

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
10:00 a.m. - 1:00 p.m.
FRIDAY, JULY 10, 1981

The House met at 10:00 A.M.

Mr. Speaker in the Chair.

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

MR. LUSH: A point of privilege, Mr. Speaker.

MR. SPEAKER: A point of privilege, the hon.
member for Terra Nova.

MR. LUSH: Mr. Speaker, my point of privilege has to do with an article quoted in today's Daily News and Mr. Speaker, it has to do with a matter that I raised in Question Period yesterday. And I am delighted that somebody in the media picked up my line of questioning finally but certainly disappointed that they misinterpreted what I was saying. The article, Mr. Speaker, the subject is, 'Terra Nova MHA Tom Lush brought up the question of mobility rights for people who live in his district and their ability to work at the Upper Salmon hydro project'.

Now, first of all, Mr. Speaker, I was not talking about my own district in respect to mobility rights, I was talking about all of the districts in this Province which are not permitted to work on that site. And, secondly, I was not talking about the ability of the people of the Terra Nova district; quite the contrary, I was talking about their rights. Now, Mr. Speaker, that is quite a difference when one is talking about ability and talking about rights. I would not want the people of the Terra Nova district to think that I was talking about their ability to work on the Upper Salmon -

SOME HON. MEMBERS: Prima facie case.

MR. SPEAKER: Prima facie case?

MR. LUSH: - I was talking about their right, I was talking about they were denied the right to work there and I want to get that straight in the record this morning, Mr. Speaker.

MR. FLIGHT: A prima facie case, Mr. Speaker.

MR. SPEAKER (Simms): Yes, that comes as close as anything I have ever heard to a prima facie case. However, I think I will have to rule that -

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: - it is similar to points of privilege that other members have raised in the past, that the member has taken the opportunity to clarify remarks that were attributed to him in the media. Is that correct?

MR. LUSH: Yes, Mr. Speaker.

MR. SPEAKER: Therefore no prima facie case.

MR. WINDSOR: Mr. Speaker.

MR. SPEAKER: Before I recognize the hon. Minister of Development (Mr. Windsor), who has a statement, I understand, I would like to bring to the attention of all hon. members that one of the longest serving members of our parliamentary press gallery will be leaving us next week on his retirement, and I refer to Bren Walsh of the CBC.

Bren was educated here in St. John's at St. Bonaventure College. He worked with the Newfoundland Public Service for seven years, first with the Department of Finance and then with the Vital Statistics Division of the Department of Health.

In the early 1940s he worked with the Western Star in Corner Brook and as a freelance journalist for a period of time. He worked as a news reporter with CJON from 1951 to 1958 and has been with the CBC since 1958, some twenty-three years. In 1957, for that one year, Bren, along with Art Harnett and Jim McGrath

MR. SPEAKER (SIMMS):

together published a weekly paper called the Newfoundland Weekly. He also covered the National Convention dealing with Confederation as a newsman and has covered each and every session of the legislature since Confederation, first at the Colonial Building and then at the Confederation Building. His last day at CBC will be Tuesday when he will be retiring and I would like to, on behalf of the members, thank him for his many years of dedicated service and wish he and his wife Lydia much happiness and good health in the years ahead.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, I cannot allow this opportunity to pass without making at least a brief comment upon Mr. Walsh's retirement from this House in a formal capacity or in an official capacity. The first thing that came to mind - I did not know, Mr. Speaker, that you were going to do this this morning - but the first thing that came to mind when you mentioned the gentleman's name was I remember one time getting off, I think it was a helicopter or a plane during a campaign we all remember clearly on this side of the House, and there were about seventy-five or eighty people near where the helicopter came down and when we got off the plane and your truly started to shake a few hands there were quite a few people who passed by me, went along and said, 'How do you do, Mr. Walsh?'. So I guess that is a good indication of the kind of reputation that the gentleman had in the sense that they knew him and he had a fairly high profile as it related to news around the Province. And I think, speaking for this side of the House - and I am sure I speak for hon. members opposite - that we are losing a very objective, responsible reporter from the Newfoundland scene. We only hope that those younger reporters and journalists who remain will take their example from the work that Mr. Walsh has done. And perhaps we have not seen his greatest work. I understand that he is in the process of producing a book and we look forward with a great deal of anticipation to its publication and to what will be contained in there about our land and about our Province.

SOME HON. MEMBERS:

Hear, hear!

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

MR. STIRLING: Thank you, Mr. Speaker. On this side, I too would like to share with the Speaker and with the Premier the good wishes for Bren Walsh. I first came under Bren's scrutiny when I was a city councillor and I found that Bren Walsh is one of those unique people who truly qualifies, in my opinion, as a professional in that Bren could very seriously disagree with either your point of view or your presentation, but it never found its way into his news coverage, that he could write a report and give you fair and equal treatment even though he personally would not necessarily agree with your policy or your approach. And I think you are going to see that in his new book, which I believe is coming out in two volumes and is going to tell the other side of the Confederation story. And I am sure that he would not mind the plug for his two books- or book in two volumes- because he is going to tell the side from the point of view of what the other alternatives might have been, the Responsible Government alternative and the whole question of how this was brought about. And it will dig into certain things that have never been brought out and I am sure that it will be a very interesting historical point of view and you will see in it, I am sure, some of Bren's personal views.

In reference to the fact the Premier mentioned that fact that when he was getting off the plane everybody was saying, 'Oh, look. There is Bren Walsh,' that, of course, from the Premier's point of view would be unforgivable, and it is probably an indication of Bren Walsh's good wisdom that for the next year or so he is moving, immediately after his retirement, to Arizona so that he does not come under the wrath of being better known than the Premier of the Province because that is

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MR. STIRLING: not tolerated in this Province at the present time, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh!

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

MR. STIRLING: I think, Mr. Speaker, in all of the good things that the Premier could have said about Bren Walsh, the most significant thing that he remembers is that, in the middle of an election campaign, Bren Walsh was better known than the Premier. Now, Mr. Speaker, when history records the contribution of both, I think that you will probably find that Bren Walsh will still hold his own with any Premier, including the present Premier, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

STATEMENTS BY MINISTERS

MR. SPEAKER (Simms): The Minister of Development.

MR. WINDSOR: Mr. Speaker, I have a number of statements to make this morning, very brief ones. First of all, I am very pleased to announce today the appointment of Mr. Ivan Palmer to the position of Assistant Deputy Minister of Development in the Department of Development.

In this position, Mr. Palmer will be responsible for all promotional activities of the department as well as prospect development, oil and gas services, economic analysis and research. He will be working closely with the various Development Corporations within the Province and will spearhead government's initiative with respect to research and development.

Mr. Palmer has been with the department for over six years and most recently served as Director of Special Projects. In that capacity he has been directly involved with the Labrador Sea and Lake Melville Ice Management programme and has been a key figure in our dealings with the aluminum industry. Prior to joining the Public Service in 1974, Mr. Palmer held positions in research and production management with two large Canadian companies with major exposure to the petrochemical industry. Mr. Palmer's will be effective on July 20, of this year.

I would also like to note at this time that Mr. Palmer will be replacing in that position Mr. Pat Duggan, who has tendered his resignation with effect from July 17. I would like to at this time express, on behalf of government, our sincere gratitude for his service and

MR. WINDSOR: dedication during the past five years and to wish him well for his new career.

SOME HON. MEMBERS: Hear, hear!

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

MR. STIRLING: Yes, Mr. Speaker, As always we are pleased to congratulate the promotion of anybody in the Civil Service. We think we have one of the finest Civil Services in Canada, and we congratulate them, Mr. Speaker.

MR. SPEAKER: Further statements?
The hon. Minister of Development.

MR. WINDSOR: Mr. Speaker, it will be recalled that during this current session of the House of Assembly I introduced a bill which gave effect to the amalgamation of the Newfoundland and Labrador Housing Corporation and the St. John's Housing Corporation. I am pleased to announce today my colleagues in Cabinet have approved the dissolution of the St. John's Housing Authority and its consolidation with the Newfoundland and Labrador Housing Corporation. This legislative action with respect to the St. John's Housing Corporation and executive action as it relates to the St. John's Housing Authority, together with the repeal of the Corner Brook Housing Corporation Act, will result in a consolidated and uniform approach to housing policy and portfolio management throughout the Province.

Mr. Speaker, it is in my opinion, fair to state that the multiplicity of housing authorities, corporations and agencies has caused a great deal of confusion in the public mind as to the responsibility of these various agencies in the delivery of services to the public. It is my expectation and hope that the creation of a single housing agency will resolve many of these difficulties.

MR. WINDSOR: I should like to take this opportunity to pay tribute to the present and past members of the boards of the St. John's Housing Corporation, St. John's Housing Authority, and Corner Brook Housing Corporation. Their knowledge and expertise, coupled with their independent and objective judgment on housing matters generally, have been greatly appreciated by my colleagues in government.

While it will be envisaged that the amalgamation and consolidation of existing housing agencies into a single agency will result in temporary dislocation, I can assure hon. members of this House that all employees affected have been guaranteed, either by way of legislation or Cabinet direction, that salaries and benefits shall not be affected by these decisions.

In conclusion, Mr. Speaker, the consolidation of these various housing bodies will bring the total rental housing portfolio of Newfoundland and Labrador Housing Corporation to in excess of 5,500 units, adding the Cowan Heights and O'Leary Industrial Park Development of St. John's Housing Corporation to NLHCs present holdings will bring the total residential land serviced to date to some 5,600 units and the total industrial land service to some 440 acres. The total lands now under the land banking programme of the Corporation will be brought in excess of 9,000 acres.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Simms): The hon. Leader of the Opposition, about one minutes.

MR. STIRLING: Mr. Speaker, this might appear on the surface as a consolidation when in actual fact, Mr. Speaker, I believe that this is a mistake and I believe that the government will come to regret it and the people who are in public housing will come to regret it. Mr. Speaker, I may have a little more knowledge of this than most people again because of my background and association with some of the people who are involved with the housing authority. The people who were administering the housing authority- it was being administered in a truly independent manner. And what will now happen is that you will see political influence of the worst order coming into the assignment of units in public housing. Public housing, the administration of it should be independent and separate and the Housing Corporation, which has to do with the development of land and sale of lots and some of the other units around might have a common interest, but the Housing Authority, bringing that into the department is not going to do a thing, Mr. Speaker. It is a mistake, it is going to cause -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. STIRLING: - all of us a lot of headaches and problems. And, Mr. Speaker, it is being rushed through, the legislation is not ready, and why it is being done in the dying minutes of this sitting I do not understand. Mr. Speaker, it is a move in the wrong direction and it has the same aspects of the rushing into Grade XII without adequate preparation. It is a headlong rush without proper investigation.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

Further statements? The hon. Minister of Development.

MR. WINDSOR: Mr. Speaker, just by way of a

MR. WINDSOR: comment to correct the hon. gentleman, legislation is not required. It is done by Order-in-Council and it has been well thought out and is already in effect.

Mr. Speaker, in an effort to obtain information from people exiting Newfoundland and Labrador concerning their opinions and attitudes about their travel while in the Province, an attitudinal survey was conducted during the Summer of 1980. The study, which was conducted at six major airports and two major CN ferry terminals, was jointly funded by the Provincial Department of Development and the Federal Department of Regional Economic Expansion under the Tourism Development Subsidiary Agreement. Financial assistance was also obtained under the Canada Employment and Immigration Commission's Summer Youth Employment Programme. I am announcing today the key findings of this survey.

Although a wide range of responses were obtained to a wide range of questions in the survey, data gathered can be integrated and summarized under four main headings. These provide the most pertinent information for those concerned with different aspects of the tourist industry in Newfoundland and Labrador.

Under the heading Activities People Like To Participate in While On Vacation affirmative responses included outdoor activities such as going to the beach, fishing, visiting parks, social activities and visiting historical sites.

In response

MR. WINDSOR: to the section entitled Factors Affecting Decisions Where to Vacation, respondents saw vacation destinations which were safe places to visit and having a countryside worth exploring, unique local customs, plenty of good accommodations, restaurants and uncrowded vacation areas as being most attractive.

When asked about Newfoundland as a Vacation Destination, respondents saw the Province's friendly people, atmosphere and culture, historic attractions and surroundings conducive to camping as being the biggest factors contributing to our Province's vacation appeal.

People also felt they received good overall value for their vacation dollar during their stay in the Province.

On the negative side, Mr. Speaker, limited night life, scarcity of good restaurants and the limited number of local events were seen as detracting from our appeal as a vacation destination.

Finally, in responding to the section of the questionnaire on Travelling in Newfoundland and Labrador, positive observations included park fees are reasonable, travel literature is readily available, restaurant food is reasonably priced and transportation to the Province is easy to arrange.

Major factors which are perceived as detracting from the Province's appeal to tourists under this heading were the small number of historic attractions which have been developed to date, scarcity of handicraft shops, poor park facilities in some areas, inferior roads, scarcity of road signs and facilities on the C.N. ferries.

MR. WINDSOR: The main thrust of the survey's findings point towards Newfoundland's major vacation appeal being made of its scenery and sites, culture, lifestyle, people, environment, geography and atmosphere. While people are generally pleased with their stay in the Province because of these factors, they express displeasure over the lack of certain types of infrastructure.

Vacationers generally prefer to see Newfoundland on their own without the help of escort-type services but demand comfortable accommodations throughout the duration of their stay in the Province. They are also interested in visiting historical sites and buying local handicrafts and would like to see the Province giving more priority to developing these.

It should be noted that many of the weaknesses in Newfoundland and Labrador's ability to provide a satisfying vacation experience are being addressed by the Tourism Development Subsidiary Agreement. A five year development plan is being developed, implemented by DREE and the Province and cost shared between the federal government and the Province.

Advice is also sought from the Canadian Government's Office of Tourism.

The impact of this agreement was only starting to be felt during this survey.

One final note of caution with regard to these results is that the respondents mainly consisted of those on family vacations using their own cars, and businessmen on business or combined business-vacation travel.

Participants in group package tour activity are not adequately represented in this survey

MR. WINDSOR: to provide a definitive indication of the development in particular for this type of tourism activity in our Province.

Information on visitor satisfaction from package tour activity will be collected on a modest scale this year as part of the Tourism regional plan study now underway and being funded by the agreement.

With the exception just noted, it can be stated that generally this survey adequately represents the feelings of our visitors about our Province as a vacation destination. It points out that the efforts being made by the Tourism branch of the Department of Development are on balance, accurately directed towards capitalizing upon our strength of people, lifestyle, unique historical significance, etc., and reducing or eliminating the weaknesses existing in the quality of our tourism plant manpower training, etc.

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

MR. STIRLING: Yes, Mr. Speaker, I believe this is the best indication that this government has absolutely no control over either the House - what is happening - or what is happening in the Province.

Here we have a four page statement on a survey that was done - no conclusions, no nothing - announcing a five year programme that the federal government is now funding - they are trying to find ways to spend the money, way behind the schedule - and we have a one-minute statement on how they are going to disband the Housing Authority, we have a one-minute statement from the Minister of the Environment (Mr. Andrews) saying we do not know what happened to the environmental spill. We do not have a statement this morning saying what happened to the water bomber that crashed, and what are we going to do about the serious forest fire problem caused by that; we got a government that is interested in wasting time, Mr. Speaker, we have a government that has business on the Order Paper, still over twenty-seven bills on the Order Paper that need to be looked at, a committee that has not even met on these things and here this morning we get a lecture by the minister, an abusive Ministerial Statement, to give us the results of a survey that was done.

MR. HODDER: Trying to make himself look good.

MR. STIRLING: Mr. Speaker, that is indicative of the kind of stuff that is coming out there this morning.

MR. NEARY: You are trying to get a little mileage, you are trying to get a little mileage for yourself.

MR. SPEAKER (Simms): Order, please!

MR. NEARY: You will never make it.
You will never make it.

MR. STIRLING: Mr. Speaker, this same minister comes in and announces that we are going to spend \$250,000 to help finance one of the largest corporations - trying to persuade them to come into this Province - to see whether they can do a feasible study. He does not give us what commitments, he does not give us any of the details, but he gives us four pages of -

MR. HODDER: Garbage.

MR. STIRLING: - gobbledygook that was available to anybody who wanted to go out and pick it up. Now, Mr. Speaker, that is an indication of the kinds of priorities that this government have: Not a nickle to be spent on provincial parks, not a nickle to be spent on creating anything -

MR. SPEAKER: Order!

MR. STIRLING: - and they come in and waste the time of this House this morning with a four page statement of nothingness - Mr. Speaker, an abuse of this House, an abuse of the rules, an abuse of the government. They just do not know what they are doing, Mr. Speaker, they have lost all control; they are just sitting out waiting for the day that the House is going to close.

Well, Mr. Speaker, they are going to have to wait a little longer.

MR. NEARY: That is right.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further statements.

MR. HICKEY: Mr. Speaker.

MR. SPEAKER: The hon. the Minister of Social Services.

MR. HICKEY: Mr. Speaker, due to the postal strike, emergency arrangements have been made to distribute social assistance cheques.

Individuals who receive service from the St. John's Social Service District Office and who are affected by the strike will be able to pick up their cheques at the District Office, Government Building, Harvey Road -

SOME HON. MEMBERS: We cannot hear him.

MR. HICKEY: What is that?

MR. NEARY: Speak up.

MR. SPEAKER: Order, please! Order!

MR. HICKEY: I cannot help that.

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

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

MR. HICKEY: - during the hours of 9:00 a.m. to 4:00 p.m. -

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

MR. STIRLING: Mr. Speaker, the minister did not have the courtesy to provide a copy of the statement so my colleague who is our spokesman could follow it. Could you adjust the sound or get his colleagues to quieten down so that we can at least hear it, since he did not have the courtesy of giving us a copy?

MR. HICKEY: The light is on here.

MR. SPEAKER: Well, there is nothing in the rules that says that the minister has to provide a copy, there is nothing in the rules about the quality of the member's voice. I cannot do anything about that. Maybe the sound operator could adjust the microphone.

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

MR. HICKEY: Mr. Speaker, individuals
serviced by the St. John's Office can pick up their
cheques from 9:00 a.m. to 4:00 p.m., commencing at 9:00
a.m. Wednesday morning, July 15, 1981.

Individuals serviced by
District Offices in areas not

MR. HICKEY:

affected by the strike may receive cheques through the regular postal service. In other areas, cheques may be picked up at the Social Services District Office serving their community. Appropriate identification must be shown. Individuals who are unable to pick up their cheques in person may authorize in writing another person to do so. Such person must also show appropriate identification.

MR. SPEAKER (SIMMS):

has about thirty seconds.

The hon. member for St. Barbe

MR. BENNETT:

to say I am pleased that the minister is taking action to make sure that people get their cheques on time. And I would like also to add I am sure that most certainly I shall be back and forth and if there is anything that I can do to assist in my district - it is far away; I know probably the minister does have alternate means of getting cheques out because the people over there do need some way of getting their cheques. With the high cost of living and all the rest they certainly need those cheques. So I am happy to see that the minister is making arrangements to have cheques delivered. If there is anything I can do certainly and anyone else, I am sure, in the districts, you will get my co-operation.

ORAL QUESTIONS

MR. SPEAKER:

The hon. member for LaPoile.

MR. NEARY:

Mr. Speaker, my question is for the hon. the Premier. Would the hon. the Premier indicate to the House whether or not the federal government, the most recent offer that was made by the Prime Minister of Canada in connection with the offshore, if the federal government made this offer at the First Minister's Conference on the constitution that was held in September, 1980, over the question of jurisdiction, if the Prime Minister offered the coastal provinces to set aside the ownership question and get on with the job and negotiate the other matters in connection with the offshore ownership? Would the hon.

MR. NEARY: gentleman indicate whether that offer was made at the First Minister's Conference on the constitution in September, 1980?

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

PREMIER PECKFORD: I do not know what offer the hon. member is talking about.

MR. NEARY: To set aside the ownership.

PREMIER PECKFORD: The Prime Minister is still reflecting on the response he will provide this government to the letter that I sent him now four or five weeks, I guess, or more saying that I am prepared to sit down and to discuss the whole offshore question. During the constitution - so we do not know if there is an offer or not - they were nuances, style, tone in his speech. And I have examined both the speeches that the Prime Minister made both to the Liberal dinner that he attended and before CBC, the CBC programme. I have the transcripts of both. But in the spirit of co-operation and reasonableness we have gone the extra mile to try to indicate to the federal government that we want to see this matter resolved and we are prepared to sit down and see whether there is that kind of room to resolve it.

During the constitutional discussions last year,

PREMIER PECKFORD:

one of the problems we all had was that the Federal Government did not put anything on the table. That was the problem. Each time it came up before the Ministerial meetings, and then went to committee from the Ministerial meetings, back to the Ministerial meetings, back to the committee; the only people to put anything on the table was Newfoundland and that is why it went back and forth from the Ministers' meetings to the committee meetings because a response from the Federal Government was needed in order to take a vote in the public servant committee so that then that could be recommended to the ministerial meeting which then could be recommended to the First Ministers meeting that was coming up. So there was never anything offered, and whether there is something offered now or not, we are still waiting to find out.

MR. NEARY:

A supplementary, Mr. Speaker.

MR. SPEAKER (Simms):

A supplementary, the hon. member for LaPoile.

MR. NEARY:

Mr. Speaker, I cannot challenge the statement the hon. gentleman just said, but my understanding, Mr. Speaker, is that the Prime Minister, on behalf of the Government of Canada, offered to have the ownership question set aside at that Constitutional Conference and the majority of coastal Provinces would not agree. And I am asking the hon. gentleman now if this Province was one of the Provinces that disagreed with setting aside the ownership question, getting on with the job and negotiating the other conditions involved in the offshore. And I will mention some of the other things in a supplementary question.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

The only thing that was suggested at any of those meetings was the Maritimes Agreement. So, one has to look beyond whether the jurisdiction was going to be laid to one side and put in abeyance, you have to look behind

PREMIER PECKFORD: that to see what the follow-through was to doing that. It is no good for us to say we are going to set aside an argument we have in this House to do something else if we do not know what that something else is. So, you have to look behind the superficial concilliatory thrust of putting something in abeyance if there is nothing to come after it. The Province of Nova Scotia, during those meetings, went on their own and tried to negotiate an arrangement and that went on for about four or five days and the long and short of it was that they were unable to resolve and come up with an arrangement that was acceptable to both sides. So there was a difference of opinion on how to approach solving the problem.

From our point of view, because of the ministerial and public servant meetings all during the Summer, the Federal Government was not prepared to move at all. Nova Scotia felt

PREMIER PECKFORD: for a whole range of reasons, not the least of which was that they did not think their case was as good as ours anyway, legally, and because they had a rapport with Mr. Reagan and Mr. MacEachen that they should try again to negotiate something out. But they failed and broke off negotiations about five or six hours before the end of the constitutional meetings that were held on television.

MR. NEARY: Supplementary, Mr. Speaker

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

MR. NEARY: Mr. Speaker, I was hoping to get an answer from the hon. gentleman on whether or not the hon. gentleman agreed or disagreed that the ownership question should be set aside, if this Province agreed with that and went on and negotiated the terms and conditions of a settlement of the offshore question. The hon. gentleman did not give me a straight answer. So let me ask the hon. gentleman this question; the Prime Minister at that same constitutional conference in September, 1980, as I understand it, offered a system of administrative arrangements involving both the federal government and each coastal province whereby the offshore resources could be developed. Now did the hon. gentleman agree with that or disagree with that, or does he now agree with it? The Prime Minister offered coastal provinces - first of all, he said, they should get maximum benefits from the offshore resources and accordingly offered a system of administrative arrangements involving joint participation both by the federal and provincial governments to develop the offshore resources. What was the hon. gentleman's position on that?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: I thought I had answered the hon. member when I said that you have to look behind, putting the other thing in abeyance, and what was offered was the

PREMIER PECKFORD: offer of the Maritimes agreement, which is as the hon. member described, except for saying it was of maximum benefits to the Province; it was not maximum benefits to the Province. It worked out to federal ownership of oil and gas and everything that goes with it; the administrative arrangements would be a board of federal and provincial - this is nothing new, this was cut back in 1977 or 1978 - which was an advisory board and the Minister of Energy in Ottawa still had all the power, so that this joint board had no management power at all and all it could do was advise the federal Minister of Energy.

The revenue split would be the revenue split that was in existence with ownership residing with the federal government, which would mean 17 per cent or 20 per cent for us here in the Province and the remainder split between the federal government and the companies with the majority going to the federal government. So there was nothing new in the proposal at all and all the Prime Minister said, both in the private meetings and in the public meetings and during the whole Summer, was that 'our proposal still stands on the Maritimes agreement' and that was it. And, of course, that was unacceptable to us so the whole offer of putting something in abeyance, putting the jurisdictional thing in abeyance, was just an academic question because what lay behind it was still Maritimes agreement and we saw nothing in it,

PREMIER PECKFORD: no sharing of responsibility, no reasonable sharing of revenues between the two levels of government.

MR. NEARY: A final supplementary Mr. Speaker.

MR. SPEAKER (Simms): A final supplementary. The hon. member for LaPoile.

MR. NEARY: Mr. Speaker, it seems to me that the Prime Minister opened the door at this Constitutional Conference for negotiations. The key to success was negotiations. For instance - and the hon. gentleman might care to comment on this - did the Prime Minister suggest that once the ownership question was set aside that the matter of deciding or defining a 'have' Province, what is meant by a 'have' Province, that that would be the subject of negotiations before a technical definition could be given? And did the Prime Minister also state at that Constitutional Conference - because the Premier and this government have led us to believe that the first time the statement on the offshore was made was at the Liberal banquet when in actual fact the first time it was made was at the Constitutional Conference and the Premier of this Province was aware of it - he also indicated at that constitutional meeting that coastal provinces should receive the same kind of revenue as are derived by provinces from onshore resources until they become a 'have' Province, and after that point it would have to share the increasing portion of their revenues with the rest of Canadians, did the Prime Minister make that offer and ask for negotiations to define such terms as 'have' Province, etc., etc., and was not the key to the whole thing negotiations and have not the government here procrastinated and delayed the resolving of the offshore problems to get production going by not sitting down and bargaining in good faith?

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

PREMIER PECKFORD: The Prime Minister has made a number of political statements before cameras and he has made a number of statements away from the cameras and it is really hard to get a handle on it. That is why I have a letter outstanding to the Prime Minister. But in the actual negotiations themselves or the talks themselves on the constitution the Prime Minister emphatically - and every First Minister can vouch for this - emphatically said it is the Maritimes Agreement or nothing and no negotiation. Now if the Prime Minister had said that he was willing to negotiate from that position of the Maritimes Agreement to somewhere more, then obviously we would have had room to sit down, but there was no indication at all. As a matter of fact the indication was clear and unmistakable, Maritimes Agreement or nothing. There was no indication of changing the status of 'have' provinces to any great degree except before the cameras. And Nova Scotia proved this, you see. Nova Scotia went ahead at the same time and negotiated because they do not have the same legal position as we did and could not reach an agreement, could not reach an agreement any different from the one that we had reached with the federal government three or four years before. It was exactly the same as where we had left off back in

PREMIER PECKFORD: '74 - '75. There was no movement at all, no flexibility at all. But in the spirit of reasonableness, we have gone back to the Prime Minister now and asked him to sit down. So, if the Prime Minister in fact in his political statements is serious and is sincere, well then write me back and say, 'Let us sit down.' That is all he has to say, 'Let us sit down. So I am still waiting to get that response back from the Prime Minister now. But at that time, no, the Maritimes Agreement was all of it and that was totally substantiated and validated by the negotiations Nova Scotia had, because Mr. MacEachen and Mr. Reagan were trying to bring a resolution to the dispute between Nova Scotia and the Federal Government and Mr. MacEachen having a fair amount of clout within the Cabinet, in talks with the Prime Minister thought that he could do it that way. And, of course, it did not work out.

The other thing that the member for LaPoile (S. Neary) says, which is completely - and implies is that somehow development has been held up. Development is not held up at all because of the dispute. Development is not held up at all. Mobil Oil, the operator for the consortium on the Hibernia field, are still doing a number of appraisal wells and they have not applied for a development permit or applied with a development plan. Perhaps they will this Fall, this Winter, or next Spring, but to this time they have not because they are not ready to do so because they still have to do some more delineation and appraisal wells.

So that is where it is. But we are, as a Province, prepared, given the political statements made by the Prime Minister, to take him on his word, sit down and see whether, as reasonable people, we can agree to a responsible way of dividing up the revenue and managing a very difficult resource which can prove to be the salvation to our financial, economic

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Tape No. 3231

EL - 2

PREMIER PECKFORD: social and cultural needs for the next century.

MR. NEARY: A supplementary, Mr. Speaker.

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

MR. NEARY: Mr. Speaker, first of all I want to say that I am not satisfied with the answers given by the Premier and I will debate this matter during the Late Show on Thursday coming. But I do have, Mr. Speaker, I do have here in front of me a reply to a letter that I wrote on March 25th to the Prime Minister, and I had the reply delivered to me yesterday by hand from the Prime Minister's Office, and the statement contained in this letter do not agree with the statements just made in answers to questions given by the Premier of this Province. As a matter of fact, Mr. Speaker, when I table this, I am going to send this over to the Premier because I feel now that it is an historic document. It is an historic document which should provide -

SOME HON. MEMBERS: This is debate.

MR. SPEAKER: Order, please!

The hon. member for LaPoile.

MR. NEARY: - the basis of a discussion, of negotiations that could

MR. NEARY: resolve this matter. This is a very important letter and I would consider it to be a historic document. And I am going to give the Premier a copy because the contents of this letter do not agree with the statement just made by the hon. the Premier. Could I have a Page take this across to the Premier?

MR. SPEAKER (SIMMS): If the hon. member has a supplementary, I would ask him to ask it now.

MR. NEARY: No, I just merely wanted to make the point that I will be debating it during the Late Show.

MR. SPEAKER: Oh, yes.

PREMIER PECKFORD: That is right. That is right.
Now, Mr. Speaker -

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: -I reserve the right here-and I will not sit down unless Your Honour orders it- that if the hon. member for LaPoile (Mr. Neary) can stand up and preamble a supposed question which ends up not to be a question, then I have the right to respond in due course. And, you know, it is a sad commentary on things that the member for LaPoile would do it this way. The methodology leaves a lot to be desired. If the federal government, if this is the way they try to do business well then obviously not very much is going to get resolved in this country. I guess it is like the silly telegram I received from the DREE minister, pushed into it by the MP for Gander-Twillingate two days ago, on moving money from Corner Brook to Gander on an industrial park. I guess it is like the business of today we will be doing a very historic activity in this Province and we will be swearing in and making official the new Lieutenant-Governor, Dr. Paddon, which was an excellent appointment. But the methodology by which it was done was that this Province was not informed about it until after, and here we have the same thing. I have a letter as the First Minister of this Province on the desk of the Prime Minister, who is the First

PREMIER PECKFORD: Minister of Canada, and now I have to see something insidious come from the Opposition in some way trying to demean -

SOME HON. MEMBERS: Oh, oh! ..

MR. SPEAKER (SIMMS): Order, please!

PREMIER PECKFORD: - trying to demean, trying to reduce, somehow trying to take away the very, very strong support that this government has for its position as it relates to the offshore and hydro transmission and fisheries, the very strong popular support that this government has in the Province on those issues, and the federal government insists in various ways and techniques through these issues to try to somehow lessen and demean a very, very substantial issue for the people of this Province.

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order! Order!

MR. STIRLING: Mr. Speaker, I have a question for the Premier if he can only get himself settled down now. He is gone back to his usual outbursts.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. STIRLING: He is the only one allowed to set the standard for ignorance and discourtesy.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

The hon. Leader of the Opposition has a question?

AN HON. MEMBER: Do not try to copy.

MR. STIRLING: I would not try to copy the Premier. Mr. Speaker, the question that I have to ask -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. STIRLING: - the Premier is arising out of that loss of control in which he found himself last week saying

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Tape No. 3232

IB-3

MR. STIRLING:

one thing in the House and another thing in Corner Brook. And I would urge him now to get himself under control.

One of the other things that

MR. STIRLING: he said last week and the question I have for the Premier, Mr. Speaker, is does he realize the amount of disbelief that he has caused throughout the business community in this Province when he said that he is quite satisfied with the level of exploration, that it is just about right, he is keeping it under control -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. STIRLING: - and that he does not intend to allow the economy to heat up anymore than it is at the present? Does the Premier realize the disbelief? And in the same way as he corrected his position on Corner Brook, would he now like to correct his position on the exploration and the heating up of the economy dealing with the offshore?

MR. HODDER: I will tell you what, the economy of Three Rock Cove is not heated up very hot.

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

PREMIER PECKFORD: Mr. Speaker, the Liberal Opposition can try as they like, but this government is committed and they will not change their view on this - is committed to the gradual development of our offshore oil and gas so that the people of Newfoundland benefit from it.

SOME HON. MEMBERS: Hear, hear.

PREMIER PECKFORD: That is the story, Mr. Speaker, we are going to develop it and we are going to maximize the benefits for this Province for the people of this Province. And as we do that, as Petro-Canada now puts its three or four rigs off Labrador and we have our three or four rigs off the Island, we will increase our exploration activity. But I am completely saddened by the fact that the Leader of the Opposition (Mr. Stirling) does not realize that there are thousands of square miles out under exploration permit, thousands of square miles, and under those permits the companies are forced to make certain well commitments, research and

PREMIER PECKFORD: development commitments, education and training commitments. And the amount of acreage that is out now is not a sell-out; to put out any more acreage would be, and we do not intend to sell out a lot of our resources so that everybody else in the world benefits from it except us. And we are not going to do it, and the Liberal Party and the Liberal Opposition can try all they like to drag us back to '68 or '69 and the Upper Churchill, they can try to drag us back to ERCO, they can try to drag us back to how they abused the fishery, they will not succeed in this Province.

SOME HON. MEMBERS: Hear, hear.

MR. STIRLING: Supplementary, Mr. Speaker.

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

MR. STIRLING: It is very difficult to drag the Premier back prior to 1940 because he is now the arch anti-Confederate that he would have been in 1940.

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. STIRLING: Mr. Speaker, we have allowed -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. STIRLING: - Mr. Speaker, the members on that side of the House -

SOME HON. MEMBERS: Oh, oh.

MR. SPEAKER: Order, please!

MR. STIRLING: - have allowed, at the time that the Premier and the Minister of Mines and Energy (Mr. Barry) had in their possession a letter confirming that the National Energy Board Act would be changed back in December, they had that in December, and for six months they asked for the cross-Labrador -

SOME HON. MEMBERS: Oh, oh.

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Tape No. 3233

SD - 3

MR. SPEAKER (Simms): Order, please!

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

MR. SPEAKER: A point of order has been raised by the hon. the President of the Council. --

MR. MARSHALL: The hon. Leader of the Opposition (Mr. Stirling) is making a speech, This is the Question Period.

MR. STIRLING: What did the Premier just do without even a question?

MR. SPEAKER: Order, please!

MR. MARSHALL: I know, Mr. Speaker, he is smarting under

MR. MARSHALL: the answer he received, but the proceedings say he is supposed to ask questions, not make speeches.

MR. SPEAKER (Simms): Well, I was presuming the hon. the Leader of the Opposition was using some reference to a letter as a preamble. I was going to allow him that brief preamble, but I would ask him to ask his question because there are others who wish to ask some, I believe.

The hon. the Leader of the Opposition.

MR. STIRLING: Yes, Mr. Speaker.

On the basis of historical information that we get, we find out that the information given by the Premier in a glib statement like he just did, he sometimes has to correct later.

PREMIER PECKFORD: What is the question.

MR. SPEAKER: Order, please!

MR. STIRLING: The question, Mr. Speaker, is based on the report that was tabled in this House with a great flurry by the Minister of Mines and Energy (Mr. Barry), and it maybe is why the Minister of Mines and Energy is not here for the last week dealing with his bills.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. STIRLING: The report indicates a vast distinction between exploration and development and it recommends that the exploration be stepped up, considerably stepped up, and the Premier used those same figures in the Governors' Conference.

PREMIER PECKFORD: What about the question?

MR. SPEAKER: Order, please!

MR. STIRLING: Is the Premier now rejecting the concept as put forward by the Minister of Mines and Energy

MR. STIRLING: and as put forward by the Premier at the Governors' Conference that the number of jobs in exploration - let us not talk about development, development and exploration are two different stages -

SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. STIRLING: - and this should be the policy, Mr. Speaker. Is the Premier now saying that he is abandoning that position as tabled by the Oil Directorate and as he used in the Governor's Conference of stepped up exploration, increased exploration, but controlled development, is he now abandoning it and is he now merging it all together because, in fact, he has lost all control over everything?

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Because the Leader of the Opposition asks a question and gets an answer which shows him in a bad light, he should not get desperate and then get sort of personal and try to say that the Premier and the government have lost control of everything. Do not do that because, Mr. Speaker, nobody responds to that kind of comment from a leader in this Province, from the alternative Premier, from the gentleman who is trying to take my chair. Nobody responds to that kind of accusation and the Leader of the Opposition should know that. It is a nasty and unfair and something that people do not want to listen to, that kind of nasty comment.

Now, as far as the Minister of Mines and Energy (Mr. Barry) goes - talk about nasty - why did not the Leader of the Opposition ask where the Minister of Energy is today rather than get up and make

PREMIER PECKFORD: a snide remark? Where is the Minister of Energy (Mr. Barry); Mr. Speaker? He is in Ottawa trying to co-operate with the federal government on energy matters -

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: (Inaudible) speaking with Mr. Lalonde that is where the Minister of Energy is, on Her Majesty's business to try to get some co-operation and reasonableness on energy matters for this Province and for this country. Now, that is where the Minister of Energy happens to be.

Now, to deal with the substance of the question, comment and speech that the Leader of the Opposition made, let me just say that we wish to increase the amount of exploration

PREMIER PECKFORD:

activity gradually, but we are not going to do it on a boom-and-bust situation. We are dealing with a very explosive, potentially explosive development, and we want to be careful and we want to be sure we are going to do it right and not lose control of it. And that is the reason why we are saying we increase exploration, but we do it on a gradual basis, and in doing it that way we both protect our own social and cultural fabric and allow for training and education to occur so that the maximum number of jobs is available to the people of this Province.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Simms):

The hon. member for Windsor-Buchans.

MR. LUSH:

Have some jobs for those people just laid off by DOMAC, forty-five of them.

MR. FLIGHT:

In keeping with the subject we are on, Mr. Speaker, I would like to ask the Premier what is his position with regards to the Come By Chance sale? Does the Premier stand behind the Minister of Mines and Energy (Mr. Barry) and is it his policy and is he prepared to support this policy that no development plans from Mobil will be approved unless those development plans includes the reactivation of Come By Chance?

MR. LUSH:

DOMAC.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

How many times, Mr. Speaker, I mean we have regulations that, as Minister of Energy three or four years ago, were tabled in this hon. House in which we indicate that one of the conditions of permits for development has to be the amount of spin-off that that development will have for the Province directly as it relates to using some or all of that resource, oil or gas, to be processed and developed in this

PREMIER PECKFORD: Province, and obviously the two go hand in hand. The regulations say that, the Petroleum regulations say that, we have said it from time to time. And in our negotiations with Petro-Canada and other people who wish to use the Come By Chance oil refinery, that it must be linked to the offshore and to our ability to maximize spin-off industries for this Province, especially when you have one already existing and does not have to be built. That is a far cry from the way things were done in the past, Mr. Speaker, but I suppose that is why we are on this side of the House and the gentlemen are on the other side.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: A supplementary, Mr. Speaker.

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

MR. FLIGHT: Mr. Speaker, the Premier did not answer the question and he knows he did not answer the question. He is avoiding it, he is skating around it, and he is using weasel words and playing games.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order. Order, please!

MR. FLIGHT: So I ask the Premier if he knows that one of the conditions in the letter of intent written by Petrocan in 1980, was if they did not have a plan to reactivate the Come By Chance oil refinery in place at the date of purchase, the day before yesterday, they would mothball that plant for a period of time. Now would the Premier tell us what period of time we are looking at that they are prepared to mothball that plant? Hibernia will not be available for six or seven years at the best. What period of time is Petro-Canada prepared to mothball that plant for?

MR. SPEAKER: The hon. the Premier.

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PREMIER PECKFORD: Mr. Speaker, we are trying diligently, aggressively, every day to ensure that the Come By Chance oil refinery when it opens, opens -

MR. FLIGHT: You are doing nothing.

PREMIER PECKFORD: - permanently and based upon resources from wherever we can get them. Petro-Canada is now trying to negotiate with Venezuela, with Mexico for a supply of crude and we are not going to open the refinery until we know it is going to be opened and managed for a permanent, long-term

PREMIER PECKFORD: time and not like the Liberal initiative which saw the Come By Chance oil refinery open and then close. When we open things they stay open, and that is the way we are going to do it.

SOME HON. MEMBERS: Oh, oh!

PREMIER PECKFORD: We are doing it on the linerboard mill, Mr. Speaker.

SOME HON. MEMBERS: Oh, oh'

MR. SPEAKER (Simms): Order, please!

PREMIER PECKFORD: That Liberal white elephant had to be transformed by a PC administration into a great paper mill. That is what had to be done, Mr. Speaker, a great, great, paper mill.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: And then, Mr. Speaker, we took the white elephant at Long Harbour -

SOME HON. MEMBERS: Oh, oh'

MR. SPEAKER: Order, please!

PREMIER PECKFORD: - we took the white elephant at Long Harbour and saved the consumers of electricity in this Province and the taxpayers \$147 million.

SOME HON. MEMBERS: Hear, hear!

MR. LUSH: What a bluff and a lie.

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

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The hon. Minister of Rural, Agricultural and Northern Development.

MR. GOUDIE: Mr. Speaker, I want to present four reports, Auditor General's report.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. GOUDIE: The Newfoundland and Labrador Crop Insurance Agency Reports for 1979 and 1980, and the

MR. GOUDIE: Livestock Owners Compensation Board Reports for 1979 and 1980.

MR. SPEAKER (Simms): Any further reports?
The hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, at its inaugural meeting, the recently reconstituted Committee on Privileges and Elections elected myself as Chairman and the hon. member for LaPoile (Mr. Neary) as Vice-Chairman. As Chairman therefore I now want to table a report from the Committee, to which there was unanimous agreement by all members of the Committee, concerning the matter recently referred on the point of privilege raised by the hon. member for Port Au Port (Mr. Hodder) concerning the suspension of the hon. member for Carbonear (Mr. Moores).

MR. SPEAKER: Any further reports?

ANSWERS TO QUESTIONS FOR WHICH NOTICE HAS BEEN GIVEN

MR. SPEAKER: The hon. Minister of Fisheries.

MR. MORGAN: Mr. Speaker, last week the hon. gentleman from Grand Bank (Mr. Thoms) - he is not in his seat this morning - asked questions pertaining to four companies that were buying fish from fishermen along the Burin Peninsula and refused to supply unemployment insurance credits to these fishermen. As a result of the action taken by the Department of Fisheries provincially by means of threatening the companies to take away their licences if they did not comply with the regulations of granting unemployment insurance credits, I am now pleased to inform the House, and the hon. gentleman who is not in his seat right now, that as a result of our actions the four companies concerned from St. Pierre and Miquelon have now agreed, are now in the process of arranging unemployment insurance credits to the fishermen concerned.

SOME HON. MEMBERS: Hear, hear!

ORDERS OF THE DAY

MR. MARSHALL:

Order 31 Bill No. 74.

Motion, second reading of a bill,
"An Act To Amend The Newfoundland And Labrador Hydro Act,
1975." (Bill No. 74)

MR. SPEAKER (Simms):

Debate was adjourned yesterday
by the hon. Leader of the Opposition who had spoken for
about three minutes.

The hon. Leader of the Opposition.

MR. STIRLING:

Thank you, Mr. Speaker. This
bill, and the confusion

MR. STIRLING:

caused by this bill yesterday, is an indication of the inability of this government to manage. And I would like to clarify a point that was made yesterday, and it is a very important point, and that is that the minister introducing this bill, and it should have been introduced by the Minister of Mines and Energy (Mr. Barry), and it should have been introduced much earlier in the session, Mr. Speaker, the minister introducing the bill, the President of the Council (Mr. Marshall), assured us that we were talking about granting an increase of something like \$50 million, \$50 million of an increase to Newfoundland and Labrador Hydro. Last night he corrected to say it really is \$250 million instead of \$50 million. An increase of \$250 million instead of \$50 million, he corrected it last night.

Now, Mr. Speaker, that indicates - I do not know if anyone is listening, I do not know if anyone cares, I do not know, late in the Summer, now that Question Period is over whether or not everybody has gone off to get the interviews for the Ministerial Statements, I do not know what is happening in the corridors - but, Mr. Speaker, what I am saying is that this government does not know, they really do not know what is happening with Newfoundland and Labrador Hydro. They just do not have a clue.

The President of the Council, in putting through this bill yesterday, did not know whether we were talking about \$50 million or \$250 million, additional carte blanche that he was giving.

Now, Mr. Speaker, municipalities all over this Province applied for little bits and pieces of water and sewer projects, little bits and pieces of giving people a decent quality of water,

MR. STIRLING: decent living conditions, and they were told by this government that we cannot find a way to raise the money, we cannot use any more of our credit, we will only allow you to use \$37 million of our credit. And, Mr. Speaker, this morning, not yesterday but this morning, they have now changed from granting Newfoundland and Labrador Hydro an additional \$50 million of that credit to going to \$250 million of that credit. Mr. Speaker, \$250 million of additional credit has been taken out of this House of Assembly, has been taken away from the Cabinet and given to Newfoundland and Labrador Hydro: Because it has to be guaranteed by the Province. And they are so badly informed, Mr. Speaker, that the Acting Premier here yesterday, and the acting Minister of Mines and Energy (Mr. Marshall) assured me, when I spoke in the few minutes of that debate, that we were only talking about a \$50 million increase.

Now, does anybody in the Province care? Have we gotten so used to \$10 million, \$1 million, \$500 million, have we gotten so used to those figures that nobody cares that the President of the Council (Mr. Marshall) was so badly prepared in introducing this legislation that he let go intentionally until the end of the session - we are well past the period when the House would normally

MR. STIRLING: have adjourned because we expected, Mr. Speaker, that the legislation would be approached in a reasonable and rational manner - and we were assured, oh no, that is just a normal increase, \$200 million to \$250 million, only to come last night and say, 'Oh no, listen, I do not want to misinform you. That really is \$250 million. And I do not want you to have the wrong impression. I want to be fair, that the information that was given to me as I prepared it, I really did have that impression and I checked it afterwards but no, your critic was right, it is \$250 million'. Mr. Speaker -

MR. CARTER: What time (inaudible)?

MR. STIRLING: I have fifty-seven minutes or something like that. You have got the patience to wait, we are going to be here for another month or so. I have another appointment. You see, Mr. Speaker, I thought that in the spirit of co-operation that we were going to put through some essential bills this morning, that we were going to get away from the ministerial garbage and that the House would likely close in the next couple of days. But now, Mr. Speaker, it is obvious that this government has absolutely no control over the ministers and so I have to send my apologies to the Masons who have invited me to an opening this morning, and I intended to attend but it is obvious now I cannot attend because we have to deal with this major discrepancy and that I will have to be dealing with this because it is the only opportunity in the debate. So I have to write a note to tell my secretary to apologize to the Masons that I will not be able to attend the opening of their project.

DR. COLLINS: Were you invited to attend?

MR. STIRLING: Yes, I was.

DR. COLLINS: (Inaudible).

MR. STIRLING: No, not like the usual situation. What is that? The Minister of Finance (Dr. Collins), if he had any control over it nobody from this side would ever be invited to anything

MR. STIRLING: because in his thinking he is part of that split in the Cabinet, the Cabinet that is so split down the middle between the arch right wing Conservative and the reform Liberals that strayed into the P.C. Party at a time when the opportunity was ripe for them. So, Mr. Speaker, let us get back to the bill.

MR. MARSHALL: Reform Liberals is a contradiction in terms. At the present time I am calling household bills and (inaudible).

MR. STIRLING: No, Mr. Speaker, we have lots of time. We have accepted the challenge of the government, the government that really does not care what happens to the business of this House or the business of this Province. Mr. Speaker, this bill, the Newfoundland and Labrador Hydro Act, was being slipped in with a lot of other household bills, a lot of other items that were just going through in a routine manner, little bits and pieces of fixing up legislation, like the government increasing fees for certain things here from two dollars to five dollars, been collecting it for two years illegally because this government did not realize that they do have to come to the House of Assembly. And, Mr. Speaker, the most important control that this House of Assembly has on the

MR. STIRLING:

government is the control of money. It is so important that only the government can introduce a money bill. It is so important that a private member cannot introduce a money bill. It is so important that an Opposition member cannot introduce a money bill. It is so important, Mr. Speaker, that only the government can introduce a money bill. And this government introduced a money bill in which they made an error, a slight error, mind you, an error of \$200 million. They are giving Newfoundland and Labrador Hydro, giving Newfoundland and Labrador Hydro the power to borrow \$250 million in addition to the \$200 million they now have, \$450 million. Now, what is the total that we are going to borrow for the Province this year?

In order for the government to get the right to spend that, borrow that \$200 million, it must come here to the House of Assembly, must prepare a budget, we debate it for seventy-five hours, the combination of the Budget and the expenditures, the estimates. We debate the government's own bill, own request for \$200 million, we debate that. It has to come before the House of Assembly, and we are giving a carte blanche, carte blanche to the Newfoundland and Labrador Hydro, say to Newfoundland and Labrador Hydro, 'You go ahead and you can borrow \$250 million.' In addition, \$250 million. Take it out of the hands of the House of Assembly. Take it out of the hands of the House of Assembly altogether. We have to expect that the government brings into this House, and the minister, the President of the Council (W. Marshall), the man who introduced it - of all the people in the world - he must be embarrassed to tears that he made a colossal boo-boo of \$200 million and gave me the information in good faith yesterday. It must be embarrassing to tears for that man who in 1974, 1975 disassociated himself from the

MR. STIRLING: government that had in it his colleague, twelve of his present colleagues headed up by Premier Moores, had then the Minister Peckford, he was in that government, he disassociated himself from a government that did not have tight control on its expenditures. At that time he was talking in terms of how the Province was near bankruptcy and how this authority should not be given to the Cabinet, and how the House of Assembly should be the only one that had the authority to give the kind of spending estimates.

Now, Mr. Speaker, Newfoundland and Labrador Hydro have been given a mandate by this Province and they have some very competent people. I am not criticizing the competency or the planning of Newfoundland and Labrador Hydro. What I am talking about here is a question of principle, and the principle is do we trust Newfoundland and Labrador Hydro to give them the authority to do things that we will not trust the government or the Cabinet to do? We require the government and the Cabinet to come into this House and to get approval and to debate.

Mr. Speaker, we are creating monsters that we are setting off by themselves. The oil directorate, the Petroleum Directorate and our own version of Petro-Canada that we are creating, giving them spending authority, allowing them to go and do their own thing, because they do not have

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MR. STIRLING: to face the House of Assembly, the spending of the people's money, this government - and I cannot believe that the President of the Council (Mr. Marshall) who will get up and say, 'Of course, This is just routine, Mr. Speaker. We have that money already committed, it is already spent. Money is going to be spent on the Upper Salmon, it is going to be spent on transmission, it is going to be spent on Cat Arm. It is already spent. That is the money that Newfoundland and Labrador Hydro has already had the authority to go ahead and spend and we are just going through a routine, and the routine, whether it is \$50 million or \$250 million, what difference does it make?' No doubt the President of the Council is going to become very well informed.

Mr. Speaker, I have had to admit to my colleagues surprise that for political reasons, when somebody starts to give an answer from the other side, they act as if they are in a constant political campaign as they see their support slipping away from them. They are frightened that they are going to go back to the days in the wilderness and they are frightened to death. So every day instead of giving the people the full information - the government has a responsibility to give both sides of a situation, to give all of the information, to let the people who are paying the bills, the taxpayers, to let them judge. But this government has gotten into the trap that it is okay to give them the political answer, the political information. Like the Premier who saw nothing wrong with making a statement here in this House of Assembly that said, 'Does the Leader of the Opposition realize that Corner Brook is not a viable municipality?' That is one statement in this House. Then on a tape,

MR. STIRLING: a voice tape which was played in Corner Brook, his voice was heard saying, 'I did not say that Corner Brook was not a viable community.' Well, you see, the President of the Council (Mr. Marshall) seems to have fallen into the trap of thinking that that is okay now. When he disassociated himself from the Premier of the day and his colleagues in Cabinet, including Premier Peckford and twelve of the others who are there now, when he disassociated himself with that and said the Province was on the verge of bankruptcy and that the House of Assembly should never give up that authority, he was then being a man of principle and integrity and he was stating what he could not live with and he was looked upon as an honourable man. Now he seems to be taking the position that as long as you put it into a pure political tone, as long as everyone recognizes it as just pure political nonsense, he can get away with the kind of thing that he did here yesterday in which he brought in, in introducing another bill - because the Minister of Municipal Affairs (Mrs. Newhook), these ministers do not have the courage to face the Opposition in dealing with their own bills. The President of the Council decided that it was alright for him to read that clause and give the credit to the member for Bonavista South (Mr. Morgan) when he knew as a fact that the people of Bonavista themselves at that public meeting, and the colleagues on this side of the House had insisted on it, that in a speech on that bill I had set it out. And the member for Burgeo - Bay d'Espoir (Mr. Andrews) said that he would intervene. He thought it was alright to brush over all of that and call it a great P.C. reform being brought in by the Minister of Fisheries (Mr. Morgan).

He also thought it was alright, no problem, glossing over the fact that the Public Accounts

MR. STIRLING: Committee had found that a member had actually contravened the Public Tendering Act - four from that side, three from this side. And now, Mr. Speaker, this is the same kind of problem that will allow the President of the Council (Mr. Marshall) to say, 'Oh, it is okay to give Newfoundland and Labrador Hydro \$250 million carte blanche.' Now, Mr. Speaker, if they want to raise the financing for the Upper Salmon, they should have to come back through this House of Assembly, because they are using up our credit. This government has got up in this House so many

MR. STIRLING:

times, they have gotten up in this House so many times and said, 'We have limited resources', and they said to the people throughout the Province, they have said to the people in municipalities that no, you cannot have a water and sewer project because we do not have the credit. No, you cannot have a good road because we do not have the credit. You heard my colleague from St. Mary's - The Capes (Mr. Hancock) tell the Minister of Transportation (Mr. Dawe) that they might have to close down a fish plant because the roads were in such a bad state and the Minister of Transportation says, 'I do not have any money. I cannot use up the credit, Mr. Speaker, I cannot use up the credit of the Province'.

And we have had people on Social Services, we have the example, and we have not heard an answer yet from the Minister of Health (Mr. House) and the Minister of Social Services (Mr. Hickey), when we attended a CNIB function.

MR. MARSHALL: Does this relate to the Hydro Bill?

MR. STIRLING: Yes, Mr. Speaker, it relates to the most important aspect of the hydro bill which, if the President of the Council (Mr. Marshall) was not the President of the Council, if he were a backbencher or if he were on this side, either this side or that side, the President of the Council would not allow this bill to go through without making the same points and that is that the - we are talking the credit of the Province, we are talking about tying up an additional \$250 million of the credit of the Province and giving it over to Newfoundland and Labrador Hydro to spend as they will.

MR. HOLLETT: That is right.

MR. STIRLING: Now, Mr. Speaker, let me separate out the two because it has to come from somewhere. Where is the minister going to take the credit of the Province? Because

MR. STIRLING: we were told by the Minister of Municipal Affairs (Mrs. Newhook) that it would take \$90 million of the credit of the Province and it is the same kind of credit. The municipalities wanted to borrow \$90 million in order to put in their water and sewer services, they cut them back to \$33 million, they wanted to borrow more - one hundred-and-something million dollars - they cut them back to \$33 million of loans that would be guaranteed by this Province.

Now, Mr. Speaker, we are using that same credit now for Newfoundland and Labrador Hydro and we are going to put up, turn over, \$250 million to Newfoundland Hydro which they will borrow and which the Province will guarantee. Now, Mr. Speaker, let there be no doubt, I am not criticizing Newfoundland Hydro and their personnel and the competence of their personnel, they may have better personnel and they may have better financial advisors but the truth of the matter is, that we are turning over \$250 million because Hydro is going to need it over the next fifteen or eighteen months and they do not like the idea of having to come here and justify it. And it is passed over.

Mr. Speaker, if that same amount of money could have been given to the people, for example, in Bellevue, and all the districts in Bellevue that are looking for roads and looking for water and sewer, they could have borrowed the money and put it in, put in those benefits the people need.

MR. HISCOCK: Pinsent Arm power, Norman Bay, down the Labrador do not even have (inaudible),

MR. STIRLING: All of Labrador. Mr. Speaker, all of Labrador

MR. STIRLING:

has been totally ignored and if it were not for the federal funds coming into Labrador this Province would write it off completely. None of that money, Mr. Speaker, has been given to Labrador. Mr. Speaker, you can go to the St. Barbe area in Newfoundland, on the Northern Peninsula where, Mr. Speaker, in the district that the member for Baie Verte-White Bay (Mr. Rideout) represents, up in the Roddickton area, have desperate road conditions. He could use some of that credit. Because, Mr. Speaker, those are the things that the money cannot be used for twice. We have been told that we cannot use it. We cannot use that money. And now, Mr. Speaker, yesterday we were told that it was only going to be \$50 million. Today \$250 million.

MR. MARSHALL:

We can explain (inaudible).

MR. FLIGHT:

You will not be explaining it

today, Sir. You will not be explaining it this day.

MR. STIRLING:

When you introduced the bill

was the time to explain it. When you introduced the bill was the time for the minister to explain it or the government to explain it. So, Mr. Speaker, it is the way in which it was done that indicates that this government has no idea of what Newfoundland and Labrador Hydro is doing. They have referred to the Public Utilities Board, Mr. Speaker, the question of setting consumer rates, or the rates for Newfoundland and Labrador Hydro that they sell to a retailer and they in turn sell to the consumer.

Mr. Speaker, there is a great deal of negotiation going on now. If the Premier can eventually put it together with Quebec, there will be the sale of some power to the New England States. Government has abandoned its position of having it all used in Newfoundland and Labrador, abandoned Labrador again. What they are now doing is trying to sell to New England. Well, Mr. Speaker, under the present legislation - and we brought it up in this House at the time that the legislation was being changed - the Public Utilities Board does not have the authority to look into what other income or expenditures that Newfoundland and Labrador Hydro has.

MR. STIRLING:

The Public Utilities Board cannot check into those profits. So, Mr. Speaker, if we made \$100 million on sales to the States, at the present time the Public Utilities Board could not take that into consideration in setting the consumer rates. That is a fact, Mr. Speaker, most people do not realize it.

But here in this bill we are giving \$200 million extra to Newfoundland and Labrador Hydro. Newfoundland and Labrador Hydro owns CFI Co. We are not allowed to find out in this House, they will not even admit in this House what it is that is still outstanding and what the cost to the people of Newfoundland and Labrador is. The Minister of Mines and Energy (Mr. Barry) in his arrogant manner just says, 'Oh, we will find out somewhere else. We will not let you know'. And this is the place, Mr. Speaker, the only place where there can be any control on this kind of thing.

Mr. Speaker, the minister by now should have done his homework. He should have done his homework before he introduced the bill yesterday, a bill in which-up until now

MR. STIRLING: Newfoundland and Labrador Hydro has had \$200 million as their line of credit, if you like, without coming back to the Province. They could borrow up to \$200 million, guaranteed by the Province. Now they are looking for an additional \$250 million and the President of the Council (Mr. Marshall) in introducing it did not even know that is what he was talking about. He thought we were talking about \$50 million.

Mr. Speaker, the other myth that has been going on in this Province, the other thing that comes into the same category as the information given in the House different from the information given in Corner Brook by the Premier, is that for the last six months the Government of Newfoundland and Labrador, the people of Newfoundland and Labrador have been paying the cost of sending out little household mailers talking about a fair deal, getting a transportation corridor across Quebec for our hydro. Mr. Speaker, we brought up in the House that was never, never once the request of either this government in their five year plan or Newfoundland and Labrador Hydro. But it was nice and simple to sell. In the same way as the Premier got himself in trouble out in Calgary for his comments. he got himself in trouble in Corner Brook.

And now, Mr. Speaker, the people of Newfoundland and Labrador are beginning to realize that in the same way as the loss of the denominational education system, the loss of the Labrador boundary, all of those political emotional things, were all done to play on the emotions, pure politics day by day, and that is in the same context as the Trans-Labrador hydro corridor. Now they are saying, Mr. Speaker, well, that is not what we really wanted, no that is not what we wanted, that is not what we really wanted; that is if you listen to the Minister of Mines and Energy (Mr. Barry) one day, and the Premier another

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MR. STIRLING: day. One day they are saying, oh yes we can make long-term sales to the United States, committed long-term sales. When the New England governors are around that is what they are talking about, long-term sales. But privately the Premier writes a letter in which he talks in terms of not wanting to see long-term alienation of our hydro sale. That is what he privately writes. Publicly when he is talking to the governors, it is long-term sales. Publicly, in Newfoundland, he is talking in terms of okay. in Newfoundland we are going to develop Newfoundland industry, we are going to develop Labrador industry. That is what he is saying one day in the House, the next day in the House he is saying we have a letter of intent to sell to New York. One day in the House the President of the Council (Mr. Marshall) is saying, we want authority for \$50 million. The next day he is saying, oh, I am sorry, that was a mistake, \$250 million. Just a little mistake, \$250 million. That is the inconsistency, Mr. Speaker.

We have the government of a province which goes every day for the pure politics of it- like they thought that in Corner Brook, Mr. Speaker, the people in Corner Brook would be the only ones to hear the message that they put on a tape and sent out denying something which the Premier had said here in the House of Assembly, thought they would get away with it out there, pure politics, Mr. Speaker. But the people are beginning to question.

They get up in the House of Assembly and talk about we are not going to overheat the economy. People all over the Province on the verge of bankruptcy, and he is talking about oh we are not overheating the economy. Mr. Speaker, there is no question,

MR. STIRLING: there is no question they are not going to overheat the economy, the economy here is in such a deep freeze that you would need a blow torch to overheat the economy, to get it up to zero.

MR. FLIGHT: The economy of Buchans Junction is not being overheated by offshore.

MR. STIRLING: Mr. Speaker, the Minister of Finance (Dr. Collins) is so delighted to say that this year our Gross National Product is going up because last year it was down 5 per cent.

DR. COLLINS: Gross Provincial Product.

MR. STIRLING: Gross Provincial Product, yes. The Gross Provincial Product may be up, but, Mr. Speaker, he is not talking about the loss of 5 per cent last year that you have to try to catch up to. And he is still in the never, never land that the Province is in, Mr. Speaker.

The Premier gets up this morning and makes a great speech, excellent speech, about equality of rights, developing our resources, our heritage. Now, Mr. Speaker, if we had not heard the same thing for two years we would begin to think, by God, that guy has something to offer. Well, Mr. Speaker, where is it? Where are all those jobs? Where is all the development? Where is it going to come from?

And then we are left in a position on this Hydro Bill where we are asking the Government of this Province to give \$200 million of our credit, carte blanche, over to Newfoundland and Labrador Hydro and they can go ahead and spend it.

MR. NEARY: How much, \$450 million or \$200 million?

MR. STIRLING: They had \$200 million and they have that spent.

MR. NEARY: Now they are going to give them \$200 million more.

MR. STIRLING: Now they are going to give them \$250 million more.

MR. NEARY: That is \$450 million.

MR. STIRLING: And it may all be justified.

MR. FLIGHT: They will want \$300 million next year for Cat Arm.

MR. STIRLING: But it may all be justified, Mr. Speaker. There is no question all of that money may be justified. But the principle that we are talking about, and which the President of the Council (Mr. Marshall) used to be so concerned about, was taking the authority out of this House of Assembly. Because if we give it to Newfoundland and Labrador Hydro, if we give the authority to Newfoundland and Labrador Hydro, and we give the credit, who is going to have to pay for it? The person who is going to have to pay for it is the same person who has always had to pay for it in Newfoundland and Labrador, the poor, the working citizen, the borderline guy who pays for everything. Because he will not get it for his water and sewer services, he will not get it for his roads, he will not get it for the fish plant connections, he will not get it for the road construction because the credit of the Province is now up to its limit. And the President of the Council is still going on predicting, based on the situation as if it had not changed.

Mr. Speaker, we could be, right now, on the verge of the worst fishery that we have ever had in the Province. Right now, from the reports from all over the Province, it looks like the inshore fishery could be a failure this year. But the President

MR. STIRLING: of the Council goes on with his projections, the same as he ignored the fact that the fishermen were on strike two years ago, and at the end of the period he said, 'Oh, yes, we were out because that strike that was ongoing, that we could have predicted, yes, that really happened, and, oh, yes,

MR. STIRLING:

we are out in our projections.

Mr. Speaker, the biggest problem that we have in this Province, that people are beginning to realize, is that it is not the intent that is wrong with this government, this government has a good intent. They intend to do things for the benefit of Newfoundland and Labrador. They cannot help it, Mr. Speaker, if they do not know what to do with it. They know they want the power. They really do want the power. They want the power, for example, over the offshore. They want the power over the forests. They want the power over the spruce budworm thing. You saw what happened out in Gander. They have given all of their authority over to the contractor who was doing the spray programme. He lost a plane load of spray and there is nobody on board, they do not intend to put anybody on board, who works for the government or who can tell them anything about it. And that is the kind of control they are exercising.

They do not know what to do with the power when they get it. That is the problem, Mr. Speaker. It is that this government just does not know how to manage. They cannot manage the House of Assembly. They cannot manage the economy and they cannot manage the hydro. Because, Mr. Speaker, as was very well said yesterday by the Minister of Development, we do not make deals. There could not be anything truer said by a minister than the Minister of Development (N.Windsor) said yesterday. 'We do not make deals', because in order to make a deal, Mr. Speaker, there has to be some kind of an agreement.

The governor that was visiting at the Governors Conference, tried to tell the Province, tried to tell the Premier in the most polite way possible that the greatest asset that the governors and the Premiers might have would

MR. STIRLING: be their ability to work together and to make agreements together. And he was very sorry that the Premier of Quebec was not there.

Mr. Speaker, this government has a great failing in that they do not look beyond the next curve. They do not look beyond what can be happening as a result of their immediate actions. And let us talk about the transportation of hydro across Quebec. The government's approach has been to say to the Federal Government, force Quebec to give us a corridor. Now that they have that corridor, they say, well, that is not really what we wanted. We really wanted the Federal Government to force Quebec to use their grid system.

Now, Mr. Speaker, some of the facts of life that all of us in Canada had better recognize, and certainly all of us in the Province of Newfoundland had better recognize, and moreso than anybody else this government had better recognize, is that for whatever reason, the people of Quebec elected a separatist government, they elected a separatist government. And the Minister of Fisheries (J.Morgan) one day, said, well I believe that they are away from that, until my colleague here from Windsor-Buchans (G.Flight) read him an article out of a paper that indicated that in their first meeting they reaffirmed their need to separate.

Mr. Speaker, I was fortunate enough to be a host for a group of fifty young students from Quebec who are presently visiting Newfoundland. They are learning to speak English, a group of very intelligent, articulate, with some difficulties with the language, but articulate in that their ideas they are putting together, they make their points very well. Mr. Speaker, those young people from Quebec are totally committed to separatism. They are totally committed to

MR. STIRLING:

having Labrador separate from Canada and if they are indicative of the thinking in Quebec amongst the young people, we had better face up to the fact that a separate Quebec will be a real possibility within the next ten to twenty years, a very real possibility within the lifetime of all of these projects that we are talking about, Mr. Speaker. We are talking about a five to six year construction phase. With the way that this government has delayed things, it may be ten years. We had better be prepared in this Province for the fact that we may be dealing with a separate Quebec with the transmission of hydro across Quebec. Now, Mr. Speaker, you tell me what authority a federal government is going to have or a national energy board is going to have over a power corridor in a separate Quebec. And, Mr. Speaker, you are going to have to accept the fact that that is a real possibility, in arranging the financing for this project. So, Mr. Speaker, we have a choice. And I have urged this government before and would urge Newfoundland and Labrador Hydro, to seriously consider the choice of having a Labrador to Newfoundland to the Atlantic Provinces route. It used to be called the Anglo Saxon route and in these days it is now called the Cabot route. But, Mr. Speaker, if we do not have that alternative, this short-term, stubborn-thinking government may be cursed ten times more than any administration ever was about a long-term contract, if they lock themselves into something in which they have to pass through a separate Quebec.

Mr. Speaker, force is not going to work, force has never worked long-term successfully anywhere, it is foreign to our nature. A firm position, yes, a firm stand, yes, but force, no. And force is not going to work. Force is not working in Northern Ireland. They tried force and you see the result of force. You try to force these young

MR. STIRLING: people who are trying to learn safety programmes in the Motor Cycle Safety Council, you force them off the Confederation Building parking lot which is there and they should use it

MR. NEARY: It is theirs.

MR. STIRLING: It is theirs. It is their inheritance. You force them away from doing something in a responsible manner and that frustration will finally come out somewhere else. It has to come out, Mr. Speaker, because sooner or later right will win out. You cannot force that kind of thing. Mr. Speaker, one of the real problems in dealing with this government -

MR. MARSHALL: (inaudible)

MR. STIRLING: Would you like it in a lower tone? Would you like it in a lower tone? Does it sound much better?

MR. MARSHALL: Yes, much better.

MR. STIRLING: You would then start doing your homework. You would then not bring in ill-prepared legislation. You would then start telling the people the whole story. You would then give them other than the political story. You would start telling them what they really should be told and that you do not have the nerve to tell them.

MR. MARSHALL: (Inaudible)

MR. STIRLING: I see. There is only one way that the member would be completely happy,

MR. STIRLING: and everybody knows there is only one way he would be completely happy, and that is because he is still back in the 1940s. He would like to go back to 1934 as it was prior to Commission of Government, because the member's heart and soul is in his fierce loyalty to an independent merchant class.

AN HON. MEMBER: That is not very relevant.

MR. SPEAKER (Baird): Order, please!

MR. WARREN: It is very relevant to the problem.

MR. STIRLING: What is the problem, Mr. Speaker?

MR. SPEAKER: I think we are straying from the bill at hand.

MR. STIRLING: Mr. Speaker, I recognize that the Speaker would like to get this dealt with very strictly, tightly, based on the bill, but they gave all that up this morning, Mr. Speaker. The government showed how they can - they have no sensitivity to anything, anywhere, and they showed that this morning with their lack of sensitivity in bringing in those garbage Ministerial Statements at a day when their House Leader was attempting to close the House. They showed it in their lack of sensitivity by doing -

DR. COLLINS: (Inaudible).

MR. STIRLING: Okay.

MR. NEARY: 'Leo' will have a few words for you when he gets back.

MR. STIRLING: The Minister of Finance, (Dr. Collins) I know, will not miss the opportunity to get involved in this.

MR. NEARY: If he had his way there would be no House of Assembly at all, you would shut her down and let him run the show.

MR. STIRLING: As a matter of fact, Mr. Speaker, I think that the member for LaPoile (Mr. Neary) has put his finger on what is the real problem in this bill.

MR. NEARY: I have put my whole hand on it, not my finger.

MR. STIRLING: Maybe his foot on it. The whole problem, Mr. Speaker, is that this government would like not to have to come to the House of Assembly for anything, because it is embarrassing to members on their own side that they have to bring in and look for the authority of this House of Assembly in dealing with money matters. Well, Mr. Speaker, that is the very reason for the long years of tradition that the government cannot spend money without coming to this House of Assembly. And what they are doing in this bill is they are trying to do by an indirect means what they cannot do by a direct means; they are trying to take the authority from this House of Assembly and give it to Newfoundland and Labrador Hydro.

Mr. Speaker, Newfoundland and Labrador Hydro is growing so big and taking on such importance that it may become a complete entity unto itself. I am sure it resents having to come to this House of Assembly and go through this routine. They do not have to appear anymore in any of the estimates, they do not have to justify anything. And they would like to have - as a matter of fact, this year if this bill is passed, we will have given them the authority to spend more money than we have given the Government of the Province. We have given the authority to the Province to borrow \$200-and-something million after long debate and producing a budget, and that we are doing here in this debate this morning. The minister

MR. STIRLING: attempted to slip through in the last minutes of this session a bill which may be totally justified but it is the problem of their having lost touch, not having it under control, not knowing whether it was \$50 million or \$250 million. That is the problem, Mr. Speaker, that is part of the basic problem in dealing with this government.

MR. MARSHALL: (Inaudible).

MR. STIRLING: Do not get hung up on what?

MR. MARSHALL: (Inaudible).

MR. STIRLING: I understand that the President of the Council (Mr. Marshall) is embarrassed. He would like to pass it off and say, 'Do not get hung up on that.'

MR. STIRLING: We thought that we had a few more routine bills to deal with and then that the rest of the bills would be carried over to a Fall session and that we were nearing the close of the House that obviously is not the case. Ministers came in with nonsensical statements this morning wasting the time of the House, we have a new Lieutenant-Governor being sworn in this afternoon, so it is business as usual next week.

So, Mr. Speaker, in the few minutes that I have left let me sum up what the objections are that I have to this bill. First of all, I think it indicates the whole lack of management ability and lack of know-how of this Province, of this government, of this PC government, to manage the affairs of this Province. It indicates that they are running things so loosely that they did not know that this bill was a request for \$250 million instead of \$50 million, yesterday.

Now we have a situation in which the credit of the Province is being used for priorities that are not the priorities of the people of the Province.

MR. TULK: Shocking, shocking affair.

MR. STIRLING: We are proceeding with Newfoundland and Labrador Hydro on a collision course with Quebec, a collision course that can only result in costly delays and may be setting ourselves up for a situation which we will be very sorry for ten or twenty years down the road.

Mr. Speaker, we have to develop Newfoundland and Labrador Hydro, the only place that they can expand from this \$250 million is with the Lower Churchill Development Corporation. As a matter of fact, if this government had been on the ball and used the credit that has been offered to them by the Government of Canada, they could have had the Lower Churchill developed, they could have established markets from around the world, we would not be

MR. STIRLING: at the stage of talking about one alumimun smelter plant doing a feasibility study after they have been in power ten years. We would be having a petro-chemical industry going with Come By Chance. Well, this government does not think big enough, they want all the power and once they get the power they do not know what to do with it. They are like a dog chasing a car once ne catches it, what is he going to do with it? The government is the same way.

MR. TULK: They are trying to eat the car.

MR. STIRLING: They do not know what to do with it once they get it.

MR. NEARY: My little Chihuahua caught a Volkswagen and took it out and buried it.

SOME HON. MEMBERS: Oh, oh!

MR. TULK: The same thing.

MR. STIRLING: Mr. Speaker, this government has mismanaged this House. We have legislation that has been carried over - should have been brought in two years ago that was not brought in. On the Order Paper at the present time, Mr. Speaker, we still have Bill No. 42, the Urban and Rural Planning Act, which still has not been printed. Mr. Speaker, it may be that they did not have the nerve to take away the Crown lands from the city of St. John's and then bring them under the Urban and Rural Planning Act. They did not have the nerve to do it this time.

Mr. Speaker, we are now down to the point where they were slipping through a bill which looked liked sort of a routine increase, increasing by \$200 million, \$225 million. They did not know that

MR. STIRLING:

they were giving away \$200 million additional credit to Newfoundland and Labrador Hydro. And it is the principle that—I believe Newfoundland and Labrador Hydro, for their capital expenditures, should have to do what the Province does, and that is come to this House of Assembly for approval by project, and this would get the control back in the House of Assembly, Mr. Speaker.

This government has moved to take away the authority of the municipalities, this government has moved to give more and more authority to the ministers, this government has moved to have the House of Assembly something which they would only have to open to put through some routine legislation and would not have to answer to. That is the whole theory, the whole approach that the government is using. They are, based on the fact that starting with the number one man he has to be boss -

MR. NEARY:

Now they will accuse you of filibustering. I will bet you you will hear the President of the Council (Mr. Marshall) this evening on radio and television saying you are filibustering. Just watch! And nobody will believe a word he says. Everytime he shows his face on television we get more votes. He is the best man we got. I wish we could get him on television more often.

MR. FLIGHT:

I wish we could get him out to rural Newfoundland for awhile.

MR. TULK:

And let him have a look.

MR. SPEAKER (Baird):

Order, please!

MR. NEARY:

If we could only take him out of the St. John's cocktail set for a little while and get him out in the rural parts of the Province.

MR. STIRLING:

I think all those asides were very good, Mr. Speaker. I am sure if the Speaker were not in the Speaker's Chair, he could throw in a

MR. STIRLING: few of his own.

SOME HON. MEMBERS: Hear, hear!

MR. STIRLING: As a matter of fact -

MR. NEARY: Who is telling who what to do over there? Is he telling the Premier what to do or is the Premier telling him what to do?

MR. STIRLING: No, Mr. Speaker, part of the problem that this government has is they -

MR. FLIGHT: There goes the Minister of Education (Ms. Verge).

MR. STIRLING: She has to catch her one o'clock flight.

MR. TULK: Catch the plane now, she is going to catch the plane to go to Corner Brook.

MR. HOLLETT: No, they have the government aircraft warmed up now.

MR. STIRLING: I should read for the Minister of Education a headline coming out of the Corner Brook papers. I wonder if the Minister of Education would say that that also is a distortion?

MR. NEARY: She is going to have a bad weekend. When the town council gets a hold of her she will have a bad weekend.

MR. TULK: She has had a bad two years.

MR. STIRLING: Mr. Speaker, I think that the way this government is handling this bill is indicative of what people are beginning to be suspicious of all around the Province, in that nobody knows who is really running it. The Premier is very concerned that he is, and then the government ministers all want to give the impression they are. I wonder why it is that on a day when we are giving \$200 million spending authority to Newfoundland and Labrador Hydro, that the minister responsible is not here? Do they think that this is just going to be a routine matter?

DR. COLLINS: (Inaudible).

MR. STIRLING: The Minister of Finance (Dr. Collins) obviously has some kind of wish. When he was a baby he must have banged his head against the wall to enjoy the relief when it stopped. Because when he asks for the return of the Finance critic, he is asking for himself to come and get set up again. Because every time that he tangles with the member who is the critic on Finance, he comes off not second best - but he can only be a guy who likes to be whipped to pick a fight with - and that applies, I guess, to all of us. Anybody who picks a fight with the expert who is the critic on Finance, he must enjoy being punished. And he is now being coached by the wit from St. John's North (Mr. Carter) so maybe I will pause to hear -

DR. COLLINS: No, we are just trying to get some sense into the debate.

MR. STIRLING: Get some sense into the debate? Oh, I see. Well, the Minister of Finance would have

MR. STIRLING: appreciated a little story that was told by a minister of the cloth at a gathering of a group of visitors and he told it about the Minister of Finance (Dr. Collins). But I do not know if I have the time to tell it and I -

DR. COLLINS: I think it would be as germane as your other remarks so why do you not tell it.

MR. STIRLING: By leave?
Would the Minister of Finance like little one?

SOME HON. MEMBERS: By leave.

MR. STIRLING: According to this minister of the cloth he said that the minister in searching -

DR. COLLINS: This is the best point you are making in your whole speech.

MR. STIRLING: Okay, thank you very much.
At least we have gotten through to you. He said apparently, that the Minister of Finance in going around all over the place - this was told by a minister of the cloth so I think it is all right - going around to Alberta, he got all the money he could out of Alberta and somebody gave him an idea and he apparently met with a visitor from God who was here on earth and said to him -

MR. FLIGHT: I have been here.

MR. STIRLING: No, no.

SOME HON. MEMBERS: Oh, oh!

AN HON. MEMBER: His name was Peckford.

MR. STIRLING: No.

DR. COLLINS: Do not spoil the story. He is easily distracted, so do not spoil it.

MR. STIRLING: He said to him, is it true that in heaven a cent of money in heaven is worth a million dollars of money here on earth?

DR. COLLINS: Did you say cent or incense?

MR. STIRLING: Cent. One cent. You were talking about sense a minute ago. And the visitor from God said, yes he said, it is true, just like a minute of time -

MR. MARSHALL: I have lost the point now.

MR. STIRLING: Well, I know because anything longer than about thirty seconds is about half the member's time span. And he said, yes, just as a minute of time in heaven is worth a million years on earth. So, according to the minister of the cloth -

DR. COLLINS: Oh, I think I heard this one. You need not go further. I think I heard it.

MR. STIRLING: Okay. That is good. We will save it.

MR. NEARY: No, give us the punch line (inaudible).

MR. STIRLING: No, no. He heard it. Let us forget that.

MR. NEARY: No, give us the punch line.

MR. MARSHALL: Leave is withdrawn now, Mr. Speaker.

MR. SPEAKER (Baird): I understand that leave has been withdrawn.

MR. BENNETT: Mr. Speaker.

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

MR. BENNETT: Mr. Speaker, I think it was only yesterday I heard some hon. minister suggest that it takes two to tangle. Now, it seems to me, with the legislation that is still before the House of Assembly and with the garbage Ministerial Statements that are coming into the House of Assembly, that most certainly proof of the pudding is in the eating and it takes two to tangle. Now the only thing that I

MR. BENNETT: want to inform the hon. House is that I want to go home for Christmas. I want to go home for the Christmas holidays and apart from that there is no way that the government, the ministers, the House of Assembly -there is no way, Mr. Speaker, that these bills can go through this House of Assembly without comment.

MR. NEARY: Boy, they are very determined on this side, they are very determined.

MR. BENNETT: In the beginning we saw a lot of, in my opinion, insignificant bills that were not of such a valuable nature as this particular one here before us now, Bill 74, giving Newfoundland and Labrador Hydro authority to use up \$250 million of our Province's credit. I am of the opinion, Mr. Speaker, that the government had hoped that we would not debate this bill and that we would not debate many others of similar nature. I would stay and debate this bill, Mr. Speaker, as long as anybody else stood on the floor of the House of Assembly I would stay and debate this bill in the House of Assembly. I think it needs to be aired to the public and, if we continue to talk about it, undoubtedly it will get to the people of the Province.

The reason, Mr. Speaker, that I want it to get to the people of the Province is because the people are being denied so many other services while money or our guarantees are going for development in other fields. When people elect a government -when you are establishing any type of business you choose, you select, you employ a manager. Running a country is a similar vein, is a similar approach. You employ a manager to run your affairs. The people employed government to run their affairs. Government is supposed to be management of this Province, are supposed to be the managers. In the last ten years we have seen our provincial debt escalate. It is nearly \$6,000 per capita, for every man, woman and child. It has gone past the \$3 billion mark. And now we are adding

MR. BENNETT: to that obligation another \$250 million. We endorse a note, this government endorses a note on behalf of the people of this Province, their business guarantee, while they have plunged this Province into eternal debt. I am in the middle of reading a book that was written revolving around the depression years, the dirty thirties so-called. This government, Mr. Speaker, continually flogs Ottawa but if one were to read that book that I am in the middle of reading at the moment, you would understand, I am beginning myself to understand, how fortunate we are to have a stable country like Canada that can come to the rescue and that can help us and can come up with ideas.

MR. BENNETT: in their administration to stave off spiralling inflation, spiralling inflation that the people who live in Newfoundland have to suffer, they find it very difficult to bear up under.

I would suggest that all hon. persons in the House of Assembly, Mr. Speaker, should read and try to relate these times today with the times that were experienced that I very vaguely remember but some hon. gentlemen do remember, the dirty '30s.

SOME HON. MEMBERS: Hear, hear!

MR. CARTER: Partially caused by Liberal antecedents.

MR. NEARY: And you will remember that the Tory times are hard times.

MR. BENNETT: Tory times are hard times, I have heard it ever since I have been big enough to hear it.

MR. CARTER: Let us hear it for Squires.

MR. BENNETT: There is a difference, Mr. Speaker, when one handles money, there is a difference. There are two ways to look at the handling of money, you spend it or you invest it. Now I am not denying that investing in Newfoundland Hydro is not a good investment, but it is certainly, Mr. Speaker, a long-term investment. I am of the opinion, and I think most people will agree, that we have a lot of resource that could be of a short-term nature that we could invest \$250 million in.

I represent a district that must surely be among the most highest unemployed in the Province and probably among the highest unemployed in Canada.

MR. LUSH: What? Probably?

MR. BENNETT: Yes, the district I represent. In the center of the district we have a fishing development, Fishery Products in Port de Choix, and a few years ago that little community was among the highest per capita income in Canada, right in the center of my district. Still, when you take the rest of that district the average gives you a

MR. BENNETT: high unemployment figure for that district. Government does not seem to be able to get a handle on that type of investment. If only some of these \$250 million guarantees could be going into the development of fishery onshore. Everytime we speak about the development of the fishery Mr. Speaker, the government comes back and they flog the federal authorities. They yell, 'We are held up on the offshore licencing. Go and talk to your buddies in Ottawa', they say. They do not have the time to talk about the things that are within their own capabilities to handle. They do not have time to talk about the things that they are responsible for, that could create jobs for people in the Province. Yesterday morning - I would suggest that probably I get as many telephone calls from my district as any member in the House of Assembly. Yesterday morning the first four calls I had from my district were from young people looking for employment, and not necessarily only young people, having called from my district very early in the morning wondering where they can go in Canada to get employment knowing full well they cannot get it

MR. BENNETT: in Newfoundland. As a result, I asked for the statistics, I did ask for the employment statistics on employment in Canada and, of course, again we find Newfoundland has the highest unemployment figures for Canada.

I would like to suggest that we most certainly have more resource to be developed. We have ample timber that we should be spending some of our \$250 million globs of money to develop, let our sawmills get to work and let our pulp industry develop, let our lands get to be developed. All of this is denied our people. They are not allowed to go and develop any of these things, but still we are allowed to put \$250 million - an extra \$250 million into Newfoundland Hydro's hands for them to do with and spend just how they see fit. Undoubtedly, Mr. Speaker, Newfoundland Hydro has the expertise to handle this funding probably better than the government does. I can understand now why Newfoundland Hydro, of course, have the expertise in place that can justify advancing that kind of money from creditors, but it is unfortunate that government are, in my opinion, so incapable of handling such funds, it is so unfortunate that government, the people of the Province have to endorse the note; \$250 million extra on top of \$200 million that has already been guaranteed, and still communities in rural Newfoundland are still not able to have a decent electric service to their communities. And I am thinking of the small community of Barr'd Harbour where out of seven families who live there, five of these gentlemen served overseas. Five of these gentlemen who live in Barr'd Harbour served in the armed forces during the Second World War. They came back and have been tax contributors to the government and voters and good living people, and still this Province does not see fit to provide them with the

MR. BENNETT: amenities of life such as a decent hydro system. They are still down there with an old broken-down diesel engine that they have to maintain and upkeep themselves and provide fuel for, and they just cannot afford to run it any more than five hours a day; consequently, they cannot have the services of deep freezes, electric stoves, electric heat. These people cannot have this service, still they were prepared to lay down their lives for this country, this Province, these people, this government. They served years in the navy and the army and still this government cannot find a meagre few dollars to give these people the services they so

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MR. BENNETT: how old I am. I was born in 1926 if that is any consolation. I said earlier in a speech in the House of Assembly that I am certainly not a senior member in the House of Assembly but I am among the senior members when it comes to being a resident of the Province and knowing conditions as they have existed and how they presently exist and remembering and having read an awful lot about administrations and governments down through the years, and the things

MR. BENNETT: that were done and things that were not done. And in my opinion, Mr. Speaker, when we look at the things that are not being done, we have a government in place now that is doing absolutely nothing. It is building up a big provincial debt that is going to have to be carried down to the next generation. The faster we can get an administration in place that can get some employment in the communities, in Newfoundland - we have a daydream that we are going to become rich with offshore oil and while we wait, while the grass is growing, Mr. Speaker, people all around Newfoundland are mighty hungry. I will agree that we have to have development, we have got to have hydro but, Mr. Speaker, we cannot go hungry in the interim. In the meantime, we do not need to starve ourselves to death, starve people around this Province while this government obligates itself to paying of exorbitant hundreds of millions of dollars in obligations and bank notes.

MR. MARSHALL: You are going to vote against (inaudible)

MR. BENNETT: It really does not matter if I vote against it or if I vote for it, it will go through because you do have the numbers on your side.

MR. MARSHALL: Are you going to vote against this and (inaudible) the hon. gentleman's district.

MR. BENNETT: I will decide that when the time comes. I may vote for it. I will decide that when the time comes. But I want to hear the remarks from the other hon. ladies and gentlemen in the House of Assembly. I want to get all the remarks that I can get. And I would like to carry on with more debate about this bill and let the people of the Province hear some of the other side of the coin. It is not only hydro, it is not only oil that we need in the Province. There are other things that we need like roads, like decent housing. I would like to see this Province find \$250 million to be spent on housing.

MR. BENNETT: We have had one of the better programmes known as RRAP, federal money one hundred per cent, that has done a marvellous job in the Province. And without that type of expenditure we would have had a lot more suffering by the people of the Province in their housing, in run-down and dilapidated housing. But the federal government saw fit to bring forward a programme and they call it RRAP, Anti Poverty Organization, and it has done a marvellous job in my district. Now I would like to see this Province come forward with a guarantee, some kind of a note, for housing, of \$250 million to provide housing, as I mentioned in the House of Assembly here yesterday. I did not mention names in the House of Assembly, but I can take the hon. gentlemen, anybody who would choose to come to my district, I can take them to houses I would not - even today after RRAP has turned down housing - if a house is beyond repairs they do not qualify for the RRAP programme. I would like to see the provincial government borrow if they have to, \$250 million to accommodate people who are living in that type of housing, houses that have been condemned by RRAP and by Social Services and still these people are obliged and compelled to live there because they have no places better to live.

MR. BENNETT: I would most certainly support that kind of a bill. I do question the wisdom of the Province continuously plunging itself deeper and deeper and deeper in debt to establish hydro, even if we do need hydro, and undoubtedly we do need extra hydro. But, Mr. Speaker, just by bringing on extra hydro does not mean that people in the Province are going to be able to afford to use it. Very few industries are being established that will need the energy that we are borrowing this \$250 million to provide. If persons do not have jobs from the fishery or from the land, if people do not have jobs and an income there is no way they can afford to pay the cost of hydro as it presently exists. And if we find ourselves at world prices for oil, which the hon. gentlemen across the House would like to see—I am sure I have heard so many comments from the government side that we should go to world prices, \$40 a barrel for oil.

We do not need to go to \$40 a barrel for oil when we have it in our own country, any more than we need to go to \$5 a pound for codfish. We have the codfish on our doorsteps and we should be able to catch them and use them. We should not need to pay \$5 a pound, and we should not need to pay \$40 a barrel for oil. But as the price of oil escalates, so escalates the price of hydro.

So there are other things, Mr. Speaker, I would like to ask the hon. House Leader (Mr. Marshall). We could probably tell me how long ago plans were in place, I think it was before his day in the House of Assembly, but he is probably aware of how long ago plans were laid on—when George Hobbs was Chairman of Newfoundland Hydro—plans were laid on to bring a transmission line across the Strait of Belle Isle, up the Northern Peninsula and across to St. John's. And I saw those plans. I visited Mr. Hobbs' office and I saw these plans. There were two sets of power lines running parallel, one from Bay d'Espoir and up the Northern

MR. BENNETT: Peninsula, and one that came from Churchill Falls across the Strait up the Northern Peninsula and across to St. John's. And it is more than fifteen years ago I looked at these plans. It was during Joe Smallwood's term of office and these were the plans that were being put in place by the then Liberal Government. And all of this, apparently, has been thrown in the garbage can, it seems to me, or it certainly is not being acted upon.

So I am wondering how long ago it is, Mr. Speaker, that these plans, then, were being put in place to provide the Island portion of the Province with sufficient hydro. And if those plans had been carried forward, we would not be in the dilemma where we find ourselves today,

MR. BENNETT: advancing another \$450 million. So, all in all, since I remember it, a very very short time and especially since this government has taken power, all in all it has been terrible management. It has been very poor management of the people's money and the people's future in this Province. And I think it is about time that all hon. gentlemen in this House of Assembly took another look at this. Because I am becoming very concerned for the future of this Province.

Mr. Speaker, I am certainly more concerned for the future of this Province than I am for getting out of the House of Assembly. And I would like to inform all hon. members in this House of Assembly that I am prepared to stay here and discuss bills such as Bill 74 as long as anybody is prepared to stay and talk about it. And I am in no rush to have the House of Assembly close. Thank you, Sir.

DR. COLLINS: Mr. Speaker.

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

DR. COLLINS: Mr. Speaker, I rise just very, very briefly. Because I have a serious point to make. I think the hon. member for Torngat Mountains (G. Warren) is totally misinformed or misunderstands the situation. And I am just going to give him a few figures that I have roughly done here for his benefit. I hope he takes them in that light. He is saying that we are rapidly going to perdition in terms of debt. Now, Mr. Speaker, debt has to be related to your revenues. I just want to say that in the three year period from '77, '78 to '80, '81, the revenues of this Province increased by 65 per cent. If you want the actual figures, they went up from roughly \$832 million up to \$1 billion, \$364 million, that type of thing. There was an increase in our current account revenues of sixty-five per cent in that period.

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DR. COLLINS: Now, our debt, if you take our total public sector debt, that increased by 20 per cent in that period. So, in actual fact, we are not going to perdition, we are improving our situation. In other words, our debt structure is increasing at a much lesser rate than our revenue structure. This means that our debt ratio is declining not increasing.

Now, I do not know if the hon. member is just wanting to make political points by claiming the opposite. If he is, you know, let us understand that these are just political rhetoric. But if you want to be factual and not mislead the people of this Province, we have to look at the figures as they are in the various documents available and show that we are better capable of handling our debt structure now, as time goes on, than we were in the past.

MR. SPEAKER (Simms): Order, please! I would like to welcome to the Speaker's Gallery down there a group representing the Newfoundland Motorcycle Training Programme, five of them. Welcome to the House.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: Mr. Speaker.

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

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

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

MR. STIRLING: While the Premier is here, I wonder if we could get an agreement now, by leave, that the parking lot can be continued to be used by the motorcycle group. While the Premier is here, by leave?

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

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

MR. MARSHALL: Mr. Speaker, we deal with matters in this House-and there are colleagues of the hon. member who know how to deal with matters much better than the hon. the Leader of the Opposition. We do not need the hon. Leader

MR. MARSHALL: injecting his cheap little political tactics at a time like this. So he need not worry, Mr. Speaker, the government is very sensitive to the needs of the Motorcycle Club and right now the government is attending to it. But I think that the hon. gentleman should not disrupt the proceedings of this House with his puerile, small-minded, political little trickery.

MR. SPEAKER (SIMMS):

Order, please!

There is no point of order.

The hon. member for Windsor-

Buchans.

MR. FLIGHT:

Mr. Speaker, I cannot believe the position I find myself in. I cannot believe that as of yesterday, after this Opposition and government in an effort, Mr. Speaker, to show some sense of co-operation, in an effort to reach a mutual goal so to speak, to debate the legislation and try in the better interests of everybody to bring about the closing of the House, I cannot believe that after yesterday, after the position the Opposition took with the legislation, the way we let legislation go through in a responsible way and in fair co-operation, that the President of the Council (Mr. Marshall) permitted today, ministers to come in and make garbage statements. They took a half an hour of the three hours today, Mr. Speaker, with garbage statements.

Now, Mr. Speaker, I do not intend to speak to an empty House. I want a quorum call please.

MR. SPEAKER:

Order, please!

Call in the members.

MR. SPEAKER (Simms): Count the House?

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Agreed. Would the Clerk count the House, please?

We have a quorum.

The hon. the member for Windsor -
Buchans.

MR. FLIGHT: Thank you, Mr. Speaker.

Particularly for the benefit of the member for Humber Valley (Mr. House), Mr. Speaker, I give him fair warning that he had better stay close to his seat. There is going to be a quorum call every three minutes. If I see less than fourteen members of the ministry over there.

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

Debate on the bill is more relevant.

MR. FLIGHT: Mr. Speaker, the \$250 million that we are going to give Hydro now to spend - if we can justify giving Hydro another \$250 million, increasing their credit limit by another \$250 million, we can justify anything. There are certain members of this House of Assembly, Mr. Speaker, present today, who will remember this today as the biggest flip flop in the political history of Newfoundland. I recall very much two or three years ago when Newfoundland Hydro came to this House for \$100-and-something million, the President of the Council, the member for St. John's East (Mr. Marshall) stood in his place - he was so far in the backbenches then, the present Premier and Mr. Moores had him so far in the backbenches you needed a pair of spyglasses to see him. - he stood in the House, Mr. Speaker, and held the House down and spoke time and again in refusing - he refused to give Newfoundland Hydro the monies that they required. He refused, Mr. Speaker, and he eventually voted against the bill. And now, here he is, the President of the Council,

MR. FLIGHT: standing defending -

MR. CARTER: That is not true.

MR. FLIGHT: That is true, Mr. Speaker. The record will show it is true. The hon. the member for St. John's East (Mr. Marshall) stood and opposed the government's right to increase Hydro's spending limits and he did it on the basis that he was not satisfied with the explanation that Hydro was giving for the amount of money that they were asking. Today, Mr. Speaker, the shoe is on the other foot, a flip flop, Mr. Speaker. Now he stands up and he tells the Opposition to stop debating, let us get this bill through, let us give Newfoundland Hydro the \$250 million.

Well, Mr. Speaker, my advice now, based on what we have seen happen here this morning, based on the proof that this House is completely and totally out of control - the House Leader there (Mr. Marshall) has no control whatsoever; he knows what the game plan was for today. He allowed his ministers to get up with garbage statements, kill half an hour of the House's time, and he assured, Mr. Speaker, that there will be continuing debate on this bill. This House will close at 1:00 P.M. and the Opposition will be still debating this bill. He knows that now. And, Mr. Speaker, we will start debating this bill on Tuesday morning. So until the House Leader realizes that he is not going to run roughshod over the Opposition, until he is prepared to keep his word to the Opposition, Mr. Speaker, and until he can prove to this House that there is some control on the other side, we will be here, Mr. Speaker. We will be here next week. So I would advise the Minister of Justice (Mr. Ottenheimer) and the President of the Council

MR. FLIGHT:

(Mr. Marshall) and all the other ministers to have a good weekend, rest over the weekend because you are going to be here again next week and we are going to talk about Newfoundland Hydro, \$250 million.

MR. MARSHALL:

A point of order.

MR. SPEAKER (SIMMS):

Order, please!

A point of order has been raised by the hon. President of the Council.

MR. MARSHALL:

The hon. gentleman at his filibuster best is talking about the closure of the House, the time of the closing of the House. We are talking about Newfoundland and Labrador Hydro. He is more concerned, Mr. Speaker, about keeping the House open or, you know, the matters he is talking about. We are talking about \$250 million and perhaps he might like to get on the subject.

MR. SPEAKER:

To the point of order, we are dealing with an Act to Amend the Newfoundland and Labrador Hydro Act, 1975. I would ask the hon. member to try to keep his remarks relevant to the bill being debated.

MR. FLIGHT:

Now, Mr. Speaker, the point has been made a few times today that Newfoundland Hydro is getting out of hand. They are getting out of - the President knows, Mr. Speaker, that when we approve this \$250 million today, next Fall we will be asked to approve another \$300 million for Cat Arm. This is to help finance the Upper Salmon. Mr. Speaker, this House of Assembly should not give to Newfoundland Hydro a blank cheque for \$250 million. I have no objection to approving the funds necessary for Newfoundland Hydro, but Newfoundland Hydro should have to justify where that \$250 million is going. And every member of this House, Mr. Speaker, every minister certainly of Cabinet, is entitled to know where that money is going. And we have no explanation, we are not permitted to look at Hydro's budget. They say they want \$250 million. The Minister of Mines and Energy (Mr. Barry), the minister comes in and simply says, 'Yes, throw them \$50 million'. It will be \$300 million more the Spring, Mr. Speaker, for Cat Arm. No talk yet of the monies needed to build

MR. FLIGHT: Cat Arm. We know it is \$300 million. By next Fall it will have escalated to \$350 million or \$400 million. Before the Cat Arm is finished, Mr. Speaker, Newfoundland Hydro is going to require close to \$1 billion as a credit level. Newfoundland Hydro, the public utility company, a company in this Province whose mandate is to produce as cheaply as possible electricity for this Province, is going to have more borrowing power than the Province itself. We are losing control, Mr. Speaker, and, in effect, we have lost control.

Now, Mr. Speaker, let us look at Newfoundland Hydro's performance in this Province. Let us look at the position that Newfoundland Hydro has put the Minister of Environment (Mr. Andrews) in this past few days. Newfoundland Hydro came to this government and said we want to develop the Upper Salmon and we have done the environmental studies and there will be no damage, no threat to the environment, no threat to the caribou herd. As a matter of fact, they put it in a way as though they were going to enhance the environment of that area. Well, Mr. Speaker, they also - the government was shrewd enough that they pushed the Upper Salmon. They held back the Environmental Assessment Bill until the Upper Salmon was started and they had a clause in that bill saying that any project ongoing will not be subject to the Environmental Assessment Act. All kinds of recommendations were made. The wildlife biologists, Mr. Speaker, in the minister's own department were frightened to

MR. FLIGHT: death. They recognized what the Upper Salmon project would do to the caribou herds - frightened to death - made their fears and concerns known to the minister or his predecessor, they were ignored completely, Mr. Speaker. There were recommendations made that the road be rerouted. There were recommendations made on the tailraces and the powerhouses themselves, ignored completely. There was no need, Mr. Speaker, there was no need. Nobody is suggesting that we should not have had the Upper Salmon because of the caribou. What was being suggested was that the recommendations of the people, of the environmentalists, the people charged with the responsibility of protecting our environment, what was suggested was that their fears would be taken into account, that roads would be rerouted, that if we had to redesign the project in order to allow for a law to minimize the risk to the wildlife in the area, that we would do that. No, Mr. Speaker, this government said no, we could not care less what happens, here are the plans. This is the way it is going to be done. And as a result today, Mr. Speaker, I have no doubt, anybody who has any concern about wildlife in this Province, the Grey River caribou herd is finished. The Grey River caribou herd is finished. There will be no more Grey River caribou herd. By the time that project is finished and is operational, there will be no more Grey River caribou herd. Now that is the price, Mr. Speaker, that we will pay for the pigheadedness and the stubbornness of this government in approaching the Upper Salmon project. That is the price we are going to pay.

Mr. Speaker, let us talk about for a minute -

MR. HODDER:

A good speech, 'Graham'.

MR. FLIGHT: Let us talk about Newfoundland Hydro's approach to the Labrador power, the development of Labrador power. I said, Mr. Speaker, in this House one time, and I was quoted - I got my picture in the paper, as a matter of fact, one of the few times I got my picture in the paper - 'Develop Muskrat not Cat Arm, the MHA argues', and a picture here on the front page. I was the envy of caucus that morning.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: Envy of the caucus. Right across from me is a picture of Mr. Wallace Read a very well respected Chairman of LCDC.

MR. TULK: He was proud to be in your company.

MR. FLIGHT: Yes.

Now, Mr. Speaker, I said then and I am so proud that of all the lines here is the line that they picked up: It says, 'The Energy spokesman for the Opposition told the House of Assembly Wednesday the people of Newfoundland have been lied to, cheated, fooled, and used more often in the issue of the Labrador power than any other issue, politically, throughout our history.'

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: That, Mr. Speaker, -

MR. TULK: Go through it all again.

MR. FLIGHT: That was true then, Mr. Speaker, -

MR. HODDER: He sent copies of the newspaper to his relatives down in the States.

MR. FLIGHT: I brought every - that is the only day The Daily News might have made a dollar in St. John's. That is one day the circulation of The Daily News might have made a dollar.

MR. FLIGHT: I bought every available copy and mailed them out. And the minister need not worry - he told me last night in a little aside that I should watch myself in Windsor - Buchans, after that was posted in, that did it, he need not worry about Windsor - Buchans.

AN HON. MEMBER: You are though.

SOME HON. MEMBERS: Hear, hear!

MR. FLIGHT: I am worried about what this \$250 million is going to do their ability to have good roads and good schools and good facilities. That is what worries me, Mr. Speaker. And I am concerned about this government's attitude and how it impacts on the people of Windsor - Buchans. That is where my concern is. It is not the devious political concern of the President of the Council (Mr. Marshall) who only thinks in terms of politics, Mr. Speaker, nothing is important to him only the politics of an issue.

Now, Mr. Speaker, a few days ago the federal government cut the legs out from under this administration. They scurried around for two or three days trying to figure out how to deal with the Prime Minister's announcement that he was going to give the National Energy Board the right to expropriate land for a power corridor through Quebec. For ten years they hung their hats on that, Mr. Speaker, for ten years they have flogged the government, they have blamed the Liberal Opposition here, they have blamed that issue that one thing that they hung their hats on - that was their scapegoat, they could not develop the Lower Churchill because they did not have the right to transmit their power through Quebec.

MR. FLIGHT: Now, Mr. Speaker, a few days ago the Prime Minister, acting in the better interest of this Province, in the better interest of the people of Newfoundland and Canada, took away that excuse, Mr. Speaker, we will not hear any more about Newfoundland's ability to develop the Muskrat or Lower Churchill, based on our right to a corridor.

Mr. Trudeau, Mr. Speaker, gave us that right. Well, Mr. Speaker, here is what the people of Newfoundland are expected to live on this past few years and will continue to expect to live on -

MR. TULK: I hope you are not referring to that picture.

MR. FLIGHT: Hang tough! When we want our roads done in Windsor, 'Sorry, hang tough, we are more concerned with the offshore, we are more concerned that if we put too many of you young fellows from Windsor to work on the offshore it will eat up the economy too much and Windsor will be in trouble'.

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

MR. SPEAKER (Simms): A point of order has been raised by the hon. President of the Council.

MR. MARSHALL: This is a bill to authorize the borrowing of \$250 million by Newfoundland and Labrador Hydro. Now, I understand that the hon. gentleman's attention span is very limited, but, Mr. Speaker, he is getting into areas now that are not - I do not blame Your Honour for yawning, I would yawn too if I had to sit in

MR. MARSHALL: the Chair and listen. But Mr. Speaker, the hon. gentleman is not germane to the bill and is not relevant. Now, there are plenty of things to talk about about Newfoundland and Labrador Hydro and we would like the benefits of the advice of the energy critic. But if the energy critic for the Opposition cannot stay on the point, it is ridiculous.

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

MR. SPEAKER (Simms): To the point of order, the hon. member for Windsor - Buchans

MR. FLIGHT: Mr. Speaker, I am germane. In this document, Let Us Fight For Our Rights, Hang Tough!, one of the things that we are going to fight for is the right to transmit hydro power across Canada. Now, we are giving to Hydro \$250 million to help, assist them deliver hydro power across Canada. I contend there is no point of order, Mr. Speaker, that this is germane to the debate.

MR. SPEAKER: I quote from Beauchesne, that relevancy is difficult to define and in most cases the member speaking is given the benefit of the doubt.

The hon. the member for Windsor-Buchans.

MR. FLIGHT: Shot down again, the hon. minister.

Now, Mr. Speaker, since 1981, the cost of Gull Island has gone up four times. Let the members consider this fact that since 1971, the cost to develop Gull Island has quadrupled, quadrupled. It takes four times as much money today to develop Gull Island as it would have taken in 1971. There is no start, there is no indication that there will be a start. The cost is increasing every day. Do the members of this House realize what we are doing to the people of Newfoundland by refusing to start that project?

MR. FLIGHT:

Mr. Speaker, I can understand why the Minister of Mines and Energy (L. Barry) is not in his seat. -Check it next Friday, this time. I tell the member for Exploits (Dr. Twomey) to check his watch next Friday this time.

Mr. Speaker, the only way that we are going to - the government have now got a tiger by the tail. They have a sticky wicket now. Having for ten years used the propaganda in this Province that it is the Federal Government's fault that we could not develop the Lower Churchill because there was no way to transport our power, the Federal Government, Mr. Speaker, put the Premier in a very very difficult position. He has now got to justify to the people of Newfoundland why we are not starting Muskrat or the Lower Churchill today. We now have the way to export our surplus power. We now have what this government has been asking for for this past ten years. Now, can we expect an announcement tomorrow? Because we have the right-of-way to ship our power out, Mr. Speaker, can we expect an announcement that the Lower Churchill will start tomorrow or next week or the week after?

MR. FLIGHT: Mr. Speaker -
MR. MORGAN: (Inaudible) to start.
MR. FLIGHT: She is going until Tuesday,
'Jim'. Sit down, boy!
SOME HON. MEMBERS: Oh, oh!
MR. SPEAKER (Simms): Order, please!
The hon. the member has the right
to be heard in silence.
SOME HON. MEMBERS: Oh, oh!
MR. SPEAKER: Order, please!
The hon. the member has the right
to be heard in silence.
MR. FLIGHT: Mr. Speaker, in this famous
story I just referred to... this story that has my
picture, Mr. Wallace Read, Chairman of the -
MR. LUSH: What is the date of that paper?
MR. FLIGHT: May 22nd - May 28th.
SOME HON. MEMBERS: Oh, oh!
MR. FLIGHT: Order, Mr. Speaker, I want to be
heard in silence.
MR. SPEAKER: Order, please!
The hon. member has the right to
be heard in silence.
MR. FLIGHT: Mr. Speaker -
SOME HON. MEMBERS: Oh, oh!
MR. FLIGHT: Mr. Speaker! Mr. Speaker!
MR. MORGAN: (Inaudible).
MR. SPEAKER: Order, please!
Do not talk back to the Chair.
MR. FLIGHT: For the hon. the Minister of
Fisheries (Mr. Morgan) it is not a sin, it is no crime
to be ignorant, the crime is in advertising the fact
that one is ignorant.
SOME HON. MEMBERS: Hear, hear!

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. FLIGHT: Mr. Speaker, here is what Mr. Read, Chairman of LCDC said. In court under oath, Mr. Speaker -

SOME HON. MEMBERS: Oh, oh!

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

MR. FLIGHT: -Mr. Read told the court that although LCDC Board of Directors had decided that development of Muskrat Falls is economically feasible and should be started before Gull Island, the other proposed Lower Churchill hydro site, no final decision has been taken.

Mr. Read said that the recommendations to the Board of Directors went to the shareholders in June, 1980, one full year ago, Mr. Speaker, and as of yet, as of May, 1980, no answer was received. That says a lot about the way this administration runs the affairs of this Province, Mr. Speaker. A full year after LCDC recommended that the Muskrat power site be started, no answer from the government.

MR. CARTER: To whom?

MR. FLIGHT: To LCDC, to the people responsible for developing the Lower Churchill, to the people who spent \$4 million or \$5 million of our money.

MR. CARTER: Who is LCDC?

MR. FLIGHT: LCDC is the Lower Churchill Development - what a question for the member to ask. It is not the outfit that gave away Petro-Canada, it is not the outfit that gave away -

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

MR. WINDSOR: (Inaudible).

MR. SPEAKER: Order!
The hon. member might direct his remarks to the Chair.

MR. FLIGHT: - Come By Chance. Let the minister stand up in a few minutes, Mr. Speaker, and tell us how he protected the rights of Newfoundland in his refinery deal, in the deal where he gave away the refinery. We would expect, Mr. Speaker -

MR. WINDSOR: (Inaudible).

MR. FLIGHT: It will be germane, Mr. Speaker. Let the minister stand up and justify the crime he perpetrated on this Province yesterday, Mr. Speaker, or the day before yesterday, when he allowed one of the major assets of this Province relative to offshore -

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER (Simms): Order, please!

MR. FLIGHT: - to be given to a company, Mr. Speaker who reserves the right to sell it to a third party for scrap

SOME HON. MEMBERS: Oh, oh!

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

MR. FLIGHT: They are negotiating now with a third party to let the Come By Chance refinery go for scrap. Let the minister stand up, instead of standing there prating, Mr. Speaker, let him stand up and explain that to the people of Newfoundland and to the House.

MR. HOLLETT: Agitating people like that.

MR. FLIGHT: Agitating me like that this morning, Mr. Speaker. Mr. Speaker, I wonder if this \$250 million that is going to be borrowed is another \$250 million to come from Alberta? Will Hydro go to Alberta for \$250 million? Will Lougheed have another stick to wield over us? Will Lougheed be able to call the shots a little more? He will be \$250 million better off. Will we be up tomorrow saying, yes, let us bring the price of oil to world prices and thereby triple the cost of electricity to the people of this Province? Another little leverage for the blue-eyed sheik - is it? - as they refer to him in Ontario. We are going to have a brown eyed sheik, Mr. Speaker. It is too bad the Premier was not a blond and had blue eyes.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

MR. FLIGHT: Mr. Speaker, I would like to ask the Premier if he is in the confines of this building - about a year ago when he stood up and defended Alberta in raising the price of oil, defended Alberta's position, the spokesman for Newfoundland, the Province in this country, Mr. Speaker, with the highest cost of living, the highest rate of unemployment insurance, the lowest per capita income, one of the lowest minimum wages stood up and defended Mr. Lougheed, defended the Premier of Alberta in his bid to raise oil to world prices, tried to force the federal government to stop subsidizing the oil we use in Newfoundland.

MR. TULK: He said let the Eastern bastards freeze.

MR. FLIGHT: And the effect that that would have had, Mr. Speaker, would have been to double the cost of electricity in this Province. Now in doing that the Premier, realizing the shaky ground he was on politically, made a commitment to the people of this Province, old age pensioners, people on fixed incomes, that he would find a way to subsidize the cost of energy and electricity, that he would find a way to subsidize that. Now, Mr. Speaker, we have been waiting a year. The senior citizens of this Province, the people on fixed incomes, the welfare recipients are paying the same price for electricity as the President of the Council, Mr. Speaker, and all other members of the St. John's East cocktail set.

SOME HON. MEMBERS: Oh, oh!

MR. FLIGHT: Are those the words? Cocktail set, are those the words?

So, Mr. Speaker, why does the Premier not come in and tell us what he has done, what positive action he has taken to reduce the cost of energy, the cost of electricity, a basic need, Mr. Speaker, to the people who can afford it less, our senior citizens? What he has done, Mr. Speaker, is he has guaranteed- the Premier of this Province has guaranteed that the cost of electricity will continue to escalate. There will come a point, Mr. Speaker, when people will not be able to afford to live. The members of this House of Assembly, the unions in this Province, Mr. Speaker, they have ways to keep themselves ahead of the cost of living.

MR. WOODROW: It is world wide.

MR. FLIGHT: It is world wide. Go out to the Bay of Islands and meet some of the senior citizens on fixed incomes who have seen their electric rates-

MR. WOODROW: (Inaudible).

MR. SPEAKER: Order! Order, please! I must ask the hon member for Bay of Islands (Mr. Woodrow) to

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MR. SPEAKER (Simms): restrain himself and I must also ask the hon. member for Windsor-Buchans (Mr. Flight) if he would direct his remarks to the Chair. It might be easier for the Chair to restore order.

 The hon. member for Windsor-Buchans.

MR. FLIGHT: Thank you, Mr. Speaker.

 Mr. Speaker, through the Speaker to the member for Bay of Islands (Mr. Woodrow), I would suggest that the member for Bay of Islands (Mr. Woodrow) go out tonight, when he leaves this House for his long weekend home, and talk to the senior citizens and the people on fixed incomes whose electric rates have gone, in less than three years, from \$30 per month to \$130 per month. Ask them how they are doing it? Ask them if they

MR. FLIGHT:

approve of the government tripling electricity rates in this Province by taking off the subsidy. Ask them Let him ask, Mr. Speaker. The member for Bay of Islands (Mr. Woodrow) is in for an awful fright, Mr. Speaker, when the times comes, he is in for an awful fright.

MR. HOUSE:

He is?

MR. FLIGHT:

Yes.

MR. HOUSE:

All you care about is what you want.

MR. FLIGHT:

Is that right? And I tell you something else the member for Corner Brook is in for a fright too. He was in for a fright the day he got elected, when the people woke up and realized what they had done.

MR. MARSHALL:

A point of order, Mr. Speaker.

MR. SPEAKER (SIMMS):

Order, please! Order!

The hon. President of

the Council.

MR. MARSHALL:

Your Honour just directed the hon. gentleman's attention to the fact that he address the Chair and he is addressing a member again. Now this is a flagrant violation of Your Honour's ruling.

MR. SPEAKER:

I must ask the hon. member to adhere to the ruling. Please direct his remarks to the Chair. He has about two minutes remaining.

The hon. member for Windsor-

Buchans.

MR. FLIGHT:

Thank you, Mr. Speaker. It is obvious that the President of the Council (Mr. Marshall) is stinging under this vicious attack, Mr. Speaker. That is the third point of order he has interrupted me on. He is trying kill my time.

MR. SPEAKER:

Order!

MR. FLIGHT:

Three points of order.

MR. SPEAKER (SIMMS): I realize that, yes but the hon. member now is debating the bill, the Hydro Act.

MR. FLIGHT: Mr. Speaker, Hydro has got its fingers, Newfoundland Hydro has got its tentacles into everything that happens in this Province. I do not believe it is possible to stand up in this House and not be relevant to anything if we are talking about Newfoundland Hydro because there is nothing - they have gone political Mr. Speaker. The Chairman of Newfoundland Hydro and the President of the Newfoundland Petroleum Directorate are mouthpieces for this government, Mr. Speaker. Not only are they charged with the responsibility of delivering to this Province the energy requirement, but somehow or other they believe that it is part of their job to prop up the credibility of the government.

And, Mr. Speaker, these various people, they should realize, Mr. Speaker, the time will come when those hon. gentlemen will be dealing with a different administration. And they have to remember, Mr. Speaker, they should remember that when they go public and make statements that defend an indefensible position, that gives some credibility to this government's handling of the Lower Churchill in the past ten years that justifies ripping off the people of Newfoundland by \$250 million, they should remember, Mr. Speaker, the day will come when the people who put them in their little ivory towers will no longer be there to protect them. And, Mr. Man, I will tell you there are some highly placed people in this Province right now that if I were one of them, I will tell you, I would be shivering and shaking hoping the situation did not change. They are safe as long as these people remain - but, Mr. Speaker, they have reason for concern. There are some people highly placed in this Province right now, you know, who should be looking long-term at what they might be doing after this crowd is turbed out of office,

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MR. FLIGHT:

them.

because out they go with

AN HON. MEMBER:

them.

There will be no electricity by

MR. FLIGHT:

another point here, you know, Newfoundland Hydro has got it coming both ways. Mr. Young, the Chairman of Newfoundland Hydro just told the people of Newfoundland that we are going to

MR. FLIGHT: face a 55 per cent - will the member for the Bay of Islands (Mr. Woodrow) listen to this? - Mr. Young has just told the people of Newfoundland that we are going to face a 55 per cent increase in the cost of consumer electricity over the next five years. Now he tells us that in one breath and then he asks us to shoulder an extra \$250 million debt in the next breath.

MR. HODDER: Ask them how they feel about that?

MR. FLIGHT: How do you feel about that? How does the member's constituency feel about that?

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

MR. SPEAKER (SIMMS): A point of order has been raised by the hon. the President of the Council.

MR. MARSHALL: The hon. gentleman once again, Mr. Speaker, is flagrantly violating your rulings. You informed the hon. gentleman he has to address his remarks to the Chair and he persists in addressing himself to other members of the House.

MR. STIRLING: Mr. Speaker.

MR. SPEAKER: Do you wish to speak to the point of order?

MR. STIRLING: No, Mr. Speaker.

MR. SPEAKER: Well, it is a valid point of order and the hon. member, of course, has had to have the Chair interrupt him on frequent occasions. I do not wish to do that and take the time out of the member's speaking time, but I must bring to his attention that the rule is that members should address the Chair. In any event I also have to advise the hon. member that his time has expired.

MR. FLIGHT: By leave, Mr. Speaker.

SOME HON. MEMBERS: No.

MR. SPEAKER: I understand there is no leave.

MR. FLIGHT: By leave to finish up my -

SOME HON. MEMBERS:

No!

MR. SPEAKER (Simms):

Order, please!

The hon. member for Eagle River.

MR. HISCOCK:

Mr. Speaker, in speaking to this bill in which Hydro is asking the Province for another \$250 million, my question is to the Minister of Mines and Energy, (Mr. Barry) if he were here, as well as the Premier and also the President of the Council (Mr. Marshall), how much of that \$250 million is going to be spent in uniforming the rates of electricity throughout the Province, particularly in Labrador? How much of that \$250 million is going to give places like Pinsent Arm on the Labrador Coast and Norman Bay which do not even have diesel power now, how much of that is going to be spent on giving people in this area of our Province the basic, I say, Mr. Speaker, the basic standards in our Province where we look upon electricity as a basic need but the people in Labrador and Pinsent Arm and Norman Bay do not have it. So if the President of the Council gets up and says that this \$250 million is going to give a uniform rate of electricity in Labrador and the Province, if the President of the Council gets up and says that out of this \$250 million that places like Pinsent Arm and Norman Bay get power by way of diesel - we will even settle for diesel in those two communities - if we get that, Mr. Speaker, then the \$250 million I, for one, would not necessarily object, I will leave that up to my other colleagues to object, why Newfoundland Hydro needs \$250 million.

There is another question, Mr. Speaker, also, that Newfoundland Hydro has stated that in the next four or five years hydro rates are going to go up 55 per cent and with the 55 per cent that it is going up, Mr. Speaker, again I ask, how much of that 55 per cent increase is going to get the people on the Labrador Coast off diesel into hydro so they can start processing some of the Northern cod

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MR. HISCOCK: and the Gulf stocks in their own areas and have employment instead of having unemployment in the Fall and Winter and Spring. And these are some of the reasons why I believe it is important - I do not think it is important enough to just bring a bill into this House asking for more money for a Crown corporation if we do not know how they are going to be spending that money. And as a person representing Labrador I find it repugnant

MR. HISCOCK: that here we have Hydro asking for \$250 million over and above the \$200 million and Hydro comes back and says, well, we still cannot develop diesel rates for Pinsent Arm and Norman Bay and we cannot take the people off long-term diesel power in the coast and we also cannot give them three-phase power because we need to, in the economic bond markets of the world, we need to be prudent and we need to be sound financially.

Here it is, almost a half a billion dollars and the people in my district are told that Newfoundland Hydro is concerned with prudent, sound economic management. Well, those people in my district are helping pay for this quarter of a million, or half a million dollars. They are paying their taxes on this. They will be paying their taxes in the future. So, if we are going to give Newfoundland Hydro, which needs to be a first class Crown Corporation, there is no question about it, that if we are going to have many things developed they have to, but the question comes back to what are they going to do with the money?

I believe very, very strongly, as I said in the Labrador Report this week, when asked about my reactions to the aluminum smelter in Goose Bay, if we had not nationalized BRINCO and the Churchill Falls Corporation, we would have seen the development of the Lower Churchill and Muskrat Falls. We would have seen the consortium of Japanese and American financiers developing an aluminum smelter. We would have had power now brought down to the Island. We would not have had the destruction of the Grey River caribou herd. We would not have had the moose environment in Cat Arm. We would not have had an extra thermal generated plant in Holyrood and also Hinds Lake.

But, again, Mr. Speaker, that is the decision that this government has made, the decision that they have to live with, and in their judgement it is the best decision

MR. HISCOCK:

they could make at the time.

But, as I said, the people on the Labrador coast ask the question that if Newfoundland Hydro were such a sound, prudent corporation, then why was it that they proceeded with building a tunnel and losing \$150 million? Are we going to give them another \$250 million so they can blow up another tunnel in some other area, or start another project and find out after it is not feasible?

So, Mr. Speaker, it is not good enough that we just give them the money, unless we know what is going on and how they are going to be spending this money. There is no doubt about it, also, that we have coming an energy shortage in this Province and that we need power and not only need power but God has blessed us with vast hydro reserves in Labrador as well as here in the Province. And in the future, Labrador will come into its own. But again I have to say with regard to the 22 per cent tax on diesel fuel and gas in Labrador, I cannot see, as a member of this House, voting for this bill where we get almost a half billion dollars and none of the half billion dollars has gone towards the betterment, or increasing the standard of living of coastal Labrador.

MR. HISCOCK: So, Mr. Speaker, I find again, asking for a quarter of a million dollars to give to Hydro and Hydro then does not state how it is going to be done. I do not think Hydro has been- the Leader of the Opposition has stated that the government is not in control of Hydro. I believe very strongly that Hydro is not even in control of Hydro. To go ahead and accept-unless it was a political decision, I am sure Hydro would have gone and developed the Lower Churchill and would not have ended up at Muskrat at the time and we would have had some of the power now. But again I cannot understand why after 1972 rates, a billion and a half dollars, we could not have developed the Lower Churchill and Muskrat Falls. Now, after seven years, we got Hinds Lake, Holyrood, Cat Arm, and the Upper Salmon. Add all these together and we find out that it is almost close to \$1.5 billion. We would have had that and we would not have had the environment disrupted in this part of our Province.

So, Mr. Speaker, Labrador itself: We hear very much about the alienation that Labrador has. We have a new Lieutenant-Governor who I hope in many ways will speak about some of these problems. There is no doubt about it that the federal Liberal Government in Ottawa has done its share, almost \$100 million is going to be spent on Coastal Labrador for 10,000 people. And in any ratio that is a lot of money. Again I have to point out that it is needed even more-more money is needed.

I told the Minister of Transportation (Mr. Dawe) yesterday that we have revolutionized travel on the Labrador Coast in the past year, and that is we can fly now directly from Cartwright, by way of a Twin Otter, to Mary's Harbour or St. Anthony, Gander, St. John's and return the same day, and Mr. Speaker, saving a great cost to the consumers.

MR. HISCOCK: Also, if I may add, and if the President of the Council (Mr. Marshall) would only listen, it will also break down the isolation that Cartwright is feeling and other areas. They are now feeling that they can come into St. John's and do some shopping and get back on the same day and be a more integral part of the Province, but here is the Province owing the provincial airstrips, and all they need is high powered beacons and lights. The one in Mary's Harbour which is owned by the federal government is going to get it this year and they will be able to continue their flights on into St. John's in the shorter days we will have this Fall. But is Cartwright going to be able to do that?

MR. SPEAKER (Simms): Order, please!

Would the Sergeant-at-Arms check the corridor to keep the noise down?

MR. HISCOCK: But with regard to Hydro, if the Minister of Finance (Dr. Collins) wants to know what has Hydro -

DR. COLLINS: (Inaudible).

MR. HISCOCK: The Minister of Finance asked the question and if he wants the answer then he should listen, but obviously, he does not. But if the Minister of Finance wanted to know what does Hydro have to do with airstrips on the Labrador Coast, one of the reasons why Labrador and Cartwright cannot get the airstrips and the lights is because there are no power lines from the plant in Cartwright to the airstrips. So again, I would ask if we are going to give them \$250 million, then Hydro should at least be able to build the line to the plant in Cartwright, to the one on the airstrip. But, no, Mr. Speaker, we do not have that. So why should I, as a member of this Assembly, as well as the member for Labrador, vote for \$250 million over and above \$200 million when Hydro is not doing its share in integrating Labrador more into our Province?

The Chairman of Hydro ended up stating that it was a political decision. Well, if it is a political decision, I ask the President of the Council (Mr. Marshall) now and also the Premier and the Minister of Mines and Energy (Mr. Barry), if it is a political decision then why is it that we have to vote \$250 million for Hydro and we do not have any control over it from a political avenue, of what should be done? I think that those are very, very simple things. If we had our power

MR. HISCOCK: line from the plant in Cartwright to the airstrip, we would be able to continue to fly in the short days and also arrive back sometimes. They arrive back, I believe, something like 7:30 in the evening with a return trip the same day. And hopefully, Hydro will see this. But again, no, they will take this \$250 million, spend it on the Upper Salmon, spend it on Cat Arm, and have the people in Labrador again totally dependent upon their own means.

The old adage, I think, Mr. Speaker, is often true, 'Out of sight is out of mind'. Many ministers of this government have not been -

In concluding, Mr. Speaker, I adjourn the debate and I call upon this House and particularly Newfoundland and Labrador Hydro to give power to the people of Pinsent Arm, give the people of the Coast long-term hydro, hook up a power line from Cartwright to the airstrips.

MR. SPEAKER (Simms): Is the hon. member adjourning the debate?

MR. HISCOCK: Yes, I do, Mr. Speaker.

MR. SPEAKER: The hon. member adjourns the debate. The hon. the President of the Council.

MR. MARSHALL: Mr. Speaker, just before giving the adjournment, I usually give the order of business so that next week we will continue on with this, next Tuesday, Monday being a holiday. The plan is to go down through the Order Paper and then we will have some other Notices of Motion on Tuesday.

With that, Mr. Speaker, I give notice that I will - no, I do not give notice that I will on tomorrow because I do not have a bill. I will introduce that on Tuesday, Mr. Speaker.

July 10, 1981

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MR. MARSHALL:

I move that the House at its rising do adjourn until tomorrow, Tuesday at 3:00 P.M. and that this House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Tuesday, July 14, 1981 at 3:00 P.M.