

PRELIMINARY
UNEDITED
TRANSCRIPT

HOUSE OF ASSEMBLY
FOR THE PERIOD:
10:00 a.m. - 1:00 p.m.
FRIDAY, JUNE 25, 1982

The House met at 10:00 A.M.

Mr. Speaker in the Chair.

MR. SPEAKER (Russell): Order, please!

ORAL QUESTIONS:

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

MR. NEARY: Mr. Speaker, I would like to ask the Minister of Justice (Mr. Ottenheimer) a question, and I would like for the minister to bear in mind that this is 1982 not 1939 and I would like for him to keep in mind that this is the Province of Newfoundland and Labrador, and not Nazi Germany. My question is this, Mr. Speaker, does the minister intend to take legal action against the Iron Ore Company of Canada and force them to cancel out and remove a policy of their planners in Labrador City who have decided to go through their files and weed out anybody and everybody who has had any kind of dealings with the law in the past and fire them on the spot?

MR. SPEAKER: The hon. Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, certainly the policy, the first of which I heard was in the news last night, of what is reported to be the policy of IOC is certainly contrary to public policy. As the House is aware, the matter of rehabilitation is an important matter. Public funds are spent on it through the John Howard Society and through various other programmes. What I do intend to do this morning is to get in touch with the Human Rights Commission and I would like to have the benefit of their advice on it before proceeding further. Having a Human Rights Commission, and I believe a good one and a quite active one, I would hope to have the benefit of their advice in the very near future on this matter.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: A supplementary, Mr. Speaker, I thank the hon. minister. The hon. minister obviously shares my concern

MR. NEARY: and our concern over this extremely vicious policy, which I consider to be insulting and offensive in an enlightened society. It would appear to me to be the work of a devious mind and I am glad to hear the hon. gentleman say that he is going to consult with the Human Rights Association.

Mr. Speaker, I would hope, and I am going to ask the hon. gentleman to advise the House of any follow-up that he might take on this matter to try and undo the damage that has now been done to all the social programmes that the hon. gentleman just outlined, the John Howard Society, etc. And I would

MR. NEARY:

assume that the hon. gentleman will take whatever steps are necessary to end this Nazi policy by the hierarchy of IOC quickly because as hon. members know this sort of policy could systematically eliminate anyone and everyone who opposes IOC. It could even put into effect a policy of racism in this Province and I ask the hon. gentleman if he would keep the House advised - there is not much we can do about it now until the hon. gentleman does his homework - keep the House advised on what is happening in this regard.

MR. SPEAKER (Russell): The hon. Minister of Justice.

MR. OTTENHEIMER: Mr. Speaker, I shall certainly keep the House informed. It is my intention to write to the manager of IOC pointing out that this action is contrary to public policy but, of course, that in itself does not preclude him from doing it. But certainly to put on the record the position of the government and then also to seek the advice of the Human Rights Commission and I will certainly be glad to keep the House informed on further developments.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, let me ask the Government House Leader a question, a supplementary, in the absence of the Minister of Development (Mr. Windsor) in connection with the future of the Iron Ore Company of Canada and the Wabush Mining Company. Everyone in Newfoundland knows that both companies are down now for eleven weeks and are scheduled to reopen again in September, but that seems to be uncertain and indefinite. Does the administration have any information that has

MR. NFARY: not been made public by either one of these mining companies in connection with what will happen after September 1st? Will the mines be back in operation, both mines, or will they be going back in operation on a reduced scale? Does the administration have any information that the general public does not have?

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

MR. MARSHALL: No, Mr. Speaker. Our anticipation as well as the public anticipation is in conformity with the statement made by the companies which is that they will be going back at the times they said they would be going back.

MR. ROBERTS: Mr. Speaker.

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

MR. ROBERTS: Mr. Speaker, if I could move from Western Labrador down to the Western side of the Northern Peninsula, a question for the Minister of Fisheries (Mr. Morgan) of which I gave him notice immediately before the House sat. I understand the government has received, or the minister, I guess, representing the government, has received a proposal from the T.J. Hardy interests in Port aux Basques who are the leaseholders, the lessees of the stages, the plant facilities at Anchor Point and at Flowers Cove. I wonder if there is anything the minister can tell us at this time about the situation? I have no doubt he is well aware that people in both communities, the people who work at these plants, are extremely anxious. The season is now getting well on, we are nearly up into the month of July.

MR. ROBERTS: Is there anything the Minister could tell us with respect to whether those plants might be brought into operation this season?

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

MR. MORGAN: Mr. Speaker, yes, it is correct that we received a proposal involving a request for financial assistance; that same proposal and request has also been made to the Federal Government. In other words, a proposal made to both governments asking both governments for financial assistance. And it is from the company, T. J. Hardy, which is owned fifty percent by the Nickerson firm and fifty percent by Mr. Hardy of Port-aux-Basques and it involves their operations both at Anchor Point, at Flowers Cove at Cow Head, at Fort-aux-Basques and at Rose Blanche. In other words, all their operations. All I can say is that the Minister of Finance (Dr. Collins) is aware of it and my colleague the Minister of Development (Mr. Windsor), because we have assigned officials in these three departments- Fisheries, Finance and Development- to fully assess the request and proposal from that company which is requesting -and I do not want to give the details, because I would think it would be unfair unless the Company agrees for us to do that, make it public -but I will say it involves millions of dollars from both governments in the form of assistance to enable that Company to carry on its operations. Like many other companies they are finding themselves in financial difficulty. And, as I say, the company structure is of such a nature-it is owned half by Nickerson's - it is separate from what we talked about earlier, where we have assisted and formed a new company with the Nickerson firm, that company structure involves the plants that were owned outright by Nickerson's in Newfoundland. This structure on that part of the coast is half and half, owned in that way, and all I can say to the hon. gentleman is that we will deal with our part of the proposal

MR. MORGAN:

as quickly as possible.

It is being assessed now and then we will get it to the level of the full Government, the Cabinet, to make a decision as to what we can do to assist them. We are hoping that at the Federal level - I understand that it has gone to Mr. Kirby, the head of the Federal Government Task Force, and also to officials of Mr. LeBlanc's department - so we

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MR. J. MORGAN:

are hoping they will give it the same kind of urgency as we have to get something, if at all possible, some consideration from both governments as quickly as possible.

MR. E. ROBERTS:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. the member for the Strait of Belle Isle.

MR. ROBERTS:

Thank you. A supplementary if I might.

I thank the minister for his very full and very positive response. A couple of questions grow out of what he said. It is obvious, I assume, from what he said-perhaps he could confirm it or straighten us out if it is not correct -

MR. J. CARTER:

Is this a speech.

MR. ROBERTS:

Yes, I do have the power of speech, unlike the gentleman from St. John's North (Mr. J. Carter) who can only grunt.

- perhaps he could confirm the new arrangement between the government and Nickersons, whatever form it is to take, does not involve the plants he just enumerated. Secondly, it is my understanding that the plants in Port aux Basques and the areas that the minister named, excepting only the plants on the Northern Peninsula - Cow Head - I am not sure about Parson's Pond - Anchor Point and Flower's Cove - these other plants are operating, on whatever basis catch-as-catch-can as may be. Is there any possibility that arrangements could be worked out, even on an interim basis - and just so we are all perfectly aware of it, Mr. Speaker, to show you the type of economic world we live in in Newfoundland today - because the urgent thing is - the minister, I know, is fully aware - is that the people working these plants get their ten stamps. If they do not

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MR. R. ROBERTS: get their ten stamps then, of course, dire economic catastrophe is likely.

MR. H. ANDREWS: Terrible.

MR. ROBERTS: I am sorry. Did my friend from Burgeo-Bay d'Espoir (Mr. H. Andrews) say something?

MR. ANDREWS: Is that your idea of economic development?

MR. ROBERTS: No, it is not my idea of economic development, Mr. Speaker, I say to the minister, it certainly is not. But half a loaf is better than none and, until he and his colleagues can get some economic development in this Province, we got to go with what we got. And ten stamps is an awful lot better than what they will get if they do not get ten stamps, which is the miserly welfare that the minister and his colleagues dole out.

Now, Mr. Speaker, let me come back to the Minister of Fisheries (Mr. J. Morgan) who is being sensible, unlike the gentleman from Burgeo-Bay d'Espoir. Is there anyway in which arrangements could be put into place to have these plants brought into operation? The problem of course is made urgent because there is a fish quota, the minister is more aware of it than I am, in the Gulf. The quota is being caught up and if the plants cannot be brought into operation very quickly, I am told, it is more than likely that there will not be enough fish left to provide ten weeks work and therefore these people will not get stamps. And whether that is the most desirable development or not it is only possible development for these people now.

MR. SPEAKER (Russell): The hon. the Minister of Fisheries.

MR. J. MORGAN: Mr. Speaker, yes, that is one of the reasons why we are dealing with it as quickly as possible, in an urgent way because we realize that these - we call them feeder plants, in Flower's Cove and Anchor Point in particular, and Cow Head - that these plants are not open, whereas the main

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MR. J. MORGAN:

plants, the processing plants in
Port aux Basques and Rose Blanche are open,

MR. MORGAN:

But the proposal from the company was of the nature that it wanted us to deal with their overall operations in total. And the financial assistance will involve their total overall operation.

I have been in contact through my office with the company at Port aux Basque. They have informed me they will buy from the fishermen at Anchor Point, but unless and until the financial problem is resolved they are not able to reopen the plant at Anchor Point. So that gives us some urgency, as was pointed out by the hon. gentleman, in getting the plant open because it means jobs, because there is a quota on the Otter trawler dragger fishery operations in the Gulf and when that quota is reached, of course, no more raw material and it would mean no more jobs in that plant.

So we will deal with the proposal as quickly as possible and, as I said earlier, we are hoping the federal government will take the same kind of attitude.

MR. SPEAKER (Russell):

The hon. member for the

Strait of Belle Isle.

MR. ROBERTS:

Thank you, Mr. Speaker.

A further supplementary. The minister and I, I think, are of one mind on this and I think we are both on the right track.

MR. TULK:

For once the minister is right.

MR. ROBERTS:

The minister was right yesterday on this over-the-side thing too.

I mean -

MR. NEARY:

You and 'Morgan' are on the same track?

MR. ROBERTS:

Yes, I say to my friend, the Leader of the Opposition (Mr. Neary); when the Minister

MR. ROBERTS: of Fisheries (Mr. Morgan)
and I agree everybody else in the House need stand aside
and wonder what is happening.

Now let me just come back
to the Hardy proposal again, because it is of immense importance
to several thousand people whose only livelihood is there.
We bailed out Ramea and Burgeo so let us bail out these
areas down here too. And my friend for Burgeo-Bay d'Espoir
(Mr. Andrews) will agree that there is as much economic
development on the Northern Peninsula as there is on the
Southwest Coast.

Is the proposal - and I
agree with the minister, I do not want to get into the
details of it. There is no business of bringing it out
publicly at this stage - is the proposal contingent upon
federal and provincial financing? In other words, are we
going to be in another situation where, you know, 'After you,
Alphonse,' 'No, no, Gaston. You must go first.' Can the
minister tell us whether the proposal is of such a nature that it
must have action by both governments, or will it be possible
to resolve this at the level of the provincial government if
we cannot get joint action? Obviously joint action is desired,
particularly because it would appear obvious that the
Treasury is going to have to make a contribution, and it is
devoutly to be desired, I am sure, that the federal Treasury
contribute as well as the provincial Treasury. But are
we in a position of having to wait for a joint agreement
particularly with respect to these Northern plants, which I
understand the minister to say cannot be separated out as
part of the package, the package must be viewed as a whole.

MR. SPEAKER (Russell):

The hon. Minister of

Fisheries.

MR. MORGAN:

Mr. Speaker, when the company

Nickerson's regarding their plants on the Northeast Coast
made a proposal to both governments - well first let me go back
a bit further, First of all when the proposal was made
to both governments by the Lake Group, we were successful in
the two governments and the bankers

MR. MORGAN: working out an arrangement of financial assistance from both governments to enable the re-opening of these plants. When a proposal was made from the Nickersons along a similar line to both governments for financial assistance, we found ourselves in a position where the federal government rejected the request so we had to deal with the proposal to us alone with the bankers. We were able to do that by means of successful negotiations with the bankers in particular in bringing down the amount of money required to be put forward by government. In this case the proposal involves millions of dollars from both governments and unless these figures change, based on the information we have seen to date - my discussions with my colleagues and the officials in the different departments, the three departments I mentioned - unless these figures come down from what we have seen to date in the proposal, and we have no reason to believe they are going to change at this time, it will definitely need both governments to put in financial assistance as a result of it.

MR. WARREN: Mr. Speaker.

MR. SPEAKER (Russell): The hon. member for Torngat Mountains.

MR. WARREN: Mr. Speaker, my question is to the Minister of Rural, Agricultural and Northern Development (Mr. Goudie). In the Estimate Committee I wanted to ask the minister could he confirm that his department is anticipating or is planning or has already transferred housing that was built by the provincial and federal governments over a number of years, has his department transferred those houses to the town council or to individual people in Torngat Mountains?

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

MR. GOUDIE: Mr. Speaker, this particular

MR. GOUDIE: item came out during the estimate discussions in committee and, as a matter of fact, this particular move had been taking place prior to the Budget being brought down. But what is happening is that over the last ten or twelve years there have been 397 houses, I believe, built in various communities in Labrador, seven communities in particular, and what we have now done as a government is turned over these housing units to their respective community councils in the community, who in turn will then be in a position to turn them over to the present occupant or some other person who might have an interest in that particular dwelling.

MR. WARREN: Supplementary, Mr. Speaker.

MR. SPEAKER (Russell): Supplementary, the hon. member for Torngat Mountains.

MR. WARREN: Mr. Speaker, my supplementary is to the Minister of Health (Mr. House) but it has to do with the Minister of Rural, Agricultural and Northern Development's department (Mr. Goudie). The Minister of Health is not here. He was here just a second wherever he has gone. Anyway probably I will ask the President of the Council (Mr. Marshall), in his absence, are there any regulations within the government of items that are on the shelves in stores throughout Newfoundland and Labrador and when it says 'best before such a date' how much longer should these items be left on the shelves before being used?

MR. MARSHALL: Mr. Speaker.

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

MR. MARSHALL: Mr. Speaker, I think it should probably come as no surprise to the hon. member that I cannot answer that question immediately. I would have to research to see whether there is any regulation or law to that effect. But really I think what the hon. gentleman is referring to the area in which any such prohibition would come, would be under the federal laws, you know, the federal Food and Drug Act, which would really regulate that particular aspect. Because it would seem that that would be within the powers or the aegis of the federal government. But I cannot indicate exactly as to whether there is any legislation provincially which might indirectly impinge on the question. I think it is mainly a matter of federal concern.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I have a couple of questions for the Minister of Transportation (Mr. Dawe). Some time ago the minister called public tenders for a ferry service to Pelleys Island, Can the hon. gentleman tell the House if the contract has been let yet, the ferry service to Pelleys Island?

MR. SPEAKER: The hon. Minister of Transportation.

MR. DAWE: Mr. Speaker, the proposals, the bids, have been in now for some time and discussions have gone on with the individuals. I think there were seven or eight, either companies or individuals, who had applied to operate that service, I understand that the lowest bidder has subsequently withdrawn his bid so the department is now talking to the second lowest bidder. But it has not been confirmed yet or officially let or indicated who the operator is.

MR. NEARY: Mr. Speaker.

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

MR. NEARY: A supplementary, Could the minister indicate when he expects to let the contract?

MR. SPEAKER: The hon. Minister of Transportation.

MR. DAWE: Mr. Speaker, it has been handled down the line. I would suspect within the next couple of days we should have a definite - once they have talked to the second lowest bidder and have confirmed that the bid is acceptable and in line, then it will be let.

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

MR. NEARY: Mr. Speaker, I would like also to ask the hon. gentleman about the ferry service to Ramea and the construction of the ferry terminals. Could the hon. gentleman indicate to the House when the tenders will be called for the terminals?

MR. SPEAKER: The hon. Minister of Transportation.

MR. DAWE: Mr. Speaker, the tenders have already been called. The best information that I have is that the terminals should be built by late Fall. Maybe late November or early December the terminals themselves will be finished. We hope to call tenders on that service, the service itself sometime in mid July once the vessel is over from Scotland. I indicated to the member for Fogo (Mr. Tulk) that the vessel had been purchased, that is the one to go in the Fogo service. It should be over about mid July. Once CSI has done their final evaluation and approval of that vessel, we will call tenders immediately.

MR. WARREN: Mr. Speaker.

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

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MR. NEARY: No, I have a supplementary.

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

MR. NEARY: Did I understand the hon. gentleman correctly that the contract has been let for the terminals and that they are under construction? Or is he is in the process of screening the tenders to let a contract?

MR. SPEAKER (Russell): The hon. Minister of Transportation.

MR. DAWE: Mr. Speaker, I will take a couple of minutes and check that out for sure. I know the tender calls have been let but I am not sure whether the contracts themselves have been awarded. What I indicated as an end of construction date is what the department officials give me as an estimate. I can check it in the next couple of minutes and let you know.

MR. WARREN: Mr. Speaker.

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

MR. WARREN: Mr. Speaker, my question is to the Minister of Communications (Mr. Doyle). I think this will probably be his first question in the House.

SOME HON. MEMBERS: Hear, hear!

MR. ROBERTS: It will be his first answer.

MR. WARREN: So, Mr. Speaker, I understand that Newfoundland Telephone is looking for an increase. Could the minister advise if he has had any intervention against Newfoundland Telephone with their latest request for an increase?

MR. SPEAKER: The hon. Minister of Communications.

MR. DAWE: No, Mr. Speaker, it is not the policy of government to intervene in that regard. The Newfoundland Telephone rate increase, the application for it has gone to the Public Utilities Board and as the hon. gentleman is aware the Public Utilities Board is of course a quasi-judicial body and it is not the policy of government to intervene in that regard.

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

MR. WARREN: Mr. Speaker, I have a supplementary question for the Minister—or probably a new question. Could

MR. WARREN: the minister advise the House what time does he expect that we will be receiving pay television throughout the Province?

MR. SPEAKER (Russel): The hon. Minister of Communications.

MR. DOYLE: Mr. Speaker, as the hon. gentleman is probably already aware, six licenses have been granted by the CRTC for national packaging of pay TV. As a condition of that license the signal has to be on satellite by April of 1983. After that, of course, it will depend on the local exhibitors in the Province and whether or not they wish to get involved in the implementation of pay TV. That will be determined, of course, Mr. Speaker, by the local exhibitor and how quickly he wants to move in that area and will be determined, of course, by market demands. So the signal has to be up on satellite by April of 1983, so anytime after that the local exhibition of the service could come to Newfoundland, it could be implemented within a year. But again, as I said, that will depend upon market demands.

MR. ROBERTS:

Mr. Speaker.

MR. SPEAKER (Russell):

The hon. member for the Strait of Belle Isle.

MR. ROBERTS:

Mr. Speaker, the minister is doing so very well let me serve another nice big soft one up to him to see if he can hit it out of the ball park. Could the minister tell us what steps he and his colleagues are prepared to take to provide the second television channel to the parts of the Province which do not now have it? And specifically whether he is prepared to provide the financial assistance which is all that stands between the people who do not now have it and the state of affairs where they could have a second national television channel?

MR. SPEAKER:

The hon. Minister of Communications.

MR. DOYLE:

I assume the hon. gentleman is referring to remote parts of the Province.

MR. ROBERTS:

Well, Mr. Speaker, if the minister will permit, people who live there do not consider them remote. There must be 50,000 in this Province who have access only to the CBC channel.

MR. DOYLE:

Well, just recently, Mr. Speaker, twenty-five applicants have been given licences for the distribution of the package known as the Cancom package in Newfoundland. That particular package is designed to serve remote areas of the Province. So insofar as the financial end of it is concerned, helping these individuals bring that service into these remote areas, we certainly do not get involved in that area of providing financial assistance to these companies to get that package programming into these areas.

MR. ROBERTS:

Supplementary, Mr. Speaker.

MR. SPEAKER:

Supplementary, the hon. member for the Strait of Belle Isle.

MR. ROBERTS: Mr. Speaker, it was a lovely soft question but I am not sure the minister understands the problem. Let me then ask him whether he is aware that the effect of the introduction of the Cancom package into the areas of the Province where CRTC has approved it - twenty-five he says; however many there are, I accept his figure, of course - the effect of that is to create two classes of television viewers in this Province, those who for no direct charge have access to both CBC and CTV services, which is about 90 per cent of the Province, and those who have access to CBC for free with no direct charge, but for access to the CTV service - not NTV; they do not see Newfoundland news. You sit in St. Anthony, Mr. Speaker, and you can watch at 10:30 at night the 6:00 Vancouver news. It is marvelous, You know exactly what is happening in Vancouver, you know more about what is happening in the Legislature of British Columbia than you do about what is happening in our Legislature - and for that service, the CTV service, the people in these,

MR. ROBERTS: to use the minister's unfortunate term 'remote areas', are required to pay a fee approved by the CRTC, and it is compensatory \$12, \$13, \$14 a month, plus the cost of the scrambler device. So, you know, the situation is we have two classes of people in this Province now, those who must pay for their television and those who get it from the airwaves for free. Secondly, I would ask the minister a second question, or a second point that he might want to mull over and in due course announce a policy on - of course I assume he is aware that the CRTC approved services, which is the distribution of the Cancom signal from the satellite, that does not cover large areas of the Province. It only covers the areas in respect of which the licence is granted. Let me give him an example. You can get the Cancom service in Anchor Point if you wish to pay the going rate, \$12, or \$13 a month, whatever is - which is substantial - but you cannot get it in a community four or five miles away from the transmitter in Anchor Point because of course the Cancom's service involves pulling a signal down from the satellite with a ground receiver station and retransmitting it.

MR. MORGAN: Seven miles.

MR. ROBERTS: Seven miles, my friend from Bonavista South (Mr. Morgan) who has some knowledge in that as well. So seven miles maximum and there are still -

MR. TULK: Better if he knew something about the fishery.

MR. NEARY: Expert on television, knows nothing about the fishery.

MR. ROBERTS: The point to the Minister of Communications (Mr. Doyle) is that there are still large areas of this Province, even with the Cancom approved service, where people do not have access to the second TV service. And I suggest to him that he

MR. ROBERTS: might consider, as a point of government policy, making both national television services available to all the people in this Province. I would suggest to him as well the cost is minimal. It could be done for less than it costs, say, to run Mount Scio House for a year, just to take a figure out of thin air, and would provide a hell of a lot more for the people of this Province in the way of educating and benefiting them than does some other expenditures of the government.

MR. SPEAKER (Russell): The hon. Minister of Communications.

MR. DOYLE: Yes, Mr. Speaker, I believe, and it is also the belief and the policy of the Newfoundland Government, that all people in the Province should have access to a broader range of services, every area in Newfoundland.

MR. ROBERTS: On the same basis?

MR. DOYLE: On the same basis as well. We fully believe that. The CBC is not readily available in all communities yet in Newfoundland simply because of -

MR. ROBERTS: Because of the 500 policy.

MR. DOYLE: - because of the 500 policy, the CBC's accelerated coverage plan. However, in some instances, and I think I should make the hon. member aware of this, in some instances, as the area like Rigolet is concerned, the CBC have not yet provided a service in that area because of their accelerated coverage plan, but at the same time in areas like Postville and Makkovik they have gone in and provided the service and have chosen to waive the 500 accelerated coverage plan. So it is the policy of the Newfoundland Government that all areas of the Province should have full TV service. With respect to Cancom again,

MR. DOYLE:

Mr. Speaker, it would also be of interest I am sure to people in remote areas that the jurisdictional end of the whole thing has not been fully worked out yet, and that even existing cable companies should be allowed, insofar as I am concerned and insofar as the Newfoundland Government is concerned, existing cable companies should be allowed to pull down that signal and to bring it into areas as well.

MR. SPEAKER (Russell):

The hon. member for the Strait of Belle Isle.

MR. ROBERTS:

A further supplementary, Mr. Speaker. We are all going to be a lot older, as I am sure the minister either realizes or will shortly realize, before the jurisdictional questions are resolved. I am not even sure that people, in government and outside, understand the technical issues let alone the jurisdictional questions which arise from them. The minister has stated the policy. Could he tell us what he and his colleagues - this is really where we came into this little chat this morning - what he and his colleagues are prepared to do to implement that policy? All the more so should they do something to implement it, I suggest to him, because, as he has just said, he and his colleagues have jurisdictional claims which, with my full blessing, they should advance in the appropriate fashion, in the appropriate place, and at the appropriate time.

But what is he prepared to do?

Because the only way that these people in, to use the minister's infelicitous phrase, in these 'remote areas' will get television is if somebody, and I am suggesting the government of the Province provides the hardware necessary to receive the signal, whether it is from a satellite or from a land link, and to rebroadcast it to the people with television sets. What is the government

MR. ROBERTS: prepared to do about that?

MR. SPEAKER (Russell): The hon. Minister of
Communications.

MR. DOYLE: I do not know what the hon.
gentleman means when he says that the government should
provide the hardware to bring that in.

MR. ROBERTS: Receivers.

MR. DOYLE: Well sometime -

MR. ROBERTS: They cost \$100,000 each.

MR. DOYLE: That is not the policy
of the Newfoundland Government, Mr. Speaker, to provide the
hardware to bring in that signal, that is generally done
by the private operators or the exhibitors who apply for
licencing.

It might be of interest
to the hon. gentleman to know that over the last couple
of months in attending a federal-provincial conference in
Calgary on this matter with the Federal Minister of
Communications, Mr. Fox, that the federal government is
quite adamant that they do not intend to really release any
of the jurisdiction

MR. N. DOYLE:

that they presently hold over this type of service. So a lot of jurisdictional things will have to be worked out before we can address that problem. But again I say to the hon. gentleman that we here in this Province, as the government feels that everybody in the Province, no matter where they live, should have as broad an access to these services as is possible. So in regard to getting involved with actually providing the service itself as a government, we certainly cannot do that, but we can encourage and we are encouraging and we will continue to encourage the federal government and operators in the Province to get involved in bringing T. V. services into remote areas of the Province.

MR. SPEAKER (Russell):

Order, please!

The time for Question Period has expired.

NOTICES OF MOTION

MR. W. MARSHALL:

Mr. Speaker.

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, on behalf of the hon. Minister of Finance (Dr. J. Collins) I give notice that I will on tomorrow ask leave to introduce the following bills:
"An Act Respecting An Increase In Certain Pensions",
And another bill: " An Act Respecting An Increase To Certain Pensions For Transferred Employees."

ANSWERS TO QUESTION FOR WHICH NOTICE HAS BEEN GIVEN

MR. J. DINN:

Mr. Speaker.

MR. SPEAKER (Russell):
and Manpower.

The hon. the Minister of Labour

MR. DINN:

Mr. Speaker, I have the answer to Question 132, asked by the the hon. the member for Terra Nova (Mr. T. Lush) on the Order Paper dated June 24, 1982.

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MR. S. NEARY:

Mr. Speaker, a point of information before the hon. gentleman calls the Orders of the Day.

MR. SPEAKER:
Opposition.

The hon. the Leader of the

MR. NEARY:

We have a department of government that did not appear before any committee to defend their estimates, the so-called Department Of Communications. Would the hon. gentleman tell us, you know, how we are going to examine the estimates of the new Department of Communications? Is the minister being paid? Is there any authority to pay the minister? There is nothing in the estimates. We have the estimates not showing a Department of Communications except under Executive Council. And no salary for the minister. I mean, how are we going to get at this? There is no provision, in the concurrence debate that is coming up, to discuss it.

MR. NEARY: So are we going to go through the estimates and just -

AN HON. MEMBER: It is under Executive Council.

MR. NEARY: Yes, it is under Executive Council, communications, but -

MR. ROBERTS: Where is the salary?

MR. NEARY: - there is no provision for a salary there. The Minister did not defend his estimates at the Committee meetings, there is no provision for it in the concurrence debate, it just does not exist as far as the House is concerned. Could the hon. gentleman tell us how to solve this?

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

MR. MARSHALL: Mr. Speaker, I can see after the stirring answers given by the hon. minister today why the hon. Leader of the Opposition (Mr. Neary) would be very worried about his salary if it was not included, because from the way he answered today he should get a double emolument.

SOME HON. MEMBERS: Hear! Hear!

MR. MARSHALL: The hon. gentleman will find the Minister of Communications (Mr. Doyle) estimates covered in Executive Council under Subhead 305-03. Now, this was discussed, Mr. Speaker, in the House, in the full House, before the whole House, and the hon. gentleman had quite adequate opportunity to ask questions then. But he was only interested in asking questions and making observations about himself beating his head off the table in the Cabinet room in a former administration and asking other such innocuous questions. I kept reminding him at the time that what he should do, was ask questions with respect to the expenditure of money. Had he done that, he would have found that the Minister of Communications is looked after in these estimates and so is his Department.

MR. SPEAKER (Russell): Order No. 3. Concurrence
Motion, Resource Committee.

The hon. the President of the Council.

MR. MARSHALL: The hon. the
Member for Fortune-Hermitage (Mr. Stewart) is not here today,
he is on government business. I am not going to speak to
any great degree on his behalf except to say that the
Resource Committee met and the estimates of the various
departments heard in the Resource Committee came
under examination. The meetings were very well attended
on the government side and there were questions, very searching
questions that were asked. There was an examination of the
various details of the estimates which experience has shown
from the way in which these committees work that there is a
much more effective examination of the estimates than there
has been in the House. So the concurrence motion now
is before the House, it has been presented by the hon. member,
he has given notice of it, and I move the Concurrence
Motion in the interest of having the Resource Committee's
Estimates debated.

MR. SPEAKER (Aylward): Order please!

The hon. the Leader of the Opposition.

MR. NEARY: Mr. Speaker, this is probably
one of the most important Committees that we will be

MR. NEARY:

discussing because we are talking about the industries that provide the new dollars for this Province. We are talking about the fishery, the energy department, rural and Northern development and forestry. Now, Mr. Speaker, it is rather disappointing that the hon. gentleman who chaired that committee is not in the House this morning to move his own concurrence debate because, as hon. members know after listening to the Government House Leader, all the gentleman did was to bluff his way through. He did not have the foggiest notion of what he was talking about. I cannot blame the Minister of Justice (Mr. Ottenheimer) for sitting there with a smile on his face and looking up at the Government House Leader with his mouth open wondering what he is going to say. The hon. gentleman did not know until prior to his getting up on his feet, he looked around to see if the member for Fortune Bay was here, and when he discovered he was not here he said, 'Well, somebody has to move the concurrence debate,' so the hon. gentleman got up and bluffed his way through it. Mr. Speaker, that just goes to show what a shambles, what a sham, what a farce this system of examining estimates is in this House. It is a complete and utter farce and the only thing it does is give the government a free ride. Mr. Speaker, they are getting away almost scot-free with the estimates by burying the estimates in the board rooms and in the old Colonial Building. And, Mr. Speaker, it may sound repetitious, but the estimates should be analysed here in this hon. House. We are the only Province in Canada

MR.NEARY: which has this system the only Province in Canada.

MR. CARTER: That is not true.

MR.NEARY: It is true. And I think that after the experience this year, and the track record of the last two or three years we should revert back to discussing estimates here on the floor of the House of Assembly. Once you remove the power of the purse from parliament, you take away its authority and you take away its power and that is what has happened here, Mr. Speaker.

MR.CARTER: Pure rubbish.

MR.NEARY: Has the hon. gentleman been sniffing savory again this morning, Mr. Speaker? Anyway, Mr. Speaker, if we are going to be forced all we can do-by the way, we cannot examine estimates here now-all we can do is just

MR. NEARY:

debate back and forth for ten minutes at a time. Each member alternately, back and forth, will have ten minutes. We cannot ask specific questions, Mr. Speaker, our hands are tied. We can only get up and talk about policy or philosophy. We cannot get down to the nitty-gritty and ask why was this increased, why was this amount put in, what was this for, why did the government spend this, why are they doing this. We cannot do it. We can only get up and talk in generalities about the various departments. I suppose I could come back to the Minister of Energy (Mr. Marshall), I notice that Nova Scotia is gloating now over the fact that the dispute between Newfoundland and Ottawa is continuing while Nova Scotia is down trying to pedal gas and possibly oil if they find any of Sable Islands to the New England states by running a pipeline from Nova Scotia down the the New England states to bring Nova Scotia natural gas via pipeline down to the United States. And while they are doing that, Mr. Speaker, they are gloating and keeping their fingers crossed and hoping that Newfoundland will continue warring with Ottawa. The longer we carry on the squabbling with Ottawa the more benefits are going to go to Halifax and over to Nova Scotia, the more money is going to be poured into Nova Scotia. They just signed a deal with the Government of Canada, with Petrocan, a \$250 million deal, Mr. Speaker, and that is not peanuts. And so all we are getting in this Province, I am just now talking about the Department of Energy, all we have gotten so far are the evils of oil and no benefits. All the benefits are going to our sister province of Nova Scotia.

MR. NEARY: Mr. Speaker, the hon. gentleman may get up and say, "Well, once the ownership or the offshore management question is settled we will catch up." There is no way, Mr. Speaker, we can catch up. They have got the jump on us now too long. There is no way we can catch up with Nova Scotia. The majority of the spin-off benefits with regards to oil and gas on the Eastern Seaboard of Canada on the continental Shelf off the East Coast of Canada, the majority of the spin-off benefits will go to Nova Scotia. And all we will get in Newfoundland are spin-off benefits that would not be economically feasible to put over in Nova Scotia. Like there may be a helicopter base here, there may be a few service vessels. That is all we will have, Mr. Speaker. We will be merely a service centre for the offshore, a few service vessels running back and forth and a couple of helicopters. That is all we will have in this Province. The capital of the oil development in Eastern Canada is Halifax, Nova Scotia, and there is no way we can win it back. It is gone too far, Mr. Speaker. You cannot get an apartment, you cannot rent an apartment in Dartmouth or in Halifax. You cannot rent a foot of office space in Halifax or in Dartmouth.

MR. MARSHALL: Are you moving there?

MR. NEARY: No. But, Mr. Speaker, I would submit that the 40,000 jobs that this administration forecast in their five year plan are over in Nova Scotia, not in Newfoundland.

Mr. Speaker, I do not know if the hon. gentleman realizes the damage that he is doing to Newfoundland, to our future, with his attitude towards the Government of Canada and the Government of Quebec. Mr. Speaker, let us just take the Quebec matter alone. The hon. gentleman has made statements inside and outside of this House, and I challenge him now to put the evidence on

MR. NEARY:

the Table, that Quebec offered to reopen the contract on the Upper Churchill and make substantial contributions to the revenue of this Province. They offered to participate in the development of the Lower Churchill, but that is not hard and fast. If Newfoundland wants to develop the Lower Churchill by itself, well then Quebec indicated they would accommodate this Province by allowing us to run the power across either on their transmission lines or on a new transmission line that we would like to build. Obviously that has to be done for a fee, there has to be negotiations. And the other stipulation was that Newfoundland and Quebec would either jointly or separately develop the five rivers in Labrador that have their headstreams, their headwaters in the Newfoundland part of Labrador and the downstream in the Quebec part of Labrador.

Now, Mr. Speaker, I ask this House what is wrong with that? What is wrong with this Province entering into a package deal with the Province of Quebec? What is wrong with that? We have to get the money somewhere to carry out these developments.

MR. MARSHALL:

Give it all away.

MR. NEARY:

No, Mr. Speaker, that is the hon. gentleman's philosophy. The hon. gentleman is paranoid about that. I am talking about a package deal that would be in the interest of this Province that would create thousands, piled upon thousands of jobs and be good for the economy of this Province. But every time the hon. minister mentions that he also throws in the little dart that Quebec wants to change the boundary.

Mr. Speaker, I ask the hon. gentleman now to lay on the Table of this House the correspondence between this Province and the Government of Quebec in connection

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MR. NEARY: with that proposal, and point out to me in that correspondence where Quebec is talking about changing the boundary. It is not there, Mr. Speaker. It is not there. It is a figment of the hon. gentleman's imagination. It is his little narrow, buttoned-down mind. There is nothing in the correspondence or in the proposal to indicate a changing of the Labrador boundary. Nothing. There is nothing in it.

All Quebec asked for was either to enter into a joint agreement.

MR. SPEAKER (Aylward): Order, please!

MR. NEARY: If there is something in it, put the correspondence on the table of the House, and do not be making wild, irresponsible statements.

MR. SPEAKER (Aylward): The hon. President of Council.

MR. MARSHALL: Is he finished, Mr. Speaker? The Leader of the Opposition (Mr. Neary) is he finished? We are going over this, you know, the same thing over and over again. Look, Mr. Speaker, the hon. gentleman there opposite happens to be a messenger for the federal government and a messenger now for the Province of Quebec. And every time he gets up and he speaks on issues like this he is prepared to accept by rote every single thing that comes down from Ottawa with them. They are prepared to accept everything even that the Province of Quebec says.

Mr. Speaker, look, this business that he talks about, about the attitude with - did you just hear him recount the alleged proposal made by the Province of Quebec? If we left it to the hon. gentlemen there opposite they would give every single thing away. The eight members over there are eight little lap dogs both to the federal government and to the Province of Quebec. And one could almost do a cartoon, if one could draw, depicting the eight little lap dogs pulling a komatik across Labrador with Newfoundland and Labrador all packaged up to deliver into the hands of Rene Levesque and to deliver the resources into the hands of the Province of Quebec. Every statement made by the Leader of the Opposition (Mr. Neary) indicates once again that if they had control, and God help that they ever did handle the affairs of this Province, that indeed the oil capital of Eastern Canada would be in Halifax. Indeed, the oil capital and the action would be on the Eastern Shore of the Province of Quebec with respect to the oil industry. Indeed, Mr. Speaker, another

MR. MARSHALL: great resource, the Lower Churchill resource, would go back into the hands of the Province of Quebec, and this is really what we are trying to protect.

The hon. gentleman there opposite, over and over and over again he repeats and repeats, he has got it by heart, he has got it written on his back, the policies of the federal government and the position of the federal government with respect to this. Our position is quite firm with respect to the offshore, that we want to, as we repeat it over again, you cannot say it too much, that we want this issue to be resolved by negotiations. The federal government say that they want it resolved by negotiations. The federal government then alleged that we put down preconditions. The only precondition as such, if you want to call it that, is that ownership be set aside, when we say that, in effect we are saying we want to enter into an agreement that cannot be torn up.

MR. MARSHALL: Now is that too much of a precondition for anyone to put down, Mr. Speaker, when they are talking about negotiating an agreement? Is this a wrong precondition to put for the people of Newfoundland, that we do not want the agreement that is arrived at to be torn up? Would we be acquitting ourselves in our duty to the people of Newfoundland if we did anything else? Would it be correct for us to enter into negotiations and come up with an agreement that even if the present federal government would not tear it up a successor government could at will tear it up? I suggest to you, no. What the federal government want is they put down a precondition and their precondition is ownership be adjudicated. In other words, their precondition is they want to enter into an agreement which they would have the liberty in the future to tear up at will.

Now I ask you what is the correct position and what is best for the people of Newfoundland? What is best for the people of Newfoundland, Mr. Speaker, is not what the eight little lap dogs there opposite would have us follow. They would package it up, I say, and put Labrador on a sled and deliver it into the hands of the Province of Quebec quicker than you could say the word 'mush'.

SOME HON. MEMBERS: Hear, hear!

MR. MARSHALL: And we see the manifestation of that over and over again.

And this business about the major spinoffs you know, you are sick and tired of hearing what the hon. gentleman there opposite says with respect to Halifax, repeated sometimes by other persons who are supporters of them from time to time. That is not a fact, Mr. Speaker. The fact of the matter is that whatever development comes to Nova Scotia for their own resources they are welcome to it and we would be very happy if Nova Scotia can develop because it is a province that is in need of economic development as well as Newfoundland, not as much as Newfoundland.

MR. MARSHALL:

But in our particular case there will be no development in Nova Scotia on the basis of the resources of this Province, and Hibernia belongs, as I say, to this Province. As much as the hon. gentlemen may want it, and as much as his friends in Ottawa may want it by attempting to take from us our right to that resource, they cannot, although they would if they could, they cannot move Hibernia any closer to Halifax. As a matter of fact, if the hon. gentlemen in Ottawa could do it they would move Hibernia, if it were physically possible, and, I say, put it right in the middle of border between Quebec and Ontario so that they could preserve their political position better. But they cannot do that, Mr. Speaker, and the fact of the matter is the resource is nearer to this Province and development will take part in this Province.

To the hon. gentleman there opposite who is prepared to give it all away for reasons he has already said from time to time. I say to

MR. MARSHALL:

him that this Province and this government will never give it away. The situation is we are prepared on the offshore to negotiate if the federal government will agree to enter into simply an agreement that will be unable to be torn up, and I do not think that is too much to ask.

In the meantime, the federal government has taken the matter to court, has taken it into the Supreme Court of Canada, The fact that in an unprecedented action the Supreme Court of Canada has decided to hear that matter is something that has to be repeated again and again. I have just finished reading reports of the Justice Department's estimates in Ottawa, justice and legal affairs, in which Mr. Chretien appeared before the committee. And it is really unfortunate that the information and some of these proceedings do not get publication here in this Province. The publication relates to a hearing that occurred, Issue Number 89, for those members and all members of the press who would like to see it, Issue Number 89 on Thursday, May 27th, and I would very much recommend the examination by Mr. James McGrath of the hon. John Chretien at the committee hearing which occurs on page 15 and ensuing over to page 20. It is very, very revealing. And one of the things that is revealing and very troublesome with respect to our negotiations is that Mr. Chretien - who is the Minister of Justice; who certainly, if anybody, should know the law of Canada and the law that applies to Canada, it should be, I think everyone will agree, the Minister of Justice - when it was said, and we said it was unprecedented and uncustomary for this matter to be referred directly to the Supreme Court of Canada, we were greeted on local radio here by Mr. Chretien saying there were twelve other incidents. He repeated that in the House of Commons, he

MR. MARSHALL: repeated it here under examination from Mr. McGrath. Now subsequent to that there was a critical analysis of reference of case precedence - done by whom? Done by the Tories? No, not done by the Tories - done by the law and government division of the Research Branch of the Library of Parliament at Ottawa, done by a Bruce Carson, who is employed up there, an independent person with legal training. And he reviewed the cases that had been quoted, all twelve of the cases that Mr. Chretien quoted, and he says that all the cases seem to involve the central government referring matters for clarification in relation to law suits which cannot be appealed to the Supreme Court of Canada or will not be appealed to the Supreme Court. "None of the other cases" - now note this, Mr. Speaker - "None of the other cases involve the central government referring a matter to the Supreme Court while it is a subject of a reference which is continuing in a provincial Court of Appeal." Now I think it is a little bit of a serious nature the fact that the Minister of Justice (Mr. Chretien) in Ottawa would get up and quote twelve precedents where this has occurred before and the

MR. W. MARSHALL: research of the Law and Government Division, research branch and the Library of Parliament in Ottawa is able to refute them. I think that that is, you know, a matter of some significance. The only one at all that had any relationship, although it was not similar, was a case in 1932 called The Radio Broadcasting Act, and that is the one the Prime Minister has referred to in his telex. But the chap who did the research indicates that The Radio Broadcasting Act of 1932 has no relationship at all to the present instance as well. Because what had happened there is that the government of the Province of Quebec acceded and was prepared to agree to the matter being taken, in effect, out of the provincial court and directly into the federal court.

MR. CARTER: So Chretien is a liar.

MR. MARSHALL: Well, I do not know. He has been accused of various things but it comes down to two factors: Number one, either the Minister of Justice (Mr. J. Chretien) in Ottawa was misrepresenting case precedence, which you would not expect from a Minister of Justice on the one hand, or else he was incompetent. Either one of the other, I would think, would have to be the answer, and neither one or the other, I think, would exactly fit him for the august position of being Minister of Justice for Canada because the issue -

MR. SPEAKER (Aylward): Order, please!

MR. MARSHALL: - in this is just too important to the people of Newfoundland, Mr. Speaker, for representations of that nature to be allowed to go without being answered.

MR. S. NEARY: Mr. Speaker.

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

MR. NEARY: Mr. Speaker, I am highly at the remarks of the hon. gentleman. The hon. gentleman does not address himself to the issues. The hon. gentleman just

MR. S. NEARY: branches out again in his usual tirade against the Government of Canada, his viciousness, his hatred for Mr. Trudeau, his hatred for Ottawa and his hatred for the Province of Quebec. The Premier of this Province, you know, Mr. Speaker, cannot refer to the people of Quebec as Canadians or as residents of Quebec. The Premier of this Province has to keep referring to the people of the Quebec as French Canadians. Mr. Speaker, you know, that is kind of, in my opinion, a bit low for the Premier of this Province. You would expect better from the Chief Executive Officer of this Province. But, Mr. Speaker, the fact of the matter is that the administration is digging a hole deeper for themselves all the time. Mr. Speaker, I asked the hon. gentleman point-blank to tell us if in the proposal that was put forward by Quebec on a number of occasions in recent years, if that proposal included a change of the Labrador Boundary, and the hon. gentleman completely evaded the question - and it does not.

MR. MARSHALL: I will answer that.

MR. NEARY: If the hon. gentleman wants to answer me, he can answer me now and put the document on the table of the House.

MR. W. MARSHALL: I will answer it if you want me to.

MR. NEARY: No, Mr. Speaker. I want more than just the words from the lips of the hon. gentleman, Mr. Speaker. I want to see - I am a doubting Thomas - I want to stick my hand in the wound, I want to see the evidence put on the table of the House.

MR. WARREN: That is right, that is right.

MR. NEARY: The fact of the matter is that the hon. gentleman does not have the hard evidence. If he had it - and I am calling his bluff now, Mr. Speaker. The hon. gentleman has been bluffing long enough and it is time to call his bluff - if he has it let him put it on the table of the House. Here is the proposal, as I understand it, that would be to the benefit of two provinces, both provinces, not one. It is not a one-way street. Do not hon. gentlemen have enough confidence in themselves to negotiate? Do they not, Mr. Speaker? Why are they always so paranoid and why are they always asking the question, 'Do you want us to give everything away?' Do they not have any confidence in themselves? What is wrong with taking a reasonable common-sense approach to these problems and sitting down around the table and negotiating in good faith? Now is that giving something away? What is wrong with it, Mr. Speaker? What is wrong with that procedure? No interruptions from the other side so I would assume there is nothing wrong with it. The only thing that is wrong with it is that if you resolve your differences with Quebec, if you resolve your differences with the Government of Canada, there would be no election issue in the next federal election. That is what they see wrong with it. They are continuously carrying on the election campaign. They have an opposition syndrome. They get up and they speak as if they are in opposition. They are more concerned about us than they

MR. NEARY: are in carrying out their mandate. They are more interested, Mr. Speaker, in trying to embarrass the Opposition, in trying to twist and turn and squirm at every move than they are in taking a positive, constructive approach to these problems. And the hon. gentleman just did the same thing again and I can stand up here twenty times a day and the hon. gentleman would get up twenty times a day and squirt his venom and his poison and tell us nothing about the plans of the government of which he is the chief spokesman at the moment.

MR. WARREN: God help us.

MR. NEARY: The fact of the matter is that the proposal that is before us is the development of five rivers in Labrador, the development of the Lower Churchill either with or without the help of Quebec - with or without.

MR. MARSHALL: Where did you get that?

MR. NEARY: That is in the letter the hon. gentleman got from Mr. Lalonde. The hon. gentleman has not bothered to go back.

MR. DINN: You do not trust Mr. Lalonde.

MR. NEARY: I trust Mr. Lalonde just as far as I trust the hon. gentleman.

Mr. Speaker, the fact of the matter is that you could have five rivers developed in Newfoundland Labrador., you could have the Lower Churchill developed, and you could have the Upper Churchill contract reopened. Now how do you accomplish this? Do you accomplish it by firing guns across the border? No, Mr. Speaker. You sit down around the bargaining table and negotiate in good faith with no preconditions

MR. NEARY:

And you come to a conclusion, That is the way the hon. gentleman's conciliators settle labour disputes in this Province, is it not?

MR. DINN:

They are in the middle.

MR. NEARY:

I see, they are in the middle.

Oh, I see they are in the middle of the table. I see.

MR. DINN:

Both sides have to

sit down in good faith.

MR. NEARY:

The trouble is, Mr. Speaker,

if you do not do it their way, if you do not do it the Premier's way, or the -

MR. WARRFEN:

Marshall law.

MR. NEARY:

- other fellow's way then you

do not do it at all.

So therefore it is not being done at all. And who is suffering, Mr. Speaker? Who is suffering? The people of this Province are suffering. The hon. gentleman is not suffering. He can dig in all he wants. He has the Bank of Montreal as his client down in his law practice. He could not care less. He is getting his retainer. But what about the poor people in this Province who are unemployed? And what about the people who have to abandoned their homes because they cannot pay the mortgage? What about the people who cannot pay their light bills? And what about the people who cannot properly clothe and feed their children and send them to school? What about these people?

It is all right for that hon. crowd to sit over there with smirks on their faces carrying on a federal election campaign two or three years before it takes place, but while they are doing that, Mr. Speaker, the senior citizens, the people on social assistance, the people out of work, the students, the sick people are suffering. Everybody is suffering in this Province because of the stupidity and the stubbornness of this administration who are not prepared

MR. NEARY: to sit down man fashion
and negotiate in good faith because they have no confidence
in themselves and they think they might give something away.

Mr. Speaker, the hon.
gentleman keeps saying, 'Oh, the eight over there, oh if they
only had their way they would give it away.' We are not the
government. The government is over there. That remark,
Mr. Speaker, is just a nasty rude remark, that is all that
is. It does not accomplish a thing.

The present confrontation
policy, the disaster course that this administration is on
does not accomplish a thing for Newfoundland. Not a thing.

MR. MARSHALL: Yes it does.

MR. NEARY: The hon. gentleman says, 'Yes
it does.' Mr. Speaker, what it accomplishes is this that
businesses in this Province are going bankrupt at an alarming
rate.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: We have record unemployment.
We have students who cannot find work and I would suspect
the vocational schools will be empty this year because of
the policy they brought in in the Budget. Sick people cannot
go to hospital because they cannot afford to pay for the beds, the
increase in the beds. They are closing down hospitals. And
what they are not crucifying that way, Mr. Speaker, they are
taking out the airplanes and spraying the people out in
Central Newfoundland, spraying them with 2,4,D and matacil.
That is the kind of philosophy this government has.

And, Mr. Speaker,

MR. NEARY:

their policy is to build jails. They figure, "Well, if we are going to have this policy, if we are going to have social and economic upheaval, let us build more courthouses and jails." So they close down hospitals, increase the cost of hospital beds and build jails all over the Province. That is the policy they have been following. I think it is \$12 million or \$14 million in the last three or four years spent on courthouses and jails.

Mr. Speaker, the fact of the matter is that everything in life, everything has to be negotiated. A union management contract has to be negotiated, and a boundary dispute between two countries has to be negotiated in good faith. Even differences in families sometimes you need a third party to come in and mediate and settle the dispute.

MR. DINN: Maybe you could volunteer to mediate.

MR. NEARY: Mr. Speaker, if the hon. gentleman wanted me I would be glad to volunteer. But there are people available who could mediate this dispute. You have the President of the Board of Trade, you have the Mayor of the city of St. John's, you have the President of the Law Society, you have all kinds of competent people in this Province who would be prepared to mediate this dispute in the long range interests of the future of this Province.

But we cannot go on the way we are going, Mr. Speaker. They are going to take Newfoundland down the economic drain.

MR. BAIRD: Give it away.

MR. NEARY: You are the government. We are not the government. You are the government. We cannot give anything away. We could not even give the hon. gentleman away if we wanted

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MR. NEARY: to. The government is over there.
They are over there.

MR. BAIRD: And do not forget it.

MR. NEARY: Oh, we will not forget it. But do not
forget you were given a mandate to negotiate on April 6th.
Do not ever forget that either.

MR. SPEAKER (Aylward): Order, please! The hon. gentleman's
time has elapsed.

MR. NEARY: Thank you, Mr. Speaker.

MR. SPEAKER: The hon. member for St. John's North.

MR. CARTER: Mr. Speaker, the speech that we have
just heard and the speech the hon. gentleman gave just a few
minutes ago are probably the

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Tape No. 1723

MJ - 1

MR. J. CARTER: closest departure from all the canons of decency and good debate that this House has ever had to listen to. Now, I notice that the House was redecorated there during the break and we have a new carpet, but it is no accident that walls behind the Opposition are still soft and padded, because if they were solid and could be written on you can bet your bottom dollar that it would be scribbled all over them. So, I suppose it is just as well we do let the fellow harangue, otherwise he would only write it all over the walls.

Now, the committee system as it was designed, was designed to give more time to debate and not less time. I think we spent something like sixteen or seventeen hours debating for which fifteen hours of the seventy-five hours allowed for debate were taken off. But, Mr. Speaker, there was three weeks in which to hold hearings and we could have sat for as much as forty-five hours. In fact, last year, or the year before we sat for something in excess of thirty hours. So there is no excuse possible, for the Leader of the Opposition (Mr. S. Neary) to say that debate was cut off. There was a much time as he could possibly want. Now, he says that various member of Opposition had to burn the midnight oil in order to keep up. I would say, Mr. Speaker, they were drinking the midnight oil. I cannot see how they could say that they could not keep up because the various chairmen were more than willing to accommodate them and to schedule the meetings at their convenience and not at anyone else. And it is an atrocious abuse of parliamentary privilege to suggest otherwise.

MR. BAIRD: Hear, hear!

MR. CARTER: Now, I have not been privy to negotiations with Quebec but I certainly have been privy to public statements that have been made by the Premier of Quebec

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Tape No. 1723

M.I - 2

MR. J. CARTER: and time and time again he has said what we need is a global settlement. And what they mean by a global settlement is that the Labrador Boundary would be discussed, that the Lower Churchill - Muskrat Falls, every possible aspect of Labrador and the previous contracts might be discussed. But still there is no assurance that we would get anywhere with the Churchill Falls power. And proof of that, Mr. Speaker, is that you cannot even get anything over the 350 megawatts recall power that are already in the contract. And even though the wording of the contract, as I understand it, is vague and suggests that we may be able to get more recall power, they are blocking our attempts to go court even to resolve that. And for the Leader of the Opposition (Mr. S. Neary) to suggest that we can negotiate with Quebec, that a

MR. CARTER: negotiated settlement is just around the corner is, as far as I am concerned deliberately misleading the House, and the Opposition can get up and make the most of that statement.

I am surprised, by the way, that the Leader of the Opposition (Mr. Neary) is now the spokesman for Quebec.

DR. COLLINS: No point of order. No point of order!

MR. CARTER: I always thought he was the spokesman for John Doyle, but I guess he has changed his boss. People do change their jobs. In fact, now that he is Leader of the Opposition his income has increased. I suppose, he will be adding to his house a few bathrooms. Now, perhaps, he can call himself a four flusher.

Well, anyway, the whole thing is depressing and disgusting. And talking about negotiation, how come we cannot negotiate with the Opposition any better method of discussing the estimates. All we get is the members get up and fill their full ten minutes of harangue and do not pay any attention to the answers this government are giving. My experience with this government has been that they will give any and all information that is requested of them, any specific questions illicit a specific answer. And for the Opposition to suggest otherwise is disgusting and disgraceful. I think it is just a shame and a misuse of the time of this House. It is too bad too because we could develop and devise a method for dealing with the estimates that would be as explicit as any other House in the ten provinces. But we are blocked in our attempts by the Opposition because of the way they act. It is just a shame.

MR. BAIRD: Not a responsible Opposition.

MR. CARTER: So I would suggest, Mr. Speaker, why do they not try in the few hours that are left for this debate, why do they not try, get up and ask a specific question and see if they do not get a specific answer, experiment. If they are proven to be wrong, if I am proven to be wrong I will certainly agree with them. But I know that I am right, I know if they ask anything specific they will get a specific answer. It is just too bad they do not know how.

MR. BAIRD: 'Garfield' is going to ask a sensible one now, -

MR. CARTER: So I will sit down and wait for a sensible question.

MR. BAIRD: - with instructions from the member for Fogo (Mr. Tulk).

MR. SPEAKER (Aylward): The hon. member for Torngat Mountains.

MR. WARREN: Mr. Speaker, it gives me great pleasure to speak in this Concurrence debate on resources. Mr. Speaker, I do find it very interesting. This morning I asked the Minister of Rural, Agricultural and Northern Development (Mr. Goudie) a question concerning houses that were built in Labrador Coastal communities under the federal/provincial native agreement to find out what the minister plans to do with those houses.

Now, Mr. Speaker, I wanted to make sure that I am quoting the minister correctly

MR. WARREN:

so I sent upstairs and got a copy of Hansard, the questions this morning. And what the minister said is as follows: "And what we have now done as a government is turn over those housing units to the respective community councils in the communities who in turn will then be in a position to turn them over to the present occupant or some other person who might have an interest in that particular dwelling".

Now, Mr. Speaker, that is not the correct truth, the community councils in some of the communities will not accept those housing units. The community council in Nain has told the Department of Rural, Agricultural and Northern Development we will not accept those housing units. Now, Mr. Speaker, to illustrate and to tell you why they are not going to accept those housing units, I have taken several photographs of those housing units and the reason they are not going to take them is that they are not fit to live in, they are unfit to live in. And I have asked the Minister of Health (Mr. House), in the Estimate Committee, has he had his inspectors go in and check on those houses that another department of government is planning to turn over to the council of the people. And the Minister of Health has said no. Now, Mr. Speaker, I want to show the House those pictures. I have more if anyone is interested, the minister, me or anyone else. Now those are the houses that people are presently living in in Nain and as you can see from the pictures of the 397 houses, I think the minister said, yes, 397 houses, roughly 40 per cent of those 397 are in the condition that those houses are in. Now those are the houses that were bought in the early '50s, no insulation, no concrete foundations to them only just little posts to them, windows very, very cold. Mr. Speaker, I am going to table those two pictures, I have more if anyone is interested.

MR. WARREN: The councils have said to the minister's officials, 'Look, we will not accept those houses in those conditions'. And furthermore, Mr. Speaker, just to tell the whole story, in the community of the town of Nain, Municipal Affairs a few years ago, through Rural Development, went in to survey lots. At the present time there are three houses on one building lot - in some cases, three houses bordering one building lot. Now this is what is happening, Rural Development is saying, look, we want to get out of this tight bind so we will turn it over to the council and let the council go and tell the people, now two of you people have to move off this building lot but you can stay. And these are people who have been there, we will say, since the '50s when they were moved down from

MR. WARREN: Hebron, Nutak and Okak. Now, what the Department is doing is trying to shove this off on the people of Nain through the Community Council and the Community Council, and rightfully so, and I support them one hundred percent, are not accepting those housing units. Because, No. one, 40 per cent of those housing units should be immediately destroyed. The Minister of Health (Mr. House) should do his duty as Minister and urge his inspectors, or make sure that his inspectors go into Nain, Davis Inlet, Hopedale, those three places in particular, and check the housing that is like this and worse and make sure that the people are not living in those rat infested houses, and this is what is happening and these are the houses that this government is trying to turn over to the people. And here we are talking about oil and gas, and what do we have? We have not even got a decent house for the people in Northern Labrador to live in.

You know, if CBC only saw those pictures, they would - you know, the houses that they showed downtown, when they had to close some of those houses downtown, they were palaces compared to those houses that the people have to live in. And, Mr. Speaker, I would suggest to the Minister that he should make sure that his Department will not turn over those slums, those slum houses, that is what it is, slum housing, that the people are obliged to live in. And, you know, Mr. Speaker, it is because - and there is money, there is money through the federal Provincial Native agreement for better housing for those people and this is what the Department is trying to turn over. Now, there are some good houses. As, I said, 40 per cent of the houses are this kind, but there are 60 percent much, much better houses. I can see nothing wrong with the

MR. WARREN: Department turning over those good houses to the Council and the Council turning them over to the individuals, but, not those houses that the Minister's Department are trying to shaft over on the Community Councils in the district. Now, Mr. Speaker, earlier I asked - No, I think I would like to stay on Rural Development for awhile yet concerning the housing.

The same thing, Mr. Speaker, applies to Davis Inlet. The same thing applies to Davis Inlet. In Davis Inlet, 70 percent, 70 percent of the housing is in the same condition as those are in. And, Mr. Speaker, I lay these on the table of the House and anybody can view them. So, I would strongly suggest, I would strongly suggest to the Minister of Health (Mr. House) that this is a health matter. This is a health

MR. WARREN:

matter and it concerns the Department of Rural Development trying to get the burden off their shoulders, saying to the town council, you take over this housing. I think it is scandalous, I think it is ridiculous and I think it is inhumane for the Department of Rural Development to expect the town council in Nain - and some of the councils have agreed to do it, but one thing for sure is that the Nain town council are standing up for their rights. They are not going to take over those kind of buildings from a department that wants to get rid of them. So I am glad that the minister has answered as truthfully as he can with the information that he has received. But I want to make the position clear, that the Nain town council has not accepted the houses, they are not going to accept the houses and one of the main reasons why they are not going to accept them is because they are not fit for human habitation. They want to get rid of them. We have a house there where a gentleman about forty-eight years old lives. He has only one arm and he is living in this house with only a plain mattress, no stove, no bed, the walls smashed down and everything inside. I have another picture here, Mr. Speaker, of that house, that house that this individual is living in. And I suggest that the minister and his department should use the money more wisely and get a housing project started. There is funding, there is \$20,500 of a grant for people to build houses up there. And by the way, Mr. Speaker, there is another item --

AN HON. MEMBER:

Mr. Speaker.

MR. WARREN:

- if my time has not elapsed.

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Tape no. 1727

AH - 2

MR. WARREN: There is another item of very
much concern, Mr. Speaker, and I am sure the minister will
be shocked to learn of it, because I am sure if he knew
it definitely would not happen. Individuals

MR. G. WARREN: along the coast who qualify for those grants, the \$20,000 or \$22,000 grants, whatever is available to construct their houses, towards new housing; they have been told by members of his department, 'Look, you have got to buy your materials from one of two places in Happy Valley - Goose Bay'. That is the only place they are allowed to buy the materials, they have been told that. So, one of the ladies called me up and she said, 'Can I buy from Stokes in St. John's'. And the answer I gave her was, 'My dear', I said, 'wherever you can get it the cheapest, naturally you buy it.' And the next day I got a call from an official saying 'Look, they have got to buy it in Happy Valley - Goose Bay.' And who have they got to buy it from? I will not mention individual names, but this is what they have been told.

So, I think, the minister -

MR. SPEAKER (Aylward): Order, please!

MR. WARREN: I am sure that the hon. minister was not aware of it, so I would like for him to probably straighten up the situation.

MR. SPEAKER: Order, please! Order!

The hon. the Minister for Rural, Agricultural and Northern Development.

SOME HON. MEMBERS: Hear, hear!

MR. J. GOUDIE: There were a very interesting number of comments made by the gentleman representing Torngat (Mr. G. Warren) although not all the information that should be available to the House was made available by the hon. gentleman.

If I can just briefly go into a short history about housing programmes as it relates to native communities, or more correctly, designated communities in this Province, particularly in Labrador, the only incorrect thing that I said in my answer this morning to the gentleman's

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Tape No. 1728

MJ - 2

MR. J. GOUDIE: question was inadvertent in that I said during the last ten or twelve years, 397 housing units were built, it was longer than that. I realized that after I had given the answer.

The programme began in the early 1950's, not just of constructing houses in these designated communities but providing other services as well. And I was living in Labrador at the time, did some interesting interviews, when I worked with CBC, with some of the occupants of these homes and I understood that the federal government had put up the money for these homes, had designed them and implemented the programme with very minor input by the provincial government. Because when the programme first began there was \$1 million provided by Ottawa, in 1952 I think, to provide some of these services to these designated communities. I went down and looked at some of these homes because they are in my district. They put up these little two by four shacks with no insulation, no foundations to them, no hot and cold running water, no water or sewer services, one stove to heat the whole house - that was a wood burning stove, some of these homes being two level homes - and, as a matter of fact, near the end of the first year, the first winter, some occupants became so frustrated that they set up their tents inside the house, which they had been used to living in for 6,000, 7,000 or 8,000 years, whatever it was, they lived in Labrador, set their tents up inside the house, occupied that, tore out the insides of the building to burn in the stove.

MR. GOUDIE:

And that was the only way they got some comfort and some way to heat their bodies during the Winter months.

AN HON. MEMBER: That was the way the house was built?

MR. GOUDIE: Because of the way it was built, there was no insulation, as I have said, no hot or cold running water, no anything.

AN HON. MEMBER: I have seen better wood sheds.

MR. GOUDIE: So what we have done since that time, Mr. Speaker, in quite a number of communities - I suppose if one wanted to cast blame, I am not particularly interested in doing that in these discussions but if one wanted to cast blame, who was responsible for moving all of these people from all of the other outside communities into the centralized areas? Again, what is the point of going into that? I think the operative points are that these 397 units which have been built over the years, and many of them are very nice bungalow and other types of homes, Mr. Speaker, which will compare - I know in the community in my district, in Sheshashit, there are homes there which are equal to many homes you will find here on Elizabeth Avenue, Duckworth Street, or any other street. So there have been improvements.

Now, the system put in places when these new homes were being built was that the federal/provincial agreement provided the cost of construction, \$40,000, \$50,000, \$60,000, whatever it was, and the occupants who moved into these homes, for a period of ten years I think was the original scheme, would pay \$20, \$30, \$40 a month rent and after ten years would own their homes. A fairly reasonable cost I think. But I believe, and this is only opinion or speculation on my part, that one of the reasons that these homes are not in as good a condition

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Tape 1729

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MR. GOUDIE: today as they perhaps might have been, was the lack of pride of ownership by the occupants. Government owns these homes. It is only costing us \$10, \$20, or \$30 a month, why should we worry? Why should we keep them up? Why should we maintain them?

So during the most recent agreement which was signed a little over a year ago,

MR. GOUDIE: between the two governments, federal and provincial, a new system was put in place and a new management team put in place , if you will, to handle this particular scheme. An outright grant now of \$19,500 is available to residents of these communities as a fairly substantial contribution to the cost of constructing a home. And I can use the example of one gentleman in the community of Makkovik, a certain Mr. Winters who has built, I call it a mansion, I do not know what he calls it, but it is certainly a very adequate home, and,if I understand correctly,the gentleman did not even take advantage of this particular programme for a number of reasons,pride in the other direction, if you will.

But until the end of 1981, there had been 100 applications from these seven communities in Labrador,from individuals in these communities to get into either the construction of new homes,using this grant and some additional funding available in other programmes of either federal or provincial governments, and many of these applications have been considered and many have been approved. I cannot say today whether or not all 100 of them were, but there is a fair amount of interest in that particular programme.

In addition to using that amount of money as an outright grant towards the cost of constructing a new home,a homeowner presently living in one of these more dilapidated structures can take this \$19,500 grant and also avail of other programmes to fix up his or her home. With a new agency such as NLHC becoming involved in the housing programme in this Province as it relates to designated communities,similar action was taken in the

MR. GOUDIE:

transfer of fish plants from our department where we had no expertise in the operations of fish plants, neither did we have any great amount of expertise in operating housing programmes and are transferring them to other more appropriate departments. And in order to do that we, as a government, felt the decision should be made to turn over these 397 dwelling units to the respective Community Council. Now whether or not they accept them is entirely up to them, I guess. But these houses, these units, by the way, can be made available to the homeowner for a nominal fee of \$1, and you have outright ownership. I mean, that is stated policy.

So not all of the aspects of this particular housing programme are bad I do not think. I realize, the hon. member realizes that there are quite a number of dilapidated homes in designated communities not only in his district but in mine as well, it has been an ongoing problem. But we think with the new system put in place, with the \$19,500 grant either to go towards the cost of new construction or to fixing up their present dwellings -

MR. TULK: Can that be used for renovations as well?

MR. GOUDIE: Yes, it most certainly can. Any portion of that \$19,500 can be used for renovations, to upgrade an existing structure. We feel it is a fairly good and effective programme. If a home costs more than \$19,500 in one of these communities, obviously the homeowner, or the person who constructs the home, is going to have to come up with additional financing. But we also feel with that added responsibility of having to borrow or put in one's own funds, whatever form the additional money takes, it will have the added incentive of perhaps more pride, we hope, in the new structure, or the upgrading of the old one, and will be maintained more consistently for a longer period of time and we will not have the situation existing where there are delapidated homes in a number of communities.

As it relates to health inspection, I cannot even comment on that. My colleague, the Minister of Health (Mr. House) would more appropriately address that particular issue.

The final point that the hon. gentleman made about people in these communities being dictated to by the staff of my department, that they have to purchase materials from either one of two suppliers in the Happy Valley-Goose Bay area, I am not aware of that at all. My first reaction would be that they may receive their materials a little more quickly if they were to do that. But that again is only a suggestion on my part. If that particular activity is going on, then it will certainly be investigated. But as I have said, this is the first time it has ever come to my attention.

MR. SPEAKER (Aylward): The hon. member for Torngat Mountains.

MR. WARREN: Yes, Mr. Speaker, the minister did give a history of the housing programme in Labrador. However, I think he is still missing the main point of my argument. The main point is that some of those houses are on building lots - one building lot with three houses on it. And two of those houses are shacks that people cannot live in.

And secondly, if the individual person does take the opportunity or take advantage of the \$20,000 grant, I think the hon. minister realizes that those people are the lowest income earners in the whole Province. They are the lowest income earners in the whole Province, those people who are living in those houses. So what is the good of taking a \$20,000 grant - a \$20,000 grant would not even repair those houses. And if they did repair them, if they did repair them, either the Council or the Department of Rural Development have to tell them, "You cannot repair it right here because you are on someone else's land." So it is just a complete schemozzle.

MR. WARREN: And until the department can go into those communities and do the job that they are supposed to do - I mean, like we said, we can blame it on Joey's resettlement programme if we want to, but it was still done under a government policy. So I do not think we should pass it over to the town council, to wash their dirty linen. And this is what they are expecting, the town council to wash their dirty linen.

Now, Mr. Speaker, on another matter with respect the minister responsible for consumer affairs, but it is goods that are in the government store that is operated by the Department of Rural Development. There a while ago the Minister responsible for Consumer Affairs released a survey that his department presumably had done and the indication was that goods along coastal Labrador, in Nain and Davis Inlet, and I think it was Hopedale and Postville, these were the four towns done, that the goods were cheaper, the supplies were cheaper than they were in Happy Valley-Goose Bay. So last week I took the opportunity of checking twenty items and I found out just the opposite of what the minister found.

So, okay, I will just give him an example and the first prices will be in Nain, in the government owned store in Nain, and the second prices will be in the Co-op in Happy Valley-Goose Bay. The Co-op in Happy Valley-Goose Bay is comparable to the Hudson Bay Company or anyone else there, so the prices are pretty well reasonable. And it is on the same item, the same brand, the same size container and everything else. Corn flakes in Nain \$1.14, Happy Valley-Goose Bay \$1.09; carrots, a two pound package of carrots

AN HON. MEMBER: the whole order?

MR. WARREN: No, I am only going to list about ten of them, Mr. Speaker, just about ten. Carrot, a two pound bag of carrots in Nain is \$2.62; and in Happy Valley-Goose Bay \$1.79.

MR. TULK: A difference of 85 cents.

MR. WARREN: Okay, eggs, medium sized eggs, in Nain \$3.05 a dozen, in Happy Valley-Goose Bay \$2.09.

MR. TULK: A difference of 96 cents.

MR. WARREN: Grapefruit, grapefruit. You know most everybody likes to have a grapefruit once in awhile.

MR. POWER: Good for the diet.

MR. WARREN: Good for the diet, okay.

One grapefruit in Nain will cost you \$1.13. One grapefruit will cost you \$1.13 in Nain and it will cost you 57¢ in Happy Valley - Goose Bay. Now, I will go on the other side. I will go on the other side. Listen to this one now. Milk is 76¢ in Nain, that is tinned milk, Carnation, and 67¢ in Happy Valley Goose Bay. Table salt 65¢ in both places. Table salt - the same thing. Now, to just tell you what happened, The Minister's officials went in there last January or February, and I was told this by the staff in the store in Nain, that they went in and they did, for example, apples in both places. Right! Now, they found apples were cheaper in Nain than they were in Goose Bay. Now, I will tell you what happened. The apples that they saw in Goose Bay were apples that came in three or four days before they saw them. The apples that they saw in Nain were the ones that they had been selling there since October. So these were October apples, like ten or twelve in a bag, some of them, were soft and this was the comparison that the Minister's department was making. so actually, when this survey came out the other day - when the survey came out the other day I was in Nain at the same time - the people of Nain were furious, and they said, look, for jumpins sake will you do something about it? Will you let the media know that it is not true. We are paying through our teeth for things that are here. It is not true they said, do something about it. So what I did, I got someone in Nain to go along with me and we did a true survey in Nain and then I called Happy Valley - Goose Bay, spoke to the Manager of the Co-op there and we did one there on the same items and this is what we came up with - it shows that along the Labrador Coast things are more expensive than in Goose Bay. Now, Mr. Speaker, for some reason I like presenting

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Tape 1733

JV - 2

MR. WARREN: exhibits to the House. I gave three of four pictures earlier. The Minister of Health (Mr. House) was not in his place this morning, but I asked the President of the Council (Mr. Marshall) about the life span of items on the shelf and the President of the Council said, well, it should come under the Federal Government. But this is in a Provincial Government store. So I brought along an exhibit, Mr. speaker,

MR. WARREN: I purchased in Nain when I was up there last week. Now this is supposed to be some kind of dressing, but I should shake it up, I suppose, and see what is in there. Anyway here is what it says, 'best before January 1978'.

MR. PATTERSON: They obviously do not use much dressing.

MR. WARREN: No, they may not use much dressing but it should not be on the shelves either. Now it is a very fantastic price only seventy-five cents.

MR. TULK: Only seventy-five cents?

MR. WARREN: That is right, only seventy-five cents. Now here is something that is four years old - January 1978 - right?

MR. ROBERTS: Over four years old.

MR. WARREN: Over four. Almost five years old - four and a half years old. Now I do not know, it still might be as good as any you would buy today, but I am very doubtful. I am afraid to open it, I am afraid it might explode.

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: So what I would like to do -

MR. TULK: Give it to the Minister of Health
(Mr. House).

MR. WARREN: I was going to say that probably the Minister of Health could take this and get this inspected, or get someone to check it out and just see how good it really is. But be careful, there might be some kind of poison in it. So when we have our next government meal probably we can all use this and see if it works, okay? But anyway these are some of the things -

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

MR. SPEAKER(McNicholas): A point of order, the hon. member for Humber West.

MR. BAIRD: Mr. Speaker, I understand that there are no exhibits to be distributed in the House?

SOME HON. MEMBERS: Oh, oh.

MR. WARREN: To that point of order, Mr. Speaker. I said when I started off I was going to table this bottle of fantastic mixture, and I will table it at the conclusion of my remarks.

MR. SPEAKER(McNicholas): That is in order if he tables the bottle.

MR. WARREN: Thank you, Mr. Speaker. So as I said, Mr. Speaker, I would only be too glad to bring down some other items that are up there since 1977,1978,1979. And I understand from the minister's department that the shelf life does not affect it very much. But I believe the minister should make sure that items like these, especially when they are four or five years -

MR. OTTENHEIMER: (Inaudible).

MR. WARREN: At least I got the attention of the Minister of Justice (Mr. Ottenheimer), and he is quite concerned about this as well as I am. So I would suggest to the Minister of Justice very strongly that, number one, when he sends his officials to do a price survey of goods along the Labrador Coast, he take into consideration that fruits and vegetables have to be flown in there in the Wintertime, it is the only way to get them in there, and if he goes up in January the

MR. WARREN: fruit and vegetables are what was delivered there in the last boat in the Fall of the year. So, if you are going to do a fair price estimate, you do it on the age of the commodities and I think we can come up with a fair price. Number two, I think the Minister of Consumer Affairs should make sure that in any stores, not only in my district, but any stores in Newfoundland and Labrador, that you would not find products on the shelves that you are going to sell to the consumer for which the over four years shelf life has been expired for four years.

So, Mr. Speaker, I will leave this on the table of the House and I would suggest that we be careful of what we eat.

MR. STAGG: What is the brand?

MR. WARREN: The brand is Kraft.

SOME HON. MEMBERS: Oh, oh!

MR. BAIRD: Put that on, that grows hair.

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

MR. GOUDIE: Thank you, Mr. Speaker.

This is a very interesting exercise this morning, I think, with various exhibits taking place and so on. I can tell the hon. gentleman that I have bought children's cereal in Happy Valley-Goose Bay over the years I have been there in which the kids wanted to enter contests and the contests were three years outdates as well. So that particular problem, on that particular salad dressing or whatever it was, does not apply only to the community of Nain.

Just let me explain to this hon. House, Mr. Speaker, the type of things that we go through as a department in operating retail stores in communities in

MR. GOUDIE: Labrador , a function which we should not be performing in the first place, I might add, I think private enterprise should be in to that.

AN HON. MEMBER: Right on!

MR. GOUDIE: And as a matter of fact , in the store in the Nain itself we have discontinued quite a number of lines of hardware, of furniture, and so on, to allow the business community to get into the retail of that particular commodity. We have already turned over the fish plants, as I have said, to people who know the fishing industry, for them to operate. We are turning over the houses to housing people who know how to operate that particular programme. I would like very much to see a co-operative formed on the Coast of Labrador to take over the retail of food. That is not government's business. We moved in there in the 1950s when the Hudson's Bay Company decided to move out, after they had made their fortune the way they normally did and went on their way with their money in their pockets.

In any event, Mr. Speaker,
just as one example of the cost

MR. GOUDIE: of food on the Coast. The hon. gentleman referred in his survey to grapefruit, I believe, there were other commodities as well, and potatoes, this kind of thing. Two years ago I had just a little private survey done myself of the cost that we as a department, as a government, go through. If the hon. gentleman from Fogo (Mr. Tulk) were living in Nain two years ago and he wanted a 100 pound sack of fresh potatoes, demand it to the point where we had to fly it in, that 100 pound sack of potatoes would have cost him, if we had recovered our costs, \$125. That is the cost of air freight alone, never mind the cost of the material itself.

In addition to that, Labrador Airways is being subsidized to the tune of-what?- \$485,000 a year. One example of the cost of operating these stores, Mr. Speaker, there was a store in my district up until three years ago, in the community of Sheshatshit, exactly the type of store that the hon. gentleman was talking about in Nain; by closing down that store, at the request of the community, by the way, not by our own initiative but at the request of the community, by closing down that store the community of Sheshatshit was able to save \$300,000 subsidy a year and spend it on other programmes. Now I would suggest, although I do not have the figures in front of me, that in the community of Nain -

MR. TULK: Where did the money come from?

MR. GOUDIE: That is the money that government was putting in in terms of subsidizing the cost of food such as the potatoes that I am talking about.

MR. TULK: (Inaudible).

MR. GOUDIE: Where? In Sheshatshit? There is another store, the Hudson Bay Company in that particular community and the community of Sheshatshit felt the money would be better spent if they bought their groceries at the Hudson Bay and used the \$300,000 they would save in other social

MR. GOUDIE: programmes, or economic programmes

or whatever. That was the reason for closing it down.

MR. TULK: (Inaudible).

MR. GOUDIE: ; Not with another store in the community,

No. The Hudson's Bay sell their goods and recover the cost of their services.

We have been trying to operate our stores for the last couple of years, Mr. Speaker, on a cost recovery basis. We have not been able to do that, obviously, when we have to subsidize air freight costs and so on the way we have been in the past. But in the purchase of items, which is one of the problems referred in the hon. gentleman's comments and that whatever it was, salad dressing, we as a department have to purchase our supplies for every depot along the Coast of Labrador through the public tender process. Now, how does that grab you? By the public tender process. I could have as many as 450 or 1,000 different tenders operated on one commodity and the supply can come from anywhere in Canada, including Vancouver, British Columbia.

Now, how do you get all of these items co-ordinated together in one spot, get them down to the docks here, get them on the boats, ship them to Goose Bay, transship them from Goose Bay up to Makkovik, Davis Inlet, Nain, Hopedale, Postville, Rigolet, wherever the store is, there is

MR. J. GOUDIE: no damage occurring to them, with no loss of materials? And you try and judge the quality of these particular items, Mr. Speaker. Let us just assume that a supplier in Toronto is supplying food to one of the stores on the coast of Labrador. It conveniently arrives just three or four days before the final boat for the season departs. Now, let us assume it is a year outdated. What am I supposed to do, Mr. Speaker? Not send supplies to the coast of Labrador, or do we take a chance on what we have and get that up and see if people will buy it? These are the types of difficulties we go through. It is very easy for the hon. gentleman from Torngat Mountains (Mr. G. Warren) to say, 'Minister of Consumer Affairs, Minister of Rural, Agricultural and Northern Development (Mr. J. Goudie) get up there and correct the situation.' I have made a few corrections over the last three years. As an example, two years ago, during the winter months, I travelled to two or three communities along the coast and discovered in one of our warehouses, in Hopedale, that there were purity biscuits there which had been shipped to the coast of Labrador on the motor vessel Kyle. Now, that will give you an idea as to how long ago they had been shipped up. They had not been sold, but they were stored there, until I got there. They have now been burned, since that.

There are a few little difficulties, Mr. Speaker, in supplying goods to people on the coast of Labrador. Some of them are being overcome. We are constructing new storage facilities for vegetables, for fruit. We are constructing new warehouses, we will be opening new stores this Summer in a couple of communities on the coast of Labrador. The system is improving. There is obviously an inconvenience and a great deal of frustration caused to people in these designated communities on the coast of Labrador, but I will

MR. J. GOUDIE: tell you one thing, Mr. Speaker, there has been a vast improvement since these programmes were instituted in 1952, and improvements will continue to take place, both for health reasons and for other humanitarian reasons. So, all I am suggesting is that yes, there are problems, the problems are being overcome.

If I could send my purchasing people out to the various places around St. John's or any other community in this Province, to take advantage of sales which are put off to purchase items and send them up to the coast, fantastic! We could offer goods in the coastal stores for a third of what this gentleman is talking about. So we cannot do that.

MR. TULK: (Inaudible).

MR. GOUDIE: To have our department exempted from The Public Tender Act.

MR. BAIRD: And then they will be screaming.

MR. GOUDIE: Everyone screams about the abuse already to The Public Tender Act, Mr. Speaker, There is nothing I can do about it, my hands are tied. It is as simple as that.

MR. B. TULK: Mr. Speaker.

MR. SPEAKER (McNicholas): The hon. the member for Fogo.

MR. TULK: Mr. Speaker, I must say, I found the back and forth between the member for Torngat Mountains (Mr. G. Warren) and the Minister of Rural, Agricultural and Northern Development (Mr. J. Goudie) to be perhaps, somewhat enlightening to all members of the House and it is perhaps one of the better pieces of debate that we have heard.

I would like now, though, to perhaps, take a look at another problem

MR. LUSH: in this Province, and I am going to talk about something in the Department of Fisheries, and that is the problem of marketing fish. I think it is no secret that the biggest single problem in the Newfoundland fishery, and I think the Minister of Fisheries (Mr. Morgan) will agree, is in the area of marketing. For example, the glut problem that we are now experiencing, and hopefully are about to overcome, is definitely directly related to marketing rather than perhaps to the processing industry itself. The minister now tells me, for example, that as a result of his opening up the buying of fish, the Nova Scotian processors are eager on our doorstep to buy fish, and the Newfoundland processors, he tells me, are now saying perhaps they will make some accommodations. I think that shows exactly what we said on this yesterday, Mr. Speaker, to be true, that the minister, if he chooses, could indeed pressure the fish processors in this Province into buying what is supposed to be a surplus of fish, and I am again glad to see that that is happening. But I want to talk about the Saltfish Corporation. I noticed, that in the Premier's reply, a statement of June 18th on the Province's response to the Royal Commission - that is something we have been waiting for for a long time, the Province's response to the Royal Commission on Fisheries that was established in 1980 - I noticed that the recommendation of the commission, as everybody knows, was that the sole right of saltfish export as provided in the statutes established in the Canadian Saltfish Corporation be continued without amendment. And the Premier's reply to that - I presume it was the Premier's reply and, I

MR. LUSH: suppose, the minister's - was that we are not fully supportive- and I quote from him - "We are not fully supportive of the commissions's recommendation that the Corporation retain the sole right of saltfish exporting as provided in its present statutes. We believe there is room for greater flexibility, for involvement by the private sector, and we will approach the federal government on the matter. By advocating greater marketing flexibility the Province would not wish to see the Corporation abolished, but, as has been indicated, such a position differs from the commission's recommendation that the sole right of the saltfish export remain with the Corporation."

Mr. Speaker, in view of the problems that we have had with marketing in the last couple of days, and it is a problem with marketing regardless of what the minister stands up and says. I agree with him that the fish processors in this Province have to be able to handle and have to agree to handle small fish as well as large. I agree

MR. TULK:

with him totally that that has to be done. And I agree that if you put pressure on them - as I said to him yesterday, he holds the licence in this Province, and if he puts pressure on the fish processors in this Province, there is no doubt in my mind that they will find a means of overcoming the glut problem that we are having.

Now, Mr. Speaker, I think the greatest single piece of legislation that has been passed, perhaps, in the history of the fisheries in Newfoundland, the greatest single piece of legislation that has been passed was the legislation that created the Saltfish Corporation. I think it is the greatest single move by two governments, by the provincial government at the time and by the federal government at the time, regardless of whether it was - I am not even sure what the political stripe was at the federal level. I think it was the greatest single move by the governments in the history of the fishery in this Province.

Now last year we heard some disturbing comments from the Minister of Fisheries (Mr. Morgan), and we are now hearing what I believe is a disturbing comment by the Premier in his reply, in his response to the Royal Commission on Fisheries, and that is that we open up the door for the fish processors in this Province to again start exporting saltfish. And the minister in the House yesterday, I believe it was yesterday or the day before, spoke about something else that we all know has been happening in this Province for years, the different companies going down to the United States market and competing with each other, trying to cut each other's throat, so to speak.

I sincerely believe that this response, this policy statement that has

MR. TULK: Because I believe that the minister will stand and give a sincere answer to this question, to this whole thing, and perhaps may indeed have some doubts in his mind about the statement that has been given by the Premier. I would hope that he would certainly take it under serious consideration again.

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

MR. MORGAN: Mr. Speaker, just to take part in this debate for a few minutes, just to respond to some of the comments on the fishery, first of all may I say that maybe I should update the House at this time and members interested on the present glut situation. I did not make a Ministerial Statement this morning, I felt that was not necessary because we were still working on it. The situation now is that the companies despite the fact, the Newfoundland companies and I guess this morning on some of the media and on Open Line I made some stinging attacks on the companies and I intend to keep up that because I am thoroughly fed up with the way the companies are handling the fishing problems in this Province. They keep on blaming the fishermen for poor quality, they blame the fishermen for providing poor quality at the same time they blame the governments for lack of policy or the policies they have - both governments. At the same time they blame the poor economies of the different countries for the weaker markets and poor markets but, yet, what is happening - The companies themselves the problems are right in their ball park. They have inefficient operations, many of them inefficient operations, they have poor management, very poor management and they have uncoordinated and unorganized marketing efforts. They are out competing with each other in the market place. Now, we have some good companies doing the right things. Not all the companies are in the same category. There are

MR. MORGAN: some good companies doing the right things but the majority of the companies, the large companies in particular, they keep on coming to us looking for money. Oh, do they come looking for money when they are hurting financially. But when we need their co-operation to help the fishermen, do we get it? We very seldom get it. Because the fact is, on the Avalon Peninsula right now the companies are more concerned with their own ends, of processing caplin, which is not providing jobs, by the way, very few processing jobs, processing caplin because it is more lucrative for them, more so than to process cod.

The companies told us yesterday, and I told the House in answer to a question from the member who just sat down, that they would not get involved in buying fish from those fishermen on the Avalon Peninsula and trucking it anywhere to the plants in the Province. They could not do it. Well now, today, in the last two hours, we got at least three companies from Nova Scotia, they are going to come to the Avalon Peninsula, buy fish, truck it with ice all the way back across Newfoundland, go across on a ferry boat -

MR. TULK: And that is the smaller quality of fish.

MR. MORGAN: - and go into Nova Scotia with the same fish and put it in Nova Scotian plants for processing.

MR. MORGAN:

Yet the companies in Newfoundland could not even buy it here and take it to-where! I asked them a few days ago, take it to one place, Twillingate was the prime example I used, because Twillingate did not have a sufficient supply of fish. They were talking about closing the plant, there was no fish. So, I said to the Fish Trades Association, well, take your trucks, buy some fish from those fishermen who are dumping it on the Avalon Peninsula and truck it down to the plant in Twillingate. 'Oh, no, we cannot do that'. I said, 'Why?' 'Oh, because the fish is of poor quality and it gets soft and we cannot truck it'. Now, the Nova Scotian companies are going to come in. We told them this morning, I just told them about an hour ago, through my Deputy Minister, told the companies to come on in. If the Newfoundland companies cannot accomodate the fishermen, if they cannot co-operate in resolving the problems of the fishermen, if they do not want to buy from the fishermen, they do not want to put the fish in their plants for processing here, we are going to open the doors for outside companies. I said it yesterday, well today we are going to do it. We are doing it today. We are doing it today. Nova Scotian companies will be coming in as early as they want. We gave them the okay a few minutes ago to come in and truck the fish, if they want to, all the way back to Nova Scotia for processing. Yet, our own companies cannot do it. The reason why they cannot do it is because of their inefficient operations. I have been saying it for the last two years, but oh, no, they are out there now viciously attacking Morgan for supporting LeBlanc and over-the-side sale, viciously attacking me now. The word they used is stupidity, stupidity on the part of the

MR. MORGAN: Government. My only question to the companies is- Where were you when the fishermen needed you? Will you now buy fish from those fishermen who cannot find a market? If you will buy fish from these fishermen, we do not need over-the-side sales. So, what they are saying, what Mr. Wells is saying -you know, it is laughable and I am sure the hon. gentleman on the other side will agree, it is laughable when someone who is supposed to be knowledgeable in the fishing industry- he is an articulate man, well-spoken man, intelligent man, but he is speaking for the company and this morning he comes out and says, 'Well, why do not the fishermen arrange to spread out their fishing activity and not take as much fish?' Can you imagine that? How can a fisherman spread out the cod trap fishery, tie the fish on along the shores, tie them on and keep them for next month? How foolish! And people wonder why we are having problems in the fishing industry, with people like that speaking for the companies. My goodness gracious. It is unbelievable. But the fact is that we are having a problem and the Newfoundland companies are not assisting or co-operating. But, oh, but did they ever come knocking on our doors when they were hurting. We pumped in \$24.5 million dollars recently to those companies to try to keep them afloat and keep them alive and keep them viable. But they are still doing the same old wrong things. They are still producing not so good a quality of fish. They are still inefficient in their operations, they still got poor management and they are still not co-ordinated in their marketing efforts.

MR. J. MORGAN: I am saying today, and I said a few minutes ago to one of the media, 'If you want to see someone get tough with those companies, you will see it the next little while.'

AN HON. MEMBER: Hear, hear!

MR. MORGAN: The fisherman have had a disastrous year - for what? - two or three years in a row in most places of the Province, finally when the fish comes in, we see little or no co-operation from the companies to help them.

MR. ROBERTS: Did the minister hear the companies spokesman this morning on the radio?

MR. MORGAN: I just referred to it.

The company spokesman wants the fisherman to spread out their fishing effort.

MR. E. ROBERTS: He thinks we should run the industry for the benefit of simply the companies?

MR. MORGAN: That is about it then.

What I am saying is, Mr. Speaker, that the companies have got to recognize they have a very big responsibility and do not be always blaming governments, do not always be coming to governments. Sure we agree on helping out if a company can indicate to us they can make their operations viable, and change their management and improve their efficiency, improve their marketing. But there is no point in giving them money and letting them carry on doing the same old thing over and over, year after year, we will always have problems in the fishing industry, the reasons being they keep on blaming Mr. LeBlanc, up in Ottawa and the federal government, or they will keep blaming us, the provincial government, or they will keep blaming the fisherman, one of these three they will keep blaming for the problems in the fishing industry.

MR. ROBERTS: It is funny they never come to share their profits.

June 25, 1982

Tape No. 1742

MJ - 2

MR. J. MORGAN: Mr. Speaker, I want to comment on that and I want to say as well that the policy document referred to by the Opposition spokesman, we do have yet! we keep hearing from the same companies that the Newfoundland Government has no policy on the fishery. But I would say that the Newfoundland Government now, in its submission to the Kirby Task Force which was the foundation of this policy document to be made public in the next little while, has a clear outline of where it is going in the fishing industry, in the processing, in the harvesting and in the marketing. And nobody will be able to look at us and say that we do not have a policy developed as it pertains to the fishing industry, because the policy will be clearly outlined in the next week or so.

As for the Saltfish Corporation, Mr. Speaker, sure I have been critical of the Saltfish Corporation and I cannot let them get away. Even right now I am criticizing the fresh fish companies. But have we heard anything from the Saltfish Corporation within the last few days about people dumping fish? Now, the Saltfish Corporation Legislation, set up by this House of Assembly here and by Ottawa, forces that Corporation to buy all fish salted. Any salt fish. Whether it is good quality, bad quality, small, large, medium, they must buy under the legislation. Now, why is the Saltfish Corporation not trying to resolve these problems of the fisherman? Well, they will buy it if it is produced. But, of course, the problem is that many of these fisherman have not got the facilities and they have not got the know-how of producing salt fish. Many fisherman today cannot split fish and if they could, they have not got the facilities to salt it in. So, that is where I would like to see the Saltfish Corporation more involved, more

MR. MORGAN: involved in providing the necessary facilities to these fishermen in rural parts of the Province, and have necessary salting sheds and some money put forward by the Corporation for that purpose. But when it comes to the total monopoly it is more than, I guess, a coincidence that over the last six or seven years the world markets for saltfish has been relatively good, and the Saltfish Corporation got most of the credit for the good markets and the good prices. Sure they made some efforts back in the earlier years, but their efforts did not have to be so strong the last few years because the markets were automatically there. There are markets around the world now for saltfish, they were never as good before as they are. So the Saltfish Corporation is capitalizing on these good markets that are there.

So all we have been saying, the Saltfish Corporation is good for the producer, there is no question about that, but the Saltfish Corporation has a monopoly in our Province and only in our Province. Part of the Quebec Coast, but only part. They have not got a monopoly in Nova Scotia. But the Nova Scotian fresh fish companies have no problems marketing their saltfish and they are going heavily into saltfish last year and this year. These companies are marketing on their own. There is no Saltfish Corporation monopoly in Nova Scotia. But here in this Province, all we have been saying is, in cases where fresh fish companies -

MR. TULK: (Inaudible) the Saltfish Corporation there.

MR. MORGAN: - in cases where the fresh fish company -

MR. SPEAKER (Russell): Order, please! I would like to advise the hon. minister that his time has expired.

SOME HON. MEMBERS: By leave.

MR. TULK: He will be a few minutes, that is all.

MR. MORGAN: All right.

MR. SPEAKER (Russell): The hon. member for Torngat Mountains.

MR. WARREN: Yes, Mr. Speaker, I have a couple of questions that probably in my preamble I should throw open to the Minister of Fisheries (Mr. Morgan). I have one more exhibit, a raw codfish. Now seriously, Mr. Speaker, I understand that your department has called tenders on salmon and char collection along the Labrador Coast, in particular where your two fish plants are operating, and I understand that naturally the lowest bidder, or the lowest tenderer would probably get the first choice. However, the Miss Makkovik, one of the boats operated by the Postville Shipyards, or the Postville Council, whichever the case may be, I understand that they did bid much higher than some of the other companies. So far you have selected two companies, and, I think, there are one or two more you are going to select. If the Postville Shipyard overbid, then I say, no they do not deserve it, but at the same time, if you are planning to take in the lowest bidder, the lowest company from the Province,

MR. WARREN: would the minister ensure - it may not be possible, but could the minister look into the possibility of those four people from the community who were working on the Miss Makkovik last year, that is besides the captain, four workers that were on the Miss Makkovik last year, could they be absorbed on this lowest tender that is coming in from the Island portion of the Province, that is taking away employment and labour from the people in Postville? That is my first question that I just wanted to throw open to the minister. And, secondly, Mr. Speaker, now that the fishermen are in the process of moving North and moving out to the islands, moving away from the community, they are having much difficulty in moving out? Years ago when the provincial government owned and operated the collector system they would, on the first trips, take the fishermen and their families to the various destinations. But in the last two years this has not been happened. In fact, I think it is under the Ministry of Transportation regulations. Could the minister make the necessary arrangements with MOT, just for one trip, just to take them up and probably bring them back in the Fall of the year? It had been done by the government in previous years, and maybe the minister can look into that aspect of the system in Northern Labrador.

Now the last couple of days I have been listening to the Minister of Fisheries (Mr. Morgan) and the minister has said that he is in favour now of over-the-side sales where the fish plants are all blocked up. I want to ask the minister - the fish plant in Little Harbour East, in the district of Placentia has been lying idle. It is a modern fish plant,

MR. WARREN: most modern, in fact it was built only four or five years ago with government financing and it is there lying idle. I understand Ocean Harvesters in Harbour Grace have the lease on it. And here is a large company like Ocean Harvesters, we had the fish glut here on the Avalon Peninsula and it is only just seventy miles away, why is that plant not operating when the people of Little Harbour East, the people of the Province, the people here in St. John's cannot get rid of their fish? They should be given a good logical, sound reason why that plant is not operating. I understand from the member for Placentia (Mr. Patterson) that it is because of friction within the town itself, they are not too fussy about the young fellow who wants to operate it or something like that. But surely goodness we are not going to let personality conflicts enter into closing down a large fish plant - well, not a large fish plant but a fish plant that can employ forty or fifty people and can take in quite a bit of fish. In fact, there about, four or five years ago it was the largest fish plant, in the estimates other than the large one in Arnold's Cove.

MR. WARREN: So I would like for the minister to seriously consider and to make every effort to convince Ocean Harvesters to operate this fish plant there. It may not do the people or the fishermen in Little Harbour East that much good, but it will help the fishermen in other parts of the Province, you know, who are forced to either throw away their fish or forced to sell in over-the-side sales, and maybe it would loosen up the economy. Mr. Speaker, I know the minister is anxious to get up and respond, but I would also like for the minister to tell the House now - I understand the price of salmon around the Island now is- most of the plants are paying \$2.50 a pound for salmon around the island, it could be more, it could be less, but could the minister advise what the fishermen will be getting for their salmon, those who will be selling their product to the government owned fish plants in Nain and Makkovik? Will it be equal? Will it be the same rate as on the Island, or will the Minister of Fisheries (Mr. Morgan) be just saying, you know, if one company pays \$3 the government will only pay so much? I am just wondering, has the minister set down a price that he will be paying per pound for salmon in Northern Labrador?

MR. BAIRD: You must like to hear yourself talking, do you?

MR. WARREN: And last year I understand his department - I know the expenses were greater. The minister is going to get up and say, yes we had more expenses - his department did pay the fishermen the lowest price per pound for salmon anywhere in this Province, and that is a known fact. Although there were more expenses, the expenses were greater in the operation, I still want to make it quite clear that the fishermen who sold to his plants in Makkovik and Nain have received the least per pound than any other fisherman in the Province.

MR. WARREN: So if the minister could clarify both of those things I would appreciate it.

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

MR. MORGAN: Mr. Speaker, before I answer the questions indicated by the last speaker I wish to conclude my comment I was making before, when my time was up, about the Salfish Corporation, and to clarify for the benefit of the members of the House the Premier's position put forward on behalf of the government and the Department of Fisheries on the Salfish Corporation. What we are saying as a government is this, that when fresh fish companies want to produce salfish at their own expense

MR. MORGAN: and market at their own expense, we see no reason why they should not be able to do that. That means they would not be interfering with the Saltfish Corporation's markets, not interfering with the Saltfish Corporation's production, and be at no cost to the taxpayers. And we have many companies today who are associated with their other companies in Nova Scotia, some, of course, Nova Scotian companies that have business operations going here in Newfoundland, they are now marketing on their own from Nova Scotia and getting good prices, giving good returns to fishermen. In fact, the return to fishermen last year on prices was better in Nova Scotia than it was in Newfoundland. My friend who referred that point is now back in the House and I hope he wants to listen to this, because fishermen in Nova Scotia last year benefited better by not having the Saltfish Corporation in their Province, because they got a better price for their fish. A better price was paid to fishermen in Nova Scotia for saltfish than was paid in Newfoundland. Now, it is because the markets are good, and the companies who were involved, the companies who were involved in producing it had markets readily available to them, and markets are readily available this year. So, we are not saying abolish the Saltfish Corporation if there are any circumstance out there where any company will come along, whether it be Fishery Products of the Lakes, or Ocean Harvesters, or Nickersons, and say, Okay, we can produce our own saltfish without any involvement from the Saltfish Corporation, we can also go out and market because we have the markets here available to us and not interfere with the Saltfish Corporation, we want a permit from your corporation to go ahead and do that - the Saltfish Corporation would control how many permits are issued, control how many companies will get involved and not let the thing become chaotic and everybody gets involved in saltfish, they would control

MR. MORGAN: that, and that is what we have outlined out to the corporation, to Mr. Henriksen, and the Chairman, that - if it was done in that way, an orderly way, you would have companies putting their own money up front to produce saltfish, and their own money to market it, and have markets. If that was done it would not interfere with the Saltfish Corporation's activity at all, and it would not cause any chaos in the market place. We are not advocating open it wide open, and abolish the Saltfish Corporation, because we are inclined to think that would maybe go back to the days when we had what the organization called NAFEL - was it? NAFEL, which was an association of companies, something like the Fish Trades Organization today, and God knows the

MR. J. MORGAN: Fish Trades Association has not proven to be very beneficial to the fishing industry, as I said earlier in my comments.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: But that is our position on the Saltfish Corporation and it is sometimes misunderstood, because it leaves the impression that we are totally opposed to the Saltfish Corporations activity and efforts. The Saltfish Corporation is doing a good job but could do better, because it could provide more facilities along the Labrador Coast in particular. I want to lead into the Labrador Coast because I do not like the idea that, and I am sure that the hon. member from Labrador Coast, who is quite familiar with fisheries on the Labrador Coast because he was involved in the industry down there at plant management level and otherwise, we have foreign vessels coming in, and we have to bring them in because if not there will be no markets for the fishermen, but we have foreign vessels coming into the Labrador Coast which is benefiting not only Labrador resident fishermen but people - we used to call them floaters but now, of course they are stationed because they go down with the longliners - who move down. They have gone down from Conception Bay, Trinity Bay, they move down from White Bay, Norte Dame Bay all along the great Northern Peninsula. They go down there - last year for example, I was down in Smokey myself and at one time there were eighty-five longliners from the Island portion of the Province anchored out in the Harbour and were down there fishing, and they are selling all their catch to these over-the-side sale foreign boats. Now, it is a pity when you see all that fish leaving the Labrador Coast. There has to be additional processing facilities down there, but the unfortunate thing is, as the hon. gentleman is aware, we cannot attract, we are not succesful in attracting the private

MR. MORGAN:

sector to invest their money on the Labrador Coast. And we keep on trying and to date we have been the ones, the Newfoundland Government, the Newfoundland taxpayers, I guess is the right term, have been the people who have been investing in the Labrador Coast, and this is unfortunate. But the Labrador Coast is where the action is going to be in the next number of years in the fishing industry. The Northern cod stocks are coming back, the closest land to the Northern cod stocks is the Labrador Coast and the migration of Northern cod, it took place the last couple of years, is back on the Labrador Coast again. And if we see it like we think it will be one of these years, there is going to be an awful lot of fish along the Labrador Coast. The days when the schooners used to go down and load up and come back and dry their fish on the island, those days, of course, are gone, these vessels are no longer around. But there is going to be an awful quantity of fish to be caught along the Labrador Coast, and that is the reason why I am concerned. I am concerned over - and I know what the hon. gentleman is going to say, oh, there he goes again, critical of the federal government. But I got to say what I to say now, and I think the hon. gentleman in his own mind will agree with what I am going to say. It is unfortunate that a DREE agreement, which was supposed to be signed two years ago and when it came around to the point of being signed, both governments agreeing, suddenly there was a change of attitude in the federal government; they said, no, we do not want a DREE agreement now with the Newfoundland government, although the Newfoundland government had \$3 million sitting in my estimates to go into putting facilities along the Labrador Coast, \$3 million sitting there - that is the reason why it was not spent last year - specifically to tie into

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Tape 1747

MLeP-3

MR. MORGAN: a federal DREE agreement
with the Province to spend approximately - what? - \$15 or \$16
million total along the Labrador Coast.

MR. WARREN: \$13.5 million. .

MR. MORGAN: Well, it is \$13.5, \$14 million but it would have been more with our \$3 million. But suddenly in Ottawa a change of attitude and they said "Okay, we do not want your money Newfoundland. The reason why, we do not want an agreement tied together, we want to have the Department of Fisheries do all the work on the Labrador coast, the Federal Department of Fisheries.

MR. BAIRD: The central government.

MR. MORGAN: Because - and I was told in Ottawa quite bluntly why - we want to get credit, Mr. Morgan. We do not want you to get credit down there in Newfoundland for the things we are doing along the Labrador coast. Now how small can you be? I do not care who gets credit, whether it is the NDP in Ottawa or the PCs or anybody else, let us get something done along the Labrador coast. But what happened? The DREE agreement was not signed and the funds were allocated to the Federal Department of Fisheries for Mr. Lablanc, to decide how to spend along the Labrador coast. As the hon. gentleman is aware, that was over two years ago, and little or nothing has been done to date with all that money. And here are the Labrador coast fishermen and processors and others crying for some facilities, crying for activity in developing the Labrador coast, because that is where the action is going to be in the fishing industry. Two years have passed and little is done. And he cannot blame us, because we are not tied into the agreement at all.

Now, I would say it is not the federal minister either. With all due respect, it is not the federal minister himself, as a politician, it is fact they did not have sufficient planning done, they did not

MR. MORGAN: have sufficient engineering work done, and because of that they could not get any work done. Now, two years wasted, and that is very unfortunate. But we are not ignoring the Labrador coast, and surely the hon. gentleman is aware of that. The Newfoundland Government is far from ignoring the Labrador coast and the fisheries. We wish we could do more. We wish we could do more, but we are doing the best we can in building facilities for fishermen, facilities to salt their catch in, for repairing their gear in, and other things, and small wharves and slipways and these kind of facilities. We are doing the best we can along the Labrador coast. But at the same time as we are trying to do it with the measly funds we have, all these millions of dollars are sitting in a kitty that could be spent and are not being spent. So I am hoping that we see more action this year along the Labrador coast than we saw in the last two years in the spending of that money which is there waiting to be spent. Now, on the tenders question that was asked, and I will answer it in all sincerity, I recall there are so many tenders over my desk and information of that nature and without going to the phone to check after the question was asked - we called tenders for the collector boats, which we call every year, and if I recall there was about nine bids came in, mostly from boats on the Island portion of the Province. And we did get a bid from that Postville shipyard operation there, and if I recall correctly - and I can check it out and get more information - I think the boat itself, the engine was small, and it was not fast enough

MR. MORGAN: for the people analyzing the tender and it was also a high bid, there were two question marks on it. There was also a - we have approved at least two longliners to go down as collector boats from the Notre Dame Bay area, if I recall, or the Green Bay area, somewhere in that area there, and we are looking at a third one, it is a bid from Nain itself, a chap by the name of Webb from Nain and the Postville we are looking at as well. So, there is no final decision made on all of them, There is a decision made on at least two to get the operations moving. And as for using these boats to move out the people to these islands, you know, I cannot see why we cannot, looking at the coastline of Labrador and the conditions along the Labrador, why we cannot co-operate with these people in trying to get them out. We will look at that irrespective of D.O.T. regulations and other regulations, in fact, in some cases, too many regulations, no matter which level of government it is, and we will get co-operating and moving them out, sure, some of the families out to their outer stations as they call them, in the Summertime, to look at that and the other - well, along the Labrador coast it is amazing, because when I was down and traveled the coast, well, two Summers in a row now I have been down there, I did not do a complete tour last Summer but the Summer before -

MR. SPEAKER (RUSSELL): Order please!

I would like to inform the hon. minister that his time has expired.

MR. MORGAN: Thank you.

MR. SPEAKER: The hon. member from Fogo.

MR. TULK: He will get his time to get his answers back I am sure. Mr. Speaker, I would like to congratulate the Fisheries Minister (Mr. Morgan) this

MR. TULK: this morning on the positive approach that he is showing, it is unusual for him.

SOME HON MEMBERS: Hear, hear.

MR. TULK: I expect that within the next week or so you are going to see myself and the Minister of Fisheries (Mr. Morgan) and Mr. LeBlanc out waltzing in the middle of -

MR.MORGAN: Out selling fish somewhere.

MR. TULK: Out selling fish somewhere, yes. But I want to ask the Minister of Forestry (Mr. Power) a question, and I hope that we can get the same type of co-operation out of him, Mr. Speaker. About three weeks ago, I think it is close to three weeks ago, I asked the minister a specific question concerning a budgetary item that was in the budget this year, it concerned the stumpage rates as being charged on pulp wood in the province. I understand that the minister has with some good reason been out of the House for some time, but he has not made a Ministerial Statement in this House as to what he intends to do with the 400 per cent or the 350 per cent increase that was made in the stumpage rates for pulpwood in the Province, in the budget. Mr. Speaker, as I pointed out to him at that time there were 400 or 500 jobs weighing in the balance, I understand that some of the people have gone back to work, but I would like for the Minister to go on public record in this House and tell us if indeed he has been able to convince the Minister of Finance (Dr. Collins) that he should not have put the knife into the pulpwood industry in this Province by raising the stumpage fees to such an exorbitant rate. I think he has had meetings with him, I understand that he has, so I want

MR. TULK:

to ask him a series of questions about just what is the rate now. Is there a new rate? Has he established a new rate? How long is the decrease going to be in effect? Is it going to be in effect for the rest of this year or is he gradually going to raise the stumpage fees to the prices where they are now? And does it also apply not only to the export wood industry but to the independent contractors who cut for Abitibi Price, particularly as it affects the Stephenville mill operated by Abitibi Price?

I would like for the minister to comment on all those things and tell us whether indeed the increase is permanent, what he has done and so on. I will just sit down and let the minister do it, Mr. Speaker. The questions are self-evident, what we require.

MR. SPEAKER (DR. MCNICHOLAS):

The hon.

the Minister of Forest Resources and Lands.

MR. POWER:

Mr. Speaker, I have struggled through the last couple of weeks to give as much information as possible on the new stumpage rates that we have in effect. As it was announced in the budget, there were going to be significant increases in stumpage rates in Newfoundland caused primarily because of the fact that the stumpage had not been changed since 1974, that during that period of time the value of newsprint had gone up over 300 per cent and the value and cost of road construction was up well over 200 per cent. Therefore, significant increases were announced in the stumpage rates. Subsequent to that, of course, there was much discussion and deliberations held with many of the persons involved in the export of wood particularly, that the stumpage rates, because of contracts that they had—or the buyer of pulp-wood who exports out of the Province had a contract in Europe

MR. POWER: which had been made a year in advance and which did not take into account the new stumpage rates and, therefore, could not have fulfilled his contract nor could the pulpwood harvesters in the Province have cut wood under the prices that would have to be charged and paid for stumpage. After many meetings with many of the person actually cutting wood and with the persons who were exporting wood, we decided to phase in the stumpage rates in the Province going from \$2.16 for the lowest stumpage rate to about \$3.16, basically a one dollar across the board increase in all stumpage rates in the Province, which was something that we negotiated with the Department of Finance, something which was agreeable to all persons concerned. This one dollar across the board increase was effective April 1st. It would apply particularly to salvage areas where wood is dead and dying because of the budworm epidemic. We intend to have -

MR. TULK: Are you saying that the rates will be one dollar from April 1st., that the six to eight and nine dollars will not apply from April 1st. to June 15th.?

MR. POWER: From April 1st., for the time being there is a one dollar stumpage increase in all salvage areas which allows the export contractor to export his wood basically in line with the contract that he has in place which allows him to sell his wood in Europe, I guess at some profit or otherwise he would not come back to do business, and also allows the pulpwood harvesters in the Province to cut wood at, what for them is and has been for some time, a marginal profit.

With the effect of stumpage rates on greenwood, we intend to have another stumpage rate on greenwood from healthy stands in the Province increased on January 1st. in line with what the budget provisions were.

MR. POWER: This we consider, Mr. Speaker, to be eminently fair in a Province where we do not have that much greenwood. It is considered to be as close to the Budget rate as possible on January 1st. It has not been finalized yet, but certainly we will have some discussions with the person involved. It is generally felt by the persons, we have talked to in our meetings, in the export of wood, the salvage area wood, that they could and should have a fairly significant increase and discrepancy between salvage wood rate stumpage and healthy greenwood stumpage rates, because there is not much that healthy green timber left in the Province. If someone is going to take healthy green timber, ship it in the Province, then obviously the only real chance of return the Province will have is in the form of stumpage, and, therefore, it should be fairly significant and -

MR. TULK: (Inaudible), the jobs.

MR. POWER: Yes, the jobs, of course, the benefits that come from the job apart. But, certainly the direct revenue to the government from the actual cutting of the resource itself would be in the form of stumpage. And what we have done, Mr. Speaker, is decided that on January 1st to phase in a larger increase in stumpage for green timber. We think that that is eminently fair, the paper companies can live with that. As it relates, I think to the Stephenville mill, everyone knows the stumpage rates for the Stephenville mill are set in a contract that was signed in opening the Linerboard mill, changing the Linerboard mill to a newsprint mill in Stephenville, that is not a subject to negotiation for the next eighteen months, and when it does become subject to negotiation we would hope that the stumpage rates for wood going into Stephenville mill will more accurately reflect a fair return on the resource that is being used for that enterprise in Stephenville in the form of increased stumpage. As I said, with the stumpage

MR. POWER: rates that we were proposing, we would still have the lowest stumpage rates in Eastern Canada, they certainly would have been a fair, a more fair return on the resource that we have, that is owned and controlled and managed by the Newfoundland people, and we just think, Mr. Speaker, that the stumpage rates that are now in place, as it relates to the Budget and to the change to the \$1 stumpage rate that is now in effect for salvage wood, it is one that everyone can live with in the Province and one which is very, very fair. I think, they are the basic questions the member was asking about, the stumpage rates as in the Budget, and the increased stumpage rate on greenwood that will come into effect on January 1st. It has not been finalized yet, but it will be fairly close to what -

MR. TULK: What about the Greenwood? All you are saying about it -

MR. POWER: As the member said, I was absent last week for no reasons of mine and I announced to the public in a press release on Friday afternoon because of some immediacy it had to the persons involved, that was Friday afternoon past, and I sent a copy of that, I do believe, to all of the persons involved in the export of the wood and the persons who were directly involved. So the people who are directly involved do know of the changes, are fully aware of them, and can work within the system that we now have in place.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER(McNicholas): The hon. member for Torngat Mountains.

MR. WARREN: Yes, Mr. Speaker, I want to go back to the Minister of Fisheries(Mr.Morgan), he is not leaving is he?

MR. MORGAN: No.

MR. WARREN: I have, Mr. Speaker, for once in the last three years to agree practically 100 per cent with the Minister of Fisheries. All day the Minister of Fisheries has been agreeing with the comments that we are making, now I have to agree with the comment that he made earlier. I think that this \$13.5 million that the Federal Department of Fisheries is trying to administer on the Labrador coast is a farce. And as far as I am concerned, and I said it when the Minister of Fisheries announced it a year and three months ago, it should have been administered through the Provincial Department of Fisheries. And here they are trying to do it themselves and they do not know what they are doing. Just to give you an example, a salt shed for the town of Makkovik has been waiting now for the past two years, both governments trying to decide who is going to build a salt shed. However, Mr. Minister, I have to take you to task on one aspect of the operations along the Labrador coast, and that is your two fish plants. Now, the minister can correct me if I have my information, my facts wrong, but I understand that monies from this \$13.5 million are ready to be used, and ready to be put in place in the two fish plants that his department operates. However, the minister's department is saying no dice, Because the provincial government owns the fish plants, they are saying to the federal government, 'No, you cannot do any repairs to it'. Is that correct? That is the information that I am getting,

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MR. WARREN: that the federal government wants to use some of this \$13.5 million to improve those provincially owned fish plants but the ministers department is saying, no, you give us the money and we will improve them ourselves.

MR. G. WARREN: Now, is that correct? If it is, I think there is something going wrong. And what are we doing? We are playing politics off against the fishermen in this area. Because this is what is happening now, both governments, I am not blaming it on the Minister of Fisheries (Mr. Morgan) himself. But I am saying therefore, if the money is available and the Minister of Fisheries (Mr. Morgan) will not use it, then there is something wrong. But if this is not true I will be only too glad to take the minister's word for it. Now, I have another concern for the minister and I would think probably it may fall into the federal jurisdiction, but, however, I want to bring it to the attention of the minister so he can have his officials, when they get into the Makkovik/Postville area, check into it and probably approach the federal government - because I have done it. Last week I went and sat down with the federal officials in Goose Bay about this concern - about the Newfoundland longliners, as they call them, the longliners that are coming up from the Island and - by the way, I must admit that the fishermen do not care, the fishermen do not care if the longliners come or not, in fact, it is good for the economy of the towns that they are fishing in, but what is happening, Mr. Speaker, is some of those captians or some of those masters on those longliners are throwing their gill nets or their trawls and it is interferring with the local fishermen, and they are crossing over pretty well right on the shoreline in the Makkovik/Postville area. And this is unfortunate, because the fishermen do not want to say, look, get away and leave us alone.

MR. WARREN: But I think there should be enough common sense with the operators of those longliners to at least move offshore a little bit. That is why you got longliners, to move offshore. And everyone of the fishermen down there who cannot afford any more than an 18 or a 22 foot boat, they are obliged to go off the shore, further than the longliners are, because they are putting their nets right in close to the shore.

MR. RIDEOUT: Are there any problems with oil tankers?

MR. WARREN: Ah, not that much. Last year in Hopedale. I think, there was one from - Labseaco I think, had a little problem there in Hopedale last year.

MR. RIDEOUT: Are you getting any oil delivered on the coast now?

MR. WARREN: Oil delivered on the coast? Now, what does that have to do with the Department of Fisheries? But, anyhow, as of now I think there is some sort of snarl between two individuals about delivery of the oil up there. I understand there is some snarl up there with the oil delivery, but I am sure that my constituents will cross that bridge when they come to it, and we will call upon the appropriate

MR. WARREN:

authorities to make sure that the people down in my district will not go without a fuel supply this year. The minister never answered me on the price that his department is planning to pay per pound for salmon or per pound for char this year. I would like for the minister to also answer that one.

The minister is saying he has \$3 million sitting in his department. Now, my colleague here is shocked to know that the Minister of Fisheries (Mr. Morgan) is saying that he has \$3 million to use on the Labrador coast. Well, why does the minister not say, 'To heck with the federal Department of Fisheries, to heck with them' - I was going to say worse than that - but, 'To heck with them, we will go ahead and do it'. You know, we have \$3 million there, let us spend it. Is there some regulation with the federal government saying, 'Look, Province, do not you spend any money on the fishery on the Labrador coast, we are going to do it all'? Is that what is happening? I must say, Mr. Speaker, that Mr. Rompkey is going to have to do much more than put federal money along the Labrador coast if he wants to win the next election.

SOME HON. MEMBERS: Hear, hear!

MR. WARREN: And I think we all know that. It is pointless for Mr. Rompkey or anyone else to come out with these kinds of programmes and cutting off the hand that feeds you. Because, let us face it, throughout Newfoundland and Labrador the first place the people look is to the Government of Newfoundland and Labrador and the second place then they look is to the federal government. But it is no good for both governments to be trying to undercut each other to gain political Brownie points and this is what is happening, and this is an indication of

MR. WARREN: what is happening through political Brownie points. And the same thing with the airstrips along the Labrador coast. There are just ministers of both governments trying to gain little points here and there by saying, look, I am responsible for this or that.

Mr. Speaker, I know my time is getting short but I do have one other short question for the minister. He was in Smokey last year and he saw something like eighty longliners in there and no processing on the Labrador coast. I said the day before yesterday in this House that the only thing the fishermen do down there is catch the salmon and take the stomach out of it. That is the only thing that is done down there and the rest of it is just sent away in a big block form like that. There is no reason why the minister's department, if he has the \$3 million available - if he has the \$3 million available I would think that his first obligation would be putting a proper processing facility, government owned like the two fish plants are now, along the Labrador coast.

MR. WARREN: Because we all know the reason why private investors will not go down there, it is because the fishing season is too short. It is very simple. You only got a three or four or five month fishing season. So that is why private investors will not go down there. So why does not the government take the bull by the horns and use this \$3 million and put a processing plant down there that would benefit everybody?

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

MR. MORGAN: Mr. Speaker, yes, I will try to respond to some of the questions asked.

First of all, I want to clear up any misunderstanding that exists in Labrador as it pertains to the plants that we own and operate which were built a number of years ago - the hon. gentleman is aware of it - under the Department of Community and Social Development, I think it was at the time, the Labrador division -

MR. RIDEOUT: The Resettlement Department?

MR. MORGAN: No, well -

MR. HOUSE: Yes, it was.

MR. RIDEOUT: Community and Social Development, that was the Resettlement Department.

MR. HOUSE: Under the Labrador (inaudible)

MR. MORGAN: - and under the agreements with Ottawa at the time, and then they were passed over to the Department of Fisheries about three or four years ago, and we have been running these plants as a government with government employees

MR. ANDREWS: A good job too.

MR. MORGAN: - and putting on collector boats and buying from fishermen in a number of - well there is Makkovik, and Nain and then there are the feeder stations in Postville,

MR. MORGAN: and Davis Inlet and one other - and Hopedale. And there is a very definite, desperate need to upgrade these plants, the one in Nain in particular That was part of the agreement, which was part of the funding in the so-called DREE agreement which is now cancelled and the funds passed over to the Federal Department of Fisheries.

We will, tomorrow morning, grab any money we can get from that source to have these plants upgraded and we will do it ourselves or we will say 'go ahead, do the planning and we will approve the planning with you and you go ahead and do the work.'

There is no problem at all. Now, I found out just recently, and maybe the hon. gentleman is aware of this, I was unaware because the Federal Department of Fisheries on the Labrador coast has not been - if the Deputy Minister who just resigned to go with the federal government- and, by the way, I think that is a significant move and I would like to mention that in the House of Assembly, that the Deputy Minister of Fisheries (Mr. G. Slade) has been a good civil servant, a good worker, and has proved himself beyond any doubt to be one of the, I guess, most knowledgeable men in

MR. MORGAN:

fisheries in the Province and I am sorry to see him go from the Department of Fisheries, there is no question about that, but I am glad to see him in the position he is going in, which is going to be the senior co-ordinator for the Economic Development Department of the Federal Government, he will be the senior official, in fact, I understand, in the Province. Senior public servant for the federal government in this province, that will be his position. And he will be co-ordinating, of course, the development of the resources including the fishery. So we will be working with him and I am sure hopefully will - and I have no hesitation in saying, and hopefully will improve the communications, improve the liason and improve the need for working together of both governments in regards to fisheries in particular. But on the Labrador coast, if he was here he would say the same thing, that we have no hesitation in telling the federal government, go on in and upgrade those plants. All we want to see is the plans and have a say in the plans because we think that we have the consultation down in the area, we know what is needed there, and spend the money. But for some reason they have not done it, Now recently I have found that the money from that agreement, and the hon. gentleman might be interested in knowing this if he is not aware of it, they have made offers to some of the local companies along the Labrador coast, like, for example this chap - the member is not in the House - this chap Hiscock from out here in Conception Bay has an operation in Smokey.

AN HON. MEMBER:

In Brigus is it?

MR. MORGAN:

Yes, in Brigus, in Brigus, E.J. Hiscock they call it. Now, I understand that there are funds available from that DREE agreement to assist him in updating his facilities at Smokey. And I understand on a 50/50 basis, is the information that we have received, and other private companies who want to avail of funding can get 50/50 spending. We have not been told officially, but there is an indication that if any upgrading is to be spent on the plants now, they want us to go 50/50. Now that is totally unsatisfactory, because when the DREE agreement was in place it was 90/10, we put the 10 per cent and then 90 and we would upgrade those plants, upgrade those facilities and build new facilities etc.

MR. MORGAN: If tomorrow morning someone from Ottawa said, 'We are going to spend money on those plants and we are going to announce spending money on those plants and calling of tenders', we would say, 'Good news'. There is no obstacle on behalf of the provincial government or on behalf of the federal government by us to stop the upgrading of these plants. And, as the hon. gentleman is aware, that plant in Nain is a very important plant to all that coast, to the arctic char and to the salmon fishermen and to the scallop fishery now, as well, that is coming on down there, that we have got to get that facility improved and we have got to get a new salting shed built in Makkovik. That is very definite, that new salting shed etc. and other facilities along that coast. These are the kinds of things that we were hoping to have seen done in the last two years but were not done as a result of the federal government's procrastination and delay. And I would say it is because of the engineering people who did not have their plans done properly more so than any political delay, a delay from a political source.

As for the prices of salmon, the hon. gentleman is also aware - he was involved in those plants for a while down there - that we have to subsidize the operations. We have to use the taxpayers' money to subsidize these operations. We cannot find a private enterprise to go in there to establish processing facilities or operations and we have to spend money in subsidizing these plants. And, therefore, we have to be careful and we have to try to do it and manage it in a business like way and, at the same time be fair to the fishermen. Last year we paid prices we thought were fair for the fishermen and this year we will do the same thing. We will pay the best prices possible that we can afford to pay as a

MR. MORGAN: subsidized government operation, and comparable to what other companies from the private sector would pay for the same species if they were buying them in the same area.

That is on the price of salmon. These other questions, I think he mentioned the Newfoundland boats interfering with the Labrador resident fishermen and their fixed gear. I would say that problem is a very genuine one. It is a very real one not only in Labrador but there are also other parts of the Province where the larger boats, whether they be dragger boats or longliners, are interfering with the inshore small-boat type fishermen and the fixed-gear fishermen. We have been saying for some time there should be buffer zones or protective zones so that these larger boats would not be able to fish within a certain distance of the fixed gear of these small-boat fishermen, like salmon nets, cod traps and these kinds of fixed-gear equipment. Unfortunately our suggestions made to Ottawa have been falling on deaf ears. We have not been getting any favourable response at all. But in Labrador the hon. gentleman has got to recognize that these kinds of problems should be addressed by the federal member of Parliament and they should be addressed by Mr. LeBlanc because they are going to increase, because there are going to be more and more boats go down there, especially if the cod fishery is going to be a failure or the groundfish would be a failure along the Northeast coast like it was last year. You will see more and more of a migration of boats from the Island down to the Labrador coast. The more go down there, of course, the more possibility of adverse affects on those resident fishermen who have

MR. MORGAN:

small boat up to twenty-five feet in length and are using fixed gear in the same fishing areas. So, Mr. Speaker, I think I have answered most of questions. I will say again that we are ready, willing and available, we are ready, willing and available to work with any official. And, for example, the Deputy Minister, his brother is one of the key organizers, he has just left now, he is gone with the federal government as well, as I mentioned earlier. But we have goodly aides among officials of the departments, there is no question about that, but the officials in Newfoundland, their hands seem to be tied because the decisions have been made in Ottawa about what is happening along Labrador. There is no consultation even with the local officials in Newfoundland of the same department. The federal people do not even consult with their own local people in this Province who are in the position to make the decisions, who know the Labrador coast, understand the problems and realize what has to be done. So, the Newfoundland Department of Fisheries and the officials, we are ready, willing and able to work with the officials in Ottawa or the officials in Newfoundland of the federal department, to make sure that that money that is there will be spent this year. And also, of course, we will carry on spending our own funds as we did last year. Close to, I think \$1 million, along that coast last year, was spent by the Newfoundland government alone on mostly smaller type facilities and, in fact, I offered to make available to the committee, the same committee, the estimates we are nowing, the Resource Committee Estimates, to make available to the members if they wanted it, the total list of all the spendings along the Labrador coast.

MR. WARREN: What time are you going to (inaudible).

MR. MORGAN: Naturally tomorrow morning we would like to divest ourselves of those fish plants. We feel that it is not the role of government to be involved in operating fish plants and managing them at the local level. We gave assurances to the Labrador Co-op, the Torngat Co-operative that we would give them the first preference, the first choice of taking over those plants before we got involved or even considered calling public tenders for the private sector to move in or some private company. However, I have to say that we have not been getting the best of co-operation from that group. We have met a number of times, we thought they were going to put in place last year people to work side by side in the plants with our people, the management people, so they would get to understand the operations and how they would operate if they took over. Of course, that was not done. We are not sure they are competent or able to manage these plants without further substantial subsidy by government.

MR. SPEAKER (Russell): Order please, the time for the hon. minister has now expired.

MR. MORGAN: By leave?

SOME HON. MEMBERS: By leave, yes.

MR. SPEAKER: By leave.

MR. MORGAN: We are subsidizing the plants now, so our point is if we pass them over to some other group, a co-operative group and if we still have to substantially subsidize, well it is not much benefit to government in passing them over. We are hoping they can work out some arrangement with regard to their

MR. MORGAN: shrimp licences they have, harvesting licences, because they could take part of the profits from that operation and use it to subsidize their onshore facilities. That would be the overall objective.

MR. WARREN: Not (inaudible).

MR. MORGAN: Our figures of subsidization, I think, was even higher than that.

MR. WARREN: (Inaudible) the \$300,000 from the native agreement.

MR. MORGAN: Yes. Looking at the subsidy that comes in from the native agreement and our own provincial government subsidy it is close to around \$500,000. So if the Co-op can take over and say, 'Yes, Newfoundland Government, we will run the plants, we will take them over, no more subsidies', we will pass them over tomorrow morning. But we are not confident that by passing them over to the existing Co-op as it is presently structured and presently formed, that they can do that without still coming back looking for substantial subsidy. The second major point is that we are not convinced that they can take over and manage those plants in the proper way because they have not co-operated with us in having people, which we asked them to do, to learn all about the plants. But the door is not closed on the Co-op. We will still give them every possible chance to take over those plants from government before we consider divesting ourselves of them to the private sector.

MR. WARREN: Will you be chartering a small aircraft this Summer like last Summer out of federal-provincial monies or out of the operation of the fish plant or what?

MR. MORGAN: Yes. In fact that chartering of aircraft we just called tenders for and the successful bidder was Gander Aviation and they will have a plane stationed at Makkovik the same as last year, which will be available for employees of the Department of Fisheries in co-ordinating the operations of the -

MR. WARREN: And me.

MR. MORGAN: And we may on the occasion if he is going into the plant, give the hon. gentleman a ride.

MR. SPEAKER (RUSSELL): Is it the pleasure of the House that the report of the Resource Committee be concurred in?

On motion, the report of the Resource Committee was concurred in.

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

MR. MARSHALL: Mr. Speaker, I move the House at its rising do adjourn until tomorrow, Tuesday, at 3:00 p.m. and that the House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Tuesday, at 3:00 p.m.

I N D E X

ANSWERS TO QUESTIONS

TABLED

JUNE 25, 1982

Answer to Question No. 132 asked by
Mr. Lush (Terra Nova) on Order Paper
dated June 24, 1982

Question: # 132 *of June 24th 1982 order Paper.*

To ask the Honourable Minister of Labour and Manpower to lay
upon the Table of the House the following information:

A list of expenditure for Mine Safety and
General Health and Safety Inspection,

Listing:

- a. Expenditures for salaries by task;
- b. The number of employees hired under
these headings, their salaries and
related expenditures, all for the
fiscal years 1980-81, 1981-82 and
1982-83 and an explanation for
salary increases close to 50%, in
spite of a great amount of downtime in
mining in fiscal 1981-82.

Answer:

General Health and Safety Inspection and Education Branch

Salaries:

<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
\$150,885	\$253,700	\$404,800

Related Expenses:

<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
\$87,501	\$85,200	\$179,200

Number of Staff:

<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
9	16	17

Mines Inspection Division

Salaries:

<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
\$355,912	\$317,000	\$438,500

Related Expenses:

<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
\$167,574	\$107,800	\$217,500

Number of Staff:

<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>
15	16	16

The major salary increases in the 1982-83 estimates is attributable to expansion in the General Health and Safety Inspection and Education Branch where eight (8) new positions have been added to increase our capability in both the General Inspection and Education programs. These staff increases were made following representation by the Advisory Council on Occupational Health and Safety and the Newfoundland and Labrador Federation of Labour.

With respect to the downtime in mining, the manhours worked in the industry in this Province during the past three (3) years are as follows:

<u>1979</u>	<u>1980</u>	<u>1981</u>
11,539,385	10,833,082	10,595,461

Whereas there has been downtime in the mining industry in late 1981 and during the early part of 1982, the more recent downtime would not as yet have had an impact on salaries or staffing in the Mines Inspection Branch. Currently three (3) positions are vacant in that Branch as follows:

- Regional Mines Inspector, Labrador
(presently being readvertised)
- Mines Inspection Engineer, St. John's
- Mines Environment Technician, St. John's