

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
3:00 p.m. - 6:00 p.m.
WEDNESDAY, APRIL 16, 1980

The House met at 3p.m.

Mr. Speaker in the Chair.

MR. SPEAKER (Simms): Order please!

STATEMENTS BY MINISTERS

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, I want today to issue a statement on a number of pieces of correspondence which I think are significant in the history of the Province generally and more particularly in the history of the Province as it relates to our development of our natural resources.

I would like to table copies of a letter which I have today sent to Premier Levesque and Prime Minister Trudeau. Both letters represent, I believe, a significant development in the process of correcting the situation at the Upper Churchill Falls and of ensuring the proper development of the Lower Churchill River.

Hon. members will appreciate that the development of the Province's tremendous hydro resources in Labrador presents a major development opportunity and that it is absolutely vital for the government to proceed in a rational and carefully thought out manner. I would like, then, to outline the events which have brought us to this point and to read into the record the letters which are being communicated to respective individuals that I have just mentioned.

Mr. Speaker, the inequities inherent in the power contract between CFLCo and Hydro Quebec were recognized by the government of this Province in the early 1970s. Faced with what looked then like Quebec's unshakeable control of the Upper Churchill, government's thinking tended to be focused not on the Upper Churchill contract but upon the future development of Lower Churchill Basin, and particularly on the development of Gull Island. Indeed, in the period leading up to and during 1975 our strategy was orientated to obtaining the co-operation of Hydro

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PREMIER PECKFORD: Quebec to ensure (a) that a surplus energy contract could be negotiated, and (b) that an operating agreement between Gull Island and Churchill Falls could be arranged.

PREMIER PECKFORD:

As all members of this hon. House know, this strategy was not successful due to the unreasonable position taken in those negotiations by Hydro Quebec. Consequently, on January 6, 1976, Newfoundland and Labrador Hydro requested Hydro Quebec to supply Newfoundland with energy from the Upper Churchill. The 800 megawatts requested at that time exceeded the recall provisions in the power contract between CFLCo and Hydro Quebec. On January 30, 1976, this request was rejected by Hydro Quebec. A series of meetings to resolve the matter on the political level were held in 1976. These talks ended in a stalemate and on May 18, 1976, Premier Frank Moores wrote Premier Bourassa of Quebec stating that Quebec had until May 31, 1976 to give a favourable response to a request for 800 megawatts from the Upper Churchill by 1982 and that in absence of such agreement, appropriate court action would be taken.

Premier Moores continued to hope that the matter could be settled in a friendly way, amicably, outside the courts, but all this Province's initiatives failed to solicit any substantive response from Quebec.

In August, 1976, the Province of Newfoundland initiated action in the Trial Division of the Supreme Court of Newfoundland against CFLCo and Hydro Quebec with regard to recall of power from the Upper Churchill project.

On November 15, 1976, Premier Rene Levesque gained power and in February of 1977, Premier Levesque and Premier Moores agreed to have their representatives meet to see if there was any basis for further discussion. During 1977, extensive attempts were made to resolve this matter through a joint Quebec-Newfoundland Committee of which I was a co-chairman as Minister of Energy then for the Province and Mr. Joron, who was then the Energy Minister in Quebec and who was the other co-chairman. Little progress was made, and at a meeting on October 20, 1977, Quebec officials even denied that discussion of the Churchill power contract was included in their mandate.

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PREMIER PECKFORD:

Obviously, this whole process was very frustrating to this Province.

In the Spring of 1978, meetings were held in St. John's between Premier Levesque and Premier Moores, but unfortunately these discussions were frustrated by Quebec's unwillingness to reopen the Upper Churchill contract.

During all of this time and during

PREMIER PECKFORD: the remainder of 1978 and 1979, the Province's recall court case proceeded, during which time the Quebec side played the role of obstructing and delaying the work of the court by a number of technical manoeuvres so that the matter has not yet been resolved even at the Trial Division level after some three and one half years.

Up to the point when I became Premier of this Province, Quebec had, number one, imposed an inequitable contract on CFLCo, the Province's lessee, in the first place; two, refused to modify this contract through political negotiations (including the granting of the recall of power to the Province's electrical needs); three, obstructed and frustrated a court case which sought to confirm the legal right of the Province to recall Upper Churchill power.

It was, Mr. Speaker, in this light that when I became Premier in 1979 that I ordered a full review of the entire Labrador hydro situation. It was my government's belief that we should once more ask the Government of Quebec to recognize the legitimacy of reopening the Upper Churchill contract through political negotiations. As hon. members will see from the attached correspondence between myself and Premier Levesque, Quebec is once again playing a delaying game. It is in the light of this that I have today written both Premier Levesque of Quebec and Prime Minister Trudeau.

Hon. members will see that the purpose of these letters is, on the one hand, to terminate our negotiations with the Government of Quebec and, as a necessary consequence of that termination, to seek the assistance of the Government of Canada in correcting the situation which exists at both the Upper Churchill and the Lower Churchill.

Mr. Speaker, the House and the people of the Province are assured that all possible effort was made to negotiate a settlement to these very important questions and it

PREMIER PECKFORD: was with the greatest of reluctance that we have terminated the negotiating phase and are moving in a fundamental way, hopefully in concert with the Government of Canada, to correct the current situation through the legal process.

The transmission of electrical power across the Province of Quebec can no longer be allowed to be restricted by the Government of Quebec in direct contravention of the spirit and letter of the Canadian Constitution.

AN HON. MEMBER: Hear, hear.

PREMIER PECKFORD: The present government in Ottawa has indicated that it is committed to ensuring that provinces are not permitted to

PREMIER PECKFORD: unwarrently disrupt the work of the Canadian Constitution and the Canadian economy. Based upon this avowed stand, and on the fact there has been no reluctance to use the same federal power to ensure the free flow of Alberta oil and gas to consumers in Ontario and Quebec, I fully expect that the Federal Government will recognize its clear duty in this matter and will take the necessary legislative steps to ensure that the current situation in Labrador is corrected.

I want, Mr. Speaker, before sitting down, to read into the record, because I think it is important so to do, to go through the attached correspondence between the two letters that I mentioned in my speech. Mr. Speaker, after the government led by the former premier, Premier Moores, and after I became the premier of the Province in March of last year and subsequently reinstated or whatever through a provincial election in June, my first opportunity to meet the premier of Quebec was at a Premiers' Conference in Pointe au Pic, Quebec, and at that conference I requested that the Premier of Quebec meet with me to discuss the whole question of Labrador power. This Mr. Premier Levesque agreed to do and we met privately in the dining room that the premiers use to get together away from officials and away from everybody else and away from the press. And we met in that room on a particular day after our meeting with all the other premiers. And I said to Premier Levesque, at that time, 'Sir, I was involved in the negotiations dealing with this whole matter of Labrador power when I was Minister of Energy in Newfoundland; as you know, I was in on negotiations with you. I met you in Quebec City on one occasion and I met with you in St. John's, Newfoundland on another occasion during those negotiations between Mr. Joron and myself, and when I got involved with the Premier of Newfoundland and with yourself.'

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PREMIER PECKFORD: And we had agreed to establish, it was agreed early on to establish a committee and it would be co-chaired by the respective Ministers of Energy of the provinces. And we had begun our negotiations, as a matter of fact, here in Newfoundland, significantly enough at the Garrison Room in Hotel Newfoundland, and we met then in Quebec City and the officials of Newfoundland Hydro and Quebec Hydro, of the Energy Department of Quebec and the Energy Department of Newfoundland on a number of occasions. And we had gone through the whole business of looking at Labrador power,

PREMIER PECKFORD: both from the point of view a global approach that Mr. Levesque talks about all the time, and then specifically on the Upper Churchill. And it was clear from the start in all the negotiations back at that time - this is even precluding the Crosbie, Cournoyer, Moores, Bourassa days when it was alive and well at that time. But we had said to Premier Levesque and to Mr. Joron and all of the other people in the Quebec government at that time, 'Fine, we are willing to take a global approach as long as, before anything is totally and absolutely finalized, we can raise the Upper Churchill problem. No problem, we will raise it!' So we went through the whole process, we talked about the five rivers, we talked about the Lower Churchill, Gull Island, Muskrat, we talked about the Pinware, we talked about the Eagle, we talked about everything there was to talk about. We had all our technicians come up with figures as good as could be come up with at that time given everything - the number of megawatts, the kind of costs that would be involved and so on and the technical problems. And the final meeting in Quebec City and I was there came down to both groups saying, 'Look, we cannot go any farther on this until we have some commitment from the political leaders to move it further. We know precisely as precisely as is possible what Gull Island will cost what Muskrat will cost and so on.' So at that point in time - I can remember it clearly because the meeting was supposed to last four or five hours and only last forty-five minutes - that I then raised representing the Government of Newfoundland and as a Mines and Energy Minister the question of the Upper Churchill. It came as a great surprise to people on the other side who were negotiating and I said, 'Well, it is no surprise. We had gone into this the same way we started these discussions'. But we were willing, as the

PREMIER PECKFORD: Government of Newfoundland,
to put one side, for the sake of getting co-operation going
on the Upper Churchill and deal with what Quebec wanted to
deal with as long as they were willing somewhere in that
process to consider the Upper Churchill and the unnatural
and unreasonable situation that exists over the long-term.

So the meeting terminated
quickly. We reported to our respective Premiers of the
day and a meeting was set up between the Premier of Quebec
and the Premier of Newfoundland and it was held here in
Newfoundland from about 12:45 to 6:45 - I might be out
a couple of minutes on each side. I remember it well.
I remember it very well, too well for my own liking.
In any case, the outcome of that meeting was no agreement
and a press conference was held in the Cabinet room that
some people in the press gallery might remember

PREMIER PECKFORD: and then I talked to Premier Levesque in Pointe au Pic, and he said, "Yes, no problem, I want to talk about it, Premier Peckford," or whatever he called me at the time. "I want to talk about it in this dining room in Pointe au Pic, we want to talk about it." And I said, "Now remember, we are talking about the Upper Churchill too. If you want to talk about global approach, we have no argument in talking about global approaches because global to me means including the Upper Churchill and all that that means into the whole package," and he talked about packages. "So," I said, "fine."

"September 17, 1979, Hon. René Levesque, Premier of Quebec. Subject - Labrador power discussions. Pursuant to our conversation at the recent Premiers' Conference, I am writing to ascertain whether the Province of Quebec is willing to enter into discussions concerning a number of Labrador hydro-electric power issues which currently exist between our two provinces. We are hopeful that such discussion will lead to a satisfactory conclusion. The Government of Newfoundland and Labrador wishes that initially these discussions focus on two specific issues." Now, Mr. Speaker, this was only taken after the Cournoyer - Crosbie episode, after our long negotiations with myself and Joron, with Levesque and Moores that we specified it in this way.

Hithertofore we tried the global approach with Quebec coming first on its conditions and us coming second, which never materialized. So that now we decided that it was high time for the third round of discussions to center around us coming first in our conditions and they coming second in their conditions which would materialize if they would agree to our first ones.

"The Government of Newfoundland and Labrador wishes that initially these discussions focus on specific issues; one, an alteration in the price paid by Hydro Quebec to CFLCo for electric power received from the Churchill Falls plant; and two, Newfoundland's entitlement to recall electric power from the

PREMIER PECKFORD: Churchill Falls plant when the government of this Province determines such power is needed for use within the Province within Newfoundland and Labrador.

"Upon the completion of these discussions in a manner satisfactory to both governments, we look forward to further discussions on subjects of mutual concern and interest. We are writing you, therefore, to request your agreement to the first two items for discussion so that our respective ministers may commence formal discussions within the next month." Signed "Yours truly."

On the 15th. of November, Premier Levesque responded. "In your letter of the 17th. of September you were suggesting the holding of a ministerial meeting with Quebec on overall energy questions which concern our two government. I thank you for your suggestion and can assure you that we also want to maintain a positive dialogue capable of promoting the interests of both our peoples. Even if our appreciation of certain matters differ noticeably it will be to our advantage to consider the broad development prospects which face both our governments. I am convinced that a more strict collaboration between us would have a major impact on the development of our two economies. Thus to me it appears important that a global review" - now this struck me, Mr. Speaker, rather strange, because I had been through that global process myself once, and other people before me had been through it previous to that, Mr. Crosbie and Mr. Cournoyer and so on. "This step could be taken, if convenient to you, at the time of a meeting at the ministerial level or, if you prefer, at the Deputy Minister level, I can assure you the Quebec representatives will approach the matter in a co-operative fashion and so on.

"Please accept, Mr. Premier, my most kind regards."

We considered that response in light of the Government of Newfoundland's negotiations with Quebec hithertofore by me and Mr. Joron, by Mr. Moores, Mr. Levesque, by Mr. Crosbie, Mr. Cournoyer, by Mr. Moores and Mr. Bourassa. So we went back clearly

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PREMIER PECKFORD: on the 23rd. of November saying, "I refer to your telex of November 15th. replying to my letter of September 17th. From your general response, I take it that you are rejecting the specific conditions precedent which I consider essential if talks between our two governments on Labrador hydro matters are to be resumed. For the record however, I would formally restate the questions set out in my letter of September 17th. and ask that you give a written, direct answer to them."

PREMIER PECKFORD:

And then we have what followed,

"I thank you for your letter of the 23rd of November last and the question of the hydro electric resources which confront our governments. In this spirit I would like to propose to you that, in order to prepare with the best chance of success, the meetings at the ministerial level that you suggested" - and on it goes

I went to Quebec and met with Mr. Levesque in Montreal, I do not know how many weeks ago now, and reiterated our position and asked him for a reply, which he gave a couple of weeks ago, which he made public, I think. And it is the same kind of reply as we have been getting for a number of years. There is a new copy of Mr. Levesque's telex asking for a group of technical representatives to get together, go through the global approach - all of which is done, all of which has been completed. It was completed when I was Minister of Energy. And so, Mr. Speaker, it is only after having reviewed all the deliberations, discussions and negotiations between the province of Quebec and the Province of Newfoundland, between Premier Bourassa and Premier Moores, between Mr. Cournoyer and Mr. Crosbie, between Premier Moores and Mr. Levesque, between myself and Mr. Joron, between myself and Mr. Levesque, between Mr. Barry and Mr. Levesque, between Mr. Barry and Mr. Brube, that we have come to the conclusion, and after the meeting I had in Montreal with him, which he responded to then in a telex which is attached as well, that we have reluctantly decided, based on that kind of evidence, that there is no point in further discussions with the province of Quebec, given the conditions under which they want to discuss them. It is just an ongoing saga of delaying any substantial meaningful talks about the Upper Churchill and only in trying to get some kind of package which excludes it after they have gotten an agreement with us on the Lower Churchill or some other thing. So I want to read into the record my letter to Mr. Levesque, first, of April 16, 1980. "I am in receipt of your letter of March 17th in response to my letter of November 23rd with regard to the Upper Churchill contract. It is with great disappointment that I note that you have once again failed to address directly the points set out in my letter. A similarly vague response was given in your letter of November 15, 1979 to the same specific points contained in my letter of September 17, 1979.

PREMIER PECKFORD: "These specific points were embodied in my letter of September 17th, the main thrust of which I now quote: "The Government of Newfoundland and Labrador wishes that initially these discussions focus on two specific issues, one, the alteration in price, two, the entitlement to recall. Upon the completion of these discussions in a manner satisfactory to both governments, we look forward to further discussions on subjects of mutual concern and interest. We are writing to you, therefore, to request your agreement on the first two items for discussion so that our respective ministers may commence formal discussions within the next month."

"I regret, therefore, that I must forsake the path of negotiation and begin to invoke the legal and political processes under the Constitution of this country which provides the protection we need to ensure the unfettered passage of our hydro-electricity across your province's territory. This is regrettable because the people of this Province have much in common economically, politically and culturally with the Quebec people."

MR. SPEAKER (Simms): Order, please! If I might call order, I do not wish to interrupt the hon. the Premier, but Standing Orders 53(4) state clearly that on Wednesdays the Question Period must begin by 3:30 P.M. unless there is any agreement or leave.

MR. E. ROBERTS: Mr. Speaker, we are certainly prepared to give leave to carry on and we would assume that in turn then, my friend, the Leader of the Opposition, will be able to respond in the normal way when the Premier finishes. The statement is so obviously of such great importance that we should carry on.

MR. SPEAKER: If I may, also without having to interrupt hon. members again at 4:00 P.M., the other part of the Standing Order also states that at 4:00 P.M. all other routine business must end. So will there be leave?

MR. E. ROBERTS: I ask for leave, Your Honour, that at the end of the Premier's statement and the normal response, we will have half an hour on Question Period and then go into Private Members Day, if that is in order.

MR. SPEAKER: Is that agreed?

SOME HON. MEMBERS:

Agreed.

MR. SPEAKER (Simms):

The hon. the Premier.

PREMIER PECKFORD:

Thank you, Mr. Speaker, and I thank the Opposition. We, for our part, will be equally co-operative in this matter.

"This is regrettable because the people of this Province have much in common economically, politically and culturally with the Quebec people.

"It is in this light that I have written the attached letter to the Prime Minister of Canada and it is in this light that I would expect a positive response from him.

"I can only repeat my regret that your government has chosen to once again demonstrate its unwillingness to recognize the legitimate interests of the people of this Province."

And then, the letter to the Prime Minister, the Right Honourable Pierre Trudeau: "Dear Mr. Prime Minister: I enclose herewith copies of correspondence between this Province and the Province of Quebec on the question of the reopening of the Upper Churchill power contract and Labrador power matters generally. You are no doubt personally aware of the long-standing nature of this problem and of the resulting gross inequities placed upon this Province.

PREMIER PECKFORD:

"This Province today finds itself in the same position as it did in the mid-1960s when, contrary to what I believe to be a most basic tenet of the Canadian Constitution, our constitutional right to transmit hydro power freely across Canadian territory was frustrated. As a result of this interference with the freedom of interprovincial trade, the people of this Province were denied the benefits of one of their greatest natural resources - the Upper Churchill Falls.

"The loss of these benefits has been a matter of great anguish and sorrow to the people of this Province, for with them went one of their truly great opportunities to raise their economic condition to anywhere close to the national average. Their dismay in this respect has increased all the more as rising energy costs have seen the value of this project grow, and as they have seen their own household electricity bills rise dramatically. We have, then, a fundamental problem, one for which the Government of Canada has a particular responsibility.

"Under our Constitution, the Government of Canada has the right, and, I submit, the duty, to ensure that goods, including, obviously, electricity generated by hydro power pass freely from one province across the territory of any other. This principle is obvious in the Federal Government's role in ensuring the free flow of Alberta's oil to consumers in Ontario and Quebec.

"In light of this, the people of Newfoundland and Labrador find it difficult to accept that such a principle does not protect their interests. This Province has, I assure you, exhausted all reasonable use of the negotiating route with the Province of Quebec. In view of this, the Province of Newfoundland and Labrador must now formally ask the Government of Canada to exercise its jurisdiction over the interprovincial transmission of electricity generated by hydro power.

"We ask that your government take steps to permit our Province to move electrical energy across Quebec

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PREMIER PECKFORD: in the same way federal jurisdiction
has been exercised to permit the free movement of oil and gas across
provinces, including Quebec.

"Mr. Prime Minister,

PREMIER PECKFORD: "the Government of Newfoundland and Labrador awaits your reply in this matter with great interest. A positive response will demonstrate in a very dramatic way that the legislative authority which now resides with your government can be used, not only for the equalization and redistribution of wealth to federal financial aid programs, but also in a more creative way; one which truly reflects the equity implicit in any federation."

Mr. Speaker, I speak on behalf of Cabinet and every single member on this side of the House as a result of extensive meetings starting early this morning, that we are, as a person, as a man and as a woman on this side of the House, totally committed to the action that we are now involved in.

SOME HON. MEMBERS: Hear, hear.

PREMIER PECKFORD: We have deliberately-

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: We have deliberately tried, Mr. Speaker, and I want to put this in the record, to be as unprovocative, if that is a word, as reasonable in our phraseology, word for word that is put in all the documentation that is here, starting from last September when the first letter was written, starting, as a matter of fact, Mr. Speaker, which must go in the record, from my own personal point of view, starting with my meeting with Mr. Levesque in Pointe au Pic. It was done in a reasonable fashion right from the start, because I knew, as one individual, the history of it from the time that I had been involved dealing with Mr. Levesque, and Mr. Joron, Mr. Brube and some of the other people, Mr. Moran, Mr. Parigeau and so on. That I went into the negotiations openmindedly and with a true spirit of trying to reach some kind of co-operative way of dealing with what is a very difficult

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

SOME HON. MEMBERS: Hear, hear!

MR. D. JAMIESON: Mr. Speaker, you and hon. members will understand, of course, that having been provided with this information only this afternoon - and I do not fault anyone for that - there is not the opportunity to reply in detail, that is clear and unmistakable. It is doubly important, I think, for me to emphasize, as I am sure the hon. the Premier will recognize and because his language itself, as he said, was cautious and careful, that any off-the-cuff response from me at this time would be highly dangerous to the Newfoundland cause. Having said that, however, let me in general say, because I am sure that is as far as anyone could expect me to go at this time, we are supportive of this initiative and will accede to the Premier.

SOME HON. MEMBERS: Hear, hear!

MR. D. JAMIESON: It is interesting to hear the Premier give vent to his thoroughly justified frustrations and interesting also to realize that he is the third in line who has had the same kinds of frustrations. I think perhaps it may put matters in a little better perspective when we realize that in fact geography has played against us in this massive natural resource, probably not only for the last thirty-one years, but for all of the time since the first explorers discovered the Churchill Falls was there. I may say by way of a parenthetical statement that I sat in the old House of Assembly as a reporter in the days of the National Convention and heard people talking about how the Churchill - Hamilton, as it then was - River was going to make all of the difference to us. And I continue to believe with members opposite that it is an inequitable situation; however, one has to put it in the perspective of time and that is simply what I am doing at the moment.

It is probably historic and to some degree coincidental that it was only yesterday that Mr. Levesque announced that he was going to hold a referendum on sovereignty-association on the 20th of May, and without dragging in what might be classed an extraneous

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MR. D. JAMIESON: issue, it seems to me, given the record which our Premier has placed before us today, that it surely is classic evidence

MR. D. JAMIESON:

of the unadulterated phoniness of his position in declaring that a separate or a sovereign Quebec would be able to be co-operative with the rest of Canada.

SOME HON. MEMBERS: Hear, hear!

MR. D. JAMIESON: There are, of course, not only highly legalistic but highly technical questions involved in the issue and in the statements and, clearly, they are not the kinds of things which, first of all, can be properly dealt with in a Question Period nor, in the sense of our strategy and the like should perhaps be appropriately dealt with in public. Some can clearly and undoubtedly we will get to some of those.

But let me say in the spirit of co-operation in which I began, that it might be useful at some stage in the comparatively near future, even if it is in an in camera session, to have a discussion on this matter in some way which will give to those of us who are on this side some indication of the technicalities and some of the legalities in the manner in which it is proposed. Because, I would assume, Mr. Speaker, that the Premier, having written now to the Prime Minister, has a concept, in the technical and the legal sense both, as to how this route might be followed effectively.

But having said that, I do not propose again today to press the matter but merely to say that I think it is on the record clearly that we have made every conceivable kind of effort, that it has been a succession of governments of all parties in this Province which have tried to maximize the benefits from Churchill Falls, and certainly the present day government cannot be faulted for the route it has followed. And consequently for those reasons I merely want to conclude today, not because there is not an enormous amount more that I could say on this issue, but I have come to, over a long career, understand the

MR. D. JAMIESON: importance of looking at individual words and individual lines and of being absolutely certain where legal actions and the like are concerned that you do not indeed, in a sense, sound off without making sure that you are not jeopardizing the very cause that you wish to advance. I hope that there will be an opportunity in this House or elsewhere in order to deal with it in a more thorough and in full fashion so that when we are asked, not merely to support, but when we are asked to defend that we will be in a position to do so.

One final point which I think is germane in these circumstances and that is the referendum while the Premier and myself, and I doubt very much if there is any exception among members of this House, have indicated our support for the federalist cause, if you wish, in the coming referendum I believe that it is unquestionably going to be the case that issues of this kind will be used, conceivably by both sides, and certainly if we do not make our case right you can be darn sure the other side will start to make it. So there is a real need for us to concert our efforts and I undertake on behalf of my colleagues to do that not only, although this is primarily the case, in the interest of Newfoundland, but in the interest of maintaining the kind of Canada that we joined just about thirty-one years ago this week.

SOME HON. MEMBERS: Hear, hear!

ORAL QUESTIONS

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

MR. D. JAMIESON: Yes, Mr. Speaker. It is just a very quick one and, as I have mentioned earlier, I will not be complex in relation to this project. It may be to either the Minister of Mines and Energy (Mr. Barry) or the Premier, whoever wishes: With regard to the letter to the Prime Minister and the invoking of - I have forgotten what the exact clause is - is there in fact a technical feasibility of running a transmission line in precisely or closely the same way as there is to run a gas line or a fuel line? In other words, are the two similar and, setting aside the constitutionality and the legality, is the technicality there to do that?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I will just answer that by way of asking the Leader of the Opposition (Mr. D. Jamieson) and the members of the House if they would excuse me because we did not allow the audio part for the press to do the thing with the press now -

MR. S. NEARY: That is your fault, not our fault.

PREMIER PECKFORD: - while we still have time. That technical question can be answered by the Minister of Mines and Energy (Mr. L. Barry), no question. Just let me say that our understanding that a lot of it, just a technically existing line could handle a lot of the power that we are talking about and just have a wheeling charge. Obviously, the technical things - you could not put it in the letter, that has to come later - but when one gets really down to it, there are a lot of things like, for example, putting a lot of additional power now on the existing line through Quebec with the wheeling charge, meaning, we do not want anything for nothing and we would put our power from the Lower Churchill through some existing line there now and just pay the going wheeling charge rather than have our brothers act as brokers for our resources which is, in fact, the case and has been the case since the Upper Churchill project began, not - and I agree with the Leader of the Opposition - through any problem. The only problem, as I said to Mr. Smallwood when he was a member for Twillingate here in the House one night when I was the Minister of Municipal Affairs and Housing at the time, I think, that nobody quarrels in any case with the power contract at the time. What everybody quarrels with was that it was signed for such a long time without any reopeners or escalation.

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

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

MR. S. NEARY: Mr. Speaker, having been in the House when the agreement with CFLCo was debated and passed in this House, to my recollection the Province, Newfoundland, owns 100 per cent of the power of the Upper Churchill. We have recall rights for 300,000 horsepower

MR. S. NEARY: and we can recall 100 per cent of the power providing that we give a year's notice - twelve months' notice - and that we have use for the power, basically that.

MR. L. BARRY: What do you call a year's notice?

MR. S. NEARY: A year's notice. We have to give twelve months' notice. The 300,000 horsepower we can recall right away.

MR. L. BARRY: (Inaudible) power.

MR. S. NEARY: Right.

MR. L. BARRY: (Inaudible) express amount.

MR. S. NEARY: Now, Mr. Speaker, what I want to ask is why it was necessary for Newfoundland to go in a roundabout way, through the courts, to take Quebec to court to prove something that is the law of this Province, passed in the Legislature? Why could we not have given Quebec Hydro notice and then taken the power back after the twelve months were up?

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

MR. L. BARRY: Mr. Speaker, when we speak about recall under the Upper Churchill contract, there are two things: We are clearly entitled to recall 300 megawatts, and there is no dispute about that, and in fact, something over 100 megawatts is presently being utilized within Labrador.

MR. S. NEARY: Right.

MR. E. ROBERTS: 300 megawatts is in the CFLCo - Hydro Quebec contract.

MR. L. BARRY: That is expressly spelled out in the contract and that is being recalled as it is feasible to utilize it within Labrador.

MR. E. ROBERTS: That is not the issue.

MR. L. BARRY: The thing is, though, that you can not justify the building of a transmission line for the purpose of recalling

MR. L. BARRY: the additional, say, approximately 200 megawatts to bring it to where the market is at the present time, which happens to be on the Island part of the Province.

However, there is another entitlement to recall under the lease which is given to CFLCo where there is the provision that, as it is economical and feasible to do so, the energy is to be utilized within Newfoundland and Labrador.

MR. S. NEARY: Well, why do we not do it?

MR. L. BARRY: Now, the problem is that when the deal was struck between CFLCo and Hydro Quebec, that was not included in the contract.

MR. S. NEARY: That is tough.

MR. L. BARRY: That is exactly what we say - that is tough. And we say we are entitled to recall all of the energy of the Upper Churchill as it is feasible to utilize it within the Province and that is what the court case was about because the request sent to CFLCo requested 800 megawatts. In other words, apart from the 200 that is expressly in the contract between CFLCo and Québec, an additional amount, and CFLCo said, "We would like to do that but we are concerned that it will be a breach of our

MR. BARRY: contract with Hydro Quebec"and therefore it is in the courts. Unfortunately it has been in the courts for three and a half years because Quebec has taken a procedural delaying approach to the court case. Now we have a task force which will be bringing in a report within the next several weeks. As to other legal mechanisms which might be possible to recall power from the Upper Churchill without waiting for the finalization of that case -

MR. ROBERTS: We pull the plug.

MR. BARRY: And I am waiting for the task force report before making further decisions on this point.

Just one other point, again which relates to both questions, with respect to the utilization of the Quebec transmission system, I have got a seventy or eighty page article which is in the process of being published in the next month or so, identifying the constitutional issues there, and it is my argument that without taking over the entire Quebec public utility system or the entire Newfoundland system, federal jurisdiction can be exercised because of the interprovincial intertie insofar as that is necessary to permit the free movement of electricity in that interprovincial undertaking. So that the federal jurisdiction could be utilized to force Hydro Quebec to permit the wheeling, that is the term, the wheeling of power over their lines in return for a reasonable fee. And that is the method which I would suggest we should see the federal government take in this matter.

MR. ROBERTS: Where is it being published?
In a law journal or something?

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

MR. JAMIESON: A supplementary to the hon. Minister of Mines and Energy. This is precisely the point I have been getting at, incidentally, in one way or another. I have been trying to get an answer on it for several months, that when people talk of an analogy with pipelines per se, basically a pipeline simply defines a right of way and a piece of

MR. JAMIESON: pipe is built; in the great majority of cases that is the situation. I gather what is being said now is that the government maintains or contends, or the thrust of the letter here is that in fact the same kind of federal power exists with regard to hardware already in place and with regard to the sharing of, let us say, hydro lines or transmission lines or things of that kind as opposed to just simply getting what used to be called in the old days a corridor through Quebec.

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

MR. BARRY: Mr. Speaker, I think we can see the analogy being even closer if we realize that once the pipeline has been constructed between provinces, then there is such a thing as a common carrier provision where other feeder lines are entitled to feed into that. Federal jurisdiction can be exercised to permit the feeding in of other lines, or of other oil into that pipeline. Well, I think it is very close where you have an existing electrical transmission system in place. All we are saying is that the federal government should take action to see that energy from one province, which is needed in the Maritime Provinces, for example, that it is not right under the Canadian Constitution that a province could block the utilization of existing mechanisms when there is an interprovincial link, and right now energy could be going from Labrador to the Maritime Provinces if we had the federal government exercising the jurisdiction it clearly has under the constitution to ensure the free movement of electricity to any parts of Canada.

MR. NEARY: A supplementary question.

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

MR. NEARY: Mr. Speaker, I did not understand the hon. gentleman, or he was not clear in his answer to my question I put originally and maybe it is because I am not a lawyer I do not understand it. But my understanding is that Newfoundland owns 100 per cent of the power of the Upper Churchill. We own it

MR. NEARY: by an act of this House. Now if CFLCo omitted to put in their lease to Quebec Hydro a clause saying that we have recall rights, I would say that is tough. But is the problem now that the Newfoundland people own Churchill Falls and CFLCo, and CFLCo is saying to the Newfoundland government that if you instruct us to recall the power that we are likely to be sued by Quebec Hydro? Is that what the hon. gentleman is saying? He is nodding yes. Well then, was it not a colossal blunder and a disaster for the Newfoundland government to take over CFLCo in the first place and kick out Brinco because Brinco would have had to bear the brunt of any lawsuit and not the Newfoundland government and the Newfoundland people? Was that not a colossal blunder? If we own the power why can we not just give notice and then take it back?

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

MR. BARRY: If Brinco was there, the same risk to the credit of the Province would exist. If we do not move in a careful, well calculated fashion, in a reasonable fashion, which is why I have set up this task force and which is why I will be awaiting their recommendations before taking further action, because the government of the Province is, to a certain extent, on the back of the note, to put it in colloquial language, with respect to the financing arrangements for the Upper Churchill. There are certain ancillary agreements which the government of the day entered into committing itself not to modify the terms and conditions of its lease. Okay? Now my argument would be the same as the hon. member for LaPoile's (Mr. Neary) that is taking back the energy as it is feasible to use it within this Province, that would not be a modification of the rights of the contract. And although at times we tend to slip into that type of language when we say we are trying to get a better deal on the Upper Churchill, what we are talking about is clarifying and making real the rights which should exist on any reasonable interpretation of the lease. In other words, that this very general clause -

MR. NEARY: The onus is not on us. We should take back the power and let them take us to court.

MR. BARRY: You are reading my mail. I have made this statement in the House before, Mr. Speaker.

MR. NEARY: No, I am not reading your mail. That is only common sense.

MR. BARRY: But we have to do it in a fashion which does not give the impression to the bond markets of the world that we are modifying rights under the contract. If we did not have ownership of CFLCo we would not yet be to the stage of ascertaining from head to head, nose to nose, negotiations with the province of Quebec that there was no possibility of getting an acceptable arrangement. Because you cannot, Mr. Speaker, have negotiations proceed through a third party, private enterprise intermediary, which is the position we were forced into while Brinex was in the picture.

MR. NEARY: You give them the ultimatum. This is all.

MR. SPEAKER (Simms): The hon. member for the Strait of Belle Isle.

MR. ROBERTS: Mr. Speaker, I want to ask a different question of the minister and it is hard to phrase it without almost a preamble. But what I really want to do is see if we understand because it seems to me that there are two separate concepts being thrown back and forth here, and on an issue this important I think it is important that it be set straight. It is one thing, if I understand him, to talk of recall of power, where we are talking of a fairly small quantity, at least in comparison with the production of Upper Churchill or the potential in the Labrador rivers, Upper Churchill, Lower Churchill, etc., etc. It is one thing to talk of recall, which is what we are talking of under that lease provision where it is economically feasible and viable for us to do so. We might be able to use, I do not know, 1000 megawatts in this Province. That is our entire consumption today of that order, 1000, 1100 or 1200. The Upper Churchill is producing, if I remember correctly, 5255 megawatts and

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MR. ROBERTS: then added to that Lower Churchill
another 1800 potential 7 million megawatts and there is no way we could
ever use that power in this Province if I understand the situation.

MR. BARRY: We are asking for 800 megawatts.

MR. ROBERTS: We are asking for 800 only and the
court fight is over 800 only, the action, CFLCo versus Hydro Quebec to
which the minister referred, I think, is looking for 800. What I am
trying to get at is the question of what we are after now? Are we after

MR. E. ROBERTS: from the Parliament of Canada, to be more precise, because the hon. gentleman, I know, will agree with me that legislative jurisdiction is not with the government, it is with a Parliament, the Parliament at Ottawa.- the power to wheel across the Quebec hydro lines 7,000 megawatts of power, all of which we will own, or are we looking simply for 1,800 megawatts, i.e. over and above the present Upper Churchill production?

MR. L. BARRY: That is Lower Churchill power.

MR. E. ROBERTS: Yes, Lower Churchill.

MR. L. BARRY: Again, that issue does not have to be addressed yet, but I will answer it.

MR. E. ROBERTS: No, I mean, it is really something we ought to debate preferably in Committee where we can go back and forth at each other, Mr. Speaker, but, you know, I want to see if we understand it correctly. The recall is not in itself the problem which has given rise to the Premier's statement on behalf of the government today. That action is going ahead; I have my own views as to the advisability of it, not as to its merits but as to the advisability of it, and I think probably the hon. gentleman from LaPoile (Mr. Neary) and I are on the same wavelength on that. I mean, we ought to have done it the other way around: We ought to have acted and then let them sue us, but that is another story, that is a matter of tactics, perhaps. But what I am trying to get at is what are we after now? We have a letter to the Prime Minister asking him to exercise or have Parliament exercise some jurisdiction which, it is arguable - and I think I am on the same side on this one - it is arguable is vested in the Parliament of Canada, but the hon. minister will concede there is an argument on that; it is one of these issues that will probably end up again in the Supreme Courts for a decision at some point, in all likelihood.

MR. L. BARRY: (Inaudible).

MR. E. ROBERTS: Well, I happen to agree with him, but he has practiced before the courts in this Province and in Ottawa and

MR. E. ROBERTS: he, I know, will agree that slim arguments sometimes can become strong judgements. I think it is a slim argument. Not everybody would agree with what he says and what I say on that.

But what are we trying to get? Are we trying to get all of the Upper Churchill power so we can claim it and to say to Quebec or anybody else - Quebec or the Maritimes - 'If you want it, buster, you pay our price for it and that is a fair, economic rental,' or are we simply trying at this stage to make it possible to get Lower Churchill power moved across Quebec so that we can at least get the economic rental from the Lower Churchill? Because, if I do understand correctly, we are now as much stymied on the Lower Churchill as was the case in the early 1960s with respect to the Upper Churchill.

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

MR. L. BARRY: Mr. Speaker, the immediate direction of this statement by the Premier and the first immediate impact would be to permit - if the Province so decides, as we will once we have this LCDC report, which again, is a matter of weeks away - will permit the Province of Newfoundland to develop power on the Lower Churchill and to be able to export any surplus power -

MR. E. ROBERTS: It is still (inaudible).

MR. L. BARRY: - as owners and sell it wherever it wants -

MR. E. ROBERTS: Wherever we wish.

MR. L. BARRY: - whether it be New York, the Maritime Provinces, Ontario, wherever, and not be forced to sell to Quebec.

MR. E. ROBERTS: We could sell to Quebec, but at our price.

MR. L. BARRY: Ultimately, then, the same principle could apply to power from the Upper Churchill once we have established our rights with respect to that power. But that, as the hon. member has said, is a separate question and this particular position that we are putting to the federal government is not hinged upon any resolution of the Upper Churchill contract, or any immediate resolution. But ultimately,

MR. L. BARRY: obviously, if we establish that we are entitled to recall, we could recall the 5,255 megawatts and we could sell it then if we so decided later on, wherever we wanted without being forced to sell it at an unduly unreasonable, too low price to the Province of Quebec.

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

MR. SPEAKER (Simms): A final supplementary, the hon. the member for the Strait of Belle Isle.

MR. E. ROBERTS: Mr. Speaker, I will be very brief. I do realize there are other members who want to get in and we have limited time. I just want to be sure then: the thrust of the government's request or the Premier's request on behalf of the government is not as it would appear to be from reading the letter, simply Upper Churchill - or primarily, I should say, Upper Churchill. It is in fact in the first instance the Lower Churchill with which we are now concerned. We are trying to break out of the box of getting the Lower Churchill developed, given that we will probably have to sell some of that power outside this Province for a period of time at least in order to make the Lower Churchill economically a feasible project. Is that the situation?

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

MR. L. BARRY: Mr. Speaker, it is both, I thought I had pointed out. It is both. The most immediate one would have to do with the export of power from the Lower Churchill, but it is just as important with respect to the Upper Churchill.

MR. E. ROBERTS: In principle they are the same.

MR. L. BARRY: And we have premised all our negotiations with the Province of Quebec on resolution of the Upper Churchill situation and we have asked for recognition of what our rights

MR. L. BARRY: are, and there is no dispute between, I think, ourselves on that, that we are entitled to recall the full power, the full energy available -

MR. ROBERTS: The lease overrides any contract (inaudible).

MR. L. BARRY: - from the Upper Churchill. And negotiations with respect to the Lower have broken down because of the refusal of the province of Quebec to accept our rights with respect to the Upper Churchill, to a great part, as well as other matters they raise of course with respect to the Lower.

MR. E. ROBERTS: But our request to the Prime Minister is, in the first instance, conditioned upon the Lower Churchill or dealing with the Lower Churchill, our request of the Prime Minister as in the Premier's letter to Mr. Trudeau.

MR. L. BARRY: It is irrelevant now that it is a pre-condition of negotiation with Quebec that we settle the Upper Churchill. We are now taking the approach, okay, now, our first order of business is to meet our immediate energy needs. If we have to do that by development of the Lower Churchill, we want to be in a position to export any surplus energy. We will continue with our fight for our right with respect to the Upper and the same situation will accrue there then. When we establish our entitlement to energy from the Upper, then we will be able to utilize the same principle.

MR. G. FLIGHT: A supplementary, Mr. Speaker.

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

MR. G. FLIGHT: Mr. Speaker, my supplementary to the minister is that it seems to me that the whole Question Period has been devoted to clarifying our position in gaining access to the market for the Upper Churchill and Lower Churchill power across Quebec. But the minister talked about- to be hypothetical for a second, assuming that we had an agreement from Hydro Quebec to use their lines for the

MR. G. FLIGHT: transportation of any surplus power developed on the Lower Churchill or Gull Island, and we had the permission to use that line presently in place -the question is a very technical one, I realize -but is the minister saying that the present physical facility that is in place, that is now transporting the production of Upper Churchill to the market, that facility is capable of transporting, mechanically, technically capable of transporting all the surplus of any power that would be developed on the rest of the rivers- the Lower Churchill, the Muskrat - that facility is capable of doing that?

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

MR. L. BARRY: Yes, The experts tell us, the expert advice that we have gotten, and I think that that has been confirmed by the Province of Quebec, their experts, that the existing transmission facilities between the Province of Newfoundland and Labrador and Quebec could take any surplus that would be available from either Gull Island or Muskrat -we will say Gull Island. You are not going to have two of them going at the same time. If the Gull Island project went ahead, the surplus, we could anticipate, could be handled by the existing lines that are in place.

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

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

MR. S. NEARY: Mr. Speaker, this gets more revealing all the time. In 1972 the position of the, or 1971-1972 when the Tories took over in this Province, the position was that the development of the Lower Churchill was in place and that, if a satisfactory agreement could be reached, the surplus power would be exported. Here we are now, we have been delayed by seven years, as far as I can see, because the

MR. S. NEARY: Minister has just announced a change in policy of the administration.

MR. BARRY: What is that?

MR. NEARY: What is that? We have been told for seven years that not one kilowatt of power from the Lower Churchill would leave this Province, it would be all used in Newfoundland. How many times, Mr. Speaker, -

MR. BARRY: Surplus power.

MR. S. NEARY: No, no. Surplus was not mentioned. How many times, Mr. Speaker, did I sit here and see the trained seals pound their desk every time somebody said on that side of the House, 'Not a kilowatt of power will be exported.' Now they are changing their policy. Seven years, seven years have been lost to this Province.

MR. W. MARSHALL: A point of Order, Mr. Speaker.

MR. SPEAKER: (Simms) A point of Order, the hon. the President of the Council.

MR. W. MARSHALL: The hon. gentleman is making a speech, not asking questions.

MR. SPEAKER: (Simms) With respect to the Point of Order, I would direct the hon. member for LaPoile (Mr. Neary) to ask his question. Time is moving on.

MR. S. NEARY: Mr. Speaker, I just want, for my own satisfaction, to get the situation straight. Forget the mumbo-jumbo. The position now, as outlined by the minister, is that they are asking the Government of Canada now to allow electricity to go through the Province of Quebec the same as a natural gas pipeline, and I agree with that principle. As a matter of fact, I have stated it in this House time and time again, that that is the route the Province should have taken. Now, is the main thrust of the representation now made to the Government of Canada mainly to deal with the development of the Lower Churchill, and all the

MR. NEARY: other stuff that is thrown in there is just a camouflage to cover up for the delays and the seven years that has been lost in the development of the Lower Churchill?

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

MR. BARRY: Mr. Speaker, point one is that there has been no change in policy. The reports, the initial feasibility studies on the Gull Island project have been tabled in this House and included in those report tabled in the House was a provision for the export of surplus, and I underline surplus, power -

MR. NEARY: I will get the Hansard.

MR. BARRY: - until it was needed in this Province.

But, Mr. Speaker, why the hon. member might be confused is that he has had so much experience in supporting and proping up administrations that entered into sixty year contracts that the notion of a temporary export of surplus energy is beyond his comprehension.

MR. NEARY: Sit down!

MR. SPEAKER: Order, please!

MR. BARRY: He cannot understand it.

MR. SPEAKER: Order, please!

MR. NEARY: Sit down boy and do not be making a fool of yourself.

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

MR. SPEAKER: On a point of order, the hon. member for the Strait of Belle Isle.

MR. ROBERTS: You know, what is sauce for the goose is sauce for the gander, and sauce for the hon. minister is as out of order here on Question Period as it may be in order during debate. I would like nothing better than debate the matter. The hon. gentleman looks innocent. I know he may be dubious but not innocent, Sir. You know, surely it is out of order for him to debate in this way at this time. I would like nothing better than to have a debate on this. I think it would be a marvellous subject for debate and a very fruitful one, but

MR. ROBERTS: it is not the place or the time to do it,
Sir.

MR. BARRY: Mr. Speaker, I was unbearably provoked
and I accept the comments made.

MR. JAMIESON: Provocative, unbearably provocative.

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

MR. BARRY: Mr. Speaker, we have -

MR. ROBERTS: This is just unbearable, this is.

MR. BARRY: We have from the very commencement of
discussion by this administration, by the PC Administration since 1972,
stated clearly that in order to save dollars for the Newfoundland
consumer and keep the cost of Lower Churchill energy delivered to the
Island and parts of Labrador where it can be utilized, to keep that
price down as low as possible it will be necessary and desirable to
sell the surplus, which cannot be immediately used once the generating
site is in place, to sell the surplus energy to subsidize the cost to
our consumer. But that selling of surplus energy, or that exporting
of surplus energy would be temporary, would only be - it would be what
is called interruptable. In the technical phraseology, Mr. Speaker, it
would be interruptable energy that could be interrupted from export
markets and brought back to the Province as soon as provincial demand
required. And, Mr. Speaker, this is why I say, this is the point-I
can understand that the hon. member opposite has difficulty in grappling
with because he did support, and this is not debate, this is a statement
of fact, he did support the administration which entered into a sixty
year contract with no escalating clause.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please! The time for Oral Questions
has expired.

This being Wednesday, Private Members' Day,
and in line with the agreement reached earlier -

MR. NEARY: (Inaudible).

MR. SPEAKER (Simms): Order, please!

AN HON. MEMBER: Order! Order!

MR. SPEAKER: Order, please! In order with the agreement reached earlier by hon. members, we will now debate motion number four.

The hon. member for LaPoile.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker, after the heavy stuff that we just had on our plate I really do not know where to begin. And then with the three week interruption that we have had when the government saw fit to adjourn the House so they could all go to warmer climes, I do not remember where we left off but I believe we were dealing with a resolution brought in by the member for Burgeo - Bay d'Espoir (Mr. Andrews) in connection with supporting the government on their stand on the Northern cod stock. Well now, Mr. Speaker, I believe the spokesman on our side of the House indicated that we were going to support this resolution. As a matter of fact, if the government continues to bring in motherhood resolutions and motherhood legislation, then we will continue to support it. If the government brings in a resolution saying that Newfoundland owns the stars and the moon and the sun, we will support it. The only difficulty I have with this particular resolution, Mr. Speaker, even though I am going to support it, I would like to know what it is I am supporting. Because it seems to me that the government's position originally was that Newfoundland owns the Northern cod stock, that

MR. S. NEARY: we have exclusive rights to the Northern cod stocks and nobody else on the face of this earth was entitled to one cod tongue from the Northern cod stock. Newfoundland owned it exclusively, that was the government's position. But after listening to the member for Burgeo - Bay d' Espoir (Mr. Andrews), he seems to have watered it down considerably. He says that even though the resolution leaves the impression that he is supporting exclusive rights to the Northern cod stock, in his introduction of the resolution when he watered it down, he said that all the Newfoundland Government was asking for was input, input with the Government of Canada on the quotas and on the control and management of the Northern cod stock. So I really do not know what it is I am supporting but I am going to support it anyway because it sounds pretty good. It sounds like good stuff, it is probably as good a resolution as the hon. gentleman could have brought in for his first try in this House. It is unfortunate that the hon. gentleman did not consult with the Premier and with some of the ministers to find out what the official position of the government really was. So I presume now after listening to the hon. gentleman introducing this resolution that I am supporting is a watered down version of the ultimatum issued by the Premier of this Province that Newfoundland owned the Northern cod stock. It is a watered down version and so I can only carry on my few remarks on that basis.

But before I do, Mr. Speaker, I wonder if anybody in this House, I wonder if the Premier and I wonder if the member himself who put this resolution on the Order Paper, took the time and the trouble to find out from the federal Department of Fisheries just what it is we are talking about here in the number of metric tons of fish that is caught every year from the Northern cod stock?

MR. S. NEARY: I wonder if the hon. gentleman really took the trouble to find out what it is we are talking about. Just in case the hon. gentleman did not, and I can only assume that he did not because he did not mention it when he introduced the resolution, but perhaps, Mr. Speaker, some other members may be interested in knowing what we are talking about as far as the Northern cod stock is concerned. Well, back in 1977 the total at that time - by the way, there was a different arrangement for allocating quotas than there is at the present time - but back in 1977 the total allowable catch was 160,000 metric tons. Canada's allocation of that 160,000 tons was 50,000 inshore metric tons and 20,000 offshore metric tons. And the foreign allowable tons of metric catch was 90,000. In other words, the foreigners were allowed to catch the bulk of fish that originated from the Northern cod stocks - 90,000 metric tons.

MR. ANDREWS: Offshore?

MR. S. NEARY: Offshore, yes, offshore because they do not carry on in inshore fishery. In 1978 the total allowable catch was 135,000 metric tons; 80,000 inshore, Canadian; 17,000 offshore, Canadian and the foreign catch was reduced to 38,000 metric tons. It is going down. Now we will just see what the Premier is concerned about here.

Now in 1979 according to the statistics supplied to me two or three weeks by the federal Department of Fisheries, the total allowable catch was 170,000 metric tons, of which 100,000 tons was allowed to the inshore fishermen, which is exclusively Canadian, exclusively Newfoundland; 100,000 tons out of 170,000; 45,000 Canadian offshore. And the foreign catch was further reduced down to 25,000 metric tons. Startling figures, Mr. Speaker.

In 1980 the total allowable catch was 180,000 metric tons of which Canada was allowed inshore, 110,000 metric tons; offshore, 45,000 metric tons,

MR. S. NEARY:

and foreign allowable catch of the Northern cod stock - 25,000 metric tons. Well, let us see what they actually caught in these years that I just mentioned, and I will go back to 1978. In 1978, Newfoundland caught, out of a total allowable catch inshore of 81,000 metric tons, Newfoundland caught 18,652 metric tons and the Maritimes - the Atlantic Provinces - caught 2,314 metric tons and the foreigners caught 22,976 metric tons.

In 1979, Newfoundland caught inshore 42,788 metric tons, the other provinces 9,252, and the foreigners caught 23,126 metric tons. And in 1980, up to the time I got these figures, Newfoundland had caught 14,153 metric tons offshore and there is no figure inshore to date. And the foreigners have caught, up to three weeks ago, that was what was reported, 4,025 metric tons.

Now then, Mr. Speaker, having flung these figures at members of the House - I know figures can dazzle you sometimes, confuse you - but the obvious impression that one would get from these figures is that the real culprit in the destruction, if that is the right word to use, the real culprits is not other parts of Canada, is not the foreigners, the real culprits in exposing the Northern cod stock to extinction is the Newfoundland fishermen.

AN HON. MEMBER:

(Inaudible)

MR. S. NEARY:

Well, the figures indicate that.

The majority of the fish that originates from the Northern cod stock is caught by Newfoundland boats, inshore and offshore.

MR. H. ANDREWS:

It should be all of it.

MR. S. NEARY:

"It should be all of it," the hon.

gentleman says, "It should be all of it." Well, I do not want to get into the question of whether or not we should kick the other provinces of Canada out and not allow them to catch fish from the Northern cod stock. If we did that, Mr. Speaker, what would happen to the inshore fishermen in my district who fish over off Sydney Bight?

MR. S. NEARY: What would happen to them? Would Nova Scotia kick them out? I am sure that the fishermen in my district and we have the best inshore fishery in the whole Province, it is a year round fishery, it peaks in the Wintertime and we have the best inshore fishery in the whole of Newfoundland and Labrador. It is the only year-round inshore fishery.

MR. H. ANDREWS: All along the South coast.

MR. S. NEARY: No, not all along the South coast; mainly on the Southwest corner. What would happen to the fishermen in the LaPoile district, and some in the hon. gentleman's own district, who go across the Gulf and fish on grounds that could be considered to be under the jurisdiction of Nova Scotia: if we took the dogmatic attitude and made a unilateral decision that no more Canadian draggers or no more Canadian boats can fish in Newfoundland waters? What would happen to our fishermen? What would happen to them? Can the hon. gentleman tell me?

MR. J. MORGAN: Only where there is historical precedents.

MR. H. ANDREWS: Traditional historic right.

MR. S. NEARY: Mr. Speaker, I am sure that the fishermen in the hon. gentleman's own district, I know in my district, would be very uneasy, very uneasy indeed, if Newfoundland were placed in a position where they could kick out the fishing boats from the other Atlantic Provinces. They in turn would kick us out. We have fishermen from Southern Labrador, do we not, fishing in waters that could be considered to be around Quebec? What about these fishermen?

AN HON. MEMBER: We have some in the gallery today.

MR. NEARY: We have some in the gallery today, Mr. Speaker. How would they feel if each province was allowed to manage the fishery and each one became selfish and greedy and said, 'Well, this is it, boy, Your boats cannot come in here.' What would the fishermen in Southern Labrador do?

AN HON. MEMBER: There would be a fish war overnight.

MR. NEARY: There would be a fish war overnight, my hon. friend says. So, Mr. Speaker, although I am supporting this resolution, as I say I still do not know what I am supporting. Newfoundland now has access to and indeed is catching the bulk of the fish of the Northern cod stock.

AN HON. MEMBER: One hundred per cent.

MR. NEARY: The hon. gentleman says 100 per cent. Does he mean that we should unilaterally kick out Nova Scotia, and then have Nova Scotia retaliate; kick out Quebec, and have Quebec retaliate against the fishermen of Southern Labrador. Maybe, Mr. Speaker, the hon. gentleman did not make himself clear, but I cannot help but raise these questions because I think this could be a very, very serious situation. We could have a cod war develop if we follow the policy, the philosophy expounded by the hon. gentleman.

Mr. Speaker, I cannot help but think, Sir, that in the last year or so in this Province we have had a government and a Premier who feels that everything has to be done in a dramatic fashion, that it is necessary to come out every time you want to get a headline, whether it is here in Newfoundland or across Canada, you have to come out fighting, you have to come out with the boxing gloves on and you have to take on the whole world. That is the only way you can get a headline. Well, maybe it is in this Province. I know in this House you almost have to get out and stand on your head in the middle of the floor before you can get recognized by the news media. But the hon. the Premier has the technique for doing it. He has the technique. He comes in this afternoon, again in a very dramatic fashion, and camouflage an issue, tries to get his administration and the government off the hook for seven years of waste,

MR. NEARY: seven years lost in the development of the hydro potential of this Province, And he is doing the same thing with the fishery in tilting at windmills, chasing after rainbows as far as the Northern cod stock is concerned. Our job in this Province should be to develop the fishery, to lay out a plan for the fishery that would give Newfoundland access to the Northern cod stock and we would not have to worry about outsiders coming in here and stealing our fish. The fact of the matter is that we do not have a plan for the development of the fishery. The government have been so preoccupied with oil, all they can think about is oil, oil and gas, leaving the impression that everybody is going to wake up some morning with a Cadillac in his backyard, that everybody is going to be a millionaire and instead of 30,000 Newfoundlanders in Florida, as we have at the present time, the whole population will be able to move down to Florida and live. That is the impression the government is leaving. In the meantime the fishery is being neglected. The fishery on the Southwest coast is one of the most neglected parts of the Province, and I am talking mainly about the Southwest corner and along the Southwest coast. Everybody seems to concentrate their energy and their efforts on the Northeast coast and they forget that we have a Southwest coast in this Province. There has never, never been any attention paid to the Southwest coast as far as the fishery is concerned. It has been grossly neglected. There should be a master plan developed. There should be a development corporation set up along the Southwest coast to develop the fishery and other industries on the Southwest part of this Province. It is grossly neglected. And they have their problems, they have many problems, the fishermen and the fish plant operators on the Southwest coast have just as many problems as they do on the Northeast coast or the Southeast coast. And it is about time, Mr. Speaker, that the government stopped dragging

MR. NEARY: in red herrings and phoney issues. It is time they stopped it, and told the fishermen and the people of this Province what plans they have for the development of the fisheries, well they are talking about 100 per cent ownership of this, and 100 per cent ownership of that, and they cannot even run the Fisheries Loan Board. The fishermen are out there right now starving for assistance so they can get gear and get engines and get boats this year to get at the fishery, And the Fishery Loan Board is in a complete shambles. They do not know where they stand. That is the sort of thing that this government should be dealing with, not tilting at windmills. But as long as they keep bringing in these phoney issues, these motherhood issues, well, I am going to support them. I am not going to give the member for St. John's East, the President of the Council (Mr. Marshall) an opportunity to get up and say, "Well, there they are. They are unpatriotic. They are less than Newfoundlanders. They are not in my social circle so they do not exist as far as I am concerned." I am not going to give them that opportunity. I will support everything they bring along, but I say bring along something half decent. Bring along something that makes a little common sense. Bring along a plan of development for the fishery, and not leave the operators and the fish plant workers out there not knowing from day to day if the fishery is going to collapse this year. We are told, Mr. Speaker, there is going to be a disaster in the fishery in this Province this year. We are told that fishermen are going to be asked to take less for their fish than they did last year, there is going to be labour trouble and strife in the fishery this year. Not a word about it in this House so far. The markets are glutted, we are told, in the United States. We are told, Mr. Speaker, that this year, even though every Newfoundlander now, every fisherman is geared up for the squid fishery, we are told that there is going to be slump in the markets as far as squid is concerned this year, that the Japs are not going to buy the squid or pay the price that they paid last year.

MR. NEARY: These are the kind of issues we should be dealing with, Mr. Speaker, in this House instead of having the red herrings and the phoney issues dragged in on the floor of this House.

But anyway my time is up. I wish I had more time, Mr. Speaker, because there is so much you can say about the fishery and how it is neglected and how the government has put all its eggs in one basket and all they can think about is oil. But I will have another opportunity to talk about the fishery in this session of the House. I am going to support the resolution, Mr. Speaker, but I still do not know what it is I am supporting.

MR. SPEAKER (Butt): The hon. member for Fortune-Hermitage.

MR. STEWART: Mr. Speaker, it is indeed a privilege for me to rise today and support the motion moved by my colleague from Burgeo-Bay d'Espoir (Mr. Andrews). Being from a fishing community, and now representing a district that is totally upon the fishing industry for survival, a part, Mr. Speaker, of this great Province that has one of the lowest rates of unemployment, I, therefore, have strong feelings on the fishery. I know it is very important that we, as Newfoundlanders, have exclusive rights to fish the Northern cod. The fisheries of Newfoundland and Labrador are the backbone of our economy and society, and will remain the major component of any permanent solution to our economic problems. The 500 or more communities along the Northern coast of Newfoundland and Labrador need and must be given first consideration when it comes to catching and processing the great abundance of cod that we expect by 1985. For the second consecutive year, seafish landings total over one billion pounds, up 18 per cent from the 1978 catch, the biggest fishing year, Mr. Speaker, in all our long history.

The fish stocks are rebuilding and recovering from the tremendous overfishing that took place off our shores during the latter part of the 1960's. And now, once again, the pressure is being applied for us to give up or really trade off some of the great fishing potential that belongs to this Province. The

MR. STEWART: communities along the Northeast coast of Labrador have suffered drastically from the overfishing of the Northern cod, which can cause, Mr. Speaker, high unemployment, underutilized plant capacity, young people moving away to find work, and with very few spin-off industries. These factors, Mr. Speaker, have all led to fishermen being looked down upon or considered second class citizens.

MR. D. STEWART:

The time is now and we must stand and be counted, and, as a government, lead the way for the betterment of the fishery. The effect on fishing of the development of our non-renewable resources, especially offshore oil and gas, is very hard to judge at this particular time, but it must be viewed primarily as a short-term tool to give us the financial flexibility to provide the source of investment to really expand the fishery.

I would strongly recommend, Mr. Speaker, that this House of Assembly should be placed in committee as a whole and travel to Aberdeen, Scotland, to have a first-hand look at the impact of oil and gas, not only on the fishing industry, but the full impact on life itself. Several committees could be formed to deal with such things as local fishery, housing, social problems, new businesses, etc. Many young people coming onstream who would normally get involved in the fishery are now looking for, and many are finding, employment with offshore oil.

My question is, then, Mr. Speaker, what will happen if young people refuse to become involved with the fishery due to more money being made in offshore oil and gas? Then, Mr. Speaker, each committee could prepare a report and present it to the House of Assembly. We are the people who will be making major decisions over the next number of years on controlling offshore oil and gas, and therefore, a first-hand look into how another country similar to ours reacted and adjusted to this boom would be of tremendous benefit, I am sure, to everyone in this hon. House.

I do know, however, Mr. Speaker, that proposals for offshore oil and gas development must be carefully analysed and severely tested to ensure that the marine environment and our fisheries are being adequately protected. The only way that we can be sure, Mr. Speaker, is that we must own the mineral resources on our Continental Shelf and we will control their development for the best benefit of our people. We cannot afford to allow our people trained to be fishermen to be swallowed up by the oil and gas industry.

MR. D. STEWART: The provincial Department of Fisheries, as part of its overall fisheries development policy, is committed to the expansion of secondary processing of fish in the Province. This includes the smoking, breading, marinating, bottling, cooking and canning of fish harvested by our fishermen. The department is attempting to develop the secondary industry through the introduction of new equipment and machinery.

During the past two years, in excess of \$500,000 worth of equipment has been provided to various companies for their introduction into the fish processing operations.

The provincial government is presently in the process of conducting an in-depth study into a number of inshore ports in the Province that have been identified as major outlets for the inshore fishery. This study is looking at the present and future needs of ports and recommendations will be made to government on what facilities they will require to meet the needs of our inshore fishermen.

These things cannot come about unless we increase the fish landings throughout our Province, and the Northern cod stocks will play a major part in the great development of our fishery. Groundfish landings, Mr. Speaker, are projected to increase from 275,000 metric tons in 1979 to 550,000 metric tons by 1985, which means that the provincial production of frozen groundfish products could more than double over the next decade.

It is anticipated that the value of Newfoundland fish exports will also increase from \$250 million to \$400 million over the 1977 - 1982 period and up to \$600 million by 1985.

Mr. Speaker, the Northern cod was raped and plundered for years by foreigners and it is now that the cod stock is returning and it is of the utmost importance that we have the proper management. The federal Department of Fisheries, the provincial Department of Fisheries, the processors and fishermen all have to co-ordinate the fishery and work together.

Mr. Speaker, fish automatically means fishermen, and the fishermen not only on the Northeast Coast of Labrador, but all communities throughout the Province, need better services such as

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MR. D. STEWART: schools, hospitals, better roads,
television service, water and sewerage, if we intend to keep fishermen
in their boats.

In my district of Fortune - Hermitage,
which is on the South Coast of Newfoundland, I need a fish plant in the
lower part of my district, and I hope that the Minister of Fisheries
(Mr. J. Morgan) and government will strongly support a proposal now before

MR. D. STEWART:

the Newfoundland and Labrador Development Corporation for funding. This area of my district is without any local based industry and I am sure that with a small plant operation at Little Bay East, the area from St. Bernard's to English Harbour East will start and continue to prosper for years to come.

A great example, Mr. Speaker, of how plants increase growth is Harbour Breton, where in 1976 we had thirty-nine fishermen and twenty-two boats. By 1978, there were sixty-three fishermen and thirty-three boats. The Northeast cod, the Northeast Coast and the Labrador areas will also grow and to ensure its growth, the complete control and decisions governing that stock of the Northeast coast must belong to this Province.

Historic rights, also, Mr. Speaker, give us control to the Northern cod. Can you imagine the Nova Scotians allowing Newfoundland boats to fish their traditionally scallop grounds? We must realize that the scallop grounds do historically and traditionally belong to Nova Scotia. Nova Scotia, in turn, must realize that the Northern cod stocks do historically and traditionally belong to Newfoundland. The fishing grounds off Nova Scotia, which have been referred to, that have traditionally been fished by Nova Scotia and Newfoundland, are not a question here at this time because the fishermen on the South coast and fishermen from Nova Scotia have fished side by side for years after these stock.

The fisheries is the largest employer in Newfoundland and in order to keep it the biggest employer we must eliminate any further development of freezer trawlers and leave the fish stock for our inshore fleet. The Federal Government freezer trawler policy, if implemented, would seriously undermine the economic benefits flowing to our fishing communities and, therefore, we must urge the Federal

MR. D. STEWART: Government of Canada to accept the position of this Province in regard to management jurisdiction.

I would just like to refer to the Speech from the Throne in July, 12th, 1979, which really cannot come about unless we obtain control of the Northern cod. The basic objective of the primary landing and distribution port is to provide stable year-round employment in small and medium-sized fishplants that are now operating on a seasonable basis, by providing a continuous supply of fish from offshore landing, particularly during the Winter months. The primary port will contribute towards the revitalization of Newfoundland fishery and the industrial base of rural Newfoundland. The establishment of a marine industrial park in the primary port will not only foster the creation of a secondary processing capability to produce final consumer products but will increase the growth of industries, which are allied to the fishery.

How can this come about? Again, Mr. Speaker, only if Newfoundland has complete control over the Northern cod stock.

I would like to conclude, Mr. Speaker, by reading a part of the statement made by the Premier on December 4, 1979. "I would say that we are not being greedy, we are merely trying to protect the livelihood of many small communities which have always depended on these Northeast cod stocks and who, alone of all Canadians, have traditionally harvested them. We must defend our rights just as I am sure the government of any province would defend the mainstay of its economy and society. If I were to do anything less, I would be betraying the people who elected me, elected my government, and adopting a position which I personally could not live with. We must all understand, Mr. Speaker, how vital this issue is to us. We must all see the Northeast cod, not as some remote resource, but what it really is, the basis of our livelihood

MR. D. STEWART: and economic future.

SOME HON. MEMBERS: Hear, hear!

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

MR. D. JAMIESON: Mr. Speaker, I think it was the member for La Poile (Mr. Neary) who said he was voting for this resolution although he was not quite sure what it meant and of course I am supportive of it as well and I want to explain that unlike him I do know why I am voting for it and that is that I have great respect for the new member for Burgeo - Bay d'Espoir (H. Andrews) and I think it is a tradition, incidently, in the case of most Parliament's, at least when the first motion of a new member is put down, not to mince words too much about whether it is exactly correct or whether it is not. And I think that I understand, despite the fact that I disagree with a lot of the wording and in the sense that I think it could have been phrased differently, I think the intent is perfectly clear and I have no difficulty whatever in so far as that intent is concerned.

MR. JAMIESON: Just to illustrate, and I am sure my hon. friend will take it in the spirit in which it is given, his first preamble where he talks about the Northern cod stocks have historically been fished exclusively by fishermen from the Northeast and Labrador coasts. Well, I suggest to him that 'exclusive' is pretty much of a stretching of it, unless you want to take the Northeast coast right around into parts of Placentia Bay where I come from and where there have been people for a very long time who used to prosecute the Labrador fishery in the days when, in fact, it was one of the major fisheries of this Province. Similarly, I can recall many, many years ago, back in the days of salt cod, when it was the principal product of Newfoundland, when I was involved with the then original Crosbie company, that, in fact, there were many, many people from other parts than the Northeast coast and Labrador who fished in what used to be then known as the Northern or the Labrador fishery. So that to say that it is exclusively a matter for the Northeast coast and for Labrador fishermen, I think is to draw a long bow, to say the least. What we are really talking about here, of course, is a cod stock or an area of the Province which is vital to all fishermen, incidentally, whether they happen to come from the South coast or not. The reality is, of course, that the majority of the fish are caught by fishermen from the Northeast coast, and I asked somebody in the House the other day for a definition of Northeast coast and I think there were two or three different ideas that came out as to just where the Northeast coast actually started, in terms of whether it was on the Burin Peninsula, at the corner of the Avalon Peninsula or Cape Race or wherever.

MR. MORGAN: Cape Race, I would say.

MR. JAMIESON: Cape Race. Yes, well, you can scarcely call that the Northeast coast. I am not arguing with you, but that is the whole East coast. Then you will find a lot of people in St. Mary's Bay in the constituency of my friend from St. Mary's-The Capes (Mr. Hancock), who would argue that they, too, indeed, were participants in this particular fishery. I think that the fundamental point with regard to the resolution, that it is important to put forward here, is that, in fact, what we are saying, really, is that historically, historically, and that

MR. JAMIESON: goes back hundreds of years, that it has been, in fact, the right, if you wish, or the paramount right of Newfoundland fishermen - let us forget where they happen to live at this particular moment in time and so on - to actually prosecute that particular fishery and to have the maximum benefits from that particular fishery. Now, one of the things that worries me when we get to the next stage, I am not exactly sure where or how this resolution indicates the exclusive right of Newfoundland and Labradorians to fish Northern cod, and that shared resource management jurisdiction with the Federal Government, there once again I suggest that the wording is not consistent either with some of the passages with the Speech from the Throne, to which I believe my hon. friend, the Fisheries critic for our side, referred to when this debate opened two or three weeks ago, that there is a clear inconsistency there. But even more important, I think, is the fact that various spokesmen for the government, including, I think, the Premier himself, talked not so much again about divided jurisdiction and the like but talked about - and I think these are the operative words and my friend who has had a good deal of experience in covering the fishery in one way or another will probably know what I am talking about - that worthwhile and effective consultation is probably a better way of doing it than trying to identify in any precise way what is the jurisdiction of one particular level of government and what is the jurisdiction of another. Indeed, if you wanted to carry the jurisdictional argument to its extreme, you would probably wind up in a situation in which municipalities - my friend from Lapoile-Port aux Basques, the council could argue that part of the fisheries jurisdiction, using it in the legal world, belongs with them because it happens to be some kind of a shore facility in that particular community.

MR. NEARY: They should have them.

MR. JAMIESON: I agree.

MR. HOLLETT: Input (inaudible).

MR. JAMIESON: Input, My dear friend has provided me with the word that was escaping me for the last five minutes.

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MR. JAMIESON: Input, meaningful input is what is necessary,
not a bunch of people sitting down and haggling one way or the other as to
just who is going to get what piece of the action or what piece of the pie.
Now, I remember when

MR. D. JAMIESON: this first issue arose or when this issue first arose over Northern cod stocks and the question of jurisdiction and the like, and what really happened at that stage in the game, as most members of this House will recall, is that when the various provinces sat down among themselves, the four Eastern provinces and Newfoundland, and tried to figure out what they were going to give or what they were going to get or what they were going to take, when that happened the result was a Donnybrook among provincial officials and provincial ministers. And, of course, it was a situation, had it been sustained, which would have resulted in a far worse situation for Newfoundland than the one, in fact, that was upheld and eventually decided upon by the then and now Minister of Fisheries, Mr. Romeo LeBlanc, because in fact what he did was to say that the traditional and the historical rights should prevail. My memory may be a little fuzzy on the actual percentages, but I recall that we got something of the order of 80 per cent or over 80 per cent whereas when you sat down individually with the three or four other provinces each of them was looking for its own chunk and the end result was that we would have wound up with perhaps something less than 50 per cent. Am I not correct, I ask my friend for Burin - Placentia West (Mr. Hollett)?

MR. D. HOLLETT: Forty-five per cent.

MR. D. JAMIESON: Forty-five per cent was all that the Maritime Provinces were prepared to give to us. Now the danger and the problem in this - I emphasize once again that the word 'input' and the word 'consultation'; I think that these are extremely, vitally important and I have to say, with the greatest of respect to the interregnum that went on for eight or nine months while the P.C.'s were in Ottawa, I have to say that even

MR. D. JAMIESON: Conservatives conceded that Mr. LeBlanc was in fact a very co-operative and a very understanding Minister of Fisheries. And I think, incidentally, that he will be again and I think he understands very fundamentally what is involved here.

But let us just imagine what happens if the three or four other provinces in Eastern Canada, not only just pass resolutions of this kind, because what we are doing here is trying to assert a principle and I think that principle, as the Premier said at the time, does make a distinction. I have no problem in my own mind in this regard between the Northern cod stocks, as we call them, and certain other stocks that have been fished in different ways. I think there is an historical difference there. But if Nova Scotia, as it is unquestionably going to do, and if to some degree New Brunswick, although I think the hon. member for Burgeo - Bay d' Espoir (Mr. Andrews) knows Nova Scotia is probably the biggest of those three, but then we have Quebec looming on the horizon with regard to its particular rights: If each of one of them asserts the same kind of demand for 'jurisdiction' then the situation becomes a really almost impossible one to resolve. And I challenge anybody, really, to figure out a means through which you would have to get Solomon to come and try to sort out the variety of claims that would be made in that kind of a situation. Now none of this, I emphasize once again, is in any sense designed to denigrate from the general theme of the resolution, the idea that - well, in fact, I said it when the Premier made his statement on Northern cod stocks last year, that this was the way I believed we ought to go. And I do not change that now because there happens to be a different Minister of Fisheries, which unfortunately is what is happening in some cases on the other side, that suddenly things that looked great a year ago are not looking as good now as they did then, from seven or eight months ago.

MR. D. JAMIESON: But I do say this, that the point made by the member for LaPoile (Mr. Neary), and I am sure it will be made by others, is extremely important. You know, every action breeds a reaction, they say, and, in the case of these kinds of assertions, unless they are dealt with and handled in the proper kind of fashion, you will find fishermen from the Southwest coast of this Province having real trouble when they go over on Sydney Bight or in some of the areas where they are doing a lot of fishing at the present time.

MR. HOLLETT: Scatterry.

MR. D. JAMIESON: My friend has got some other indications . Scatterry and sundry other areas where -

AN HON. MEMBER: (Inaudible)

MR. D. JAMIESON: I know I represented that area, the biggest, single fishing constituency from one end to the other in the whole of North America and maybe the

MR. D. JAMIESON: biggest one in the world. And one of the things that in terms of the new fishery policy that I see emerging, and I hope it will emerge, is that, of course, we will break the curse of immobility which has been a real problem for Newfoundland fishermen for so long, that if the fish did not eat the rocks, as the old expression used to have it, then they were not in a position to go after them. Therefore, it seems to me that we have to ensure and make sure that we do not hamstring our Newfoundland fishermen. When they get into these investments of \$500,000 and \$600,000 boats and the like, whether they are on the Northeast coast or on the South coast, we do not want to have a situation in which in asserting our own claim and our own historical rights, we do not want to have a situation where Nova Scotia says, "Come off it now, these fish are ours and you are not going to come into our particular bailiwick or our particular area."

And I think the question we have to ask ourselves, the bottom line if you want to put it that way, is are we going to be content if we get exclusivity or close to exclusivity and this makes no modification at all, it simply talks about exclusivity. If we are going to get exclusivity are we going to be content with every other province in the country that has a fishing interest on the East coast, getting the same kind of thing on historical grounds that they happen to think are theirs? I do not know if my hon. friend from Burgeo - Bay d'Espoir (Mr. H. Andrews) ever covered the negotiations with regard to George's Bank but if he did, he knows what the problem can be. Now, that happens to be between the United States and basically Nova Scotia on the one hand. And can I say here, by the way, because somebody made a criticism of me, not a heavy one, but somebody said at one stage in the game that we had not even been invited in on the George's Bank negotiations. Now, I hope whoever said that will look at the record, and I want to get this on the record, that, in fact, that was done in consultation with Newfoundland and it was concluded that it was wiser for Newfoundland to stay out of that particular kind of negotiation relating to

MR. D. JAMIESON: George's Bank where our interests, I think everyone will agree, were minimal in those terms because it would undermine our position in relation to the kind of thing we are discussing in this resolution this afternoon. Newfoundland could have been involved, it had all of the information that it needed to have or wanted to have, but it is certainly an untruth to say that Newfoundland was not consulted or that it was refused some kind of opportunity to participate.

But, Mr. Speaker, I think the thing we have to realize here is, first of all, as I believe the Minister of Fisheries (Mr. J. Morgan) has said, and certainly others have said, that while the fishery is moving in a satisfactory direction as things stand at the present time, it is by no means, to use the Minister of Finance's (Dr. J. Collins) expression with regard to offshore oil and gas, it is by no means a panacea. And one of the worries that I have is that this government is not paying enough attention to the fishery in terms of the day to day problems that it faces and is, unfortunately, and I can understand like, for instance, the Minister of Labour and Manpower (Mr. J. Dinn), if he can quote 30,000 jobs in the fishery that is great, and I would not blame him one bit and I would take, probably, as much credit as you could for it. But he knows as well as I do that, of course, it is a misnomer, it is a misrepresenting figure in the sense that if you look at the statistics provided, I believe, by the fish trades the other day, and if you look at the statistics provided by the union directly to me the other day, the number of bona fide fishermen, the number of people whom it can be said are really making a living, a full scale satisfactory living out of the fishery, is -

AN HON. MEMBER: 12,000.

MR. D. JAMIESON: I was going to say 10,000 or 12,000 at the very outside. And of that number, by the way, a great many of them are not living in the lap of luxury, at least not in any area of this Province that I have represented at any time. So that

MR. D. JAMIESON: I think the caution that we have to utter here is that we do not see the bailing out of Newfoundland economically being done on the backs of the fishermen.

Now, because it is so important, however, I also think it is important that we ensure that those - what we call here Northern cod stock - that they are in fact maintained to the maximum extent possible for our Newfoundland fishermen. But, you know, when you start using the word 'exclusive' you run into the same kinds of problems that we have seen earlier today with regard to Labrador hydro and so on. You get into very confining legalized kind of language and you suddenly discover that there are things you want to do but you can not do them because, in fact, you have not defined or given yourself, if you like, a basket clause - if my hon. friend from Stephenville (Mr. F. Stagg), is that a phrase in law? I think it is but some fashion through which you can say, yes, you can employ a different technique or a different approach if you want to.

Now, just one last word on this whole question of the fishery and the matter of what is called here 'shared jurisdiction' and the like and that is that I am concerned increasingly by this problem that I see emerging of the

MR. D. JAMIESON: conflict - if you want to call it that - between offshore oil and gas development and fishery development.

MR. S. NEARY: Right on.

MR. D. JAMIESON: And if hon. members in this House are not aware of it, hon. members opposite in particular, I have no doubt the Minister of Fisheries (Mr. J. Morgan) is aware of it, because you cannot meet with a fishermen, I suspect, today who does not tell you that he is very, very concerned about the ability of these two developments to live side by side together. And in that context, without going into it in detail - because I believe my colleague from LaPoile (Mr. S. Neary) touched on it earlier - to say this, that when we are talking again about jurisdiction, what we have to realize is we are not just discussing anymore, in the kind of complex world in which we are living, management of a fish stock, we are not discussing anymore just the simple allocation of a quota or who gets a licence. You know, it was not without reason that the government in Ottawa changed the name to the Department of Fisheries and Oceans because, of course, there are environmental considerations. I shudder to think, as the member for LaPoile said in a statement somewhere the other day, what would happen if we had a spill on the Grand Banks, and it is not by any means beyond the bounds of possibility. And you know, I am afraid, I am genuinely concerned that we are tending to slough this sort of thing off, to say, 'Well, you know, we will get to that at some point in the future.' I have not seen placed before this House any kind of comprehensive plan, and furthermore, I would say this, that if there were such a plan, there is not enough money in this Province that is likely to flow from the oil on the Grand Banks to sustain the jurisdictional responsibilities that would flow if Newfoundland had to carry the can for the total amount. It would be just out of the

MR. D. JAMIESON: question for this Province or any one province to do so. And for all of these reasons, it is one thing to say jurisdiction, it is one thing to talk about being masters in our own house - it sounds a bit like Quebec - it is one thing to say that, but those responsibilities carry a price tag with them, and I wonder if there had been an oil rig overturned, let us say, off our shores, as tragically happened in the North Sea, and if we had a major disaster with regard to the fishery or something of that nature, where would this small Province with its limited resources get the capability to indeed even just carry out the emergency measures that would be necessary in those kinds of circumstances?

So I end as I began by saying - the member for LaPoile (Mr. S. Neary) was not in the House, but he said he was voting for it but he did not understand; I see what he means. I said I was voting for it because I understand it is the first motion that this new member has put down on the board and rather than try to play with the individual words in it, I think the principle is clear and unmistakable. It is one that we supported last year when the issue came up initially, it is one that we are happy to support on this occasion as well.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Baird): The hon. the member for Bay of Islands.

MR. L. WOODROW: I would like to have a few words on the motion also. There have been, of course, a good many speakers on it and no doubt there is bound to be repetition. I would like, however, Mr. Speaker, first of all to congratulate the hon. the member for Burgeo - Bay d'Espoir (Mr. H. Andrews) for bringing in the motion and I would like to say to him and to all others in this hon. House that in 1956 - January 3rd to the 5th - I attended a conference here in the city of St. John's on South Coast matters. And one of the things that came up was the fisheries on the South Coast and the hydro in Bay d'Espoir. As a result of it, we got the great fish plant

MR. L. WOODROW: in Harbour Breton, which has changed the face of that community, and also the face of the other surrounding communities since that time. In fact, the people living in the nearby communities like Sagona Island,

MR. WOODROW:

Miller's Passage, Little Bay West and Jersey Harbour all moved to Harbour Breton and made one great community. And the hydro was brought to Bay d'Espoir as well. Unfortunately it only made employment at that particular time. But it certainly has done a lot of good for the South Coast. In fact, I happened to spend down there in another capacity, I spent eight years and I really know something about the South Coast of the Province of Newfoundland.

I would also like, Mr. Speaker, to congratulate the former speakers. I always placed the hon. Leader of the Opposition (Mr. Jamieson) in a special category because he certainly brings out everything so plainly and so simply that even a child would understand it. And I also want to say a special word to my friend from Burin-Placentia West (Mr. Hollett). I was here when he spoke and he always is unbiased and he is a good Newfoundlander. He is interested. I remember when we used to be working together in the Federation of Mayor and Municipalities, he always showed great statesmanship and in fact the qualities he has are really almost too numerous to mention.

SOME HON. MEMBERS:

Hear, hear!

AN HON. MEMBER:

Do you hear that?

MR. WOODROW:

Very good. Now, Mr. Speaker, I am not going to read the bill because everybody knows what the bill is all about. But I would like to say that we are talking about 500 communities along the Northeast Coast and Labrador and I suppose we could probably include, Mr. Speaker, communities on the South Coast as well. We are talking about the codfish and the codfish is the king of all the fish. In fact, many of us, I suppose, our ancestors they were really brought up on fish and as long as Newfoundland remains, that will be I suppose for all time, we have to support the fishery.

AN HON. MEMBER:

Hear, hear!

MR. WOODROW:

Now we have to support it, Mr. Speaker, because the fishery is the traditional way. I suppose I would be only repeating myself if I said that the people in all, just about all the

MR. WOODROW:

outports of the Province of Newfoundland and Labrador, they live by the fish and it is going to remain for a long time. Now what has happened, I suppose - I recall, for example, in, I suppose we could refer to them as the old days although not so very far away, I used to see, Mr. Speaker, the traps and probably a two inch mesh maybe set almost in on the rocks which you would call them and they would come in and take sometimes probably just in one community, they would probably take say during a year possibly 100,000 quintals of fish and in many cases the fish was too small to split and it went as tomcod as it was referred to and -

AN HON. MEMBER:

Grounded.

MR. WOODROW:

Grounded, that is right. And in many

cases it was just thrown down over the stage head, as the saying goes. I often look back at those days and say to myself if only then we had to have the

MR. WOODROW:

means at our disposal as we have today for preserving our cod stock. And I remember myself, just more or less to reminisce a little, being up all night, tired, beat out, trying to put that fish away. You had to stay up all night; otherwise, in fact, it would be spoiled in the morning. Now perhaps this all leads to the fact that we have had a lot of overfishing. In fact, the freezer trawlers and all other types of trawlers that they have gone out and they have raped, I suppose you could say, they have raped our fishery. So with the management that is put on now by the federal government, we hope that this is going to become a thing of the past. And I do feel, Mr. Speaker, that we as a Province, the hon. Minister of Fisheries (Mr. Morgan) who is here in the House at the present time, I think that he as the minister, and the government in general, I suppose all of the House of Assembly I think we certainly should have some say in it. I do not know how far we should go. But it is a kind of disheartening on times when you hear an announcement coming from Ottawa, you ask the Minister of Fisheries, "Did you have any input in this?", and the answer comes back, "Never heard a thing about it". So I hope that this thing will not continue in the future.

Now also, Mr. Speaker, I think it is important if we want to keep our plants going all year around the fish must be landed in Newfoundland and it must be also processed in Newfoundland. How in the world can we give our people a better economic base or keep them off welfare or keep them off unemployment insurance unless we increase the capacities of our fish plants in the Province? I think at the present time the plants are working about 40 per cent capacity, three or four months of the year. And above all else, Mr. Speaker, I think that the fish must be made available to all the communities. I think, as my hon. friend from St. Barbe South (Mr. Bennett) knows, this year I believe there was some fish taken from St. Anthony, taken further up the coast. There is no reason why, with the roads that we have today, that the fish could not be taken as far as the Bay of Islands which you know is my second love in this House. It is not the first love, because my first love is the Province. This would give people all over

MR. WOODROW:

the Province or in other parts of the Province, it would give them a livelihood. At least it would help them gain their livelihood.

I also think, Mr. Speaker, that our first claim should be on the Northern cod stocks. Why? Because we are the nearest to them. And Nova Scotia, for example, has the first claim on the scallops on George's Bank of Southern Nova Scotia. This is sixty miles from Nova Scotia.

MR. L. WOODROW: I believe therefore that we should also have the first claim and this should also be recognized by the provincial government as well.

Mr. Speaker, just to wind up what I have to say, I would like to quote from a speech that was given here by the Premier in the House some time ago. I think it probably sums up everything that has been said. I quote: "Therefore, to this aim and principle is the acquisition by Newfoundlanders and Labradorians of additional fish to allow for the continued operation of our fish processing facilities beyond the normal four, five or six months period now presently in effect. This, of course, leads to the realistic contention that Newfoundlanders and Labradorians must have first call on the Northern cod stock, that the inshore fishery must be protected at all costs, and that even after it has been protected and expanded to a realistic level over the next five to ten years, the so-called surplus that might exist in addition to what would be needed on the inshore should be, in the first instance, relegated to Newfoundland and Labrador, so that the processing sectors have access to this additional fish to bring about the fish plants being open for eight to ten and even twelve months of the year and hence reduce our unemployment and thereby increase our wealth. This kind of contention is not based on any selfish motive, but rather on the principle of traditional historic rights which we believe should apply to the extraction of the resources throughout all of Canada, and if this kind of reasonable, equitable principle is applied, then justice will not only be done as it relates to the Northern cod stock, but will be done for Nova Scotians, New Brunswickers, Prince Edward Islanders and people throughout the nation who can make such claims!"

Mr. Speaker, I am delighted that I could play at least a small role in this bill or resolution,

MR. L. WOODROW: whatever you want to call it, and I think - I not only think but I know that all members of this hon. House are unanimous on this resolution. I think they are unanimous on it because they realize once again, how important the fishery is to this Province.

I just want to end up by perhaps concurring with the hon. the Leader of the Opposition when he ended up speaking about the oil and gas and the fish. I hope that no matter - I know it is going to be of great benefit to the Province - but no matter what happens, I hope that we, as members of this hon. House of Assembly, will do all we can in conjunction naturally with the oil and gas, will do all we can, Mr. Speaker, to protect our fishery. Thank you very much.

SOME HON. MEMBERS: Hear, hear!

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

SOME HON. MEMBERS: Hear, hear!

MR. E. HISCOCK: The member for Bay of Islands

(Mr. L. Woodrow) said at the beginning when he spoke that many people in this House have spoken on this resolution, and also each person when he rose to speak basically had no hesitation in supporting the principle of the resolution. The wording may be questioned but the principle is an issue that is very, very close to me, basically representing Coastal Labrador from L'Anse-au-Clair to Paradise River. I have heard many people here speak about the Northern cod, and basically what I have heard when they spoke was it has to be processed in Newfoundland. This is one of the main things that I and the people of Labrador get very upset about, that when you are catching the Northern cod itself, where do you take the Northern cod and where does it go?

MR. HISCOCK: I have a fish plant in my district, the first fish plant ever, and that was up to November the 24th of last year, but they could not have the major production. They could keep it going more than that if they would have had the capacity. In the glut season it was okay, but early in the season they could not and then, later on, because of fishing capacity on boats. I would only like to remind the government in particular, when they are talking about the Northern cod and talking about keeping Nova Scotia out and talking about keeping foreign trawlers out, that they also realize that if we are going to have the Northern cod and we are going to have the development, then we have to have some of the processing onshore in Labrador, because this development and these jobs have to continue. Our people cannot continue to just work at the salting of fish. Our people have to get jobs at a longer period of time.

In the resolution, the member from Burgeo-Bay d'Espoir (Mr. Andrews) basically said we should have it all. The Premier ended up saying the other day that he was amazed at why the two trawlers from Nova Scotia were up on the Hamilton Banks. I would like to ask the member from Burgeo-Bay d'Espoir and the Premier and the Minister of Fisheries (Mr. Morgan), how many foreign trawlers are there now, how many Japanese, how many Russian, how many German, that are actually up there? Do we know? Is anybody taking a count of them? Do we have the correct supervision of it?

The member from Lapoile pointed out that, basically, since 1975 the catch has been increasing and that the majority of the catch has gone to Newfoundland and Labrador. Last year, in particular, it was probably one of the best years on the Southern coast of Labrador that they have seen in the past four or five or six years. If this management of this stock is not continued, then I think the fear is that we go back to 1974. Back in 1974 the fisheries, basically, was a disaster. This is the Community Priorities for Development in Labrador, the Labrador Advisory Resource Council. "By 1974, however, large scale overfishing enterprise by foreign trawlers had reduced the inshore cod stocks to the point where

MR. HISCOCK: the inshore fishery was a fruitless occupation, the only refuge of men who had nowhere else to go." It is the management of these stocks that we need to go into. It is the management of these stocks that we have to be concerned with. The member from Trinity-Baie Verte -

AN HON. MEMBER: Bay de Verde.

MR. HISCOCK: - Bay de Verde (Mr. F. Rowe), at the last convention sponsored a motion that we close the Hamilton Banks for the late Winter months and the Spring, so that you could have a chance to let these stocks breed. I spoke on that motion while I was at that convention, and yet we still continue to allow trawlers from foreign countries to go there. The district itself is basically spread over a large area and most of the fishermen have to move out to the Summer stages or have to keep moving up and down the coast in the longliners. The question now I have seen, since I have gone to the district two or three times, it is only now that the fishing communities on the coast of Labrador, the Southern and Eastern coasts of Labrador, are developing. It has not developed to the extent that it is developed here on this Island part of our Province. Why? Basically, I suppose, the fishermen themselves when they decide to get into larger boats. Another, when it came to expense to put in slipways and to put in wharves and to put in stages, they were always put in some other area of the Province because we never had that many population. Now, what has happened to the Summer stations, what has happened to the slipways, what has happened to the wharves, what has happened to the stages? The government has been waiting for the past two or three years for a DREE agreement. The Department of Fisheries itself has seen the need, and I will give them credit for a lot of things that they have done, but it is not enough. It has been rather slow on it. If the Provincial Government was not dependent on the Federal Government for its DREE proposals, we would have a lot more facilities on the Southern coast and the Eastern coast of Labrador. But, no, the government is more contented to wait a year or wait two years so they

MR. HISCOCK: will only have to spend 10 per cent instead of turning around and spending fifty or sixty or seventy odd per cent themselves. Very little money in my district is actually spent by the provincial government, very little money. It is all dependant on relationship to the federal government. And yet we turn around and we say we want complete control. It is input, as the member for Burgeo-Bay d'Espoir (Mr. Andrews) ended up saying, we need input to it. A lot of people in my district go up to the Quebec shore to catch their cod. If we were told and had jurisdiction over the Northern Cod and said, "No, you Quebecers cannot come on down to Black Tickle or no you cannot go to Port au Choix or you cannot go here, what would happen? What would happen to some of the people with the longliners? Would it be viable? Would they be able to have them?

So I think instead of getting into cutting up the map and saying you only go here and you only go there I think it is more so that we have got to get into management and we got to get into control.

The member for the Bay of Islands (Mr. Woodrow) said that he wanted input also from the federal ministers, that the provincial minister and various other ministers should have a say and should not listen to announcements that come over the radio or in the newspaper. I will say to the member for Bay of Islands, "That is a two way street". Why is it that I have to learn about something in my district from the newspaper or why is it that you have to hear it on the radio? The Minister of Fisheries (Mr. Morgan) said at one time and early in the session here, "That is politics. That is reality." So what I am saying when it comes to input and announcements it is a two way thing, that this government also has to inform the people who represent the people in this Province, whether they go in from another area of the Province or whether they lived there all their lives, we have got to give our people in this Province respect that has not been given as far as I am concerned in this House or I again in some cases which is quite true.

I am amazed, as I said, about the stages and the slipways throughout the district. The government itself, I have

MR. HISCOCK:

had meetings with some people in the Department of Fisheries and talked about in Black Tickle where you have a slipway and they did not end up having electrical outlets to it or it was not finished. The provincial government go into it. It was a federal jurisdiction. Now the provincial government itself will not finish the slipway, will not turn around and hook up the electricity. Basically they say, "We should not have gotten into that area, it was federal". And yet now they are saying, "Well it is going to be under DREE. Wait for DREE". My people have been waiting too long for DREE and I ask the government, sure DREE is going to come, sure the oil is going to come but in the meantime we have to eat, in the meantime we have got to have services. So we cannot wait for the future. We have got to have something for the present.

The resolution itself, again there is no problem on it but I want to get into the area that I fear very much, more so than the Grand Banks. The Grand Banks is ice free and you have exploration going on, exploration going on in Cartwright with Petrocan. You have exploration going on in Hopedale. And icebergs moving down in the Straits area and Point a l'Aurore area, they come down and they get stuck and then divers go out for research reasons for the University and find out what has happened. The icebergs themselves have come along and gorged the bottom for about a mile and a half and whatever width. What is that going to do to our Northern cod stock? What environmental impact do we have? What facilities do we have in the North? The hon. Leader here mentioned before that in the Grand Banks if we did have an oil spill, we would not even have the technology, we would not even have the equipment for emergencies. Can you imagine what is in Hopedale? Can you imagine what is in

MR. E. HISCOCK:

Cartwright if you happen to have a blowout? So when it comes to environmental impact and our way of life, the people in my district and in Northern Labrador and the Northeast coast, as the Premier has mentioned, culturally and historically the fishing belongs and that is their way of life and culture, and yet we are putting that in jeopardy to look for oil and gas. And I am saying that the risks in the North are probably too great if we do not have the technology.

So in conclusion, I would like to read again from the Labrador Advisory Council: 'The fisheries once more offers the attraction and meaningful source of employment with income to match as catch and prices rise simultaneously. There are however developments that must occur including planned process to allow the residents of coastal Labrador to better exploit the available resources, include justification into new species, to permit improvements to catch the quality and retentions by locating facilities and equipment to unseasonable points and to allow new entrants and fishermen wishing to improve the operations; access to funding by making assisting programmes accessible to the situation in the area.

The department in itself has done a lot of this and in the future I am sure with the help of DREE will do more. But a lot of my people in the district want to get into larger boats and yet with the mess the Fisheries Loan Board is in, what is happening? - one or two, three, four or five applications in my district, which has only gotten into this area within the past four or five years, have to thrown in with about 800. I wrote the Premier on this and I

MR. E. HISCOCK: asked for a special boat building programme of boats thirty-five feet -

MR. L. THOMS: Did you get it?

MR. E. HISCOCK: Did I get it? I was basically told there was a boat building programme at Postville at one time -

AN HON. MEMBER: One time yes, right on.

MR. E. HISCOCK: Hopefully the Minister of Fisheries will give top priority to coastal Labrador because if we are going to exploit the Northern cod, and the Premier uses the argument that it is historically ours, then I will also use the argument to the Province that the Northern cod historically belongs to Labrador because historically people from Trinity Bay, Conception Bay, Bonavista Bay and St. George's and all the other areas of the Province always went down as liviers, always went down in the schooners. Back in 1930 and 1940 the total harvest of the Atlantic cod by floaters, stations and residents has decided to the average yield of approximately 300,000 quintals and about one million pounds. This represents 25 per cent total of the cod production in the Province of Newfoundland back in 1930. And what is it now? Very little? Why? Because we do not have the fishing capacity and we do not have the season.

So I will say to the Premier and I will say to the Minister of Fisheries (Mr. Morgan), when you start arguing with Canada for jurisdiction and when you want control, remember where the fish are and remember where the people are and that when it comes to processing we cannot settle in coastal Labrador for 120 jobs. We want more processing on the coast, we want better

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MR. E. HISCOCK: facilities and we want better transportation facilities.

And with that I conclude and I give my utmost support to this motion only with one reservation, and that is that the Premier and the Minister of Fisheries (Mr. Morgan) realize that if we are going to develop this natural resource of ours on the Hamilton Banks and the Northern cod then a fair share has to go to the people on Southern and Eastern and Northern Labrador. With that, I again thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Simms)

The hon. member for Burgeo - Bay

D'Espoir.

If the hon. gentleman speaks now he

will close the debate.

MR. H. ANDREWS:

Thank you, Mr. Speaker. I think it is

significant that the debate on the other side of the House was ended by the hon. member for Eagle River (Mr. Hiscock). And what he just said, I think, reflects what we are trying to say in this resolution, that he did suggest that the codfish on the Coast of Labrador belongs primarily to the people of Labrador first of all, and I would agree with that. And I think this is the principle of first priority all along the Coast of Newfoundland that the fishermen who live in a certain cove in Newfoundland have the first priority right to catch that fish as the fishermen in a community along the Coast of Labrador. On a little larger scale, the fishermen who live in a certain bay, the fishermen who live in Bonavista Bay, for instance, should have the first right to catch the fish in the area of Bonavista Bay. In the area of Newfoundland, in the area of Nova Scotia, in the area of the North side of the Quebec North Shore, the people who live in those areas should have the first right to catch that fish. Whatever is left over, if there is any left over afterwards, can be divided and shared amongst other people. And that is the matter that concerns us, I think, in this resolution, Mr. Speaker. I am glad to see that the resolution is being supported by the Opposition, with some reservations. It has been suggested from the other side that this is a motherhood issue. I would suggest that this is not a motherhood issue; this is a very, very important resolution and with such an important resolution I do not think that it suggests that we require wishy-washy support from the other side. And I am glad to see that there is some heavy support, if I could put it that way, from some members on the other side. Some questions were asked during the debate a few weeks ago, a few Wednesdays ago, exactly what the Northern cod is. So if I could give the hon. members a slight lesson, a little lesson in biology. We have along the Coast of Newfoundland and Labrador a number of stocks of codfish. For instance, in the Northern part of Labrador there is a stock in the

MR. H. ANDREWS: ICNAF areas 2G and K, that is North of Hopedale. That is one separate stock. When you come South of the Hopedale area you run into what is generally called the Northern cod and that stretches from the Hopedale area down, generally speaking, to around Cape Race and tucks in around St. Mary's Bay a little bit, and that is the ICNAF areas 2J-3KL. This is the stock of fish that spawns on the Hamilton Banks, Mr. Speaker, in the winter months and moves inland beginning around now, between May and June, along the Northeast Coast often called the Caplin Scull. We have another stock of fish in the Gulf which moves out of the Gulf of St. Lawrence around this time of year in February month, late January, moves down along the Southwest Coast down past the LaPoile district into Burgeo - Bay D'Espoir district and goes about as far as Fortune Bay. Then there is another stock of codfish which is called the Saint Pierre Bank stock and that is the stock of codfish that migrates into land into the Burin Peninsula area and creates the great trap fisheries in the area around Lawn. So those are the basic stocks of fish and they are distinctive stocks of fish as opposed to a codfish in the North being the same as a codfish in the Gulf, the two or four or five distinct stocks of fish. So when we talk about the management and the shared management on this stock of fish we can claim the right to have shared jurisdiction here because this is a stock of fish which does not migrate into any other province or any other provincial jurisdiction. I think we can base our claim largely on that.

There has been a lot of concern, Mr. Speaker, I think about the general attitude of some of the resolutions and some of the statements made on this side of the House and that we are taking an attack on Confederation all the time. I certainly do not think that and I was very disappointed when Mr. Cashin, the president of the Fishermen's Union, said that these sort of things could upset Confederation and the Federation of Canada but I think if Mr. Cashin, if he only realizes that one of those radical changes to ever come about

MR. H. ANDREWS:

in the fishing industry in Newfoundland was fostered and encouraged by him and that was the great fishermen's movement over the past nine or ten years, That was a very radical change, so things cannot stay constantly the same and the constitution or the rules of governing Canada we had for the past one hundred and thirteen years or so, the system that we have had for administrating the fisheries jurisdiction. I think it is time where we can have some changes, some minor changes; we are not calling for radical changes. This is a time I think when we can suggest that that might happen. This resolution reflects a need and a desire for us to have more say as a Province into how the fish stocks should be managed. We do not want to split the country in any way and I do not think it is that great and important an issue that will ever split the nation of Canada. But we are talking about better management and I think just this past week or so brings out a good example of what a greater share in the management jurisdiction, how that could better effect Newfoundland. A good example, and I talked recently with our own Minister of Fisheries (J. Morgan) about this, is a problem with herring quotas in Bonavista Bay.

I will use Bonavista Bay as an example because I have the statistics on that here. Initially the quota for 1980 in Bonavista Bay was to be 1800 tons for purse seiners and two hundred tons for fixed gear, now, it was changed about a month or so ago and the 1800 tons for purse seiner's was reduced to 1500 tons and the fixed gear increased from 200 to 500, so we say, that is fine, there was a little bit of pressure put on somewhere by some fishermen or maybe some provincial member or what maybe a federal member, But it was changed. That is not enough, it was changed again just recently, the second change. Now we have 1200 tons per purse seiner's and 800 tons for fixed gear. Now, why all these changes? The Federal Government admits that it has no scientific data

MR. H. ANDREWS: to justify these changes and, by admitting that, they must also be admitting the fact that they had no scientific data to justify the initial allocation of the resource or perhaps not even the initial quota. So here is a case I think where, if the Federal Government would listen to the fishermen who talk to the provincial members in the legislature on all sides, But why do we have to go through this process a public process of fishermen having to demonstrate, having to walk around with placards, having to have delegations? Here is a case where if there was input from this House and members in this House - probably this would be the shared management jurisdiction that we are talking about. This would be the quota and the allocation that we should have and probably would have been resolved last September sometime. This resolution Mr. Speaker, also calls for or talks about the problems with freezer trawlers, now, the indications are that the Federal Government policy will change on freezer trawlers but I think the important thing to realize is where the initial change in policy came about and the indication is that the change by the Federal Government initially, and this was before Mr. McGrath was Minister of Fisheries, was due to pressure from the major fish companies in Nova Scotia. They are resource poor in that Province, the Scotian shelf is limited in what it can produce on a sustained yield basis. The fish production capability in Nova Scotia, the plant capability has increased dramatically over the past ten years or so and they find themselves short of the basic resource, so

MR. H. ANDREWS: they find that they have to go to other places and they have traditionally fished off the South Coast of Newfoundland, in Sydney Bight, which is closer to Nova Scotia, I must admit, Saint Pierre Bank, the Grand Banks - the tail of the Bank - and now they are working North into the Labrador and the Northeast Coast area of Newfoundland. Unfortunately they find that it is a very long ways to go.

AN HON. MEMBER: It is not out of Catalina.

MR. H. ANDREWS: It is a very long ways to go from Lunenburg or Shelburne or some place. It is an extra two days steam. It can be done only when there is a large concentration of fish on the Hamilton Banks at this time of year as we saw last week when we realized that there were three boats from Lunenburg, based in Lunenburg fishing off the Coast of Labrador and Northern Newfoundland. The only reason that they are there now, and it pays to go there now, is because the fish are in the spawning cycle of their lives and I agree with the member from Eagle River (Mr. Hiscock) that there should be an abolition of fishing by trawlers, both Newfoundland and Nova Scotia or any province, any provincial trawlers, on that cod stock at this time of the year. It hardly pays those vessels to fish on the Hamilton Banks and on the Labrador fishing grounds in the Summertime when the cod is disbursed and moved in closer to land. And it is still a marginal thing, as I understand it, for them to fish right now with wet fish trawlers off the Labrador Coast. But they do it out of desperation to keep a continuity of supply to the fish plants in Nova Scotia. Admittedly, some of that fish has been delivered to fish plants in Newfoundland but only a small percentage of it. If it were all delivered to Newfoundland that would be fine. If we are going to permit any fishing of that stock on the Hamilton Banks but I advocate that -

MR. D. HOLLETT: Sixty odd per cent goes to (inaudible)

MR. ANDREWS: I advocate, Mr. Speaker, that, Of the Lunenburg based trawlers I would disagree with the member from Burin-Placentia West (Mr. Hollett).

MR. D. HOLLETT: Of the Canadian effort.

MR. H. ANDREWS: Of the Canadian effort.

AN HON. MEMBER: In excess of sixty per cent of it (inaudible)

MR. H. ANDREWS: Of the Canadian effort.

MR. D. HOLLETT: Yes.

MR. H. ANDREWS: Of the Lunenburg based trawlers, I would suggest that most of it goes to Lunenburg.

MR. D. HOLLETT: Yes, it should be going to Burgeo in your district.

MR. H. ANDREWS: It can be going to any plant in Newfoundland that needs fish. If we are going to permit a fishery on the Northern cod stock at this time of the year. On the other hand I say that there should not be a fishery on the Northern cod stock at this time of year.

MR. D. HOLLETT: We had (inaudible)

MR. H. ANDREWS: Mr. Speaker, the hon. member from LaPoile (Mr. Neary) mentioned some figures, some statistics. You can interpret statistics anyway you wish, of course, His interpretation of those statistics was that the Newfoundlanders, both the offshore fishermen and the inshore fishermen were doing more harm to the fishery than anybody. We are talking about in 1980 a quota of 180,000 metric tons of fish. Now, that to the uninitiated might sound like a lot a cod tongues and a lot of codfish. I would just like to say this that back in 1969-70, approximately that era, there was approximately one billion pounds of codfish taken out of that same area. I think that is the difference of what we are talking about now. We have to rebuild that fish stock as quickly as possible. There were one billion tons taken out of it, one billion tons, 900-and-some-odd thousand metric tons. That was too much and we overfished it. If my understanding is correct, the biologists say that a manageable fishery that would sustain itself with a maximum sustainable yield would be approximately 450,000 tons or 400,000 tons in that ball park figure somewhere. Unfortunately we did have to overfish it probably before we realized how much was there and how far we could

MR. H. ANDREWS: go. Of that 180,000 tons, 110,000 tons is allocated for the inshore fishery, Canadian inshore fishery, which of course means Newfoundland and Labrador. The Canadian offshore fishery is 45,000 metric tons, in my opinion it should be reduced, And the foreign allocation of 25,000 tons comes right back again to the the phony, artificial surplus allocated by the Federal government to foreign vessels to satisfy foreign demands. That 25,000 metric tons should not be there. That 25,000 metric tons should be allocated to the inshore fishermen of Newfoundland, and

MR. H. ANDREWS: the inshore fishermen of Newfoundland will catch it. If they do not catch it this year, they will catch it next year and if they do not catch it next year, they will catch it the following year. And as we all know if you read any of the history of Newfoundland there are bad years in the fishery and that depends on water temperature, it depends on wind conditions, it depends on the weather and so on. But on the long run the inshore fishermen will continue to catch more and more and a greater percentage of the allocation of the Northern cod. And I think with improved fishing techniques that it will extend the season for the inshore fishermen with middle distance techniques and so on, that we will be in a position to catch most of that fish either inshore with the traditional cod trap or hook and line or jigger, which is a very effective way to catch fish -

SOME HON. MEMBERS: Oh, oh.

MR. H. ANDREWS: - or with vessels that can extend the season with larger longliners and that type of vessel.

Mr. Speaker, it has been said here this afternoon many times that the fishery is still the largest employer in Newfoundland. The significance of the fishery, I imagine, as we so know in terms of total economic dollars, is not as important as it used to be. But the fact is it is the biggest single employer and the fact is that the majority of communities and the vast area of Newfoundland and Labrador sustains itself by the fishery and in places the fishery is very prosperous, in places the fishery is not very prosperous. And I look to my friend from Eagle River (Mr. E. Hiscock) when I think of places where the fishery is not very prosperous and has not been for a number of years because of over fishing.

But we are talking about 500 communities on this one stock of codfish along the Northeast coast, 500 communities that may not have an option if the fishery is not protected. If the fishery is protected, the people that live on that coast do have an option, they can go fishing or they can stay in a community that has its being largely from the fishery or they can

MR. H. ANDREWS: leave and they can go to St. John's, Toronto, New York or wherever. But without that, there is no option.

The outports of Newfoundland, if we do not just pay lip service to the idea that the outports of Newfoundland should be preserved, we must create an economic base that will preserve them. And there are not too many things along the Northeast coast besides the fishery that can sustain any outport in Newfoundland. There will be the occasional place where you will start a mine or the bottoms of some bays where there will be a small logging or agricultural industry but that is about it. The large bulk of it is going to be the fishery. And it is the Conservative Party's policy to preserve the communities along the coasts of Newfoundland, to let Newfoundlanders stay there if they wish, to give them the option, to not give them the option where they will be forced out, there will be no need then of a resettlement programme as we saw in the '50s and '60'. The people will be forced to move themselves.

MR. D. HOLLETT: A lot of people are forced to move to Alberta now.

MR. H. ANDREWS: Mr. Speaker, it has been suggested that this resolution might be upsetting to other provinces, but I would just suggest that we already have the principle of ownership of fish by a people who have the adjacency of that fish, first of all, and even without that, if we look at the decision by the federal government to say that the salmon that come from the Miramichi River belong to the people of New Brunswick, first of all. And to eliminate the drift net fishing, for instance, along the Southwest coast, to give those fish a chance to get back to the rivers, that the Province of New Brunswick has priority claim on those salmon. And reluctantly I would admit that.

MR. D. HOLLETT: That is not true.

MR. H. ANDREWS: The federal government is saying that those salmon belong even without knowing it to the rivers in New Brunswick for conservation measures. But we are talking about a stock

MR. H. ANDREWS: of fish here, Mr. Speaker, that does not migrate at all inter-provincially, it stays within the Province of Newfoundland. There is no other province that should get upset about the fact that the Northeast coast cod do not swim up the LeHaye River in Nova Scotia, there will never be that inter-provincial argument. Here is a case where we can take these fish ourselves, we can do it physically, and we will not be upset in anybody else.

MR. D. HOLLETT: You do not have to worry about him replacing (inaudible).

MR. H. ANDREWS: One other point, Mr. Speaker - my time, I think, is running out. This principle is enshrined, I think, in the (inaudible).

SOME HON. MEMBERS: Oh, oh!

MR. H. ANDREWS: The federal government has recognized this principle.

I will read this again, Mr. Speaker - I believe I read it before - a letter in 1948, Louis St. Laurent to Sir Albert Walsh in questions regarding the terms of union of Canada with Newfoundland on fisheries matters, Mr. St. Laurent replied: "It is understood that the policy as to trawling licences in Newfoundland will be based on securing the maximum efficiency for the Province's fishing industry and welfare for its shore communities." So I say, there is a commitment from the Government of Canada during negotiations that the shore communities, the inshore fishing communities of Newfoundland will be protected. I think that besides this commitment, we must also commit ourselves to protecting the inshore fishing communities of Newfoundland and, Mr. Speaker, I beg the House to approve this motion. I will take my seat. Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms): Order, please!

Is it the pleasure of the House to adopt the motion? Those in favour, 'Aye', contrary, 'Nay'. I declare the motion carried.

The hon. the President of the Council.

MR. W. MARSHALL: Mr. Speaker, as has been the practice, I would like to advise the House that tomorrow the Government Services Committee will be meeting from 7:30 P.M. to 10:00 P.M. considering the Department of Public Works and Services.

MR. W. MARSHALL: The Resource Committee will be meeting tomorrow from 9:00 A.M. to 11:00 A.M. considering the Department of Mines and Energy; Social Services from 11:00 A.M. to 1:00 P.M. and the Estimates under consideration will be the Department of Education.

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

MR. D. JAMIESON: Mr. Speaker, I have no wish to go beyond the time. We probably have it ironed out for this particular session on the Estimates, but I suggest that the two House Leaders ought to perhaps have words on this scheduling process, because I understand that there are members on both sides who are having some difficulty with regard to timing and all the rest of it, and perhaps we could formalize in some fashion for the future just how exactly these things are going to be done because of the lack of consultation between committees.

MR. SPEAKER: The hon. the President of the Council.

MR. W. MARSHALL: Certainly, Mr. Speaker. Anything that can be done to improve the system will certainly be done, but I will say that I believe the Clerk of the House has published periods of time when the various places will be available and, of course, the committees themselves would be the ones who should be setting the times. They are just suggested times.

MR. D. JAMIESON: (Inaudible) the left hand should know what the right hand is doing.

MR. W. MARSHALL: Yes. But hopefully as they get more detailed in their meetings tomorrow and the next day, this will work out. If not, we will see what we can do.

MR. D. JAMIESON: Good.

On motion, the House at its rising adjourned until tomorrow, Thursday, April 17th, 1980 at 3:00 P.M.