

PRELIMINARY  
UNEDITED  
TRANSCRIPT

HOUSE OF ASSEMBLY  
FOR THE PERIOD:  
3:00 p.m. - 6:00 p.m.  
WEDNESDAY, JUNE 4, 1980

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Simms): Order please!

ORAL QUESTIONS

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

MR. JAMIESON: Mr. Speaker, I have a question for the hon. the Premier arising from a news report out of Calgary. Could the Premier indicate whether or not Mr. Pedro Van Meurs was stating government policy and was he, in fact, authorized to make the kinds of statements, which at least are given in quotes here, with regard to the Province's policy apropos the offshore issue?

MR. BARRY: Mr. Speaker.

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

MR. BARRY: Mr. Speaker, the Premier asked me to respond to the Leader of the Opposition. Mr. Van Meurs, whatever he was quoted, stated in his speech, in the speech that he delivered, stated statistically the information that has already been supplied to this House and elsewhere and in the references to the strategy which we will undertake in the legal dispute, he quoted my remarks - these were not his original remarks - he quoted my remarks to the effect that in the unlikely event there happened to be a negative decision, if it ever goes to the Supreme Court of Canada, that this Province would be in the position to continue, "a guerilla war of a legal nature", and I underline the "of a legal nature". This has to do with the application of provincial legislation onshore, the approval as to where facilities are constructed, the urban and rural planning approvals that would be required within the Province and so on, that this would still permit the Province to see that its legitimate provincial objectives were met as far as ensuring local employment, as far as making sure that local businessmen got opportunities from the offshore and as far as making sure that the social and economic negative impacts were minimized.

MR. JAMIESON: A supplementary.

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

MR. JAMIESON: Well, Mr. Speaker, by way of preamble let me say that I do not have any quarrel with the government having its objectives and stating it publicly but since there is absolutely nothing in this news report nor presumably - I have not seen the text of the gentleman's statement, but this attributes it to him. Is the hon. minister saying to me that he is being once again, as we seem to find so frequently these days, misrepresented and misquoted when he says the Province is ready for a legal guerilla war and it quotes him rather than saying that on behalf of my minister I am using the words of the minister, is that the text of it? In other words, that the gentleman in question is not himself making these kinds of statements and that he was merely quoting some things that the minister said in precise and authorized fashion?

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

MR. BARRY: Mr. Speaker, we have  
confirmed by telephone with Mr. Van Meurs that it was  
clearly set out in his remarks that he was referring  
to the statements made by me as minister.

MR. JAMIESON: A final supplementary.

MR. SPEAKER: A final supplementary.  
The hon. the Leader of the Opposition.

MR. JAMIESON: In the interest then of  
having these matters pursued in a reasonable and an  
amicable fashion rather than seeing massive headlines  
like Guerilla war and so forth, could we at some point  
have an indication - and, by the way, perhaps I ought to  
direct this to the hon. the Premier, because we  
touched on it before and I do not think he was in  
disagreement with me, could we at some point have some  
guidelines as to just exactly what it is that public  
servants and the like are authorized to say and what it  
is, in fact, that they are prohibited from saying. In  
other words, what is the position of a public servant  
when he participates in a forum of this nature and are  
there going to be some written guidelines, as I believe  
it is fair to say that there are in most jurisdictions,  
with regard to what public servants and such can say?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Right now, as I indicated -  
first let me say that the headline in The Daily News is  
not the heading that appeared in The Evening Telegram,  
for example, so one has, therefore, to question the  
interpretive ability of various papers and very often  
they interpret statements made by individuals differently.  
So, obviously, because there is a difference in  
interpretation, it is not altogether clear whether,

PREMIER PECKFORD: in fact, what The Daily News reported as a headline is accurately reflecting the statements that Mr. Van Meurs allegedly made in Calgary. So, obviously, there is room for flexibility or whatever there in how we want to look upon the remarks he made.

The general rule which Cabinet has put into effect is that public servants are not allowed to make statements on public policy unless they have the prior approval of their minister and that is the rule of thumb.

Now, I agree with the hon. the Leader of the Opposition (Mr. Jamieson) as I did some time back, that additional, more refined regulations or whatever need to be put in place to give effect to that kind of motive, that kind of spirit, that kind of principle. And as I indicated to the Leader of the Opposition, it is my intention so to do.

MR. SPEAKER (Simms): The hon. the member for LaPoile.

MR. NEARY: Mr. Speaker, first of all I want to draw to the Premier's attention that the Minister of Health (Mr. House) and the Minister of Consumer Affairs and Environment (Mrs. Newhook) are never in their seats for the Oral Question Period. Are they gun shy? What is wrong with these two ministers we can never ask them a question, they are never in their seats? So, therefore, I will direct the question to the Minister of Mines and Energy (Mr. Barry). Could the minister inform the House - I am sure they must have done a study on this and they must have projected figures on the number of Newfoundlanders who will be involved a) in the construction of the facilities for offshore oil production, and b) the number that will be

MR. NEARY:

involved in the

production of oil. How many Newfoundlanders will  
be employed and for what period during the  
construction stage and how many Newfoundlanders will  
be employed after the construction is over, permanently,  
in the production of oil?

MR. SPEAKER (Simms):

Energy.

The hon. the Minister of Mines and

MR. L. BARRY:

Yes, Mr. Speaker.

AN HON. MEMBER:

A little bit of an encore.

MR. L. BARRY:

I might say I have had that question put to me once before today in another forum by the hon. member.

Mr. Speaker, the estimate of people who would be employed in the construction phase for one oil field, for example, the Hibernia field, during construction which might take three to four years, it could range from 5000 people to 10,000 people. Once the facilities are in place and the wells have been drilled for production employment with respect to one field would then fall off. However, if there are other fields discovered and if these are phased in properly, then we could expect a continuing employment in the construction phase that would go on for more than three to four years depending upon the number of fields that were found. At the production phase it would depend upon the method of production.

MR. S. NEARY:

Give me the number.

MR. L. BARRY:

If the hon. member wants an answer to his question, Mr. Speaker, I will give it. It would depend upon the method of production. If it were a pipeline there would be probably less people employed than if it were production by tankers where there is more employment. And that is why, Mr. Speaker, we have not arrived at precise figures yet, because we do not yet know which production method we will authorize as far as our offshore area is concerned.

MR. S. NEARY:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for LaPoile.

MR. S. NEARY:

Is it correct, the figure that the hon. gentleman gave me this morning? If I can get the hon. gentleman's attention. Is the figure the hon. gentleman gave me this morning a correct figure, that during the construction stage between 5000 and 10,000 Newfoundlanders would be employed and during the production,

MR. S. NEARY: after the construction is over and the oil well goes into production, that only around 300 Newfoundlanders would be employed?

MR. BARRY: No.

MR. NEARY: Well, that is the figure the hon. gentleman gave me this morning.

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

MR. L. BARRY: No, Mr. Speaker. The hon. member is hauling a figure out of the air.

MR. S. NEARY: I wrote it down.

MR. L. BARRY: Yes, but it was not said by me. You did not get it from me.

MR. S. NEARY: Well, I got it from one of your officials. He was quoting you. You always say they are quoting you.

MR. L. BARRY: Oh! Oh! I see, Mr. Speaker. This, by the way, incidentally, Mr. Speaker, for the record, arose in the context of a briefing that was given to members of this hon. House over yesterday morning, yesterday evening and this morning. And in the course of a question raised by the hon. member - and it is a legitimate question to ask and a good question to ask. But the hon. member seems to be very anxious to get a quick answer of the sort that he would like to hear, i.e., that there will be very little employment, something in the order of 300 jobs.

MR. MORGAN: Something negative.

MR. S. NEARY: Well, that is what Cabot Martin said.

MR. BARRY: That, Mr. Speaker, is not a reliable



MR. L. BARRY:

figure, that Mr. Speaker, is a figure that arose in the context of trying to assess the number of people who would be employed on the production platform itself, the number of people who would be involved in maintaining the wellheads. In every oil field, Mr. Speaker, there is a continuing maintenance programme that would have to be undertaken, it would depend upon the number of people employed in manufacturing processes onshore that would be involved in the ongoing supply of goods and services to the oil rigs, all of which, Mr. Speaker, depends upon the type of production that is ultimately approved. And, therefore, Mr. Speaker, it is impossible to say what the figure will be. I would say it will be much more than the 300 figure that the hon. member is utilizing.

MR. S. NEARY: How much more? Give us a figure?

MR. L. BARRY: I will say, Mr. Speaker -

MR. S. NEARY: Give us a ball park figure?

MR. L. BARRY: If the hon. member opposite would like an answer I will try and give it, Mr. Speaker. We can say that there will be a considerable drop-off in direct employment after the construction period is finished. As with any undertaking, the construction phase employs more people. I do not think there is any great magic or any great mystique to that. There are more people employed building an industry than there are in the ultimate operation of the industry.

However, Mr. Speaker,

if we have control of the management of this resource, we can visualize many, many jobs being created not only in the oil industry but in our traditional industries, in our fisheries, our forestry, our agriculture, our mining industry because we will have the money, a flow of revenue, from the oil fields to inject into these traditional industries and we can create, Mr. Speaker, tens of thousands of jobs -

MR. J. MORGAN: Hear, hear.

MR. L. BARRY: - but only if we control the resources.

SOME HON. MEMBERS: Hear, hear.

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

MR. SPEAKER (Sims): Final supplementary, the hon. member for LaPoile.

MR. S. NEARY: That is a convoluted answer if I ever heard one and if hon. members who are tapping their desks -

SOME HON. MEMBERS: Hear, hear.

MR. S. NEARY: - like trained seals had been at that briefing this morning, which I did not think should have been held in camera, it should have been public, there was nothing at these briefings discussed that could not have been discussed in public, if they had been there they would have seen the answer - 300 jobs was what we were told.

MR. J. MORGAN: I believe you walked out of the briefing this morning, did you not?

MR. L. BARRY: Not so.

MR. SPEAKER: (Simms) Order, please!

MR. S. NEARY: No I did not, I had to go and pick up one of my kids at school.

MR. L. BARRY: 300 jobs, they will laugh you off the street.

MR. SPEAKER: Order, please! The hon. member has a supplementary.

MR. S. NEARY: My supplementary question for the hon. minister is this -

MR. L. BARRY: They will laugh you off the street - 300 jobs

MR. S. NEARY: The minister talks about the method of production. Now, would the minister tell the House and tell the people of this Province if the oil companies are favouring a pipeline, if they are favouring some kind of a permanent structure offshore to load the tankers offshore and bring the oil down to Portland, Maine and plug it into the pipeline that comes into Canada? Are

MR. S. NEARY: the oil companies favoring that system or the pipeline because the hon. gentleman seems to think that the number of jobs will depend on which system is going to be used? What system are the oil companies favoring, tanker or pipeline?

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

MR. L. BARRY: Mr. Speaker, the initial meeting that we had with the oil company revealed to us, as I have said, by the way, on another occasion in this hon. House, revealed to us that the companies appeared to be leaning in favor of the movement of oil by tanker, that the problem of icebergs breaking pipelines, they felt, might be an insurmountable problem, that in any event it might be insurmountably expensive to deal with and they felt that the tanker route might be the one to go. Tanker traffic, by the way, Mr. Speaker, to the Come by Chance Refinery -

MR. NEARY: No 100,000 barrels -

MR. BARRY: - tanker route to the Come by Chance Refinery, Mr. Speaker -

MR. NEARY: 100,000 - it is a good thing we built the refinery.

MR. L. BARRY: - we have made clear will be a factor in any development plans -

MR. NEARY: It is a good thing we built that refinery for the hon. gentleman.

MR. BARRY: - that is approved by this Province.

MR. NEARY: We would not get any oil only for the oil refinery.

MR. SPEAKER (Simms): Order, please!

MR. BARRY: Mr. Speaker -

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MR. NEARY:

Sorry, Mr. Speaker.

MR. L. BARRY:

Is the hon. member ready to get the answer?

MR. NEARY:

There will be no oil coming ashore only for the oil refinery at Come by Chance.

MR. SPEAKER (Simms):

Order, please!

MR. L. BARRY:

If the hon. member did not want the answer, Mr. Speaker, why did he ask the question?

MR. NEARY:

I know the answer. I got it this morning.

MR. BARRY:

Oh ! Well, why is he asking ?

MR. NEARY:

I am only trying to get it on the public record now.

MR. BARRY:

Oh. I see.

MR. YOUNG:

Wasting the time of the House.

MR. NEARY:

Yes, it is a kind of waste of time alright.

MR. BARRY:

Mr. Speaker, what was the question again?

SOME HON. MEMBERS:

Oh, oh!

MR. S. NEARY:

Tanker versus the pipeline.

MR. BARRY:

The companies indicated that they were leaning toward the tanker route. We said to them, "Look, you do not have the information upon which to make your decision at this time. You are not going to get any approvals from us until you can satisfy us that you have thoroughly examined both alternatives. We are going to be retaining our own consultants as we are to examine both alternatives and this Fall, hopefully, the companies will be filing a development plan and they will be requesting approval from government -

MR. MORGAN:

. We can half it.

MR. L. BARRY:

- to either build a pipeline or to install facilities that will require tankers. At that time we will have to give our approval. Our approval will be given based upon the number of jobs, the amount of processing that will be done within this Province and the least possible environmental impact and, Mr. Speaker, these are the main factors that have to be considered.

MR. SPEAKER (Simms):

The hon. member for Port au Port.

MR. J. HODDER:

A question for the Minister of Education. About a month ago I asked the minister about a report on the property committee on Grade XII, the committee which is looking into what school construction would cost to implement Grade 12. At that time I had mentioned that it was \$40,000,000. The minister told me my information was incorrect but that she would bring

MR. HODDER: the report of that committee into the House. Now, the House in its dying stages, could the minister either tell us now when she will inform the people how much Grade XII will cost for construction, or when she will make a report?

MR. SPEAKER (Simms): The hon. Minister of Education.

MS. VERGE: Mr. Speaker, the interim report of the sub-committee to the steering committee planning the re-organization of senior high school was made available to the hon. member when it was first released at the end of 1979. In that report were estimates of the costs, both the cost of facilities, extra classrooms and buildings, and also operating costs with a fairly detailed list itemizing salaries, cost of instructional materials, programme development, bus transportation, etc.

As for the estimated cost of facilities and buildings, the estimate given in that report was about \$14 million worth of construction, and the report proceeded to estimate how much would be required to be spent over the next few years until those facilities are in place. Since the time of that report, over the past six months, the sub-committee has continued gathering more detailed information from school boards around the Province and that is now being objectively analyzed by the officials of the Education Department and it is expected that a more precise estimate will be available quite soon.

I would just like to make the final point that no additional classroom space will be needed for the extra year of school until Grade XII is first taught, which will be the school year 1983-84, more than three years away.

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

MR. HODDER: Mr. Speaker, the minister did not answer my question. The question was -

MR. LUSH: I did not think so.

MR. HODDER: - you know, the Property Committee met, or gave the minister a report about six weeks ago and I asked about two weeks after that what the final figure of the Property Committee was, the minister has never answered that question. Well, I will ask the minister another question. The two important committees are the Property Committee and the Curriculum Committee, now we know that Grade XII was delayed for one year, what is the Curriculum Committee doing at the present time? Could the minister tell me that?

MR. SPEAKER: The hon. Minister of Education.

MS. VERGE: Yes, Mr. Speaker, the Curriculum Sub-Committee has been at work now for more than a year. In September of 1979 that sub-committee published a discussion paper on a re-organized curriculum for Grades X, XI, and XII. That proposal has been widely circulated among educators in the Province and has resulted in many comments and suggestions.

MS VERGE:

All of the additional input has been evaluated and appropriate changes are now being considered. Among the targets set by the Curriculum Sub-Committee for the balance of the current school year, that would be the end of this month, includes a list which was published in an update newsletter which I understand the hon. member has. The tasks include the necessary planning for the re-organized Grade X which is scheduled to start, of course, in September 1981. The other tasks, as I mentioned, are listed in that document which I understand the hon. member has.

MR. HODDER: A supplementary.

MR. SPEAKER (Simms): A final supplementary. The hon. the member for Port au Port.

MR. HODDER: I think, Mr. Speaker, I could have asked this question a year ago and got the exact same answer on both of my preliminary questions. But going back because, Mr. Speaker, it is my feeling, and as a preamble to my question, it is my feeling that the delay of Grade XII for one year has not benefited in that these committees are basically not working as quickly as they had in the year previously. But I would like to ask the minister, since the government made available \$10,800,000 this year to the Denominational Education Committees and they have now told the Denominational Education Committees that they cannot spend those funds for the next several months, could the minister explain this sort of tightness of money and how she will be bringing the Grade XII into the Province in 1984, when we cannot find enough money to finance the construction of schools at the present time?

MR. LUSH: Broken promises, like the 40,500 jobs.

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

MS. VERGE: Mr. Speaker, over the past seven or eight months the government has made a commitment to the Denominational Education Committees to make possible \$24 million worth of new school construction. This was done in two installments, the first of which was shortly before Christmas when \$12 million worth was authorized of which of course ten per cent will be financed by the school boards and the other \$12 million



MS VERGE: was announced in the Budget speech at the end of March. This will go a long way in replacing inadequate and obsolete buildings which are now housing students. The additional cost of facilities required for the extra year of high school will be made available over the next few years as we approach 1983-1984, when, for the first time, the extra year of high school will be taught.

MR.F. ROWE: Mr. Speaker.

MR. SPEAKER (Simms): The hon. member for Trinity-Bay De Verde.

MR.F. ROWE: Mr. Speaker, I would like to address a question to the minister responsible for recreation. Will the minister, Mr. Speaker, to make it as briefly as I can, undertake to convey to this Canada's equivalent of Hilter, Mr. Ed Bitz, I believe is how it is pronounced, who is the umpire -in-chief of Softball Canada,

MR. F. ROWE: would the minister undertake to convey to that gentleman this Legislature's shock and displeasure over barring Mr. Len King from officiating at this national softball championship because he is wearing a neat beard, which is surely, Mr. Speaker, a violation of human rights and blatant discrimination? I was wondering if the minister would undertake to do that?

MR. SPEAKER (Simms): The hon. the Minister of Tourism, Recreation and Culture.

MR. R. DAWE: Mr. Speaker, thank you very much for the question. I have been in contact with Mr. Harvey of the provincial association -

MR. S. NEARY: Already?

MR. R. DAWE: - to discuss the matter - yes. A letter is now being typed up to my federal counterpart, Mr. Regan, who is responsible for that particular area of development on the national scene, expressing our concerns and fully supporting our provincial association's stand on the matter.

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

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

MR. F. ROWE: Well, Mr. Speaker, I appreciate the answer from the minister. Did the minister indicate in his letter to Mr. Regan - or ask or request that Mr. Regan take all necessary steps, if necessary, to reverse the decision of the umpire-in-chief of Softball Canada, order him to reverse his position on this particular stand?

MR. NEARY: Can he wear a toupe?

MR. SPEAKER: The hon. the Minister of Tourism Recreation and Culture.

MR. R. DAWE: The content of the letter does include a suggestion that a complete review of the decision be made and that Mr. King be reinstated into his position of umpiring at the nationals.

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

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

MR. F. ROWE: Getting back to where the minister said he has written the minister responsible for Softball Canada, he did not answer whether or not he has conveyed our displeasure over the decision to Softball Canada itself and to Mr. Ed Bitz. Has that been done or will it be done?

MR. SPEAKER (Simms): The hon. the Minister of Tourism, Recreation and Culture.

MR. R. DAWE: Mr. Speaker, the sports organizations in this Province operate in a certain degree of autonomy and we like to think that the same applies to their national associations. Some of the problems that develop within an association should be first addressed by the membership of that particular association, and I think the position of my department is that I will deal directly with my federal counterpart who is responsible, and express my concerns at that level, and hopefully the association will carry on their activities likewise.

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

MR. B. HISCOCK: My question is to the Minister of Labour and Manpower. The federal government have now announced their plan for job creation for Summer students this Summer as well as employing students in various other departments. I believe the sum is \$2.5 million. Could the Minister of Labour and Manpower (Mr. J. Dinn) advise this House when the provincial government plan to announce their programme for student employment?

AN HON. MEMBER: Never.

MR. G. WARREN: They do not have a plan.

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

MR. J. DINN: Mr. Speaker, the first we heard of the federal government's

MR. DINN:

proposals for Summer employment for students, I was informed about a day before the announcement. It was somewhat disappointing because we had worked out a fairly extensive programme with the previous administration. Indeed, not only the Summer Youth Employment Programme but the employment programmes that were to be generated by the federal government this year were ones that were supposed to be based on resource development and that programme was a result of some months of work by all the resource departments in the provincial government at which time, through me, a list was sent to Ottawa of jobs that we would like to have created that would have been useful or very useful to the economy of the Province in that they were all basically centered around the resource areas. And I am somewhat disappointed at the way in which the programme was announced, the lack of consultation and the fact that we have very little information on what the federal government is going to do. It is very difficult then from that point of view to dovetail any programmes when we do not have the detail.

MR. SPEAKER (Simms): One final supplementary, the hon. member for Eagle River.

MR. HISCOCK: I am rather surprised the Minister of Labour has depended upon the federal government, which is being classified as an agency of the province, and that basically he has

SOME HON. MEMBERS: Hear, hear!

MR. HISCOCK: - not had any independent programme whatsoever for student employment, not one. We have had Opportunities for Youth which went on into Young Canada Works programmes. My question basically is to the minister, does this government have any programme whatsoever for youth employment? Over 300,000 people have already registered and that is not even the high school students, 3,000 students

MR. HISCOCK: have registered, does the minister and this government have any plans in the foreseeable future, next year or the year after, to bring in a programme, independent of the various departments that would be over and above that?

MR. NEARY: Right on.

MR. SPEAKER (Simms): The hon. Minister of Labour and Manpower.

MR. DINN: Mr. Speaker, to answer that question first of all, one has to look at what we were attempting to do. There are a certain amount of federal dollars involved every year in attempting to create employment, generally of a short term nature, and we thought this year that a new era was come upon us in that we were to consult with the federal government and any monies that were put into programmes by the federal government, whether it was youth employment or Summer employment or Winter works or whatever, would be the kind of programme that you could dovetail with programmes that we have available here in the Province. And what we have had in the past are the Canada Works type programme where a community got dollars approved for

MR. J. DINN: the start of a water system and then when the capital of the Canada Works funding ran out the community would then apply to the Provincial Government to finish a project so they would get \$50,000 from the Federal Government and then request \$750,000 from the Provincial Government to finish a water system that had been started and we thought that this was not a very constructive way of doing things. What we thought we could possibly do would be to get the monies that were set aside federally and the programmes that we had here provincially and dovetail those programmes together so that we would have some advantage to the money that was being spent and there is a substantial amount of money being spent in this area. So we thought that this consultative mechanism would be one that would work a little better than the programmes that had been put forth in the past and they were supposed to have been taken out of the political and I quote the previous minister, "the political atmosphere" in that they would be approved on a project by project basis and on the basis that the projects were viable. Some of the projects were, for example, slipways, tourism programmes, forestry programmes and so on and they were all itemized from 1 to 174, I believe -

AN HON. MEMBER: That is Canada Works

MR. SPEAKER: Order, please!

MR. J. DINN: And there were also youth employment programmes that were included in this list.

MR. WARREN: (Inaudible)

MR. SPEAKER (Simms): Order, please! The time for Oral Questions has expired. I would like to welcome on behalf of hon. members two groups of students to the Galleries today. A group of Grade 7 students from L.R. Ash Elementary School in Lethbridge with their principal. I think Mr. King it is. The students are from both districts of Bonavista

South and Terra Nova and we hope that they enjoy their visit.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: And we also have with us today a group of fifty Grade 9 students from St. Clare's High School in Carbonear in the district of Carbonear and we trust that they will enjoy their visit as well.

SOME HON. MEMBERS: Hear, hear!

PRESENTING PETITIONS

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

MR. F. WHITE: Mr. Speaker, I have two petitions related to the same matter and I can present them both at once if that is okay.

MR. SPEAKER: Agreed.

MR. WHITE: The first petition, Mr. Speaker, comes from the residents of Stoneville and is signed by 216 people and it says - I can read the prayer. "We the undersigned from the community of Stoneville are once again requesting action from the government to have the road through our community paved -

MR. HISCOCK: Once again?

MR. F. WHITE: "We have asked for this many times in the past but it seems as if all our requests have been ignored.

MR. S. NEARY: Shame.

MR. WHITE: "We feel that it is about time that some action be taken in this regard -

MR. WARREN: Right on.

MR. WHITE: - as during the Spring and Fall our roads are in a deplorable condition and then in Summer the dust problem is almost unbearable. Also since the new ferry wharf has been constructed at Farewell, we have much more traffic passing through this community than ever before. With this increased traffic our road conditions will gradually get worse. We are expecting prompt action taken at this time and we feel we are as much a part of the Province as is St. John's."

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MR. WARREN:

Right on.

MR. WHITE:

The second petition, Mr. Speaker, relating to the same matter comes from the people of Change Islands



MR. F. WHITE: and it is signed by 118 residents of Change Islands and it says: "We, the people of Change Islands, do wholeheartedly support the people of Stoneville in their petition to government for pavement of the road through their community.

We realize that since the ferry has begun its run from our Island to Farewell, that there has been an ever increasing flow of traffic through that town of transport trucks, oil trucks and private vehicles that come to our Island. So at this time we join with them in their plea to government for pavement knowing full well that with the coming of Summer their dust problem can only get worse and worse."

Now, Mr. Speaker, Stoneville is a small community located on the Gander Bay Highway between Port Albert and the main Gander Bay road. Previously traffic from Port Albert and from Stoneville used that Stoneville road and there is a serious problem there because all of the houses are along the same highway. Recently the ferry operation from Change Islands changed from Cobb's Arm over to Farewell which means that all of that ferry traffic is now going through Stoneville as well. Also, the government are thinking about the possibility of the Fogo Island ferry going over to Farewell which would mean an ever increasing amount of traffic. And I should warn the government at this time that I do not think the people of Stoneville, anymore than the people of Carmanville did a few years ago, will permit that to happen. So I would suggest to the government that some action be taken quickly with respect to this very serious problem before an accident occurs and to try and alleviate some of the serious dust problem that the people of Stoneville are experiencing.

I ask that they be laid on the Table and referred to the department to which they relate.

MR. SPEAKER: (Simms)

The hon. the member for Fogo

MR. B. TULK:

Mr. Speaker, I rise to support the petition so ably presented by my friend from Lewisporte (Mr. F. White) on behalf of the people of Stoneville and I might add Change Islands as well.

The prayer of the petition, Mr. Speaker, just basically asks that the road through the community of Stoneville be paved. As the petition points out, the people of that community have asked

MR. B. TULK: many times to have this road paved and have been, I believe the word that they used is ignored. Now, Mr. Speaker, there are many people in the world today who would not believe that in the twentieth century that you could have the dust problem that those people in Stoneville, and perhaps in other communities as well but certainly in Stoneville, have had to put up with over the last number of years. They have an unbelievable problem of dust seeping into houses, cars, etc. and that, as my friend from Lewisporte (Mr. F. White) said, increased more and more with the recent construction of the ferry terminal at Farewell Head. Obviously, the people from Change Islands, recognizing the plight of the people in Stoneville, have added their support to them.

I would also like to point out that the people coming from Change Islands, too, Mr. Speaker, have a right to a paved highway to other places in Central Newfoundland not just through the community of Stoneville and I would urge upon the government the urgency of taking care of that matter. As my friend from Lewisporte also pointed out, the provincial government is now considering whether indeed they should reroute the Fogo Island ferry from Carmanville to Seldom where it now runs and reroute it from Roger's Cove on Fogo Island to Farewell Head. And the effect on the community of Stoneville and on the whole area will be just absolutely terrible. The people of Fogo Island also now enjoy paved highways, once they get off the ferry, to Gander or Lewisporte or wherever they go, and if the ferry is rerouted then the obvious thing is that this should be done.

I would also like to point out, Mr. Speaker, that perhaps the Leader of the Opposition (Mr. D. Jamieson), the other day, gave us a very good suggestion about how, perhaps, Newfoundland roads can all be paved in a matter of three or four years. I think he also pointed out that Newfoundland can not afford to be without paved roads.

Mr. Speaker, my friend from Burin - Placentia West (Mr. D. Hollett) some time ago, when I presented a petition on behalf of the people of Frederickton, pointed out that petitions in this House are just regarded as another piece of paper. I would urge that this not be the case with this particular petition and since the Minister of Transportation and Communications (Mr. C. Brett) is unavoidably absent today,

MR. B. TULK: I would ask that either the Premier or the President of the Council (Mr. W. Marshall) rise and support this very worthwhile petition from the people of Stoneville and Change Islands. Thank you.

MR. SPEAKER (Simms): Further petitions.  
The hon. the member for Conception Bay South.

MR. J. BUTT: Thank you, Mr. Speaker.  
Mr. Speaker, I rise to present a petition on behalf of 156 people in the town of Paradise, who are requesting a change in the boundary of the St. John's city watershed as it relates to the East side of Paradise road. In part, the prayer of the petition says, "During the 1950s a very large tract of privately owned property situated on the East side of Paradise road was given over to the city of St. John's to be used as a watershed. The use of the property and the imposed restrictions by the city have rendered this property virtually useless to the owners. The property was also given to the city of St. John's without any remuneration or reimbursement to the people in that area." Many times since this watershed was announced, and, in fact, right from the start, the undersigned people on this petition opposed its inception.

Mr. Speaker, in part, the prayer of the petition goes on to say that they have engaged the services, at this time, of a solicitor to protect their rights. However, they would like and would much prefer for a reasonable solution through honest negotiations through the members of this hon. House and, of course, failing that they would have no alternative but to take it to the courts.

Mr. Speaker, I would like to go on record as supporting this petition. I think it is reasonable. It is a fair request. I think these people certainly have a legitimate complaint. I would ask that it be laid upon the table of the House and referred to the department to which it relates.

MR. SPEAKER (Simms): The hon. the member for LaPoile.

MR. S. NEARY: Mr. Speaker, I support the petition presented by the member for Conception Bay South on behalf of 156 of his constituents in the community of Paradise.

I am rather shocked at the fact, Mr. Speaker - and I suppose Your Honour does not care if I am shocked or not - over the fact that these people are forced to seek legal counsel in this particular matter. It is going to cost them a pretty penny, I would think. The price of lawyers today does not come very cheap. Even though the market is getting flooded they are still pretty expensive. But they are forced to resort to legal counsel. The member who presented the petition did not indicate whether or not the people of Paradise, who are arguing that this land should have never been turned over to the city of St. John's for the city watershed - did not indicate whether the people had taken the matter up with his colleague, the Minister of Municipal Affairs (Mr. N. Windsor). Because it is from the minister's department that the city of St. John's gets the authority - or did it through the minister's department - to expropriate this land.

So the member should put a little pressure on his colleague, the Minister of Municipal Affairs.

MR. F. WHITE: You would think he would speak to the petition?

MR. S. NEARY: Well, I am trying to bait the Minister of Municipal Affairs to get him up on his feet.

MR. BUTT: It was done during the 1950s. The Smallwood era in the 1950s.

MR. NEARY: It is not the first time that this matter has come up, Mr. Speaker, in the House. And the hon. gentleman -

AN HON. MEMBER: You should not play politics with it 'Butt'.

MR. S. NEARY: Well, if he wants to play politics with it let us play politics with it, but the people now are claiming that there was no justification for expropriating this land in the beginning. And the recourse that I see that the people have is through the Minister of Municipal Affairs. So let us hope that the Minister of Municipal Affairs

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MR. S. NEARY: will straighten this matter out for the people of Paradise so that they will not have to go through long drawn out court procedures and engaging the services of expensive lawyers.

I would suggest to my hon. friend that he put a little pressure on his colleague, the minister, and see if he can get this matter straightened out.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (Simms):  
Affairs and Housing.

The hon. the Minister of Municipal

MR. WINDSOR:

Mr. Speaker, I could not let an opportunity like this pass without responding to the hon. gentleman from LaPoile (Mr. Neary). First of all, Mr. Speaker, let us straighten out one matter. The city of St. John's has not expropriated anything from anyone, it is simply a watershed which is protected. The hon. gentleman has not the faintest idea what he is talking about. Nobody has expropriated not one square foot of land from anyone. It is an area that was designated, as my colleague said, a number of years ago as part of the city of St. John's watershed to protect the water supply of the people living in the region. So the hon. gentleman is totally out in left field. In response, Mr. Speaker, to something which is even more serious, which is the petition itself and which I accept on behalf of the department, we say that we are very aware of the situation, we have been dealing with it now for some time. Indeed we made some amendments to the boundaries of the town of Paradise last year to help alleviate this issue. We also brought an amendment to this House, as the hon. member for LaPoile (Mr. Neary) would recall, last year to give the city manager the authority, or to give the city council rather the authority, on the recommendation of the city manager, to permit certain developments, within very strict prescribed guidelines, within the watershed area. We are aware of that. I am not exactly sure if all the areas that the petition relates to will have been dealt with before and that there are ongoing discussions with the city on that, there may well be. I suspect there are, from the wording of the petition, areas that these people are asking to have removed from the watershed which I would say to them we will probably not be able to consider. The boundary of a watershed is not something which is flexible such as a town boundary, it is something which is dictated by the lie of the land, by the drainage pattern and the topography of the land. So it is not something which we have that amount of flexibility on. I would simply point out that we do have a responsibility to future generations of the Province to protect an adequate water supply within a

MR. WINDSOR: reasonable distance of the city so that we can have an economic cost of development.

ORDER OF THE DAY

MR. MARSHALL: Order 39. Bill No. 50  
Motion, second reading of a bill, "An Act To Incorporate The Newfoundland And Labrador Petroleum Corporation," (Bill No. 50)

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

MR. BARRY: Mr. Speaker, I think that this is an historic occasion for the Province. The bill now before the House will incorporate the Newfoundland and Labrador Petroleum Corporation, a corporation which will have the power and authority to explore for, to develop, refine and market petroleum. Now, it is intended that this corporation will exercise the authority given to what is called The Petroleum Board in the oil and gas regulations of the Province. Under our oil and gas regulations the Province is entitled to a certain amount of royalties and they can take their royalties in kind. In other words, the Province is entitled to take barrels of oil instead of dollars and, also, the Province is entitled to participate as a partner with the oil companies in operations offshore. So, obviously, the Province needs a vehicle, a mechanism, an institution, a corporation, a petroleum corporation to, number one, take and sell or process within the Province any oil that we may be entitled to from discoveries made offshore and, secondly, we need a vehicle, a petroleum corporation, to carry the Province's interests in operations offshore, in taking the working interest or the carried interest in participating as a partner with the oil companies that are operating out there. We have no suitable mechanism right now, at the present time, where this type of work can be done. We can think in terms of - if we want an analogy as to what type of corporation it will be, it will be similar to the Newfoundland and Labrador Hydro Corporation

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MR. BARRY:                                 except where that corporation deals  
with electricity this one will be dealing with petroleum. We have tried  
to set up a proper relationship between the corporation and government  
in the act because it will be government who will have to direct the  
officers of this



MR. BARRY: corporation and the board of directors, The government will appoint the board of directors, and government will control the method by which this corporation exercises its mandate.

Now, whenever you set up any Crown corporation you have this problem: How far do you go in terms of giving them freedom to fly and to put it another way, to what extent do you clip their wings, to what extent do you keep them under close government scrutiny, to what extent do you have them operate as a part of the public service? I went through this exercise in the course of trying to arrive at a suitable legislation for the Hydro Corporation. You recall that we started off with - when we came into power in 1972, we had a Newfoundland and Labrador Power Commission and we evolved that into a power corporation and ultimately Newfoundland and Labrador Hydro. And it took a lot of soul searching and agonizing as to how we set up that relationship between government and our electricity corporation. And at that time I had the opportunity to study what had taken place in other provinces and to look at how other provinces had dealt with this problem of the relationship between the Crown corporation, whether it be a Crown corporation in Quebec, such as Quebec Hydro, or the Saskatchewan Potash Corporation or whatever, and I found that there was no magic formula. There is no simple single formula that you can arrive at where everybody would look and say, "Yes, we agree. That is the way the corporation should be set up so on the one hand to maintain adequate government control, but on the other hand to permit them to be as efficient and as businesslike as possible." Because that is the only reason

MR. BARRY: for setting up Crown corporations, it is to move them a bit away from the normal bureaucracy of government, towards the more efficient, theoretically, more efficient private business entity. And it is a matter always of getting the proper balance as to how far you go, and how much freedom you give the corporation. And I came to the conclusion, back when I was looking at Newfoundland and Labrador Hydro, that really you have to look upon each corporation differently, and you have to try and get the best relationship for that particular corporation rather than try and find one single, simple formula.

Now, we will, in going through at the Committee stage, get an opportunity to discuss the details as to how that relationship is set up. But you will see that the Lieutenant-Governor in Council, Cabinet, has the authority to appoint the directors and the officers, the president and general manager and other officers of the corporation.

MR. JAMIESON: And the chairman.

MR. BARRY: And the chairman. 'Cabinet shall appoint one of the members of the board to be the chairman of the board.'

Now, there are a few items of significance that I should point out here with respect to the bill. A lot of it is just the standard lawyer's print that you get in setting up any company, not just a Crown corporation but in setting up any company. You have got to give it the power to buy and sell property and to borrow, and here, of course, there is the desire of the House to make sure that there is a limit on the capacity of the corporation to borrow. And I have tried to satisfy that desire, which has been expressed on other occasions in this House, by this government, that we keep proper controls on our Crown corporations and the total limit of borrowings as dealt with in section 20, is set at \$200 million. That is a lot of money.

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MR. BARRY: That is a lot of money but when you are dealing in the oil industry you have to realize that those figures are, shall we say - it has to be at least that substantial if the

MR. L. BARRY:

corporation is really going to have the capacity to get involved. Initially we would anticipate a relatively modest subscribing of shares and capitalization of the corporation. There is a mechanism built in here for self-capitalization in that under section 6, subparagraph (1), (K) and (L), the corporation is given the right, and this, of course, would be subject to the direction of Cabinet as to when it might exercise it or if it exercises it, to select certain permits offshore. In one case it can select, upon application at any time, up to a total of ten permits without going through the bidding procedures that are set out in the petroleum regulations.

MR. JAMIESON:

Regardless of how many are in existence.

MR. BARRY:

Regardless of how many are in existence that it can only get ten without going through the bidding, the normal bidding that would take place under the regulations.

It can only select four - and here it says "blocks of permits" but this is an amendment that I would ask somebody to note when we are going through Committee stage in case I forget to mention it. That should read "four permits" instead of "four blocks of permits" in 6(1)(L). It can only select four permits without going through a hearing procedure. So it is entitled to select six more without going through a bidding procedure in competing with other private interests but if it goes for more than four we have to go through a hearing procedure as is contemplated under the regulations.

Now, we believe that there is no conflict with the regulations to permit them to select the four permits without going through a bidding procedure and a hearing procedure because government will have the control of the corporation, will have the ability to direct how quickly the corporation moves in terms of dealing with the

MR. L. BARRY: permits it might obtain. One of the reasons, of course, one of the main reasons for the hearing procedure is to make sure that the general public gets an opportunity to have an input into the rate of development.

MR. D. JAMIESON: If I may, without taking the time at Committee stage, can they get a portion of a permit?

MR. L. BARRY: Well, there is the authority here to take farm ins to take an interest in somebody else's permit. It would have that and basically it is set up to operate the same way as a private oil company could operate. But this gives it an additional advantage over a private oil company in that it has the opportunity or the right to acquire certain permits without having to get out and bid for them and spend money for them as other companies will have to do in the future.

Now, why is this being done? Well, these permits will be valuable pieces of property. And ultimately the corporation should be able, once it obtains these permits by selling a partial interest, to finance its operations. By selling something less than a controlling interest it should be able to relieve government of the necessity of injecting funds into the corporation.

MR. WHITE: Start-up capital.

MR. BARRY: Pardon? Start up capital, as it were, except it is in the form of an asset. It is in the form of land rights or permits that the corporation would acquire. But there is a limit as to how much it can acquire and this will be subject to the direction of Cabinet in how it exercises its rights to acquire the permits and ultimately to deal with them.

Mr. Speaker, I have other comments to go through at the committee stage but I do not want to spend too much time on it at this time. It is a pretty straightforward thing. We are setting

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MR. L. BARRY: up a petroleum corporation for the Province. One thing I think that is worth mentioning and is of some significance here, is that we have provided for the possibility, under section 15(5), for - where it has sufficient financial income later on, for Cabinet to decide that the corporation may issue free of charge to residents of the Province what we call marketable overriding royalties under certain terms and conditions.

In other words, the corporation,

MR. L. BARRY: with Cabinet approval could issue to residents of the Province their share directly in the offshore oil and gas activity.

MR. D. JAMIESON: It is the BC model.

MR. L. BARRY: It is somewhat similar to the BC, the so-called brick model but not identical in that there, I understand, they issued shares. Now, the problem in issuing shares is that if you start paying dividends you end up having to pay taxes to the federal government. This is the problem they have run into in Alaska where they have issued money. The government have said, 'We are going to give every citizen of the state so many thousand dollars.' The problem, of course, is that the federal government of the United States is going to take a chunk of that in federal income tax so that, in effect, the State of Alaska has given up a share of its revenue to the United States of America. Well, we believe that the federal government will be getting a fair share in other ways and we do not think it is necessary to give them another piece of the action through dividends of the Petroleum Corporation, and therefore, we have set up an overriding royalty instead of a share. But the benefit to the holder is basically the same. It would give him a piece of the action and would entitle him to payment, and these would be worth something. They could be sold, could be transferred.

MR. D. JAMIESON: (Inaudible) tax.

MR. BARRY: But a resident of the Province could thereby get a direct piece of the action of the offshore oil and gas activity.

MR. D. JAMIESON: But it would ultimately be taxed anyway, would it not, if it became part of income which was over the taxable level?

MR. L. BARRY: It will be a question of whether it is part of income or whether it is a capital gain.

MR. D. JAMIESON: Interesting.

MR. L. BARRY: Well, it may be difficult to avoid all taxes on it. And this is something that may have to be looked at more closely as to the terms and conditions you attach so as to minimize taxes

MR. L. BARRY: as it were. But we want it to have the flexibility to do this at some point in time once the corporation is in a position to have the income to permit it to start sharing benefits directly with the people of the Province.

Mr. Speaker, I think that that is about all that I need mention right now. I am just checking my notes to make sure. This will not mean a significant staffing of the corporation immediately. Initially we would contemplate staffing the operation with representatives of the public service and Cabinet and the board of directors, to wait until it is necessary for the corporation to go operational. But right away, as soon as the corporation is set up, it will have to start getting ready to get involved in operations offshore because it could conceivably be within the next four to twelve months that the Province will have to make a decision as to how it takes its interest in the Hibernia field, for example, whether it takes its 40 per cent as an immediate working interest where we would have to share in the exploration expenditures and so on, or maybe we would only take 1 per cent in working interest and we would take 39 per cent in the carried interest or the free ride where we do not have to pay for the exploration expenditures and construction and so on. But we can wait until the companies have gotten their investment back three times and then we participate to share in the profits of the oil field over and above the royalties that we will be getting in any event from the time that oil and gas starts to flow.

So, Mr. Speaker, it is a significant bill. It is not overly complicated, it is fairly straightforward. We are setting up a corporation to exercise for government the rights which our oil and gas regulations already entitle government to exercise with respect to offshore oil and gas.

MR. SPEAKER (Baird): The hon. the member for Windsor -  
Buchans.

MR. G. FLIGHT: Thank you, Mr. Speaker.



MR. G. FLIGHT:

Let me say in the first instance that I would think that this Opposition will have no problem in supporting this bill. Obviously the corporation that the minister refers to is necessary. As we go through clause by clause, of course, we will indicate our displeasure if there is any displeasure with the clauses, but the bill itself is good. We are obviously going into an oil related economy and we agree with

MR. G. FLIGHT: the minister that getting into that kind economy would require a corporation like he talks about to manage and to take care of Newfoundland's interest in that. Mr. Speaker, he himself brought in the possibility of this corporation becoming what many people think Hydro has become. I am sure that when Hydro was conceived in the first place, the Newfoundland Hydro Corporation put together, nobody ever dreamed that it would have the kind of power and that the minister would be under constant pressure to keep Hydro roped in. Hydro is becoming a power onto itself as he well knows and there is a real danger that this corporation could become even more so because of the monies involved here.

And, of course, the bill is really anticlimatic in the sense that we know that the nucleus of this corporation is now put together.

AN HON. MEMBER: They do not need it.

MR. G. FLIGHT: It will be further staffed but the nucleus is put together so really what the bill is doing is rubber-stamping something that the government has already done. But the one thing, Mr. Speaker, that this bill provides is a great debating forum. There is no question about that. This corporation, once this legislation is passed through this House and gets assent, there is no question that that corporation will direct this Province's adventures into offshore.

AN HON. MEMBER: Never.

MR. G. FLIGHT: The rate of development, every aspect of offshore will be controlled by this corporation and, therefore, Mr. Speaker, it opens up one of the greatest possibilities for debating the whole umbrella, everything about offshore. And so, Mr. Speaker, that may be what may happen to this particular bill, people will take advantage of it to talk about the position as we see ourselves in.

And, Mr. Speaker, having said that, I would say to the minister that this past year and a half has got to be the most frustrating years that ever the people of Newfoundland have been subjected to on this kind of an issue. Sometime ago, two or three years ago, the government, realizing that there was potential for offshore oil out there, brought in a set of regulations, a good set of regulations

MR. G. FLIGHT: approved, Mr. Speaker, by this House and in hindsight turned out to be a good move and again, I say, a good set of regulations. However, Mr. Speaker, I do not recall anything indicating that those regulations were opposed or challenged or made any attempt to deny Newfoundland the right to enforce and live with those regulations by the federal government. If the federal government were to have shown the same confrontationalist attitude with the Province, then I would think they could have, and this was the Trudeau federal government prior to Mr. Clark's intervention, if that government were to have taken the same approach to offshore as this Province appears to be taking with the Trudeau administration, then there were lots of grounds to have challenged those regulations. But they were not challenged and today we have the offshore companies out there exploring and drilling under the regulations laid down by this administration, not challenged by Ottawa.

Now, Mr. Speaker, everybody in Newfoundland agrees that Newfoundland should benefit from offshore, should maximize the revenue benefits, should have principal control, it may have to be shared control but certainly the principal control over the rate of development, that we see that development takes place in a way that is acceptable to the social life of this Province, that no boom or bust situations develop, that we do not have four or five oil fields, if they are out there, going at one time infusing money into the economy that the economy could not stand and that when it was all over we would be worse off than if we had never seen oil. Everybody recognizes that, Mr. Speaker, and it does not matter what one's politics are, they recognize that. But this administration was slowly building up and I suspect for political reasons, Mr. Speaker, a confrontation attitude with Ottawa, with the Trudeau administration over the offshore. And then there was an intervention, Mr. Clark came on the scene and became the Prime Minister of Canada and there were some politics there, Mr. Speaker, Mr. Clark, prior to the federal election, agreed by letter that some of the things that I have indicated, they were prepared to go along with. Now, Mr. Speaker, the present Premier told the people of this Province that the

MR. G. FLIGHT:                    only way that Newfoundland could have any say and control, that the only way we can maximize the benefits is by having ownership, whatever that vague ownership means. Mr. Clark put on paper the various principles that would guarantee us control over the rate of development, guarantee us maximizing benefits, guarantee us the ability to put together this kind of corporation and the corporation having the kind of clout that the minister would see it having. But, Mr. Speaker, it became very obvious at the time and I am not the one to - I will read here, Mr. Speaker, it became very obvious and, as a matter of fact, an embarrassing situation developed when the Premier of Newfoundland attempted to have Mr. Clark, the last couple of days of the campaign, verify, indeed, that Newfoundland could have ownership of the offshore under an administration by him. And we all saw Mr. Clark refuse at that point in time and there is a very significant paragraph in Mr. Clark's letter where he lays out the

MR. FLIGHT: principles, where he says, "The above principles, all the things that we are prepared to concede to the Province, the above principles will be further confirmed and implemented by the signing of an amendment between the Government of Canada and the Government of Newfoundland and by appropriate legislative action and constitutional change." So what he was saying, Mr. Speaker, in effect, and what has been confirmed by a constitutional authority - Dr. Eugene Forsey, born in Newfoundland, and one of the most respected men in that field, has expressed the conviction that the method proposed by the Tories, or by Mr. Clark will not work, at best it would take years to achieve. And, of course, when he is saying years to achieve he is talking about the constitutional amendment that will be required.

So, Mr. Speaker, we are in no different position now. This day we are in no different position than we were in when Mr. Clark wrote that famous letter, no different position at all. The only difference is this, Mr. Speaker, that the present administration were indeed negotiating with Mr. Clark and they have shown no desire at this point in time to negotiate with the new administration, with Mr. Trudeau. That is the issue, Mr. Speaker. We are not aware since the federal election, Mr. Speaker -

AN HON. MEMBER: A young purebred like me (inaudible).

MR. FLIGHT: Now, Mr. Speaker, I would like to have silence.

MR. SPEAKER (Simms): Order, please!

MR. FLIGHT: I listened to the minister so I would like to have silence.

Mr. Speaker, there has been no - I was going to say meaningful - there has been no official contact with

MR. FLIGHT: Ottawa, with the federal government, headed by Mr. Trudeau at this point in time, as to what that administration's position is re the offshore and Newfoundland's interest in the offshore.

Mr. Speaker, we have what has become known as the -

MR. F. ROWE: That is unparliamentary.

MR. HOLLETT: What is? He called Trudeau a snake.

MR. FLIGHT: - as the -

AN HON. MEMBER: Who?

MR. F. ROWE: A snake. That over there.

MR. HOLLETT: Say it louder again.

MR. SPEAKER (Baird): Order, please!

MR. FLIGHT: - the university doctrine, where the now Prime Minister stood in the university and indicated that he was prepared to negotiate with this Province, that he was prepared - as a matter of fact, he said two things and I will get to this in a second, he talked about the ownership and he said, Mr. Speaker, exactly what Mr. Clark said, either it would take a constitutional amendment which would take the years that Clark talked about, or else we could go to the Supreme Court in a non-contested reference and establish our ownership.

MR. BARRY: He did not say uncontested.

MR. F. ROWE: Yes, he did. Yes, he did.

MR. FLIGHT: Yes. Uncontested.

MR. NEARY: Yes. Yes. Yes.

MR. SPEAKER (BAIRD): Order, please!

MR. FLIGHT: Uncontested, Mr. Speaker.

Now, Mr. Speaker, that was a commitment, a commitment made by the now Prime Minister campaigning for re-

MR. FLIGHT: election. But the people of this Province, Mr. Speaker, who heard that, are prepared to say, "All right let us see him deliver. We will decide it." It is difficult, Mr. Speaker, to - we have been challenged, - members of this Opposition have been challenged by the Premier, and challenged by the member for Stephenville (Mr. Stagg), and by the Minister of Mines and Energy (Mr. Barry) to stand up and be counted. What is our position, or what is our attitude towards Ottawa's position? Well, it is very difficult, Mr. Speaker, to defend or argue against the position when one does not know that position.

MR. STAGG: (Inaudible).

MR. HOLLETT: You got off the P.A.C. today (inaudible).

MR. FLIGHT: This administration, at this point in time, has not attempted to glean or determine a position from the federal government in Ottawa. Now, they may well do next week, they may well do. And we may well know if Mr. Trudeau is prepared to stand on the commitment he made at the university, maximum benefits to the Province, financial benefits. It is interesting to note, Mr. Speaker, that Mr. Clark -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: (Baird) Order, please!

MR. FLIGHT: - made no mention of revenues in his letter, no mention at all of revenues or revenue sharing. One could take a lot for granted, but there is no reference in his letter to revenue sharing. However, Mr. Trudeau has indicated maximum benefits to the Province and principal control in the rate of development, which may be more important than the revenue itself, Mr. Speaker, in the long run, but we have seen a reluctance, for some reason by this government, to go to Trudeau and negotiate and find out exactly what we are talking about. So, Mr. Speaker, let us have no doubt about the position of the Liberal party. The Liberal party's position is that we would demand maximum benefits, maximum

MR. FLIGHT: financial benefits. There has been some talk about 100 per cent revenue coming to this Province until such time as we become a 'have' province, until such time that we do not require equalization payments. Well, Mr. Speaker, it is very interesting to note, out of the briefings that the minister alluded to earlier today, that we are only aware of one oil field out there, Hibernia. I mean, that is all we are aware of, and we are not aware at this point in time that Hibernia is commercially viable.

AN HON. MEMBER: Yes, it is.

MR. FLIGHT: We believe it is. We hope it is. We hope it is. We believe it is, but as the minister's



MR. G FLIGHT: officials pointed out it would take more delineation wells, it would take other step-out wells to determine at this point in time - they used the figure 12,000 barrels flow per day and indicated it may not be at this point in time a commercial discovery. But let us assume it is. I believe it is. That is the only oil field that we know is there. And assuming production of that oil field for twenty years, there will be only four years of that twenty that Newfoundland will be without equalization payments. Hibernia will not make Newfoundland a have province, Mr. Speaker. Hibernia will not make Newfoundland a have province. Only four years of the twenty years of development, at the estimated rate of flow, will this Province not take equalization grants. And, Mr. Speaker, that makes one wonder about this Province's position with oil pricing. Right now, Mr. Speaker, we have a Province - we may indeed have an oil field that may make us a have province for four years. The Canadian price right now, Mr. Speaker, and the subsidy that is being paid - the government, Mr. Speaker, wants to get the price of oil up to world prices so that we will make all kinds of money when Hibernia comes in. But, Mr. Speaker, it may be ten years before Hibernia comes in. There may or may not be another field out there. So, Mr. Speaker, what happens? The Province's attitude, Mr. Speaker, is like someone I heard the other day on the pricing, something like let us support Ayre's because I am going to start a little bull's-eye shop. The only method, Mr. Speaker, of determining ownership - if the minister is right we must have ownership, there is no other way we are prepared to go, then the only obvious route is by reference to the Supreme Court. if we must have ownership. Now, this Province has spent hundreds of thousands of dollars and it is becoming very obvious,

MR. G. FLIGHT: Mr. Speaker, that this government do not want to go to the Supreme Court. They are not prepared to go to the Supreme Court. Any maybe the minister, when he gets up again, will explain why he is not prepared to go to the Supreme Court. Mr. Speaker, the minister has said on many occasions that he believes that we have a good case. Everybody says that we believe we have a good case, we could probably win, particularly if it was unilateral case where Newfoundland went on its own and it went on the basis that when we went into Confederation in 1949, we carried all the rights that we enjoyed as a dominion or a sovereign state with us. Yet, at the same time, Mr. Speaker, Mr. Clarke indicated in his letter that any consideration that he would give to Newfoundland, any condition to Newfoundland would also be given to the other Maritime Provinces which immediately takes away -

MR. JAMIESON: All provinces. All provinces.

MR. G. FLIGHT: - all provinces, which immediately takes away from Newfoundland's case on the basis that we went into Confederation in 1949 carrying with us certain rights that other provinces did not carry. So, Mr. Speaker, there is evidence now that having spent the hundreds of thousands of dollars that the Province has spent and having talked about the Supreme Court and the case we have, that they have no stomach, Mr. Speaker, to go to the Supreme Court. It is beginning to appear, Mr. Speaker, that they do not have too much desire. The federal election was held in February. This is a crucial time in the offshore development. It is a crucial time for Newfoundland re the oil related economy we are going to be looking at. And why they would not have gone to determine what Ottawa's position was re the whole offshore question is difficult to understand. Maybe the minister will point out, when he stands up, why it is that they have refused up to this point in time to go and discuss

MR. G. FLIGHT: with the federal government their position today re the offshore. So, Mr. Speaker, one could go on and on and on on this. I want to make clear, Mr. Speaker, that the Liberal position on offshore is, one, we would want maximum revenues from the offshore, maximum revenues accruing to this Province. Now, I will speak for myself; the ownership as such is not important.

If the maximum -

MR. BARRY: Ownership is not?

MR. G. FLIGHT: No, the ownership itself. It was not important to Mr. Clarke either. Let me refer again -

MR. F. ROWE: Do not take that out of context now, 'Leo'.

MR. BARRY: This is the first day (inaudible)

MR. G. FLIGHT: I hope they are.  
Mr. Speaker, I have

MR. FLIGHT: a half an hour here. I did not intend to use a half hour but I guarantee you I will use half an hour if the minister -

MR. SPEAKER (Baird): Order, please! The hon. member has a right to be heard in silence.

MR. FLIGHT: Mr. Speaker, the minister takes Mr. Clark's letter and he flashes it around and he puts his own interpretation on it but this interpretation is very, very clear, very clear. And I am going to read it again in case the press is listening.

SOME HON. MEMBERS: Oh, oh!

MR. FLIGHT: The minister wanted to know if the press was around. Re. the ownership - and first I will read, Mr. Eugene Forsey; an constitutional expert, has expressed the conviction that the method proposed by the Tories, by Joe Clark will not work or at best will take years to achieve. Now, here is what Mr. Clark says, "The above principles"- everything that I have promised you further on in the letter, " The above principles will be further confirmed and implemented by the signing of an amendment between the Government of Canada and the Government of Newfoundland and by appropriate legislative action and constitutional change." So Mr. Clark is saying, I can give you these things that I promised you after we have the appropriate legislative action and we have a constitutional amendment. Well, Mr. Speaker, the problem is I am not aware that Mr. Trudeau said anything different. I am not aware that Mr. Trudeau said anything different. And the problem is that since the federal election of February 22nd we do not know what Mr. Trudeau's position is. We know what he told all the people of Newfoundland and we know that five federal MPs were elected as the result of his handling of the offshore issue, but we do not know if he is prepared to stand. The minister seems to indicate that he does not think he is prepared to stand on this because the people of Newfoundland find Trudeau's offer at the university acceptable, totally and completely acceptable and the ownership becomes a very hazy - under that arrangement where we are

MR. FLIGHT: guaranteed maximum revenues from the offshore, number two, we are guaranteed principle control of the offshore, the people in Newfoundland, Mr. Speaker, in case the hon. minister is not aware, find that totally acceptable. And let me tell the minister something else about the people in Newfoundland. Nobody in Badger nor in Windsor or in Deer Lake or in all the Deer Lake's Newfoundland gets nearly as uptight about offshore or the issues or the revenues or the ownership or the jurisdiction as the people in St. John's because they recognize, Mr. Speaker, they recognize it is going to take a long time before the revenues flowing from offshore mean anything to the economy of Badger or Buchans or Grand Falls or the Deer Lakes of this Province. I can see the people of St. John's getting uptight, we can see it already, Mr. Speaker. It is like everything else that has ever happened in this Province, it happens in St. John's. And the mentality out there, the people out there are thinking to themselves, Why should I get excited about offshore, the Avalon Peninsula, St. John's is going to benefit? This governments attitude, Mr. Speaker - I have not hear them address themselves yet to what they see for the rest of Newfoundland as a result of the great boom in offshore. Taking the Hibernia as an example again - when in twenty years producing, based on an estimated rate of flow, this Province will only be without equalization payments for four years, about the middle four years, there better be more than one Hibernia out there, Mr. Speaker, before offshore will mean as much to Badger as it will obviously mean to St. John's. So, Mr. Speaker, before the Minister and the Premier keep whipping up this political fervor that they are trying to whip up, playing the political games they are playing with the offshore issue, before they think that that is having a great impact on all Newfoundlanders they should go and find out what the people of the towns I am talking about on the other side of the overpass, think of the offshore.

MR. MORGAN:

They do not want ownership do they?

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MR. FLIGHT: They could not care less about ownership. All they want - they want the dollars that will boost their economy, they want the dollars to put the services -

MR. BARRY: I took a stroll out there in June -

MR. FLIGHT: Well you need to take another stroll out there, Mr. Speaker. And I tell you something, Mr. Speaker, the confrontationalist attitude - the people are bewildered, they are wondering what are Premier is doing allowing his civil service, Mr. Speaker, to talk about guerilla warfare, they are wondering what the Premier is doing in suggesting - and this came as a result of the offshore, is oil related - what the Premier is doing saying that Ottawa should be an agent of the provinces.

MR. G. FLIGHT:

So, Mr. Speaker, the people outside of St. John's are very bewildered with the attitude taken by this administration with regard to the offshore. They recognize no desire on their part to sit down and negotiate with Ottawa. A lot of people are seeing, Mr. Speaker, the real situation here, that this present administration is playing the whole offshore scenario, taking every inch of political mileage that is in it, Mr. Speaker. The Premier of this Province knows and the minister knows that sometime down the road the offshore jurisdiction and everything else relating to the offshore development will be the subject of an agreement between Ottawa and this Province. The minister knows that.

Mr. Speaker, we might as well let it all hang out - we will throw something else, from a political point of view, at the minister. Supposing that this Opposition were foolish enough, stupid enough to answer the challenge sometimes when they say, 'Stand up and support our position on offshore,' suppose we did, to a man, what would change, Mr. Speaker? The Premier would get a mandate. Trudeau is up there for the next four years. The Premier has a thirty-four - thirty-five, I suppose, to eighteen seat mandate now. Would any Prime Minister recognize any stronger mandate than that? Does one need a stronger mandate to negotiate?

MR. L. BARRY: We will give you a minimum guarantee of three seats in the next election.

MR. G. FLIGHT: We will see about the three seats. Keep going the way you are going on this offshore thing and we will see about the three seats, Mr. Speaker.

MR. BARRY: We will set it at four.

MR. F. ROWE: Can I qualify, please?

SOME HON. MEMBERS: Oh, oh!

MR. G. FLIGHT: Mr. Speaker, that is about all I want to say on the principle of the bill. I am sure there are other members who are going to get into the debate.

MR. G. FLIGHT: Mr. Speaker, again I want to reiterate the position at this point in time until we know what Ottawa's position is, until the Province condescends to sit down and talk to the Prime Minister and related ministers and until the Prime Minister and his ministry is prepared to say, 'That is our position, Newfoundland. Here is our position.' We will decide then whether we can live with that position or whether we cannot live with that position. But until that time comes, Mr. Speaker, any debate or any support or non-support for the government's position is really irrelevant.

Mr. Speaker, I would suggest to the minister that he would start negotiating with Ottawa. Let us determine what the situation is, and then this Opposition will have no problem in deciding where it stands, whether it supports the government's position as opposed to Ottawa's or whether we are prepared to live with the position that Ottawa may take. To this point in time we do not know and I am saying that the minister does not know and the people are caught in the middle, bewildered and wondering about the ability of this government to handle the negotiations that are going to have to go on in order for Newfoundland to maximize the benefits and have the kind of control and get the oil development onstream. That is all I want to say on that particular bill, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Simms):

The hon. the member for LaPoile.

MR. S. NEARY:

Mr. Speaker, my hon. colleague has done a magnificent job of laying out in simple and clear language the position of the Liberal caucus, the Liberal Party of this Province as far as offshore ownership is concerned.

One point that my hon. friend did not mention was the fact that it is very difficult for anybody to take a position with this government, because they have shifted their ground so often, Mr. Speaker, that if you take a position, if you say today



MR. S. NEARY: you agree with the Minister of Mines and Energy (Mr. L. Barry) or you agree with the government, tomorrow they will change their minds and then they will challenge you to get behind that position.

SOME HON. MEMBERS: Hear, hear!

MR. S. NEARY: So how many positions do they want us to get behind, Mr. Speaker?

MR. SPEAKER (Simms): Order, please!

MR. S. NEARY: We just came through three briefing sessions on the offshore oil. They were held in private. The press was not allowed to attend these sessions. It is unfortunate indeed, Mr. Speaker, that the press were not allowed to attend these sessions.

SOME HON. MEMBERS: Oh, oh!

MR. S. NEARY: As far as I am concerned, personally, there was nothing discussed at these briefings yesterday morning, last night and this morning

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MR. S. NEARY: that could not have been discussed in public. There was only one item that the minister said at the briefings that was private and confidential and that was some maps and some reports that were -

MR. BARRY: Logs.

MR. S. NEARY: logs that were put on the table. And unless, Mr. Speaker, as Your Honor knows, if you work for the CIA and have a little camera concealed under your necktie somewhere, there is no way that you could bring this information out, even a newsman if he were there. It was all of such a highly technical nature that you would want to be well-trained, you would want to be a spy for the CIA in order to be able to interpret it or take pictures and bring it out and give it to Mobil's competitors.

Everything else - well, I tried to photograph it in my mind. I can see all the data now on the board and I can see the minister holding up the logs and explaining all the logs but apart from that everything else should have been made public and that particular item, by the way, that particular item was of no benefit, no advantage to those who attended these briefings.

And so, Mr. Speaker, -

MR. HOLLETT: Everything is public except the language ?

MR. NEARY: - there were a number of items raised at that session that I am sure would startle the people of this Province. It certainly startled me and one of the things was, to continue on with what my hon. friend said from Windsor-Buchans (G.Flight) when he was saying the government have challenged us on a number of occasions to take a position, the impression that I got, the interpretation that I got from the bull session we had this morning, the political session we had this morning about ownership or management, put whatever term you wanted on it, my interpretation is that the minister is proud of himself, is patting himself on the back because the government did not proceed with the court case two years ago when they did all

MR. S. NEARY: this research and paid a half a million dollars to prepare Newfoundland's case, the minister is now patting himself on the back that they did not proceed two years ago. He is saying, now our position is stronger. If we had gone to court, the Supreme Court of Canada, two or three years ago we might not have gotten a decision favorable to Newfoundland but now our position is a little stronger because -

MR. BARRY : (Inaudible)

MR. NEARY: Oh, that is what the minister said and he says if we could stall for another couple of years our position will be stronger again. And so what the minister is really saying, Mr. Speaker, that ultimately the government have reconciled themselves to the position that ultimately the matter will have to be decided by the Supreme Court of Canada.

That is the impression that I got. That was my interpretation on this morning's session, questions put to the minister and so forth, that if they can stall for another couple of years and the reason for the stalls for another couple of years is this, Mr. Speaker, that the minister feels that over the last two or three years that they have made marks, they have been able to go across Canada, they have been able to squirt out their poison, preach their propaganda and the people of Canada and the other provinces are now beginning to realize that Newfoundland may have a case.

And if they can continue to do that for another couple of years then it will make the case all that much more stronger but here is the bottom line, Mr. Speaker, here is the bottom line. If they can stall for a couple of more year, the oil companies are going to hit the panic button. The oil companies are going to want to get into production and they are going to be putting pressure on the Provincial Government and on the Government of Canada and then the crunch will come.

MR. S. NEARY: And then the minister thinks that the Government of Canada will be brought to its knees at that point in time and then you can go to court and get the matter straightened out.

Now that, Mr. Speaker, was my interpretation. I do not know how Your Honor interpreted the meeting this morning and some of the information that came out last night.

MR. HANCOCK: He knows you are right.

MR. NEARY: The minister and all the members who attended the briefing session this morning could only come to one conclusion and that is that the matter ultimately is going to have to be settled by the Supreme Court of Canada. After wasting four or five good years the matter, according to the minister is going - the only thing is, the minister does not want to be pushed too quickly in taking the matter to the Supreme Court of Canada. But the minister will have to admit -

MR. HANCOCK: That is what he said. - yes.

MR. NEARY: And

MR. NEARY:

he said it, that ultimately the matter will have to be decided by the Supreme Court of Canada.

Now, Mr. Speaker, there was something else that I was rather taken back by as far as these briefing sessions are concerned. That is, Mr. Speaker, that is the attitude of the public servants, of the civil servants, towards members of this House.

AN HON. MEMBER:

The language.

MR. NEARY:

No, I am not talking about the language but the attitude, the attitude of the public servants, most of whom are going to be on this Directorate that we are passing this bill for today, most of whom - not all of them - most of whom you would not put in charge of a bull's-eye shop. That is the crowd, Mr. Speaker, that the minister is asking us in this House to give this authority to, the authority to borrow without reference to the Legislature, the authority to borrow merely on the say-so of the Lieutenant-Governor in Council, the Directorate that will have the right to decide dividends and when dividends should be paid with reference only to the minister and the Lieutenant-Governor in Council. The half of that crowd that I have seen so far you would not put in charge of a bull's-eye shop, let alone the Offshore Directorate. I think it is terrible, their attitude toward the members of this House, no respect, no regard at all for members of this House, and there is a typical example raised by the Leader of the Opposition today, and that is not the first time that has happened where the minister has turned the dogs loose. It is unheard of, Mr. Speaker, in the British parliamentary system, it is unheard of for a public servant to go abroad, especially to go in another province and get on with this kind of rubbish, "The Province is ready for a legal guerrilla war" - Pedro Van Meurs. Now, there is a good Newfoundland name for you, there is a good Grand Bruit name for you, Pedro Van Meurs of the Offshore Petroleum Directorate. It is a matter of social and economic survival. Van Meurs criticized a revenue sharing proposal -

MR. BARRY: Point of order, Mr. Speaker.

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

MR. BARRY: I must say I am immensely enjoying this, but I have to say, in all fairness, that individuals who are either members of the public service or who accept consultancy work with this government, such as Mr. Van Meurs who has since - I think I first retained him in 1973 - has done a magnificent job in assisting us and preparing computer models, in preparing the regulations that are now applying to the offshore to make sure we get the maximum economic benefit, that any individual like this who offers his services to government, I submit, is entitled to the protection of the Chair and it is a tradition of British parliamentary democracy that, if there is a criticism to be made of the department, it be made of the minister and I am prepared to deal with that and to deal with the hon. member, but I would ask Your Honour to rule that dealing with individual public servants by name is not an appropriate way to proceed. In fact, I have to say, Mr. Speaker, it is a cowardly attack on people who cannot defend themselves.

MR. JAMIESON: On that point of order.

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

MR. JAMIESON: Mr. Speaker, in considering the points made by the hon. Minister for Mines and Energy I think you might take into account that I agree with the fundamental principle that he has put forward with regard to the, what might be described as, immunity of the public service. There is no question about it, that the minister is responsible for whatever is said by his officials. I accept that. At the same time, however, I think it is fair for Your Honour to take into account that by this very act which we are putting through today, first of all, some of these officials become something more when they become members of a Crown corporation.

MR. BARRY: I have not said any of these people will be.

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MR. JAMIESON: I understood that the hon. gentleman in question, or the gentleman in question, is going to be or is already on this Petroleum Corporation or is involved with the Petroleum Corporation.

MR. BARRY: No, no.

MR. NEARY: It says here in the paper -

MR. JAMIESON: At least he is quoted as having that status.

MR. BARRY: That is the Directorate, not the Corporation.

MR. JAMIESON: The other point I suggest, Mr. Speaker, that is worth considering, and I want to do this in as dispassionate a manner as I can because it seems to me that it is going to become increasingly difficult in the future, is that the rule with regard to the protection of public servants ceases when those public servants go public.

MR. NEARY: Right on, right on.

MR. JAMIESON: That is what makes the difference.

MR. BARRETT: (Inaudible).

MR. JAMIESON: The hon. member for St. John's West (Mr. Barrett), who seems to regard himself as the fountain of all knowledge on everything, believe me, I think

MR. JAMIESON:

will find that I am right on this, that once a public servant or somebody in this quasi public service status of a Crown corporation, once they go public then they cease to have that immunity unless - and my question today was very carefully worded on that account - was he uttering government policy when he made the statement.

MR. BARRY:

And that is what I said.

MR. JAMIESON:

And we are now back to the old argument about whether he was quoted properly or whether he was not. But the distinction I suggest, Sir, the different between what the hon. Minister of Mines and Energy (Mr. Barry) has said and what my hon. friend from LaPoile (Mr. Neary) has said - and I agree with him in this regard - is that once a public servant goes public, once he makes speeches, once he quotes and so on -

MR. BARRY:

On his own, on his own (inaudible).

MR. JAMIESON:

- then I suggest that he ceases to have that protection. And I might say also, by the way, that there are, I believe, even within this Province - and I will not attribute it to any particular member opposite - several occasions in which there has been very strong condemnation of, let us say, the Chairman of the National Energy Board of some other group of that kind for having made statements which were regarded as being political in their content. In the last analysis, I think the wisest course quite frankly is not to send people like that on missions to make speeches which can ostensibly, at least in this case in any event, be treated as inflammatory.

MR. BARRY:

If I could just briefly, Mr. Speaker, clarify something.

MR. SPEAKER:

To the point of order.

MR. BARRY:

I told the Leader of the Opposition (Mr. Jamieson) and the members of this House, Mr. Speaker, in response to his question that Mr. Van Meurs was quoting me as Minister of the Department in making that statement. Now, I would submit that if the Leader of the Opposition wants to state or take the position that Mr. Van Meurs did anything differently than that, that the least that could



MR. BARRY:

be done is not to rely upon a newspaper clipping, is to rely on something a little more definite than that. I am saying that as the Speaker knows, Mr. Speaker, having heard me say himself in this House, I have explained it before, that is my statement that Mr. Van Meurs read out which was erroneously reported in the headlines of the Daily News and you can get that -

MR. JAMIESON:

And the Canadian Press.

MR. BARRY:

Yes, but the Canadian Press story did not use the headline, Guerrilla War. The story refers to a legal guerrilla war. There is a difference.

MR. NEARY:

Can we have a ruling, Mr. Speaker, can we have a ruling?

MR. SPEAKER (SIMMS):

Order, please!

With respect to the point of order raised, first of all, I am not absolutely certain if the gentleman referred to in the course of debate is a public servant. I would have to check that specifically. But with respect to the broader issue raised in the point of order I am not aware that we have had a ruling in the past on that particular matter and I would like to take the matter under some consideration before I give a ruling on it. But in the interim I would ask the hon. members in the debate, during the course of the debate, at least for the present time, the rest of the day, until I get a chance to do some research, that maybe in the comments that they make they could stay away from individuals names for the time being until I get a chance to do some research on this particular matter before I give a ruling.

The hon. member for LaPoile.

MR. NEARY:

I appreciate Your Honour's wanting to take the matter under advisement but I have to refer to this because these statements were made public. I cannot possibly stay away from statements that were made by public servants publicly in another Province, Mr. Speaker.

MR. SPEAKER:

If I might I have no objection to the hon. member referring to statements made but all I said was that they not refer to individuals by name until I get an opportunity to do some research on the point of order that has been raised. The other alternative -

MR. NEARY:

Have an adjournment because I would have to refer to it.

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MR. SPEAKER: Well the alternative is that I could adjourn and recess but I do not have the research at my fingertips. If that is the wish of the hon. members that they want a ruling on it immediately.

MR. NEARY: Otherwise I will have to carry on with my speech, Mr. Speaker.

MR. SPEAKER: Order, please! We will have a short recess.

MR. SPEAKER (Simms):

Order, please!

First of all, may I say that this has been a very difficult matter to rule on because I do not have all of the facts at hand and I did not have the opportunity, really, to do as much research as I would have liked to.

The point of order raised by the hon. the Minister of Mines and Energy (Mr. L. Barry) had to do with the protection of public servants by the Chair during debate in the House. And I refer hon. members to Beauchesne Fifth Edition, page 114, paragraph 321, sub-paragraph 3 and I quote, 'The Speaker has traditionally protected from attack a group of individuals commonly referred to as "those of high official station". The Extent of this group has never been defined. Over the years it has covered senior public servants, ranking officers of the armed services, the United Kingdom High Commissioner in Canada, a Minister of the Crown who was not a Member of either House, and the Prime Minister before he won a seat in the House.'

Considering that particular reference and with the understanding I have now, and the understanding I have is that the gentleman referred to is a consultant to the government, and based on the facts that I have now, in my opinion the hon. gentleman referred to does not fit into the category referred to in paragraph 321 (3) of Beauchense. So I would have to rule that at this particular time there is no point of order.

The hon. the member for LaPoile.

MR. S. NEARY:

Now, here is what Mr. Van Meurs said

in Calgary and incidentally this is a Canadian Press story, also carried in the Evening Telegram and right across Canada. Mr. Van Meurs criticized the revenue sharing proposal by federal Energy Minister Marc LaLonde calling it 'misleading and inadequate'. Now, is he quoting - it does not say here he is quoting the minister, nowhere in this article does he say he is quoting the minister. "LaLonde", Van Meurs said, just listen to this, "LaLonde" - a minister now in the Government of Canada - we are not allowed to criticize Mr. Van Meurs, according to the minister we are not allowed to criticize this outsider but he is allowed to criticize Mr. LaLonde, a minister in the Government of Canada, a senior minister.

AN HON. MEMBER:

Hear, hear.

MR. S. NEARY:

"LaLonde", Van Meurs said, "wants control of Newfoundland's offshore oil to use as a club against Alberta to enable Ottawa to develop its own oil in preference to the oil sands."

Now, Mr. Speaker, the shame of it, if the minister is admitting that Mr. Van Meurs is quoting him, then the shame is on the minister and not on Mr. Van Meurs.

SOME HON. MEMBERS:

Hear, hear.

SOME HON. MEMBERS:

Shame, shame.

MR. S. NEARY:

The shame of it all should be on the minister's shoulders. But anyway I am going to get off that now because I have got some other matters in connection with information that came out of these briefings that I want to talk about. And I raised one of the matters today during the Oral Question Period in connection with employment. And we were told by the minister at one of these briefing sessions that this is not a labour intensive industry. It is a capital intensive industry the minister told us and he is nodding, he said, "yes", that is what he said. And when I asked him how many Newfoundlanders would be employed in the production of the oil, the answer of one of his -

AN HON. MEMBER:

Cabot -

MR. S. NEARY:

- Cabot Martin -

SOME HON. MEMBERS:

That is right.

MR. S. NEARY:

- told me 300 Newfoundlanders would be employed.

MR. BARRY:

He did not say that.

MR. S. NEARY:

He did say that. I wrote it down. Less than 10,000 workers, between 5,000 and 10,000 in the construction and after 1988. 300 employees. That is what he said, I wrote it down.

MR. FLIGHT:

And the minister bristled when he said it, he jumped on him.

MR. S. NEARY:

That is right. And so it is not a labour intensive industry, it is a capital intensive industry. And we were not able to get any information from the minister as to how much of the many millions of dollars that would be spent in operating and purchasing

MR. S. NEARY: of equipment, how much would be purchased in Newfoundland because the minister also gave us a very cautious reply -

AN HON. MEMBER: (Inaudible).

MR. S. NEARY: No, I still have fifteen minutes, Mr. Speaker.

MR. SPEAKER: (Simms) I am advised by the Table that the hon. member has five minutes, I do not know -

MR. S. NEARY: Well, how did you get it down to five minutes?

SOME HON. MEMBERS: Hear, hear.

AN HON. MEMBER: There is something wrong -

MR. S. NEARY: There is something wrong with the timing there.

MR. SPEAKER: Will the hon. member continue speaking and I will check it a little further.

MR. S. NEARY: - that he could not tell us how much of the equipment and supplies and so forth would be

MR. S. NEARY:

purchased in Newfoundland because we are not a manufacturing province so he thought maybe 30 per cent of the money spent on capital would be purchased in Newfoundland. And there is a big 'if' involved in that. Now, Mr. Speaker, that takes care of the employment situation. I also asked the minister about the first briefing we had, I asked his officials and the minister how much the oil companies themselves were spending on the offshore development, on the drilling and exploration and the offshore development because that has a big bearing on the future operation, when the wells go into production, if the government follows through with this foolish policy that they have of taking a 40 per cent equity in the company, And then, Mr. Speaker, the formula to be applied is that the companies will be allowed to recover three times their investment, three times their investment before this Province can get their 40 per cent profits as a result of an equity in the company. So, that was very important. And, Mr. Speaker, the answer is that the oil companies are spending none of their own money except one, I believe, Eastcan was the only one that the minister qualified when he said Eastcan did not get the superdepletion allowance. But the fact of the matter is that the oil companies are spending money that was refunded by the government of Canada via what they call a superdepletion allowance, so they are spending the money that is being refunded not spending their own money. And we could not get a satisfactory explanation from the minister, if that was included in the three times, three times their investment they would get back before they started paying out 40 per cent of the profits. And as the hon. member for Windsor - Buchans (Mr. Flight) indicated a few moments ago, only three of the twenty years - I believe the member said four but I only saw three on the board - three of the twenty years would be years when Newfoundland would not be entitled to equalization payments, only three -

MR. HOLLETT:

That is under the Canadian prices.

MR. S. NEARY:

-and that is under world prices, international

MR. S. NEARY: prices, only three of the years. Why we would almost be just as well off to forget the offshore development, protect the fishery and take the equalization payments.

MR. BARRY: You are talking about \$7.5 billion (inaudible)

MR. WARREN: And kill the fishery.

MR. S. NEARY: Over the next twenty years, Mr-Speaker, over the next twenty years we will get \$10 billion in equalization payments, \$10 billion. We are only going to get four point something under the international price which is \$33 a barrel, we will only get \$4.4 billion and under the Canadian price we will get \$4.8 billion, under equalization we will get, over the next twenty years, we will get \$10 billion. We will get more in equalization than we will in royalties and the revenue from the offshore.

AN HON. MEMBER: (inaudible)

MR. S. NEARY: These are all very serious matters, Mr. Speaker, very, very serious. And we are told that the companies favour, the companies favour the tanker system rather than put in a pipeline to bring the oil to shore.

MR. WARREN: I see the minister does too.

MR. S. NEARY: The company favours and it looks, Mr. Speaker, like that is a foregone conclusion, it looks like the oil companies are going to get their own way and all you are going to have is a structure out on the Grand Bank.

MR. SPEAKER(Simms): I wonder if the hon. members to my right and left would not mind having their conversation out in the corridor somewhere. I am having very great difficulty in hearing the hon. member for LaPoile. The hon. member for LaPoile.

MR. S. NEARY: Mr. Speaker, it seems to be a foregone conclusion that the oil companies will put a concrete platform out on the Grand Bank and the tankers, the tankers will load, tie up to that platform, will load, bring 100 thousand barrels of oil into the Come by Chance we are told. And it is a good thing

MR. S. NEARY: we built that oil refinery at Come By Chance or there would not be one gallon of oil come ashore.

MR. WARREN: Who built it?

MR. S. NEARY: They are talking about 300,000 barrels a day, 100,000 to go into Come By Chance to be processed at the oil refinery and 200,000 shipped down to Portland, Maine to be fed into the pipeline to be brought in for distribution in other parts of Canada.

All this information is frightening, Mr. Speaker, when you realize the hands that it has been put in, a bunch of amateurs that you would not put in charge of a bull's-eye shop, or most of them.

MR. SPEAKER (Simms): Order, please!

If I may, to clarify for the hon. member, in fact, the notice that he was given was accurate. The hon. member began debate at 4:31 P.M. We recessed at 4:53 P.M., which was twenty-two minutes. That included the amount of time, of course, for debate on the point of order, and then we returned at 5:05 P.M. I gave my ruling and the hon. member returned to debate at 5:07, meaning that he concludes his debate at 5:15 P.M., which it is now. I will allow the hon. member another thirty seconds or so to conclude.

MR. S. NEARY: I will tell you right now that I have no intention of letting this bill go through without a thorough airing in this House, and I will save my other remarks for Committee of the Whole. We will be here until Christmas because this is too important a matter to bring in at the last minute -

SOME HON. MEMBERS: Hear, hear!

MR. S. NEARY: - to try to close the House down by Friday. The government are trying to force the closure of the House when we are discussing a major piece of legislation. The hon. gentleman referred to it as a major bill, a major reform in this Province. So I will save my other remarks until we get down to the Committee of the



MR. S. NEARY:

Whole, Mr. Speaker.

But I did not think - I am reasonably sure, because I was watching the clock more so than anybody - it was just around 4:45 P.M. when Your Honour went outside and I had fifteen minutes left in my remarks. But anyway, I will save it. If that is the way they want to try to muzzle us it will not work.

MR. SPEAKER (Simms):

Well, I can only tell the hon. member what records were kept at the table. If you have further proof, well, that is fine, I will give you an extra ten minutes the next time you speak or something like that.

Would hon. members join me please, in welcoming to the galleries a group of students from Forest Grove Academy in Davidsville in the Fogo district, accompanied by their Principal, Mr. Bruce Wheaton and their teacher, Miss Karen Manuel.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

If the hon. the minister speaks now he will close the debate.

The hon. the Minister of Mines and Energy.

MR. L. BARRY:

Mr. Speaker, you know, you sit here and you do not know whether to laugh or cry most of the time. You do not know whether to laugh or cry!

Mr. Speaker, we had the hon. the member for Windsor - Buchans (Mr. G. Flight) get up and talk about how it is time for the Province to go to the federal government and negotiate. And, Mr. Speaker, to listen to him, he expects us to crawl on our bellies like little worms from St. John's to Ottawa.

SOME HON. MEMBERS:

Oh, oh!

MR. L. BARRY:

What do you want? You are going to distribute leather pads to the government, to the ministers, to go on their knees from here to Ottawa to beg Mr. Trudeau and the federal Cabinet to throw a few scraps to us.

SOME HON. MEMBERS:

Guerrilla warfare.

MR. L. BARRY: Mr. Speaker, the Premier has written the Prime Minister of Canada and has said to him, 'Referring to the correspondence from Prime Minister Clark' and has said to him that we remain ready to work out the implementation details, the implementation of the agreement that has been entered into between the federal government of this country and the provincial government - the agreement as set out in the exchange of correspondence between the Prime Minister of Canada and the Premier of Newfoundland, Mr. Speaker.

MR. G. FLIGHT: A point of order, Mr. Speaker.

MR. SPEAKER (Simms): Order, please! A point of order has been raised by the hon. the member for Windsor - Buchans.

MR. G. FLIGHT: Mr. Speaker, the minister is misleading the House. There is no agreement between Ottawa and the Province. They did not get to the stage of having an agreement between the Premier and Ottawa so the minister is misleading the House, Mr. Speaker. There is no agreement.

MR. L. BARRY: There is no point of order there.

MR. SPEAKER: I would have to agree there is no point of order.

The hon. the Minister of Mines and Energy.

MR. L. BARRY: Mr. Speaker, I would also ask that the Minister of Justice (Mr. G. Ottenheimer) check into how the member opposite got his legal degree to give this legal opinion that there is no agreement.

SOME HON. MEMBERS: Oh, oh!

MR. L. BARRY: Mr. Speaker, under what provision -

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

SOME HON. MEMBERS: Oh, oh!

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

Hon. members are fully aware that exchanges back and forth the House are certainly in order when it is acceptable by hon. members, but certainly, shouting is something that does nothing to raise the level of debate in this House or decorum. May I ask hon. members, please, to restrain themselves in their comments.

The hon. the Minister of Mines and Energy.

MR. L. BARRY: Mr. Speaker, with some of the hon. members opposite, you know, there are certain restraining measures available that require the arms to be down this way. That is about the only way it could be done.

Mr. Speaker, the hon. the member for Windsor - Buchans (Mr. G. Flight) -

AN HON. MEMBER: (Inaudible).

MR. L. BARRY: Look, I will deal with this hon. member on another occasion, Mr. Speaker. If the hon. member would just keep quiet and extend a little courtesy -

MR. MORGAN: He does not know how to keep quiet.

MR. L. BARRY: - to members opposite. We listened, Mr. Speaker, quietly, peacefully to the member for Windsor - Buchans, to the member for LaPoile (Mr. S. Neary). The hon. member did not have enough interest in the bill to get up and make a comment. Now, Mr. Speaker,

MR. BARRY: if he would permit me to respond to his colleagues I will do that. Now, the hon. member for Windsor - Buchans (Mr. Flight), Mr. Speaker, what is it that he wants this government to do? He was not very clear. We have, Mr. Speaker, both in writing - the letter from the Premier to the Prime Minister - and in my face to face meeting with the Energy Minister for the Government of Canada, Mr. Lalonde, we have stated that we are ready to discuss the details of implementing the agreement worked out between the Prime Minister of Canada, Mr. Clarke, and the Premier of Newfoundland, Mr. Peckford, in their exchange of correspondence. The Energy Minister, Mr. Lalonde, informed me that the Federal Cabinet had not yet taken a position, Mr. Speaker, had not yet taken a position. Now, on the one hand and we have heard the member opposite get up and say, oh, you cannot accuse Mr. Trudeau and his government of refusing to recognize Newfoundland's rights. He is saying that in the one breath you have all heard him say that. We have all heard him say, we cannot accuse Mr. Trudeau they have changed their mind. The fact that they turned them down in 1975, does not mean they will turn them down now - right? And now, today, we hear him say, before we get the official position of this new government. He wants us to rush up there and negotiate with them. Right away we have to run up and say, look, here we will give you this, we will give you this or we will give you that, but please, please, do not take away our rights. Well, Mr. Speaker, the hon. member, I would submit, was not being very clear.

MR. BARRY: I wrote down here that he said "It is time that the government of this Province went up to Ottawa and negotiated with the federal government." Now, Mr. Speaker, can we go up and negotiate with the federal government when we have received no position yet from the federal government. The federal Cabinet has not taken a position.

MR. FLIGHT: (Inaudible)

MR. BARRY: Now, Mr. Speaker, I had a discussion with Mr. Lalonde, the federal Energy Minister, who took the position that - and this was, he said, his personal advice to his colleagues - it would be

MR. FLIGHT: When?

MR. BARRY: Three weeks ago when I had my meeting. That his advice to his colleagues would be not to give Newfoundland control over oil pricing, any control, not to give Newfoundland any control over the rate of development, how quickly the oil is sucked out of the ground and pumped up to Western Canada or Central Canada. No, Mr. Lalonde is not going to be prepared to give this Province any control in those areas. That is - now, We do not have the official position of the Government of Canada yet, but he happens to be the federal Energy Minister. Now, I just hope, Mr. Speaker, that members opposite, in consultation with their Liberal colleagues in the federal government, I just hope, Mr. Speaker, that they are doing what they should be doing to fight for Newfoundland's interest here, I just hope, Mr. Speaker, that when the federal Cabinet sits down to discuss this issue that there is somebody around that Cabinet table who will be fighting for Newfoundland's interests. And, Mr. Speaker, I say that with no hesitation.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: (Baird) Order, please!

MR. BARRY: I just hope, Mr. Speaker, that

MR. BARRY: there will be somebody around that federal Cabinet table and I hope that hon. members opposite will get the message to their colleague that they expect him to be fighting for Newfoundland's interest around that federal Cabinet table.

MR. SPEAKER: (Baird) On a point of order, the hon. the member for Eagle River.

MR. E. HISCOCK: I would like to ask the Minister of Mines and Energy to clarify the situation. By saying that he hopes that somebody in Ottawa that is fighting for - Are you basically slandering or are you pointing out that we do not have anybody up there fighting for us now.

MR. MARSHALL: That is not a point of order, Mr. Speaker, that is an abuse of the proceedings of this House. The hon. gentleman has an opportunity to speak from time to time in the debate. He has interrupted the Minister of Mines and Energy in making his speech and he is out of order himself by raising such a spurious point.

MR. SPEAKER: To the point of order. There is no point of order. The hon. Minister of Mines and Energy.

MR. BARRY: Mr. Speaker, I have to confess I was also disappointed in the member for Windsor - Buchans (Mr. Flight) who attempted the same old divisive tactics that we have seen far too often in this Province and in this House, this attempt to set off the City of St. John's against the people of rural Newfoundland and the people of other communities in Newfoundland. Mr. Speaker, I think that it is a sad day, it is a sad day when you see a member get up in this hon. House and attempt to paint the picture of St. John's getting all the benefits or getting all the attention from government and that the rural areas of this Province will be ignored. Mr. Speaker, he attributed the same attitudes to the people of our rural communities. Mr. Speaker, I have more faith, more faith in the people of

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MR. BARRY: rural Newfoundland. I have  
more respect, Mr. Speaker,

MR. BARRY: I have more respect for the intelligence of the people -

MR. SPEAKER: (Baird) Order, please!

MR. BARRY: - of our rural communities.

MR. SPEAKER: Order, please! I would like to remind the minister of relevancy.

MR. BARRY: Relevancy? Relevancy! I am sorry, I should refer to rural Newfoundland and the City of Corner Brook. I apologize, Mr. Speaker. Of course, of course, I was off the track.

Now, Mr. Speaker, I hope we do not see a continuation of that tactic. It is the declared policy of this Province, Mr. Speaker, to see that, as far as possible, jobs and business opportunities spread throughout this Province. It is the declared policy of this government, Mr. Speaker, to see that revenues from offshore oil and gas developments are used to improve our traditional industries -

MR. FLIGHT: (Inaudible).

MR. SPEAKER: Order, please!

MR. BARRY: - to improve our fishery, to improve our roads, to improve our municipal services throughout the length and breadth of our Province, Mr. Speaker. That is the policy of this PC government, a policy that I am proud of.

Well, Mr. Speaker, we saw the hon. member - the member for Lapoile (Mr. Neary), where is he? Where is he? Come back here when I need you.

SOME HON. MEMBERS: Oh, oh!

MR. BARRY: Well, Mr. Speaker, he knew I was about to come to him, he knew I was about to come to him, and he ducked out, he ducked out, Mr. Speaker. First of all, the last point he raised I have to deal with first in case I run out of time. I have to deal with his last point first. Because what did we hear him say? Here he comes now, here he comes now. What did we hear him say? We heard the member for Lapoile say, Mr. Speaker, it would be better for this Province to stay on equalization payments than to take advantage of a resource,



MR. BARRY: than to develop a resource.

But that happens to be, I think, the policy of hon. members opposite. That is the policy of the party that is opposite, and that is why they are, Mr. Speaker, on your right in this hon. House, because the people of this Province do not want to take that approach, Mr. Speaker. They want to earn their own way in Confederation. There was another party, Mr. Speaker, in a federal election some time ago that accused the party of catering to corporate welfare bums. Well, Mr. Speaker, I would submit that the hon. member opposite, in taking that point of view, is setting himself up as a political welfare bum.

SOME HON. MEMBERS: Hear, hear!

MR. BARRY: Equalization, Mr. Speaker, a political welfare bum, he would have us, Mr. Speaker - have the citizens of the rest of Canada continue to pay equalization to this Province while we sit back and refuse to develop resources on our doorstep such as petroleum resources on the Continental Shelf. Now, Mr. Speaker, any member opposite, the press, the public, can pick up Hansard and check whether my remarks correspond with what the hon. member said. That is what he laid out to this hon. House.

MR. NEARY: That is sad.

MR. BARRY: Now, Mr. Speaker, I find that - yes, I find that very sad. I find it very disappointing of the hon. member. I might also, Mr. Speaker, for the benefit of the press, express a caveat. Please do not report the member for Lapoile's interpretation of my remarks as my remarks. There is considerable divergence, Mr. Speaker, there is considerable divergence. I might also, Mr. Speaker -

MR. NEARY: They certainly will not report your language -

MR. BARRY: I might also, Mr. Speaker -

MR. NEARY: - (inaudible) regard for the press.

MR. BARRY: - salty, salty.

MR. NEARY: Yes, it was insulting.

MR. BARRY: I did not say insulting, I did not say insulting.

MR. BARRY: Mr. Speaker, I thought we had a very good, informal, frank expression of views, and the majority of people who were present came up and said, "Yes, this was useful, this was helpful, this was interesting, this was informative", but, for some reason, the member for Lapoile (Mr. Neary) could not wait. He almost tripped over his shoelaces going down over the steps and then burst out of the classroom, Mr. Speaker, to run out and to reveal all that went on in, Mr. Speaker, a meeting that, at the request of the Leader of the Opposition, was an off the record briefing. I mean that was -

MR. NEARY: Oh, no, that is not right

(inaudible).

SOME HON. MEMBERS: Oh, oh!

MR. BARRY: Mr. Speaker, again go back to Hansard.

I mean, any -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: (Simms) Order, please! Order, please!

SOME HON. MEMBERS: Oh, oh!

MR. BARRY: Go back to Hansard.

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

MR. JAMIESON: Point of order.

MR. SPEAKER: A point of order has been raised by the hon. the Leader of the Opposition.

MR. JAMIESON: I really wish that - attempting to keep this whole discussion, and I purposely did not get involved in it, yet I have some things to say on third reading of this bill,

MR. JAMIESON:

I said just to set the record straight that I was quite happy to have the matter in camera but I obviously would have preferred, as I also said, that there would be a Select Committee. But I have no quarrel with the way it was set up. What the hon. member said was that it might just as well have been in public and why should it not have been in public. But to suggest that we wanted it behind the scenes is not really a factual statement.

MR. NEARY:

To that point of order.

MR. SPEAKER (SIMMS):

Does anybody on this side wish to speak to the point of order? I will hear one more submission. The hon. member for LaPoile.

MR. NEARY:

Mr. Speaker, the hon. gentleman has a valid point of order because the hon. minister knows that the Opposition House Leader wrote the Premier or the President of the Council (Mr. Marshall) saying that we wanted these briefings held in public not in private. But if that was the only way we could get the hearings, to hold them in private, then so be it. That was not our doing, it was the government's doing.

MR. WHITE:

(Inaudible) confidential (inaudible).

MR. NEARY:

And there was nothing confidential about it, Mr. Speaker.

MR. SPEAKER:

Order, please!

With respect to the point of order

I do not have Hansard or anything available to me, I will simply rule there is a difference of opinion between two hon. gentlemen.

The hon. Minister of Mines and Energy.

MR. BARRY:

Mr. Speaker, the hon. member says there was nothing confidential about the meetings. We had laid out, Mr. Speaker, the logs, the foot by foot analysis of the wells. Mr. Speaker, if the hon. members had had the capability of following what was laid out there, I mean, they had what the investment community, what the oil industry would give their eyeteeth to obtain. It was right there in front of them and they did not realize it.

MR. NEARY:

Do not be so silly.

MR. BARRY: The hon. member opposite did not realize the significance of what was being given to him. And, Mr. Speaker, all I can do is breath a sigh of relief because I accepted in good faith the understanding that this was an off the record, confidential briefing by government to what I thought were responsible members opposite who would accept this confidential information, which government is under a responsibility not to reveal to the competitors of these companies that are out there trying to obtain this information, information that is worth not tens but hundreds of millions of dollars. And, Mr. Speaker, all I can do is breath a sigh of relief that they were not able, that the member for LaPoile (Mr. Neary) was not able to grasp the important material so that he could come rushing in to gush it out publicly and to severely damage, Mr. Speaker, the capability of this government to manage in a responsible fashion this particular resource. Mr. Speaker, if this government began the practice of leaking information that was obtained at the cost of millions and millions of dollars by these corporations and that is presented to government on a daily basis, if we start leaking that to these companies' competitors, to the investment community and so forth, to the general public, Mr. Speaker, we would lose the confidence of investors and we would not see development continue on the Continental Shelf. And I would submit, Mr. Speaker, that that is exactly what the hon. member did, he breached the confidence with which these proceedings were carried out.

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

MR. BARRY: He breached the undertaking that was given Mr. Speaker.

MR. SPEAKER: Order, please! Order, please!  
A point of order has been raised by the hon. member for Eagle River.

MR. HISCOCK: The minister has pointed out that members of the Committee who went for these briefings -

MR. BARRY: You were not even there, were you?

MR. HISCOCK: If I may continue.

MR. BARRY: Were you there?

MR. HISCOCK: That the members of this side of the House breached confidence -

MR. BARRY: Were you there?

MR. HISCOCK: - to go forth -

MR. MORGAN: He was not there, no.

MR. HISCOCK: It was one of the reasons why I did not take part in these committees, that they should have been public and the fear that I had that the government would turn around and turn the tables back on us -

MR. SPEAKER (SIMMS): Order, please!

MR. HISCOCK: - and say -

MR. SPEAKER: Order, please!

What is the hon. member's point of order?

MR. HISCOCK: The point of order that I am pointing out is that -

MR. OTTENHEIMER: Do not ask embarrassing questions.

MR. SPEAKER: Order, please!

MR. HISCOCK: - the government itself said that these meetings would be confidential and private and basically the information would be given and we would keep it to ourselves. After it was over and that I felt that by taking this attitude and accepting this that the government would come back and say, 'Now, we told you everything and this is what you are doing'. And the fear that I have has basically been borne out by the minister.

MR. SPEAKER: Order, please!

That does not constitute a valid point of order. The hon. member took an opportunity to explain his own position or interpretation.

The hon. Minister of Mines and Energy.

MR. BARRY: Well, Mr. Speaker.

MR. S. NEARY:

A point of order, Mr. Speaker.

MR. SPEAKER (Simms):

Order, please! The hon. the member  
for LaPoile on a point of order.

MR. S. NEARY:

The hon. the Minister of Mines and  
Energy (Mr. L. Barry), Sir, has accused me personally of breaching a  
confidence.

SOME HON. MEMBERS:

Hear, hear!

MR. S. NEARY:

Now, Mr. Speaker, that is completely  
untrue. It is false and I ask Your Honour to direct the minister to  
retract that. I have breached no confidence. What I did this afternoon  
was merely pass on information of a general nature that the people of  
Newfoundland should have, and the minister did not have the courage to  
give it to them. I breached no confidence in doing that, Mr. Speaker,  
and Your Honour was there at these meetings; Your Honour heard what I  
said this afternoon, and I ask Your Honour to direct the minister to  
withdraw that remark.

MR. SPEAKER:

Order, please!

MR. L. BARRY:

To the point of order, Mr. Speaker.

MR. SPEAKER:

To the point of order, the hon. the  
Minister of Mines and Energy.

MR. L. BARRY:

Mr. Speaker, the only reason the hon.  
member did not breach a confidence is because he could not remember the  
important stuff from the briefing.

SOME HON. MEMBER:

Oh, oh!

MR. SPEAKER:

I take it from those comments that the  
hon. the minister has withdrawn that kind of a connotation in any event.  
I think that is the comment you just made, that the reason he has not  
breached a confidence is because he could not. Therefore, I am assuming  
you are withdrawing those remarks in any event. So the matter has resolved  
itself.

The hon. the Minister of Mines and Energy.

MR. L. BARRY: Generally, Mr. Speaker, hon. members opposite and members on this side of the House, I must say, showed keen interest in the proceedings, but there were one or two - I think the word of the teachers is 'a short attention span' - one or two had a short attention span, Mr. Speaker, and had difficulty in keeping up with the briefing. I suppose to a certain extent it might be considered a benefit that there is more responsibility on the part of those who had the longer attention span and who participated fully, Mr. Speaker, in what were very useful, very frank and very full discussions that took a period of, I think, eight hours overall in presentation if not more - eight to ten hours. Now, Mr. Speaker, I am prepared to do this again at any time that hon. members opposite would want to have it done.

SOME HON. MEMBERS: Oh, oh!

MR. L. BARRY: Yes, I am prepared to have public discussion, public debate such as we are having right now, Mr. Speaker, as long as we understand that there is certain information, and if hon. members do not want it without saying that they will immediately make it public, if that is the only condition upon which we can deliver information to hon. members opposite, well then, that is fine. Then we just will not deliver the information which has to be, by law under our regulations, confidential. That is fine. If hon. members do not want to receive that type of information I would never interfere with those susceptibilities. I would never want to create more anxieties in the mind of the member for Eagle River (Mr. E. Hiscock). I would not want to create any more anxieties for that hon. member to carry around with him. No, Mr. Speaker, I do not think that that would be right. I would not want to give him confidential information that would create anxieties as he released that to the press. I would not do that.

Now, Mr. Speaker, we have a Petroleum Act here that is needed in this Province. The member for Windsor - Buchans (Mr. G. Flight) acknowledges this. I really do not know why, Mr. Speaker, the hon. member felt that he had to go into this harassment of government because of the offshore ownership issue. It was not raised

MR. L. BARRY: by myself, Mr. Speaker. The hon. member opposite felt that he had to go off on this tangent. I had to deal with it, Mr. Speaker. The member for LaPoile (Mr. S. Neary) had to go off on the tangent of the briefings. I had to deal with that. He had to attack certain individuals in the public service, Mr. Speaker.

MR. G. FLIGHT: (Inaudible) attack people too (inaudible).

MR. L. BARRY: - who have nothing to do with this Petroleum Corporation, absolutely nothing to do. There are no members appointed by government to this Petroleum Corporation.

MR. G. FLIGHT: (Inaudible).

MR. L. BARRY: He is retained by the Petroleum directorate, Mr. Speaker, which is totally different from this corporation. And if the member wants to look at the news story he will see that that is what is set out there.

Now, Mr. Speaker, we are setting up a Petroleum Corporation. It will be, Mr. Speaker, a useful vehicle for this Province to move into the 1980s, to move into the oil industry, to move into the development of a great resource for the benefit of the people of this Province for many years to come. Thank you.

SOME HON. MEMBERS: Hear, hear!



On motion, a bill, "An Act To Incorporate The Newfoundland And Labrador Petroleum Corporation", read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 50).

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

DR. COLLINS: Mr. Speaker, I have received a message from His Honour the Lieutenant-Governor.

MR. SPEAKER: A message from His Honour the Lieutenant-Governor. This communication is addressed to the hon. the Minister of Finance:

"I, the Lieutenant-Governor of the Province of Newfoundland, transmit supplementary estimates of sums required for the public service of the Province for the year ending the 31st., March, 1980, by way of supplementary supply and in accordance with the provisions of the British North America Act of 1867, as amended, I recommend these estimates to the House of Assembly.

(Sgd) Gordon A. Winter  
Lieutenant-Governor."

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

DR. COLLINS: Mr. Speaker, I move that the message be referred to a Committee of the Whole.

On motion, that the House resolve itself into a Committee of the Whole House on said message Mr. Speaker left the Chair.

MR. CHAIRMAN: (Butt) Order, please!  
Bill No. 51, the hon. the Minister of Finance.

DR. COLLINS: I move that the message be adopted and that a bill subsequent thereto be introduced.

DR. COLLINS: Mr. Chairman, we are now debating the following resolution: "Be it resolved by the House of Assembly in Legislative Session convened, as follows: That it is expedient to introduce a measure to provide for the granting to Her Majesty for defraying certain expenses of the public service for the financial year ending 31st. of March, 1980, the sum of \$52,930,000". Mr. Chairman, the bill that will be introduced subsequent to the adoption of this resolution, if it is adopted, lays out the various sums of money by departments, and I would like to say, Mr. Chairman, that these sums of money are the aggregates of the various special warrants that were laid upon the Table of this House during the fiscal year 1979-80 and, at that time, the details were laid on the Table of the House with the special warrants. I think that the House, therefore, is in possession of the information backing up these figures. If there is a particular thing that is required, I would be glad to do it, but the information is in the possession of hon. members.

MR. NEARY: Where are the warrants?

DR. COLLINS: They were laid on the House during 1979-80. This is Supplementary Supply for 1979-80 and the special warrants that were issued subsequent to the Budget in August have been laid on the table of the House during that year, and now the House is adopting this bill to regularize that.

MR. CHAIRMAN: (Butt) The hon. the Leader of the Opposition.

MR. JAMIESON: Mr. Chairman, I think I understand the process, but I am curious. Why, when we put through Interim Supply, which we gave the government back in the early part of this session - is there a difference between that and what we have here? That is what, I think, I and my colleagues are not clear about. I thought - if I could just conclude - that the Interim Supply would bring the government up to the point where the main Budget would be approved, which we did yesterday. Now, what is the distinction between Interim Supply and Supplementary Supply?

MR. CHAIRMAN: The hon. the Minister of Finance.

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DR. COLLINS: Mr. Chairman, usually the main estimates are not voted in this House and the Budget adopted until some time into the fiscal year. Therefore, government routinely introduces Interim Supply to cover the period of time from the beginning of the fiscal year until the main estimates are, in effect, adopted. Now, this bill actually relates to the previous

DR. COLLINS:

fiscal year, that is the special warrants that were tabled in the House from the time the main estimates were adopted in the previous fiscal year up to the end of that year. And hon. members if they look on the resolution, they will see that this relates to the paying of certain expenses of public service for financial year ending 31st of March, 1980. So this is 1980, up to the end of March 1980.

MR. JAMIESON:

End of March.

DR. COLLINS:

Yes.

MR. S. NEARY:

Will the hon. gentlemen refresh our memories about the warrants because I do not remember ever seeing them, but tell us what they were because this government adopted a policy, if I remember back several years ago, that they were going to have no more lieutenant-governor's warrants. Now, how many did we have and what were the amounts and what were they for? You know, I have not -

DR. COLLINS:

Mr. Speaker, the amounts are laid out in a schedule attached to the bill consolidated fund services \$156,000 \$364,000 and so on. I do have all the details here but, as I say, they were all laid on the table of the House at the time.

MR. S. NEARY:

Well, if you have them there put them on the table again.

DR. COLLINS:

Well, I would be glad to table them but they already have been tabled and the officers of the House can supply copies of these.

MR. S. NEARY:

I do not remember ever seeing them.

DR. COLLINS:

Yes they were - perhaps I could -

MR. S. NEARY:

(inaudible) they would be here.

DR. COLLINS:

perhaps I could remind the hon. member that the first one was tabled on the 16th of November 1979, the next one on March 4, 1980. and the last one was on March 31, 1980, the last day of last fiscal year.

MR. S. NEARY:

What was the last one for?

DR. COLLINS:

The last one was for legislative \$338,000, Social Services \$935,000, Health 4.6 million, Fisheries \$430,000. And I have a breakdown of all of these amounts.

DR. COLLINS: if the hon. member so wish but I do want to reiterate that the officers of the House can supply copies, they are in their possession already.

MR. S. NEARY: Well I would suggest -

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

MR. D. JAMIESON: I have no wish to hold the matter up but because I have heard some members opposite in a sense saying " You did not know about it or in some way or other you forgot about it". This happens to be the second occasion, I do not attribute any blame to the minister or to the table, but there are frequent occasions when things are tabled when, in fact, there are either members absent or something happens and they do not get distributed unless somebody asks that they be distributed. I suggest that the House leaders might usefully have a mechanism through which, when tabling is done that there is some record of it to which people can refer.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: That is an important point that the Leader of the Opposition brought up, number one. First of all, for us to understand what we are about here right now, it is money that is in addition to the budgetary allocations for last year which occur from time to time. They are very small and were tabled, in accordance with the procedures and in accordance with law, on the table of the House before the end of the fiscal year, hence everything is in complete and full order. That out of the way, because I think we all understand what that is all about, the second issue is just as important, in my view as a member of the House, forget about everything else, and that is that when important documents like this which ministers of the crown are obliged to table in the parliament, of this magnitude, that if it is not clear let us get it clear that the copies are taken off and are distributed to hon. members in the House, because that is very, very important. And I agree with the Leader of the Opposition, that if that is not done now and I will just have to bow to the table, that when such estimates in future, when such tabling occurs, especially on the Supplementary Supply

PREMIER PECKFORD: which had to be tabled before the 31st of that fiscal year, that they are distributed to members of the opposition and to all members of the House; so that the information flow is there and all members have been aware then for some time, as they should be now, as to what we are doing, what it is all about.

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

MR. D. JAMIESON: One final point and I am glad to acknowledge that I am in agreement with the hon. the Premier on this. As I say I think it is just an oversight. But the truth of the matter is, as I believe, and I am subject to correction, but I ran into the embarrassment of having accused, indeed quite falsely, the Minister of Finance (Dr. Collins) about not giving us information vis-a-vis a matter only to discover that it had been tabled several days before but I was not aware of the tabling. And having sat with some of the officers of the table I found that unless there was a specific request there were certain items that were not, in fact, reproduced for all members of the House. I think it is just a question of working out the mechanics of it that is all.

MR. SPEAKER (SIMMS) The hon. the member for LaPoile.

MR. S. NEARY: Mr. Chairman, I would go a little further than that. I think that all information tabled by ministers, including answers to questions on the Order Paper, should be circulated to all members of the House. Because, you know, as the Leader of the Opposition says, it is bound to escape you. Unless you see it actually being brought over and put on the table and you are interested in it and you go and ask for it, I mean, how would you know about it? And so I would like to see all the information tabled.

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

MR. MARSHALL: The safeguard of this is the Financial Administration Act which requires when the House is not in session, that there can be special warrants. When special warrants are passed when the House is not in session, it is within fifteen

MR. MARSHALL:

days of the reconvening of the House that they must be tabled. The hon. Minister of Finance (Dr. Collins) got up here on that specific day and tabled the warrants, you know, the additional monies that had been needed at the time. And the policy has been that generally we distribute as much as possible, the Table distributes as much as possibly can be. And if anyone requests it they can have it. But certainly on matters such as this that it is perfectly open. In other words, what I am saying is notice was given at the time as to what this was for.

Motion, that the Committee report having passed the resolution and a bill consequent thereto, carried.

MR. MARSHALL:

Mr. Chairman, now that we are in Committee perhaps we might consider motion 1, Bill No. 41 which relates to the resolutions of the Local Government Guarantee Act.

PREMIER PECKFORD:

That is all last year's stuff anyway.

RESOLUTION:

That is it expedient to bring in a measure further to amend The Local Authority Guarantee Act, 1957, to provide for the guarantee of the repayment of loans made to, and the advance of loans to certain Local Authorities.

MR. CHAIRMAN (BUTT):

Shall the resolution carry?

On Bill 41, the hon. Minister of Finance.

DR. COLLINS:

A brief word of explanation on this.

The Minister of Finance is required each year to present the amendments to this act, to lay out in the schedule any new arrangements of guarantees to the local authorities. In this act in addition to that there is a brief amendment there that guarantees issued under the Local Authority Guarantee Act should expire, those guarantees should expire when NMFC supplies the long term funding. And there is an amendment in there to just ensure that that happens. With NMFC when the interim financing which is done through the banks, when the guarantee for that expires or should expire, when NMFC provides long term funds for that particular project and this amendment just

DR. COLLINS:

ensures that the provincial guarantee does expire when the long-term funds are supplied. So that is just a housekeeping amendment.

MR. NEARY: (Inaudible) guaranteed?

DR. COLLINS: Yes those are guaranteed by the Province through NNFC.

Motion, that the Committee report having passed the resolution and a bill consequent thereto, carried.

On motion, that the Committee rise and report having passed certain resolutions and recommend that bills be introduced to give effect to the same, and ask leave to sit again.

Mr. Speaker returned to the Chair.

MR. SPEAKER (SIMMS): The hon. member for Conception Bay South.

MR. BUTT: Mr. Speaker, the Committee of the Whole has considered the matters to them referred and has directed me to report that it has adopted certain resolutions and recommends that bills be introduced to give effect to the same and ask leave to sit again.

On motion report received and adopted.



On motion, resolutions read a first and second time.

On motion, the following bills were read a first, second and third time, by leave, ordered passed and their titles be as on the Order Paper.

A bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending The Thirty-First Day Of March One Thousand Nine Hundred And Eighty And For Other Purposes Relating To The Public Service," (Bill No. 51).

A bill, "An Act To Amend The Local Authority Guarantee Act, 1957," (Bill No. 41).

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

MR. W. MARSHALL: Mr. Speaker, before moving the adjournment, although on Wednesdays there is no need to move the adjournment, I would just like to inform hon. members that the government business to be considered tomorrow, the first item will be the Advisory Council on the Status of Women, and then as we go on there are some very minor financial bills that are left, like amendments to the Pensions Act. And then if we do get any time, afterwards we would follow with the Fisheries bills - just to give some idea.

MR. S. NEARY: (Inaudible) all the legislation.

MR. SPEAKER: Is it agreed to stop the clock?

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Agreed.

MR. W. MARSHALL: Well, I mean, tomorrow we could go into the Committee stage on the Petroleum. If the hon. gentleman would feel there is going to be debate on it we would be only too happy to go in and then we can read it the third time on Friday.

SOME HON. MEMBERS: Oh, oh!

MR. W. MARSHALL: I am just trying to be co-operative, Mr. Speaker.

MR. W. MARSHALL: I move that the House at its rising do adjourn until tomorrow, Thursday, at 3:00 P.M. and that the House do now adjourn.

SOME HON. MEMBERS: Oh, oh!

MR. S. NEARY: Does the hon. member have an announcement to make?

MR. W. MARSHALL: Announcement on what?

MR. S. NEARY: The PAC.

MR. W. MARSHALL: Mr. Speaker, if I may.

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

MR. W. MARSHALL: I thank the hon. gentleman from LaPoile because I had overlooked this. I very much thank him.

MR. S. NEARY: Where would you be without him?

MR. W. MARSHALL: I do not know where we would be without him, Mr. Speaker.

With the consent of the House, I would like to advise the House that the hon. the member for Stephenville (Mr. F. Stagg) has resigned from the Public Accounts Committee after performing valiant service to the Committee and I would like to draw attention to this and at the same time, move that his place be taken by the hon. the member for Kilbride (Mr. R. Aylward).

I now move that the hon. the member for Kilbride serve on the Public Accounts Committee.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: You have heard the motion. Those in favour, 'Aye', contrary, 'Nay', carried.

On motion, the House at its rising adjourned until tomorrow, Thursday, June 5, 1980 at 3:00 P.M.