on \$3.3 billion would be \$330 million. So we can anticipate Newfoundland having to contribute additional cash up to approximately \$75 million. As the Federal Government puts in, say, \$150 million or \$160 million, the Province will have to put in additional cash which could be as much as \$75 million.

MR. D. JAMIESON: Would the minister (inaudible).

MR. L. BARRY: Yes.

MR. D. JAMIESON: I do not want to interrupt the hon. minister's train of thought but he dropped in the figure of \$3.3 billion and I am just curious as to - I think that was the first time it emerged in his comments and I am wondering to what it relates. Is it the estimated cost of the project?

MR. L. BARRY: This is the latest figure which is subject to this final cost estimate which is now being carried out. But the last sort of look that was taken at the Gull Island project, there were indications that its cost had reached the \$3.3 billion mark. It is not a reliable figure for us to use at the present time in order to make a decision to go, for example. Obviously, we need this final updated study which brings in the most recent inflationary trends, increases in costs of materials and so on and this now being carried out and will be completed by the end of 1979 or early 1980. Muskrat by comparison, again a ballpark figure, indicates about \$1.7 billion for Muskrat.

MR. D. JAMIESON: The \$3.3 billion is the Lower Churchill.

MR. L. BARRY: Just about half as much -

PREMIER PECKFORD: Gull Island.

MR. D. JAMIESON: I am sorry, Gull Island.

MR. L. BARRY: Gull Island is \$3.3 billion it seems roughly and Muskrat \$1.7 billion. Unfortunately, although Muskrat is about half the cost, you only get a bit more than one-third the energy. So you can see the decision that we are going to have to make. Muskrat on the other hand will not require as much financing so it will be a question of what we can afford. And, also, we will be able to take up the complete load from Muskrat virtually as soon as it is completed.

There have been a number of protections built in to this agreement to protect Newfoundland's interests. The corporation is to have a twelve man Board of Directors, six to be nominated by Newfoundland, five to be nominated by Canada, and the Chief Executive Officer to be the twelfth. The Chief Executive Officer is selected, has been already, Mr. Wally Reid, selected by agreement between the Province and the Federal Government. The Chairman of the Board is to be one of the Newfoundland nominees and the Chairman will have a second vote in the event of a tie, so he will have a tie-casting vote -

MR. D. JAMIESON: Would the Chairman be an official or somebody from outside of the Public Service?

MR. L. BARRY: He would, I anticipate, probably be the Chairman of Newfoundland and Labrador Hydro but that has not been finally decided.

The second condition, or second protection for Newfoundland, is that apart from the fact we have this majority control on the board, we have the right to first refusal on all power from the development. Thirdly, we may at any time elect to acquire from the Federal Government the outstanding shares, to buy out the Federal Government. The price to be agreed is provided for, there is a formula there which would basically give the Federal

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MR. L. BARRY: Government back its money plus an
agreed right of return which is about the borrowing rate of
the Federal Government plus one-eighth of 1 per cent interest,

MR. BARRY: this is the formula agreed upon, less any dividends that have accrued to the federal government in the interim.

The LCDC power sales are intended to ensure that the corporation obtains the best available terms for power sold and there is protection in the event of price escalation, if any long-term contracts are entered into there will be escalator clauses.

The corporation, as I mentioned, will develop employment and purchase plans and practices to maximize Newfoundland content and Newfoundland is to be the sole holder of the class 'B' shares which, when profits go over eighteen per cent, will mean all of these super profits, exceptional profits, will accrue to the Newfoundland Treasury.

Now, we have had to agree to certain terms in order to provide protection to the federal government and these terms are that there are a number of things relating to the operation of the corporation which require unanimous approval, approval of both the Province and the federal government, at a shareholders meeting. For example, if there is a change in authorized share capital, if there is a material change in the business activity of the corporation, just to go through some of these, there must be unanimous approval for the establishment of corporate policy regarding the conduct of a study that is being carried out, regarding the operation and management of the project, regarding the marketing of electricity but subject to Newfoundland's right of first refusal, like Canada recognizes that Newfoundland has this right and will have this right.

There are a number of others that require the unanimous approval of the federal government including, I might mention, any agreement with the Province of Quebec relating to water flow of the Churchill River and the transmission of electricity to or from Quebec.

MR. BARRY: Mr. Speaker, I am sure that everybody in the Province recognizes the tremendous benefits that will flow to our Province from seeing that the development of the Lower Churchill proceeds. We believe that the development corporation, through its access to federal funding and more importantly through federal support by power purchase agreements, completion guarantees or similar assurances, that this corporation will be an effective instrument to facilitate the development of Gull Island or Muskrat Falls, or both.

The involvement of the federal government, with the Government of Newfoundland as an ally in the development of an effective marketing strategy for Labrador power, can be of major assistance. The degree to which the federal government is prepared to use its influence in terms of negotiating with Quebec, if such negotiations are needed, is obviously something that is up in the air but we can be sure that we would gain assistance from the federal government in our discussions with Quebec or other provinces. The fact that we have them on side will give the whole project additional stature.

But paramount in our thinking with respect to the development corporation, should be the fact that we have federal government backing, we have the federal government commitment to put its financial resources behind this project if the study establishes, as I am sure it will, that it is a viable project.

Mr. Speaker, I could go on a bit longer but I think that there is no point in labouring this too much. I will be prepared to, in closing debate, respond to any points which hon. members want to raise on this project. We want, the people of this Province want, to see the Lower Churchill development proceed. There has been a lot of work go into the putting together of this agreement, with the Government of Canada. I believe that it is a very sound and sensible way to proceed. I believe that it is a way that will see the earliest and most efficient, most expeditious development of the Lower Churchill River, whether it be at Muskrat Falls, or at

MR. BARRY: Gull Island, and I ask the members of this House to throw their whole-hearted support behind the bill which is now before them. Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Butt) The hon. the member for Baie Verte - White Bay.

SOME HON. MEMBERS: Hear, hear!

MR. RIDEOUT: Mr. Speaker, the closing words of the minister - he asked the members of this House to throw their whole-hearted support behind this bill - we can respond to very quickly. We have no hesitation whatsoever with the principle as outlined in Bill No. 26.

MR. NEARY: Hear, hear!

MR. RIDEOUT: And I want to say that at the beginning.

SOME HON. MEMBERS: Hear, hear!

MR. RIDEOUT: We have no quarrel with what the bill is doing, setting up the Lower Churchill Development Corporation. The principle as outlined in the bill, the setting up of this corporation with the express down-the-road aim of developing the hydro potential of the Lower Churchill, is one that we have close affinity with, is one that we have no hesitation whatsoever in supporting. But, Mr. Speaker, having said that, we do have some reservations about what has taken place up to this particular point in the development of the Lower Churchill, and it is interesting to note, Mr. Speaker, that the chicken has really come home to roost, because the minister who is now introducing and piloting this bill through the House was the same man who was Minister of Mines and Energy in 1975, when the colossal mistake in hindsight was made to proceed with that development for reasons that I will not go into in this particular debate. So the chicken, in that respect, has come home to roost.

Now, what does this bill really do? - Mr. Speaker, is what we must look at - the principle we have no quarrel with, but we do insist that the bill merits some debate and we have to look at the history of the project up to this particular point in time.

MR. RIDEOUT: The minister, himself, admits that there is no federal commitment to enter into the development of the Lower Churchill. There is a very footloose and fancy-free clause in the bill saying that both sides will, after the reassessment has been done - and that is exactly all that this bill does, proposes a further study, an update study and a reassessment of the feasibility of the development of the Lower Churchill - and in very fancy language, it proposes after that that both sides in the agreement, the Government of Canada and the Government of Newfoundland, will agree to sit down in good faith and study the recommendations that will come out of that report. So that is, in essence, what the bill is all about.

So, Mr. Speaker, what really then are we saying? We have a commitment to study, we have a commitment for reassessment and we have a commitment to sit down and look over the recommendations after the study and reassessment have been done.

And I am delighted with the federal participation. I happen to agree, as I will go into in some detail a little later on, that without federal participation in this particular project, the possibility of this Province ever developing in the very near future that kind of project is certainly very limited.

But what, in effect, do we have? What we have in this bill, Mr. Speaker, fortunately for this Province, is a bail-out by the federal government of the premature action of this government in 1975.

SOME HON. MEMBERS: Hear, hear!

MR. RIDEOUT: That is exactly what we have in this bill, a bail-out of the premature action taken - not saying that we should not do it now, but this government, Mr. Speaker, has been very fortunate, this government has been very lucky. And I might say as an aside that this particular agreement was negotiated with that much maligned previous administration in Ottawa. This is the crowd who are putting money into it, are up front with it, the crowd who have agreed, were they there, to sit down in good faith and reassess the study after it was done. That is exactly what this is, it is a bail-out of the premature action taken

MR. RIDEOUT: by this government in 1975. And I say it is premature because we have to go no further, Mr. Speaker, than the very lengthy ministerial statement made in this House by a former minister of Mines and Energy on November 28, 1975. The present Minister of Finance in Ottawa, Mr. Crosbie, made a very lengthy statement in 1975, and the statement admitted - Mr. Crosbie bared his soul to the people of this Province in November 1975; not in June or August because there was an election, remember, in September,

MR. T. RIDEOUT: but in November 1975, Mr. Crosbie bared his soul to the people of this Province when he had to come before this House and say that the decision made by the present hon. gentleman who is Minister of Mines and Energy (Mr. L. Barry) was a misleading decision, that the people of this Province had been grossly sucked in by the decision made at that particular time.

MR. L. BARRY: On a point of order.

MR. SPEAKER: (Butt) On a point of order, the hon. Minister of Mines and Energy.

MR. L. BARRY: If the hon. member is going to quote a statement then I submit that he should quote it accurately and that he is misleading the House, deliberately or otherwise, and I will have the hon. member say that by his purported references to a Ministerial Statement which contained no such words. Now, if the hon. member would like to, I submit, I ask him to table the statement to which he refers.

MR. T. RIDEOUT: To the point of order, Mr. Speaker, the hon. gentleman, I will have the statement hand-carted over to his desk if he wants when I am finished with it and I will be quoting from the statement. And I understand the rules of the House enough to know that if I quote from a document, it must be tabled and the short-fused gentleman from Mount Scio will just have to wait until I am ready to table it.

MR. L. BARRY: To the point of order, Mr. Speaker, There were certain words used which I ask be withdrawn if they are not contained in the quotation.

MR. T. RIDEOUT: I said misleading.

MR. L. BARRY: You said sucked in. The hon. member said sucked in, Mr. Speaker, and that wording, I submit, is not in the Ministerial Statement, that it is misleading to the House. Now, is it in the statement or is it not?

MR. T. RIDEOUT: Sit down, boy.

MR. L. BARRY: Is it in the statement?

MR. RIDEOUT: Mr. Speaker, if the term is unparliamentary I will certainly withdraw it without qualification. A ruling, Mr. Speaker.

MR. SPEAKER (Butt): On the point of order, this is a difference of opinion between two hon. members.

The hon. member for Baie Verte-
White Bay.

MR. RIDEOUT: What we are seeing here - and I have only been speaking five minutes, I have not been provocative, I am making a point - what we are seeing here, Mr. Speaker, is the reason why the air of co-operation that has existed in this House for the last month or so, the air of co-operation that existed in the committees for the last month or so, really turned into a dog fight last night when we were discussing the estimates of that minister. The minister is a snort-fused minister. If he cannot take the heat then he should get out of the kitchen. He has to - this is a debating forum. The minister has made his points. I am making mine. If I say something in the heat of debate unparliamentary I withdraw it without any qualification whatsoever. So no problems with that.

what I was saying, Mr. Speaker, is that the former Minister of Energy in 1978, had to come into this House and say that a premature decision was made in 1975, when the Lower Churchill, the Gull Island project was announced and the present Minister of Mines and Energy (Mr. Barry) was the then Minister of Mines and Energy when that premature decision was made in the first place. And in the document that the minister read in the House at that time in talking about financing and I will be quoting from it as I go along, is the study stated that the required capital could be obtained for the project provided an assured market existed for the energy and the project had suitable financial strong supporters. And then the minister has admitted, even in Committee and in Question Period in this House, that we still do not today have the substantial

MR. RIDEOUT:

buyers of that block of energy.

Even today we do not have that. And this was the thing that cost this Province at the time \$110 million. Now, I said fortunately, fortunately, the federal government has agreed by this bill to save this administration, to save this Province, because they are allowing us to buy into the corporation around \$100 million equity, I understand, in return for the money we have already spent on the Lower Churchill development. So what could have been a \$110 million bluff turns out to be now an asset in the sense that we can buy into the corporation. And that is fortunate, fortunate for the financial well being and financial stability of this Province.

The statement goes on to say:

"One of the issues addressed by the feasibility study" - this is the one done by Teshmont-Zinder, I guess is the proper pronunciation - "One of the issues addressed by the feasibility study was the ability of the Province of Newfoundland to act as the sole financial backer of the entire project. It was considered however that the investment was too large in relation to the income, resources and credit of the Province."

Now the minister had that information before him in 1975

MR. RIDEOUT: when they made this decision in the beginning, and that is where we had to, on principle, take exception with the present Minister of Mines and Energy. His successor had to come into this House and say that that decision was wrong, it was made for all the wrong reasons, it was made when the facts told us we could not back it up. So you know, Mr. Speaker, this is not my words, those are the words in the ministerial statement of the minister's successor, immediate successor I might add, in the port folio of Mines and Energy.

So we have to take exception with this present minister and that is why I say, in his particular case, the chicken has come home to roost. He is back here today now piloting this bill through the House, having made the colossal blunder in the beginning. Fortunately, thank heavens, for this Province, we have now been bailed out by the Government of Canada. We have now been bailed out by the government in Ottawa and I hope, and in supporting the bill we have no hesitation in saying, we all hope that the Government of Canada will help this Province in every way possible financial and otherwise, to get that development going.

Now, Mr. Speaker, having said that there are a few other comments I want to make. It seems to me that listening to the Minister of Mines and Energy since he has taken over the port folio, that the minister has not the slightest idea of what his department's energy policy is for this Province. We had the minister before the Resource Committee last night and we asked him very pointed, very hard-hitting questions about where are we going in the development of Labrador power. And the minister talked about all kinds of alternatives, in this particular ministerial statement that I refer to here, there is study after study, a half a dozen of them by Teshmont and there are some more by Morgan Stanley, and some more done by Hydro itself, and now the minister tells us that they are doing another reassessment. There is another reassessment being done, in addition by the way to the one that this bill is providing for, but there is another reassessment being

MR. RIDEOUT: done to look at the alternatives as far as the development of Labrador energy goes. They are looking at the alternative of Muskrat by itself. They are looking at the alternative of Gull Island plus Muskrat. They are looking at the alternative of power going westward. They are looking at the alternative of power coming down to the Island. And they are looking at the alternative of bringing in a large industrial user of large energy blocks in Labrador. After all this time, and back to the same minister again, we still do not know, we still do not have a clear-cut energy policy as far as the development of Labrador power goes.

So I think, Mr. Speaker, that it is very unfortunate that after all this time, after all the expenditure of money that has been expended on the Lower Churchill development - thank Heavens for the bail-out from the federal government. There is nothing wrong with that. Thank heavens for it - after all that we still have not been able to get from this minister a clear-cut government policy of development of Labrador energy. Even in Question Period in the House the minister goes so far as to admit that unless there is a commitment from the federal government, this Province does not in its own right have the financial capability of developing even the smaller of the projects which is the Muskrat Falls development.

The minister in the House on July 17th. told us that, that we will have to have a guarantee from the Government of Canada before this Province could have the financial means of even backing the estimated \$1.1 billion development on the Muskrat Falls.

So we are back here, Mr. Speaker, in 1979, after all the grandiose plans and talks of this minister and this administration, we are back here after the former Minister of Mines and Energy, the present Minister of Finance in Ottawa, said it was all a mistake in the beginning - and, by the way, he was a minister in that government then - it was all a

MR. RIDEOUT: mistake in the beginning - it was a premature blow up on both sides of the Straits - we are back here with \$110 million expended to date on the development of the Lower Churchill, of which \$100 million we will have equity participation in LCDC, what about the extra \$10 million that it has cost us to this point in time? What about the interest? The LCDC agreement does not make any provision for the inclusion of the interest. We are back here at this particular time learning from Committee last night that the \$78 million loan that this Province made Newfoundland Hydro in 1975, in order that the election campaign could get underway, that if there is no reactivation of the

MR. RIDEOUT: project by 1980, that loan is forgiven. We learned that last night for the first time, now albeit that part of it will be returned in equity participation in LCDC but, Mr. Speaker, that is where we are, that is the energy policy of this particular administration up to this particular point in time. And the long-term result of it, I suppose, has been that because we have allowed Newfoundland Hydro to go ahead with this mad rate of borrowing, especially for this project, I am not talking about the Upper Salmon or Hinds Lake or anything like that, but this particular project, and the result has been that the consumer, the ordinary consumer in this Province, has had to pay through the nose in order to finance the mad borrowings, the mad fiscal escapades that went on in the latter days of 1975 leading up to what happened in the Fall, when the Minister of Mines and Energy had to come in here and say, "It was ill-conceived in the beginning; we have never had the financial capability to back it up; we had no industrial user; we had no agreement to sell it", but yet the \$110 million of the taxpayers' money of this Province was pumped into that ill-conceived scheme in the beginning. Now, I am not suggesting that it was ill-conceived to conceive the development of the Lower Churchill, but I am saying at that particular time, Mr. Speaker, the timing is the essence here. This agreement with the Government of Canada is an excellent agreement, we have no hesitation whatsoever in saying that, but thank God, for reasons beyond our control, basically in the international arena and in the national arena, the Government of Canada had to come in and help bail out the \$110 million blunder that this administration made back at that particular time. So, Mr. Speaker, in supporting the principle of the Bill, I want to say again that we have no particular hesitation in doing so. We do hope that once the studies have been done, once the reassessment has been completed, that the present Government of Canada will negotiate in good faith, as Clause 26 says, the eventual development

MR. RIDEOUT: because we do not, Mr. Speaker, and that is the essential thing to remember, we do not have an agreement to develop. We have an agreement to reassess and to study, so we hope that once that is done, once the studies are in, we hope that the present Government of Canada will indeed negotiate the eventual development of the project in good faith as the previous Government of Canada was willing to write into the agreement that we eventually will be giving assent to here today or tomorrow. So, Mr. Speaker, we do support the principle of the Bill, we think in doing so it is only fair and that indeed it is our responsibility to point out to the people of this Province that the premature blunder made in 1975 will eventually turn out right, hopefully, thanks for the participation and the good will of the Government of Ottawa. If not, this Province would have been the loser and the loser very sorely because of the premature blunder made by the man who has had to come back here now and try to correct it in this legislation through the House. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Mr. Butt) The hon. the Minister of Rural, Agricultural and Northern Development.

MR. GOUDIE: Thank you, Mr. Speaker.

Mr. Speaker, under the circumstances I think I have very little choice other than to take part in this debate today in relation to Bill No. 26. Obviously, I have a very personal interest in this Bill and what it implies, the possible development of the Gull Island and Muskrat Falls areas of the Churchill River. Churchill River itself completely dissects my district, the district of Naskaupi, Churchill Falls being the extreme Western end of Naskaupi district, and Muskrat Falls being 14 miles upriver from Happy Valley - Goose Bay, which is a part of the extreme Eastern end of my district. So, there

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MR. GOUDIE: is an obvious interest in that way
in the development, any implications of a development in terms
of employment, in terms of future

MR. GOUDIE: industry locating in this Province, specifically in the Lake Melville area of Labrador, and I guess the personal interest extends a little further than that, Mr. Speaker, in that my family has been connected directly with the land and the waters of the Churchill River for several years past. Lobstick Lake which now makes up a part of the Smallwood Reservoir which feeds the turbines of the present Churchill Falls complex was the trapping ground of my father and a couple of my brothers, and other members of the family as well, so there are several interests involved in my comments.

I was probably the most disappointed member of the House of Assembly, I guess, in 1975 when the announcement was made that Gull Island was not going to go ahead. Some hon. members of the present House will remember that the then member for Eagle River (Mr. Strachan) and myself received quite a number of telegrams from individuals, from groups, and other interested parties in Naskaupi District and other parts of Labrador who were extremely upset that Gull Island was not going to go ahead when it had been planned to do so. I certainly remember the psychological effect, and the psychological effect is still present in my district, when the decision was made not to proceed. So there are several interests here.

I think something else that should be pointed out, Mr. Speaker - Well, first of all I would agree with the principle of the Bill that the Federal and Provincial Governments and if other agencies are necessary to be brought into this whole process of developing the hydro potential of Churchill River then I am all in favour of it - but I think I should point out and I am sure that most hon. members of the House realize already, that it is not just the two levels of government and other financial institutions who have an interest in this, but just on Friday past I had a meeting with four representatives of the Naskaupi-Montagnais Innu Association who made a request that they are now interested in sitting down and discussing land claims as it applies to the Naskaupi and the Montagnais Indians in Labrador, and there is another group, the Labrador Inuit Association,

MR. GOUDIE:

who has similar interests.

The areas which will be affected either by the Gull Island or the Muskrat Falls development is going to affect traditional hunting lands not only of the Indian people but some of the other settler people of Labrador as well. I think there are just two people left now in the Lake Melville area who trap parts of the banks of the Churchill River and still earn a livelihood from it. So their livelihoods are going to be affected, I suppose in one way, but the overall land claims issue is going to have to be addressed, I think, and one of the proposed developments in Labrador which will directly affect any discussions in relation to lands issues will be the eventual development of the Lower Churchill hydro potential. So these two groups are going to have an obvious interest in this as well.

I think the people of Labrador for the most part now realize the tremendous potential we have in our part of the Province for many industrial developments, not just hydro, but the uranium possibilities, the woods possibilities, the requirement not only for hydro development but a good year-round transportation system and other developments which will have a direct effect on the future, not only of Labrador but of the Province as a whole. And considering the desperate economic situation we have in the Happy Valley-Goose Bay area and the neighbouring communities of North West River and Mud Lake, which are directly affected one way or the other by the economic situation in the larger towns of Happy Valley-Goose Bay, everyone in that area is hoping desperately for some kind of industrial development to take place very soon. We have gone through two tremendously hard winters with a great many people living off unemployment insurance or short-term temporary employment barely struggling through, and this kind of effort will alleviate these unemployment problems we have presently for the short-term. And, of course, one of the major rationales behind the proposed development of the Lower Churchill is the

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MR. GOUDIE: possibility then of attracting
industry from other parts of Canada and other parts of the world, I
suppose, when you

MR. GOUDIE: look at the possibilities for uranium smelting, for the - I am sorry, aluminum smelting - the uranium developments and wood harvesting and wood processing and so on. I would suggest that the Happy Valley - Goose Bay area is presently well equipped to accommodate personnel, equipment and other requirements necessary for any hydro development which would go ahead when you consider that the American Forces and Canadian Forces moved out of our area several years ago and left some of the prime real estate, certainly in Eastern Canada. The airstrip alone, I believe, is second only to the airstrip at - what is that new place just outside of Montreal that was developed a few years ago -

AN HON. MEMBER: Mirabel.

MR. GOUDIE: - Mirabel Airport - I understand Mirabel has the largest or the longest airstrip in Canada. It has been established that Goose Bay has the second longest, so in terms of air transportation and movement of personnel in and out, the real estate, the buildings, the facilities there are certainly in good enough condition to accommodate many of the requirements of any potential development.

So, I just wanted to stand briefly and support this Bill, the principle of the Bill. I agree with the hon. member for Baie Verte - White Bay (Mr. Rideout) that there were some faux pas pulled in the past and I think the point he made that hindsight is always better than foresight in many ways, realizing that mistakes were made, and with the agreement of the federal government now to consider the expenses in the past as a part of the whole equity consideration, and that, I suppose, is one of the areas in which we benefit. But my district probably stands to benefit more than any other individual district in the Province, obviously the Province as a whole would benefit from this type of development. I have no hesitation in supporting this Bill, and my added hope is that before too much longer, within the

MR. GOUDIE: next year or two years, that we can actually see the physical development of either Gull Island or Muskrat Falls or both, proceed for the benefit of Labrador and the Province as a whole.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Mr. Butt) The hon. the member for Lapoile.

MR. NEARY: Mr. Speaker, I just want to have a few brief comments on this Bill. I listened to what the hon. gentleman who just took his seat had to say in support of the Bill, Sir, and I must say that I did not realize that the hon. gentleman was so naive. The member for Naskaupi (Mr. Goudie) leaves the impression, Mr. Speaker, apparently he is under the impression, that this means by passing this Bill in the House, this piece of enabling legislation in the House, means that the development of the Lower Churchill is going to go ahead when in actual fact, that is not the purpose of the Bill at all.

MR. GOUDIE: There is a possibility.

MR. NEARY: There is a possibility, there was a possibility back in 1971. As a matter of fact, Mr. Speaker, for the benefit of the hon. gentleman, there was a proposal before the government in 1971 and 1972 that the development of the Lower Churchill go ahead at a cost, Mr. Speaker, at a cost of \$700 or \$800 million. In that proposal was an aluminum plant to be put right side by side by the development of the Lower Churchill, the hydro development, side by side. The gentleman who was here the other day, who met with the Premier on Regatta Day, put a proposal to this government to develop the Lower Churchill and put an aluminum plant employing several thousand Newfoundlanders side by side of the hydro development of the Lower Churchill. For that, Mr. Speaker, they were kicked out of Newfoundland, kicked out. So the hon. member for Naskaupi now tries to leave the impression, at least that is how I interpreted his remarks, as meaning that now we are going to put a Bill through the House, a piece of enabling legislation,

MR. NEARY: confirming that a joint federal-provincial Crown corporation be established to study the Lower Churchill, and that is all it is at this point in time, Mr. Speaker, is a study. It is another study of the Lower Churchill.

Mr. Speaker, back in 1973, this government, the Tory government, made what I consider to be the most colossal blunder that was ever made in Newfoundland's history, and that was when they kicked out BRINCO, which was a magnificent corporate citizen in this Province, kicked out BRINCO and nationalized the Churchill Falls Corporation.

MR. NEARY: That was a colossal blunder and it is costing the taxpayers of this Province, Sir, an arm and a leg. The money to take over the Churchill Falls Corporation was borrowed from a bank. The interim financing was arranged at the bank and on that loan, I believe the original loan was \$165 million, the taxpayers had to pay interest on that loan for almost a year, I do not know but longer than a year. And then the Newfoundland Hydro, or somebody floated a bond issue to pay off the loan. But, Mr. Speaker, are members of this House aware, are they aware that this loan which is now well over \$200 million, it started out to be the purchase price \$165 million, went well over \$200 million, that the taxpayers of this Province are paying over \$30 million interest every year for that blunder? Yes, Sir, they are paying somewhere between \$25 million and \$30 million a year interest. And the hon. gentleman shakes his head and says no, I say yes.

MR. SIMMONS: All he knows too. Shame.

MR. NEARY: And the hon. gentleman disagreed with it. I do not know if he disagreed with it. He disagreed with the setting off of these two explosions on either side of the Straits of Belle Isle. The only dissenting voice on that side of the House was the present President of the Council (Mr. Marshall). And, Mr. Speaker, if there was ever an example now to show that this crowd are not born again, that we have a minister back in 1975, who took the decision to set off these two explosions on either side of the Straits of Belle Isle, then the hon. gentleman got defeated, and now he is back in the House again. And he is in the same portfolio, exactly the same position, exactly the same position. He should be banished to Limbo for the rest of his life for what he did. But no, he is back in the House again, in the same portfolio so he can make these mistakes and these blunders all over again.

MR. SIMMONS: He bungled it then and he will bungle it now.

MR. NEARY: He bungled it. And the hon. gentleman, the President of the Council, spoke against the proposal, spoke against the idea of going ahead at that time with the development of the Lower Churchill, because the hon. gentleman told us that the government was not ready, Newfoundland Hydro was not ready. There was no market for the power. I remember the hon. gentleman telling us that. Newfoundland could not afford it. The hon. gentleman knew that it was a bluff and told us so in this House and spoke against it.

And so, Mr. Speaker, it is hard for me to comprehend anyway how this can be a new government. We are seeing legislation being introduced by the same old crowd, the same old crowd, the minister of - whatever he is now, I do not know, what is he minister of now?

MR. JAMIESON: Lands and Forests.

MR. NEARY: Minister of what? The Minister of Lands and Forestry was a minister in that government. The present Premier was a minister in that government.

AN HON. MEMBER: No he was not.

MR. NEARY: Oh yes he was

when the explosions were set off. He was not there when the colossal blunder was made to kick out BRINCO, one of the best corporate citizens we had in this Province and nationalize the Churchill Falls Corporation, the hon. gentleman was then an adviser in the Premier's Office. Later he became Minister of Mines and Energy. We had three - I believe in my time we had three ministers of Mines and Energy. We had Mr. Crosbie, we had the present Minister of Mines and Energy, and the Premier was also Minister of Mines and Energy.

MR. SIMMONS: Do not forget (inaudible)

MR. NEARY: Well he was only there for a short while, was he not? Well there were four. And I believe Mr. Moores was acting in that capacity at one point in time.

But, Mr. Speaker, the present Minister of

MR. NEARY: Mines who is introducing this bill, and as my hon. colleague pointed out, we cannot very well vote against it, it is just motherhood. When my hon. colleague was up in Ottawa I would think that my hon. colleague, the Leader of the Opposition was more responsible for getting the federal government to participate in this great project than any other man in this House. And when the proposal first came up my hon. friend will remember, what did Mr. Crosbie and what did the ministers and the Premier of the day say? What did they say?

MR. NEARY: They said they would not touch it with a barge pole, and as a result they delayed this joint federal-provincial Crown corporation for well over a year, a year and a half as a matter of fact; it was a year a half they were thumbing their noses at Ottawa and saying, "We do not need you. We do not want your help". That is what they did and they delayed this Bill that we now have before us by a year and a half -

MR. JAMIESON: (Inaudible) cannot argue that.

MR. NEARY: No, they cannot argue it, but I will tell you what they will do, they will drag in a red herring, and here is what they are going to say, I can see the hon. the President of the Council now when he leaps to his feet, he is going to get up and he is going to say, "But the Government of Canada wanted equity in the project", and I say balderdash, that is not true, because I wired Mr. Gillespie and I wrote him at the time, and I asked him if that was true and he said, "No", n-o, even though we were told in this House by the present Premier that the reason they were not interested in entering into this agreement a year and a half earlier was because the Government of Canada wanted equity in the corporation, and that is not true.

PREMIER PECKFORD: It was true.

MR. NEARY: And it was not true, Sir, and the hon. gentleman can get up and repeat it all he wants. We have the man here who will get up and put the hon. gentleman in his place in due course, because it was not true, that was a red herring, and it delayed as a result, Mr. Speaker, it delayed the setting up of this Crown corporation, which was an afterthought by the way. It came after BRINCO was kicked out, and BRINCO was kicked out on the grounds, Mr. Speaker, that the Newfoundland Hydro needed the rights to the rivers and streams, that Newfoundland had to get its hands on the rights, on our birthright when it was sold to BRINCO, had to get their hands on it, because they were going to go ahead right away with the development of the Lower Churchill.

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MR. JAMIESON: Immediate development.

MR. NEARY: Pardon.

MR. JAMIESON: Immediate development.

MR. NEARY: Immediate, it was immediate. They could not wait. They said, "No, we have to kick BRINCO out and we have to take back our rights to the Lower Churchill so we can go ahead and development it right away", and that was back in 1973, 1973. That was over six years ago, and since then we have been paying interest of \$25 to \$30 million a year on that money that was borrowed. There was no need of it. The takeover was premature. The development did not go ahead, and ever since that colossal blunder the government has been doing nothing but bungling the development of the Lower Churchill. Back in 1975, we were told in this House, and I have to admit that I was one of the ones who was sucked in - the hon. gentleman was not, I was - we were told that the development was going to go ahead and the only way, the only way that you could transmit power from Labrador to the Island of Newfoundland was through a tunnel underneath the Straits of Belle Isle. Now, we are told, Mr. Speaker, now we are told that new technology makes it possible to transmit power to the Island of Newfoundland by submarine cable, only a few months later, now they have changed their tune again. And my hon. friend says the Government of Canada took them off the hook. Well, I do not know if that is quite correct or not. They may have taken them off the hook. They may have given them an excuse.

AN HON. MEMBER: They saved a \$100 million loss.

MR. NEARY: Well, they really have not saved a \$100 million loss, because that \$110 million is added on to the provincial debt, one of the reasons why we have the highest debt, one of the reasons we have a \$2.6 billion debt in this Province, that is one of the reasons for it. And, you know, talking about that \$110 million, Mr. Speaker, my hon. colleague did not mention

MR. NEARY: that we have never been able to get an accounting in this House of what that \$110 million was spent on or how it was spent. We have never, Mr. Speaker, been able to get a list of the contractors; we have never been able to get a list of whether or not public tenders were called; we have never been able to get a list of all the houses that were bought in St. John's, all the houses that were bought in St. John's at exorbitant, very high prices and then sold within a matter of months at reduced prices, at bargain basement prices; we have never been able to get a list, even though we have asked for it. Hon. gentlemen want to check Hansard, they will go back and they will find that I have asked numerous questions about that \$110 million. Not one answer, Sir, it is almost - well, yes it is - it is equal to Labrador Linerboard. Now, \$110 million of taxpayers' money, you may as well have taken it and thrown it out the window of Confederation Building -

MR. JAMIESON: Or put it down the hole.

MR. NEARY: - or flushed it down the toilet -
\$110 million, Sir, \$110 million.

MR. BARRY: \$65.

MR. NEARY: Mr. Speaker, I do not know where the hon. gentleman gets \$65 million, we have proven in this House that it is \$110 million that had to be borrowed, and you may as well have taken it down into the Straits of Belle Isle and just flung it out into the ocean, and let it float away with the current and no explanation for it. Before the hon. gentleman passes this Bill, I believe we on this side of the House should insist that the hon. gentleman give an accounting for that \$110 million, table contracts and tell us how the \$110 million was spent, where it was spent and who got it and were public tenders called. They were

MR. NEARY: doling out contracts right, left and centre to their buddies. The same minister, Sir, that was minister then. Or, Mr. Speaker, are we allowed to refer to the past? Do we have to blot out that little episode in our history? Can we not talk about that, or do we have to step into the future with 'Peckford,' step into the Eighties with 'Peckford?' Or can we ask now? We have not been able to get it before and the hon. gentleman now, all of a sudden, is portraying the image of honesty and integrity, which I commend him for. Will the hon. gentleman give us the contracts, give us a list of the contractors, what the contracts were for, how much the contracts amounted to? Were public tenders called? How many houses were bought? How much transportation was paid jetting people back and forth between here and Montreal and bringing people in here from the mainland at public expense? Can we get an accounting of all this now before we pass this Bill, or are we going to have a rehash of the same old thing that happened back in 1975? And it has been happening since the Tories took over in this Province on January 18, 1972.

Mr. Speaker, we could have developed the Lower Churchill for seven or eight hundred million dollars.

MR. MORGAN: Who is 'we'?

MR. NEARY: The Province.

The Province could have developed the Lower Churchill -

MR. MORGAN: You are talking about the Liberal Party.

MR. NEARY: Mr. Speaker, the Province could have developed the Lower Churchill for seven or eight hundred million dollars. Do you know, Your Honour, what it is going to cost today to develop the Lower Churchill and transmit the power to the Island of Newfoundland? Close to \$3 billion.

MR. JAMIESON: \$3.3 billion.

MR. NEARY: \$3.3 billion.

MR. RIDEOUT: That is just Gull Island.

MR. NEARY: That is just Gull Island, Sir, \$3.3 billion. Why, that is almost as bad as the public debt. When this

MR. NEARY: crowd took over the public debt was only seven or eight hundred million. Now it is \$2.6 billion. We could have developed the Lower Churchill for seven or eight hundred million. Now it is going to cost \$3.6 billion. And as far as I am concerned, Sir, the development of that project is not yet in sight. You are talking about several years down the road. Although the other day Mr. de Rothschild came back to Newfoundland - I am surprised the man would ever put his foot down on Newfoundland soil again - came back to this Province to try to renew his relationship with the Provincial Government. Although the Government has been doing business, I presume, through his banks, through de Rothschild's banks, I am surprised that the squeeze was not put on this Government. And how do we know but it was not, Mr. Speaker? How do we know that we have not paid the price in the international business world for that dastardly act of kicking BRINCO out of this Province? How do we know we have not paid the price in bond issues and in driving business away from the Province when we brought on the reputation of a 'banana republic' in this Province? Now, we have this gentleman back again, talking to the Premier and to the Administration, trying to renew the good relationship that that gentleman had with this Province. A man, one of the most influential, one of the, I would say, greatest financiers on the face of this earth today! Mr. Speaker, if Mr. de Rothschild came back to Newfoundland and I am surprised that he has - he has come back to

MR. NEARY: try to strike up some business acquaintance with this Administration. This time I hope they have sense enough not to chase the man out of the Province as they did back in 1973. Because I think he has a great contribution to make to this Province. And the other day when he came, Sir, he came to talk about hydro development so I am told, so the hon. Premier told me in an answer to a question that I put to him in this House, hydro development, and the kind of hydro development that he is talking about is a new technique, new technology whereby you can use a low head turbine that can generate electricity far cheaper, far cheaper than it will cost to develop the Lower Churchill. And I believe, if I am reading the hon. Premier correctly, that what Mr. de Rothschild is talking about, and BRINCO is talking about, is the development of the Muskrat Falls as starters, and the development of the hydro potential of Lobstick, which is, I suppose strictly speaking is a man-made dam, use the overflow. They already are generating electricity from Lobstick but I believe what they have in mind is to use the overflow to generate 200 horsepower or 300 horsepower of electricity, a fantastic idea! Absolutely fantastic! But it is not new, Mr. Speaker. It is another example of how this Administration procrastinated over the years. Back in 1976, I think it was, I was coming into Confederation Building one day and Mr. Crosbie came strutting along with his head up in the air and his nose up, looked down at me and said, "Do you know who I am going to see now?" And I said, "No." He said, "I am going to see Eddy Rothschild." Well I said, "Ask him for a loan for me will you?" He said, "Well, why do you not come up and ask him yourself?" And I said, "Why, what is going on?" He said, "Well, he is having a little slide presentation up in the board room in the Department of Finance. If you care to come along and see it," he said, "I am going up by myself, why do you not come along?" So I went along and I saw this slide presentation and I did not have the heart to strike Eddy up for a loan but I did have a long chat with him. I spent three hours in that board room. Crosbie was so busy that he

MR. NEARY: to use in this Province and in Labrador, whereby you could develop the smaller rivers and streams, and that was in 1976, and 'Bully Boy Crosbie' - I asked him several times in this House about it - made fun of it. He is such a skinful of hate he should be in the Guinness Book of World Records he is so full of hate for anything or anybody who had anything to do with the Liberal administration in this Province, that he just -

MR. STIRLING: Or in Canada.

MR. NEARY: - or in Canada for that matter.

MR. STIRLING: (Inaudible) better wreck Canada.

MR. NEARY: That is right; oh, he will be the most hated man in the Canadian nation before - before this year is over, he will be the most hated man in Canada.

MR. FLIGHT: Ask Joe Clarke.

MR. MORGAN: (Inaudible) Labrador - jobs down there.

MR. NEARY: But anyway, Sir, he paid no attention to it, no heed to it at all, and now we have the same proposal before the administration. Now, they are taking a hard look at, three years later, almost four years later. It seems, Mr. Speaker, that this government thrives on delayed action. Everything is delayed action. 1975 - bang, off goes the explosions on both sides of the Straits of Belle Isle. Then all of a sudden the election is over, the project is cancelled. The two holes are still down there. Then all of a sudden we are told by a new Minister of Mines and Energy "Ah, the hell with that, we are not going to go that route at all, we are going to put in a submarine cable", just all within a matter of a few weeks or a few months. They did not develop the technology for using submarine cable overnight. Why that idea was talked about back in the sixties when we ran into the problem with the Province of Quebec in bringing electricity to the Island of Newfoundland, when we were going to follow the Anglo-Saxon route.

MR. MARSHALL: Instead you decided to give it away.

MR. NEARY: Mr. Speaker, I thought I gave the hon. gentleman a lecture a few years ago on what was given away. There is no doubt about it, Mr. Speaker, that looking back, you know it is a funny thing, Sir, that the only ones in this Province, the only ones in this Province who knew, who knew, that there was going to be an energy crisis and the only ones who knew that the price of oil was going to go up in the world, the only ones who knew were the Tories; nobody else knew; they are the only ones on the face of the earth who knew that. There were really smart. Well, Mr. Speaker, I will tell you how smart they were, they supported the Bill in this House, they supported the Bill for the development of the Upper Churchill, that is how smart they were. Those of them who were here, and not only that but the Premier of this Province, the Tory Premier, the hon. gentleman's predecessor, trotted down the Churchill Falls with his entourage for the opening of the Upper Churchill, and just go back and read his remarks and see what he said about it.

MR. STIRLING: (Inaudible) and Crosbie drafted the agreement?

MR. NEARY: Of course, they did. We had 'Bully Boy Crosbie', I believe, was one of the ones who drafted the agreement, and 'Weak-kneed Hickman' was another one who was in on the drafting of the agreement. They were Liberals at that time.

MR. MORGAN: (Inaudible).

MR. NEARY: Ah, Mr. Speaker, this has been the greatest faux pas in Newfoundland's history, and now we are at the stage, Mr. Speaker, where we have a great energy crisis in the world, where we have a shortage of oil, where the price of oil is going up, and even though it is going to cost us \$3 billion to develop the Lower Churchill we have to do it. We have to do it, Mr. Speaker, if we are going to survive at all, we have to do

MR. NEARY: it. We have the only source, the only major source of hydro-electricity on the North American continent, we have it in Labrador, and we are too stunned to develop it. We hear ministers and members on the other side getting up and telling us, "Oh, we have one of the world's greatest natural resources", well, so what, what else is new? I just said that myself. Every member on this side will concur with that, but it is all no good if you let it flow out into the Atlantic Ocean, as hon. gentleman have done.

MR. NEARY: It is criminal what they have done, Mr. Speaker, to the Lower Churchill. It is criminal!

Now, Mr. Speaker, we are into a position in the world where we have to go ahead with it immaterial of the cost, and we heard today that the hydro power that will be developed on the Upper Salmon will be what? 40 mils?

MR. JAMIESON: 41.

MR. NEARY: 41 mils, how many mils will the electricity be on the Lower Churchill? 70 mils or 80 mils?

MR. JAMIESON: No.

MR. NEARY: But even at that we still have to go ahead with it. But I tell you one thing, Mr. Speaker, I know my time is running out, I will tell you one thing, that I will make you a prediction, Sir, before I take my seat, I will make you a prediction, Sir, I will make you a prediction right now, that the hydro potential of the Lower Churchill and the Muskrat Falls will never be developed by the Tories. It will never be developed, Mr. Speaker, until you get a Liberal Government back in this Province.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: Never be developed by them, never, never. They will never develop it.

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

MR. HISCOCK: Since going through the district for the nomination, then during the election, one of the things that I was pointed out time and time again was, in the past election of 1975, as has been mentioned by the previous members here, the starting of the under ground tunnel from Pointe Amour to Flowers Cove, it was brought up \$110 million or \$65 million. As far as I am concerned it really does not matter how much it cost. If it is \$110 million or \$65 million then that is how much the taxpayers have to pay.

The question was asked where did this money go and what happened to it? Some of the people down in my district turned around and said that when the ship came in to do the

MR. HISCOCK: drilling the local people said that you cannot drill with the undercurrent going one way and the ice bergs and whatever going another way. It took research over a full year to have a camera at Pointe Amour flashing every eight seconds to confirm what the fishermen down in that area said. They went out with the boats and the diamond drill which cost \$50,000 and snap right away went the support staff, went out again the second time. and again it snapped off, only to be re-enforced, after studying the film that was shooting every eight seconds for a full year, that what the fishermen down there told them was true, that it is possible to have the ice bergs going up against the current and the current coming down.

The crushed stone that was brought there at Pointe Amour, where did it come from? Did the Minister of Transportation at that time or any other department send in a crusher and develop crushed stone in that area? No. It was brought from Corner Brook and Lundrigan's, brought from Corner Brook and Lundrigan's and brought up by the Crosbie shipping line and transported up and then taken off.

Businessmen in my district turned around and signed a contract with the government at that time for three years and under that agreement they went and they bought equipment, heavy duty equipment, only to find out after, after they invested heavily in heavy duty equipment that the contract was broken. The businessmen down in that area now still have the heavy equipment.

Another point I found out and whether it is true or not, from Port Hope Simpson and all the way down, that when it was being opened up and aerial survey and cutting of the timber lines going into the Lower Churchill that there were oil drums or fuel drums placed all along into the route, of over 500 drums at Port Hope Simpson and all the way along that these drums were put there so that the

MR. HISCOCK: helicopters and supplies could fill up.
What happened in the end when this was pulled out these drums were
still left there and it is possible to this day that there are still
some of these oil drums that are filled up and are left in there.

 Quebec Tel used to go on down, open
up the drums and fuel up and go on. Any private company or whatever
who would be flying in that area also went down

MR. HISCOCK: and opened up the tanks. In actual fact, there was an accident in that area that was covered up later on by saying that the person had burns from an accident when in actual fact it was an explosion that took place.

I want to point out to this House and I want to point out to the people of Newfoundland in particular, that on February 28, 1927, when the Privy Council of the Empire of England, or Great Britain at that time, decided that Labrador should be awarded to Newfoundland and not to Quebec, it did so for only one reason and that was for the white settlers settling on the coast of Labrador from L'Anse-au-Clair to Cartwright and Rigolet and Postville, that area. It did not recognize the Northern communities of the Indians and the Innuits. Why? Because in 1927, as we all know, they were considered savages. It was only in the 1960s that we decided that we would give them a better name and instead of calling them Eskimos we would call them Innuits. That is why Newfoundland has Labrador.

In the meantime, what has Newfoundland, particularly, done for Labrador? Very, very, very little, particularly on the original coast that was given them.

I presented a petition today with regard to the Williams Harbour school; the other day I brought up in the House about power in Williams Harbour and the Premier said that it would be done. I contacted Newfoundland Hydro officials and they were to get back to me - I am still waiting.

All coastal Labrador from Nain on down to L'Anse-au-Clair, not one of them are serviced by diesel generators. We are talking about developing the Lower Churchill, we are talking about Upper Churchill and getting it back, all of it, not one bit has gone to the people of coastal Labrador, the original people.

MR. HISCOCK: Here is Newfoundland, the Province of Newfoundland, acclaiming that the future is going to be going on and that we are going to get great benefits. But the original people down there, what have they got? They have one school in Williams Harbour from K to Kindergarten. They have Williams Harbour itself that does not even have electricity, does not even have diesel electricity. And I would like to ask the question to the people and to this hon. House here:- How, in our own right minds, can we as people and citizens of this Province equate this and put up with it?

The people down in the district of Nain on down toward the district of Torngat - the hon. member mentioned the other day of a strong growing separatism in Labrador. It was brought up in The Evening Telegram, in particular, that it has always been there.

MR. MORGAN: That is an irresponsible statement (inaudible).

MR. HISCOCK: Whether it was an irresponsible statement or not, the thing is that when the petitions that I may have to present to this House, one of the petitions that I may have to present to this House from the Straits is that the Labrador flag be recognized as the flag of Labrador, and the Ode to Labrador. That is the assessment down in Labrador.

AN HON. MEMBER: (Inaudible).

MR. HISCOCK: And it is not an assessment that I particularly agree with but it is one of the reasons I am presenting petitions to this House and bringing it up to this hon. House so that we will do something about it. I know one thing, the Government is in power and they have the ability to do something. I know now, being a new member of this House, in contacting officials of various departments that I am becoming extremely frustrated. When I ask for various things for the district I am told by the Minister of Transportation and I am told by any other member that no preferential treatment will be given to Labrador.

MR. HISCOCK: I got a letter yesterday from a person in Paradise River and basically it said, for thirty years since they have been under Confederation what have they got. The roads down there are not even considered roads. They are not under the Department of Transportation, they are under the Department of Municipal Affairs. And in what we got today it says \$200,000 was given to the District of Eagle River. Two hundred thousand. And if you go into that and you know it, \$200,000 is a special project of the Department of Highways which is going in and developing at Fox Harbour; only one community out of the many communities on that coast.

An aerial survey is being done of the Straits. I had a letter and I sent it to the Minister of Transportation, and during the election it was said that \$200,000 was promised to reconstruct the road there. Since that, it is hoped that the people will get this under DREE and the people down in that district are quite pleased about that. But one of the things they do not realize is that the road has to be maintained now. I just got a telephone call that on this part of the road that is in such bad condition they have two tractors down there which are both broke down, one of them cannot find parts for at all and one they just got on the road again today. Another telephone call today from a person operating a fish plant down there ended up getting what? No ice for it.

MR. STAGG: Rubbish.

MR. HISCOCK: Rubbish or whatever. I would like to tell the member for Stephenville (Mr. Stagg) in particular -

MR. STAGG: It has to be.

MR. HISCOCK: - Rubbish, a lot of it is rubbish down there.

MR. STAGG: Relevance.

MR. HISCOCK: Relevance? Well, all I am saying is that I am only going on record for one thing. If it came to the point that this Party on the Opposition side is supporting this bill, well

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MR. HISCOCK:

I can tell this House and I will say with all sincerity that if I had to go through my district and I had to poll the people with the development of the Lower Churchill, whether it go ahead,

MR. HISCOCK: I know one thing damn well that they would say, and that would be not necessarily to go ahead, but all I am saying to this House, that when it goes to the development of the Lower Churchill or the Upper Churchill in the contract or the development of the superport or the port at Happy Valley or anything, that it has to be taken into account that the reason why that Newfoundland has Labrador is the coastal people, and if the Government of Newfoundland and Labrador does not keep this in perspective and does not turn around and try to help these people - they do not want welfare, they are the most independent people I have ever met, they are not even asking for payment, they are not even asking for anything, but all I am pointing out to this House that here we are acclaiming, and I support this Bill 100 per cent, and I support the total development of this Province, not only Labrador but the total Province, and I would like to go on record that if it is possible that the Government of Newfoundland and Labrador use this opportunity, as Quebec did in the past in developing its great hydro power, use this in the present now of having total, total Newfoundland and Labrador control over it in the sense of engineers; we know it is going to take place, send our people away so that they can do it and then come back and make sure that all of this, more so than the Upper Churchill, is developed all by Newfoundland and Labrador people so that we can have a source of pride in it. But again I will only point out, also, that until the Province realizes that we cannot have the development going on in hydro and industrial projects in Central Labrador until we realize the gross inequalities on Coastal Labrador.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Mr. Butt) The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, I want to respond to some of the matters that have been raised. I think rather than adjourn the debate we will just go on to the end and come back tomorrow. I made that aside because I had indicated the hon. the Leader of the Opposition.

MR. MARSHALL: Mr. Speaker, I think it is a great pity, first of all, that a Bill of this nature can be brought before the House and there seemingly anyway, unless the honourable gentleman of the press and ladies of the press are assiduously copying notes inside, there seemingly appears to be very little interest in what is really a monumental Bill that can very much affect the development of this Province and I say to the hon. gentlemen, of this Province of Newfoundland and Labrador, the hon. minister has given the details of this Bill and the agreement itself, and I think really that it is not only, as I say, a monumental measure that has been taken for the development of this Province but also I think it is a yardstick of how development in this Province ought to take place and how it will take place in the future. Because, Mr. Speaker, the member for - and I do not want to be involved in the debating or rebuttal but there are certain things that have to be rebutted that were said today - the hon. member for Baie Verte - White Bay (Mr. Rideout) made a great to-do about the fact that what this Bill was doing is bailing out by the federal government of the premature action of the provincial government. Now, some bail-out, Mr. Speaker. Now, I do not know what the hon. Leader of the Opposition is going to say when he gets to his feet, but I know the distinct impression that I received when not a member of this Cabinet about a year ago, and that impression was - and it was consistent with the centralist view of the party in power at that time in Ottawa - the impression given was that the federal government was going to participate in this development on an equity

MR. MARSHALL: basis, on an equity basis from the basis of common shares, on the basis on which they would have a share of the development itself. It was in the vicinity of between forty and forty-nine per cent, and most of us said, "Not on your life." There was after all only a difference of degree when you talk about giving away all of our resource, as they did, as was done, and very tragically in the case of the Upper Churchill, and giving half it away to the federal government. The fact of the matter is that we as Newfoundlanders, or we as Canadians, have as much right to the resources of the federal government to assist us in the development of this Province without them asking from us a fifty per cent, or a near fifty per cent in that development. But that was my impression, Mr. Speaker, of what was being asked at the time. And I will be interested in hearing what the hon. the Leader of the Opposition (Mr. Jamieson) as I know when he speaks will indicate, but that was the impression of me when I read the statements that were made at the time heralding this particular development. Subsequent statements were made afterwards and subsequent adjustments were made so that we have the proper mode of development as embodied in this bill itself. And one of the things, as I say, one of the things that I think is most significant about this bill is that the federal government are coming into this now as they should, not on the basis of equity participation, not on the basis of ownership, because after all they have no real right to ownership of this particular resource, the resources belong to the provinces in accordance with the Canadian scheme of things and they have no right to come in and demand part of our resources. But they have a right, the Canadian Government does, the federal government does, when they participate in a development like this as they have done, they have a right to repayment of their investment in the same way as anyone else putting money in. And that is exactly what this bill does. And I think that it is a monument to this government that the development of the Lower Churchill has been set on this foundation in a way in which the people of this Province will be able to acquire purely and simply by repaying the amount of money

MR. MARSHALL: that has been advanced by the federal government, plus legitimate interest on it and get the entire and the full ownership of the development, the proposed development of the Lower Churchill.

There will not be a case that the federal government will get, as I say, ownership of it. The federal government has co-operated in it. The federal government agrees to put in money. Money is put in by way of preference shares and one should not get hung up on the fact that shares are in it because they are really not shares because this Province has the right at any time to redeem these shares upon payment of the principle amount, plus the interest. In other words, it might just as well have been styled as a loan from the federal government itself. In addition to it any dividends that may be paid between the time of redemption and the advancing of the money will be deducted. So it is truly the participation of the federal government in the resource development of this Province in the way in which the federal government ought to participate.

But there was no doubt, Mr. Speaker, I say in my mind, that the federal government originally wanted equity and I have to ask myself, of course I will be interested in hearing what the Leader of the Opposition said, but there was a great fight here about it I remember. The hon. Premier remembers it full well, because it was carried on in a certain manner there is perhaps no need to go into in this House. But as to the situation from my point of view, I would say that it was consistent, you know, as to whether or not the previous administration and the federal government insisted on this or not, it was certainly consistent with their policy because their policy at all times had been towards centralism, towards the control of the resources by the federal government itself and I view this, Mr. Speaker, to be just another arm of the exercise of their policy.

Now, the hon. members have referred to the Lower Churchill, and the mistake at the time, and it was ill-conceived

MR. MARSHALL: and what have you. At the particular time when the Lower Churchill development was to go through, then not a member of the Cabinet, and I only recount this because it is a matter of public record, myself and the hon. member for St. John's North (Mr. J. Carter) in this House voted against it, and we voted against it at the time because we thought it was premature and

MR. MARSHALL: It was premature because the financing had not been arranged with the federal government at the time and, more importantly, the scandalous situation with which this Province is faced, vis-a-vis the confrontation or the situation with Quebec, was not settled, we had no means to transport the power. So, it was tantamount to me and the hon. member for St. John's North (Mr. J. Carter) to building empty warehouses, as it were.

AN HON. MEMBER: Still have not got any.

MR. MARSHALL: We had no market for the power itself, but I would say in retrospect in looking at this particular situation that we have now, if it was a mistake the monies have now been recouped and they had been regathered by this government in a very realistic and real way. The monies that have been put into the Lower Churchill by this particular agreement are going to be put into or credited towards shares which the Province holds in this company, the Lower Churchill Development Corporation. As I say, the monies that have gone into the Lower Churchill will be capitalized and the federal government will put in actual cash, our cash is already in it, so in effect we are recouping it. Regardless of the fact as to whether or not the Lower Churchill was a mistake or not, we all have varying views on that, the fact of the matter is that the mistake, if it was made, has been recouped and we now have an asset and that asset is represented in our shares in the Lower Churchill Development Corporation.

AN HON. MEMBER: That is a meaningless argument.

MR. MARSHALL: No, it is not a - no, it is not, it is a very realistic argument. It is a case of the government doing really - recouping in a manner the best way possible their investment, and this is in effect. We have put in our \$100 million a few years ago, the federal government is going to put in their \$100 million over a period of time.

MR. MARSHALL: I find it to be, Mr. Speaker, also - the statement made and it can be taken in rather a cynical way by the hon. member for Lapoile (Mr. Neary) when he said the member for Naskaupi, the hon. Minister for Rural, Agricultural and Northern Development (Mr. Goudie), was naive when he said that this agreement means that the Lower Churchill is going ahead, and the hon. member for Lapoile said, "No, it does not mean it is going ahead, it does not mean anything. It just means that there is a study", and, of course, that is one way, I suppose, of viewing it because there is, in effect, going to be a study, but I regard this Bill as much more than that. It is a commitment by the federal government for the first time, together with the provincial government, to allow this resource, the resources that belong to the people of Newfoundland, to be developed in Newfoundland for the people of Newfoundland and Labrador, and as such I think it is a great step forward. As I say, it is a real commitment on their part, and I think it should be regarded as such because it is a commitment and a recognition by the federal government, at long last we might say, that the people of Newfoundland and Labrador are entitled to the benefits derived from the power that is generated within the provincial boundaries. So that is really what it is. The hon. minister has indicated as well other aspects of it. Here, at all times, the provincial government will hold control. They will hold a controlling share, and I think and I again emphasize that the most salient aspect of this agreement to me is the fact that the money is coming in from the federal government is coming in really by debt funding. It might take the form of share capital from the point of view of preference shares, but to all intents and purposes it is debt funding and we can acquire the full ownership without going to the agony of court battles over a period of years. The hon. member for Lapoile also indicated - perhaps I will not get into that because that might be a little bit too partisan to go at this late.

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AN HON. MEMBER:

Oh, come on now.

MR. MARSHALL:

No, I am not in the habit of being
partisan.

MR. NEARY:

It is like 'Another World' - listen
tomorrow.

MR. MARSHALL:

The fact that it was delayed one a half
years, to my mind, is no doubt that the reason why this was delayed
one and a half years, there may be other reasons,

MR. MARSHALL: but one of the main reasons was the perception and the desire I think by the federal government to obtain equity. The hon. member said that the minister should be banished, I would point out I think that really - you know, it is a little bit amusing to hear the members there opposite and the representatives of the Liberal Party get up and give advice to this House and to the people of Newfoundland on matters of hydro development. If there was every a group of people as such, not as individuals, who should be banished from this Province, if there was ever a group of people, the hon. Leader of the Opposition (Mr. Jamieson) in his campaign talked about a freeze, well, the people of Newfoundland are well aware that the Liberal Government, or the Liberal Party, put a freeze on electrical rates not for three years but for sixty-five years in this Province.

AN HON. MEMBER: That is right.

MR. MARSHALL: So it ill-behooves them to get up and talk about the Minister of Mines and Energy, he should be banished because of some perceived involvement in the taking over or the expropriation of the BRINCO assets. I really feel that the true implications and the true impact on the people of this Province as a result of the gross error that was made by the Provincial Liberal Government, in company with their friends in Ottawa at the time, the Liberal Government at the time, was the giveaway of the Upper Churchill which loses us and we must remind them over and over again, \$550 million year, after year after year, which would be the difference between us being a have not province, and a have province. It is up there now and it is flowing through Quebec and we all know - it would be an entirely different situation if Newfoundland had been between Quebec and Ontario at the time, you would see how fast the lines would be declared to be in the national interest and Quebec power would run through.

It is a great failure as far as I am concerned -

AN HON. MEMBER: Foolish.

MR. MARSHALL: No, it is not foolish. It is a great failure on the part of the Liberal Party at the time who are looking for construction jobs. They would not countenance maybe a delay of a year and a half, but we countenanced a delay of a year and a half so we could appropriate the -

AN HON. MEMBER: Seven years.

MR. MARSHALL: No. Well even seven years. We will wait and it will flow - the hon. member should know that as far as this government is concerned the power will flow over the Falls forever unless the people of Newfoundland can get the full and absolute benefit of it. We are not developing this power as they did before -

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: - we are not going to develop this power as the hon. gentleman did before for the purpose of selling us out, and that is in effect.

One of the things by the way that really concerns me I think that is little known about that contract, I was looking at that contract the other day and this is the contract that was allowed to be -

PREMIER PECKFORD: There is a difference between the lease and the contract. The contract never came through here, but just the lease.

MR. MARSHALL: Yes, but they had control. They had control of this contract or if they were governing this Province I suggest they jolly well ought to have.

PREMIER PECKFORD: Hear, hear!

MR. MARSHALL: I looked at this contract the other day and one of the little things that I think is not known by the people of Newfoundland, I saw that the contract between Quebec Hydro and Churchill Falls Labrador Corporation is to be construed in accordance with the laws of the Province of Quebec.

SOME HON. MEMBERS: Oh, oh!

MR. SIMMONS: Thanks to Mr. Hickman.

MR. MARSHALL: That was the Liberal Government. Not only was the power given away, Mr. Speaker, not only did they give it away but they said any interpretation should be derived from the laws of the Province of Quebec and there was even a reference to a court in the district of Montreal that the case would have to be carried to.

Now, you know these facts are unknown. They are really unknown to the people of this Province because I say if the people of the Province fully realized the full impact of them, the full impact, they would banish the Liberal Party from this Province forever and a day.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: Because really in truth what the hon. gentlemen's predecessors there opposite have succeeded in doing is selling the people of Newfoundland down the river, and I mean down the Churchill River forever and a day.

MR. STIRLING: Would the minister yield for a question?

SOME HON. MEMBERS: No. No. No.

MR. MARSHALL: I will yield for a question but if the hon. member is going to get up with the usual childishness about, you know, as comes from the Liberal Party as who was in on the contract, Mr. Hickman and Mr. Crosbie, I will say to this hon. House, as I have said to the hon. gentleman there opposite and the hon. gentlemen who were here, that eventually they came to see the light. It is unfortunate that the hon. gentlemen on the other side will never be able to. Was that the question the hon. gentleman was going to pose to me?

MR. STIRLING: Mr. Speaker, I appreciate the fact that the member opposite is very good at interpreting and anticipating questions but I wonder does he know that last night in the Committee stage that the present minister indicated to the Committee that one of the options that they are now looking at is the very self

MR. STIRLING: same option of selling all the power West, is he aware of that.

MR. MARSHALL: Mr. Speaker, I do not know what the hon. gentleman said, but I have great faith in the hon. gentleman's judgement, but I will tell the hon. gentleman this, that if the hon. minister made such a statement -

AN HON. MEMBER: No, he never.

MR. MARSHALL: - which he says he did not, but if he did I will guarantee him one thing, all of the profits will come to the people of Newfoundland and Labrador and not the people of Quebec.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: No, that is all right. The hon. gentleman there opposite is making this statement about the hon. minister, but the fact of the matter which leads me into another thing that this power will not only be developed for the people of this Province, but it will also be developed primarily for persons in a section of the Province where this power is located, and I find myself from time to time - I have heard the two hon. members from Labrador get up on their feet from time to time since this House has opened and maybe it is because they are first in here and they say that Newfoundland has done very little for Labrador, and I will grant you that in the past and in the far past there were many things that could have been done that, you know, ought to have been done, but the fact of the matter is that this government has striven, this party - I separate in my own mind, as hon. members will realize and if they do not I can explain to them after, that I distinguish between this party and this government because this party had two governments - but this party has over the past number of years done many significant things in Labrador. the Snowden Royal Commission, for instance, and I got these facts after I heard the hon. member for Torngat Mountains (Mr. Warren) speaking, and I heard him make kindred remarks at the particular time himself about what

MR. MARSHALL: has this government done for Labrador, when the hon. gentleman would not be sitting here but for the fact that this government recognized the need for other representation in Labrador itself.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: So, if the hon. gentleman really owes himself to this side of the House. Since over the past few years and this is by no means exhausted, the hon. member for Eagle River (Mr. Hiscock) got up and asked a question too in the House not too long ago about Mary's Harbour, about the landing strip in Mary's Harbour. The hon. the Premier got up and answered. He said he is very concerned about it, and he said he was going to look into it, and presto, 48 hours later the hon. Minister of Finance in Ottawa announces a landing strip for Mary's Harbour.

SOME HON. MEMBERS: Hear, hear!

MR. HISCOCK: Could I have a question? Could I have a question?

MR. MARSHALL: I will yield for a question for the hon. member when I finish tomorrow.

Now, that is performance. I assume that the hon. member will go throughout his district now, between now and when we reconvene, informing the people that we have a landing strip in Mary's Harbour which we have been trying to get for seven years in this government, but finally we are able to achieve because there was a P.C. government in Ottawa which has the responsibility for it.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: So, we have, you know, we have the representation - the Snowden Royal Commission. As was the habit of other climes and times, you had a commission for everything. You investigated it and they put the fate of Labrador at that time into the hands of the Snowden Royal Commission. As all academics, a very good report that came back with a whole lot of recommendations with very little reference to the ability to pay to it, but of all

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MR. MARSHALL: the things that were needed. I am happy to advise the House that there were 287 recommendations and I am informed that 200 have, to a great extent, been acted upon, how is that for performance?

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: And in the few moments I have left, we will have some more performance tomorrow, so I move the adjournment of the debate.

SOME HON. MEMBERS: Hear, hear!

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Tape 660

RT-1

MR. SPEAKER: (Simms)
Council.

The hon. the President of the

MR. RIDEOUT:

Very good.

MR. MARSHALL:

In my other tone of co-operation,
a spirit of co-operation, of brotherly love.

The meetings of the Estimates

Committees:-

The Resource Committee will meet
tonight at 7:30 in the Collective Bargaining room considering the
estimates of the Department of Mines and Energy. The hon. members can
have at it again.

Thursday, at 9:30 tomorrow morning
in the Collective Bargaining room, Industrial Development will be
considered.

Social Services tonight at 7:30 at
the Colonial Building considering the estimates of the Department of
Education, and tomorrow morning at 10:00 o'clock in the Collective
Bargaining room -

AN HON. MEMBER:

In the Colonial Building.

MR. MARSHALL:

The Colonial Building. It is changed.
Both in the Colonial Building, the Department of Education.

Mr. Speaker, I move the House at its
rising do adjourn - Oh, before I would make that motion I would like
to inform the hon. House - the hon. the Leader of the Opposition, I know,
would like to take note of it - that when we finish this Bill it is the
Government's desire to get on with the financial matters and we will be
getting into the concurrence debate on Government Services after this
Bill is finished.

I move the House at its rising do
adjourn until tomorrow, Thursday, at 3:00 o'clock and that this House
do now adjourn.

MR. SPEAKER:

It has been moved and seconded that
this House do now adjourn. Is it the pleasure of the House to adopt

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RT-2

MR. SPEAKER: (Simms)

the said motion? Those in favour,

'Aye', contrary, 'Nay', carried.

On motion that the House at its rising
stands adjourned until tomorrow, Thursday, August 9, 1979 at 3:00 P.M.