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Speaker: Honourable Patrick McNicholas

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The House met at 3:00 p.m.

MR. SPEAKER (McNicholas):
Order, please!

Statements by Ministers

MR. SPEAKER:

The hon. Minister of Career Development and Advanced Studies.

MR. POWER:

Mr. Speaker, on Tuesday afternoon the hon. Pat Carney, Minister of Energy Mines and Resources and my colleagues, the hon. William Marshall and the hon. Gerald Ottenheimer, announced the first four projects under the Canada-Newfoundland Offshore Development Fund. Because these projects will have a tremendous impact on the education and training of Newfoundlanders, I would like to provide hon. members of the House with additional details relating to those projects.

The Center for Earth Resources Research, by providing space for offices, research laboratories, teaching laboratories, lecture rooms and technical facilities will encourage and assist in the training of highly skilled people in the earth resources sector. Existing information indicates that over the next 12-15 years the supply of graduates in the geoscience disciplines is unlikely to meet the demand. This is particularly relevant for East Coast exploration and development. I would also like to point out, Mr. Speaker, that a second important benefit which the center will provide relates to research and development. This center will have an important relationship with industry, actively promoting its resources

in the private sector. It is important to recognize as well the important spin-off benefits associated with such a center in the way of the establishment of new companies and new employment opportunities.

The second project announced, Mr. Speaker, was for six training programmes in a number of vocational schools and colleges. Our research and consultation with industry have made it clear to government that, in a number of areas, upgrading of individual skills through training programmes is essential if our workers are to be equipped with the skills required by industry; offshore industries are very demanding on the quality of work produced. The funds approved will permit the purchase of welding equipment and instructional aids to establish a welding technology programme to train at the journeyman, technician and technologist level. This programme will facilitate the introduction of new processes and procedures. The importance of state-of-the-art welding techniques and processes in offshore development and production cannot, Mr. Speaker, be overemphasized. I am please therefore that two other programmes were approved - that of diver/welder and submerged arc welding. New equipment will be purchased to provide training in techniques and processes which are widely used in the repair and maintenance of offshore structures and vessels. The technology associated with diving and welding is changing rapidly and these programmes will keep our institutions and in turn, our people, competitive. The remaining three programmes, Mr. Speaker, relate to the purchase of equipment to provide short-term

training programmes relative to construction. Specifically, intensive training will be required in concrete and steel forming, rebar and construction supervision. At the present time in these occupations, although not highly skilled, are in short supply in this Province.

The third project announced, Mr. Speaker, was a computer-aided design facility in engineering and represents the first element in this capability in this Province.

The facility will educate and train engineering graduates and professional engineers to serve the needs of industry and government for computerized design, especially for offshore structures. I need not emphasize the importance of having this capability for computation, graphics, plotting and printing with communication support. An in-house capability in computerized engineering design is necessary if we are to be a leader in ocean engineering. All European countries participating in North Sea oil development have similar facilities. This facility will enhance the quality of our graduates of Memorial University's Faculty of Engineering and Applied Science. Once again, Mr. Speaker, this facility will permit research and development by faculty, graduates and the private sector.

The fourth project announced, Mr. Speaker, was the offshore survival center. This center, which will be unique in North America, will provide an improved standard of safety training and firefighting. It will consist of a ten-acre fire ground and complex with the necessary training equipment. In addition to lecture rooms and laboratories, there will be a

simulated drillship and crashed helicopter. This facility will provide the international-class training facilities demanded by industry, required by governments and also reinforced by the recommendations of the Royal Commission on the Ocean Ranger Marine Disaster. A strong applied research capability will also be a feature of this facility.

It will be necessary, Mr. Speaker, to inform members of the hon. House of the rationale and benefits associated with the first announcement of projects under the development fund. Once these facilities are in place we will be even better able to continue to provide Newfoundlanders with the skills that will be in demand by industry. Let it be understood, Mr. Speaker, that it is this government's intention to spread these training programmes throughout the Province - so that all residents in all areas will have access to these training initiatives and hence the employment opportunities which will certainly follow. Thank you, Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

Mr. Speaker, I am surprised that the minister did not see fit to give us a copy of the release. I hope that is not a new approach being taken by the administration.

Mr. Speaker, with respect to the University and the money going into the University first, the minister and the Premier should keep in mind that a university is

more than buildings and equipment.

MR. PATTERSON:
(Inaudible).

MR. BARRY:
Yes, I know the member for Placentia who has been trying now for some fifteen years to get into the Cabinet, will give us a great enlightenment when he has his opportunity to rise in this debate, Mr. Speaker.

Mr. Speaker, the University has been neglected and ignored. There is very poor morale amongst the University staff because of the financial squeeze which the policies of the minister and the Premier have imposed upon the University. To acknowledge and to give credit where credit is due, there has been expenditure on University buildings and, Mr. Speaker, that is not unrelated to the fact that members opposite were desperate to get a few public works going to try and take up some of the slack of the horrendous unemployment that existed in this Province at the time.

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

MR. SPEAKER (McNicholas):
Order, please! A point of order, the hon. the President of the Council.

MR. MARSHALL:
The purpose of responding to a Ministerial Statement is to respond to the details of the statement itself. What the hon. gentleman is doing is getting into a general area debate in the field of education. I realize that when he heard the news he first of all thought it was a higher priority than to be clearing snow at

Memorial, to provide an Earth Resources Science Centre, but we can debate that later, Mr. Speaker. The hon. gentleman has to comply with the rules of the House.

MR. BARRY:
There is no point of order, Mr. Speaker.

MR. SPEAKER:
To that point of order, I think it is difficult to say at times just when the topic is being strictly adhered to.

The hon. the Leader of the Opposition, you have about two minutes.

MR. BARRY:
Thank you, Mr. Speaker.

I know the minister would rather have Mr. Bosley in the Chair, but I thank Your Honour for that ruling.

Mr. Speaker, the problem with this administration is that they think investment in buildings and in equipment is the answer to secondary education in this Province. Mr. Speaker, that is not so. The minister and the Premier should be aware that there is a very serious problem at the University which is going to require attention if we are going to see the level of instruction and the quality of education at that university that will be needed to meet the challenge of offshore development or any other new industries we will see coming in the future.

Mr. Speaker, I would urge the minister to spend more time looking at the needs of the University in total perspective and not, Mr. Speaker, standing up

with what he feels are politically sexy announcements. Let him get down, Mr. Speaker, to dealing with what has to be done to make sure that we maintain the quality of education in this Province.

When we hear the President of the University get up, as he has to more and more often, and say, Mr. Speaker, that the funding is not being provided to let him continue to maintain the quality of education, then, Mr. Speaker, there is a problem which the minister must address.

The same thing applies to the vocational system in this Province.

MR. SPEAKER:
Order, please! The hon. member's time has elapsed.

MR. BARRY:
Oh, Mr. Speaker, that is not so. Could the Speaker check with the table for the time.

SOME HON. MEMBERS:
By leave!

MR. SPEAKER:
Order, please!

MR. BARRY:
The minister has -

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

MR. BARRY:
- the morale of vocational teachers ruined in this Province-

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

MR. BARRY:
- by his haphazard approach to vocational education.

SOME HON. MEMBERS:
Name him! Name him!

MR. SPEAKER:
The hon. Leader of the Opposition actually has gone a minute over his time.

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

MR. SPEAKER:
A point of privilege, the hon. the President of the Council.

MR. MARSHALL:
Mr. Speaker, the hon. Leader of the Opposition (Mr. Barry) was drawn to order by Your Honour and asked to take his seat and his comment was, 'Oh, check the time', and he goes on for another minute flagrantly ignoring Your Honour's ruling. Now, there can be no order in this House unless Your Honour's position and function in this House are respected, and I would say, Mr. Speaker, the hon. gentleman should be called upon, because it is a most serious infringement of the rules of this House, to apologize to Your Honour for his conduct and to undertake that he is not going to continue his petulant way of dealing with things in this assembly to the extent that he did just a moment ago. He still, obviously, has his temper tantrums and is still smarting, as he will forever and a day, over the Atlantic Accord.

MR. BARRY:
To that point of privilege, Mr. Speaker.

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

MR. BARRY:
Mr. Speaker, we have seen the high

level of debate-

MR. SPEAKER:

To the point of privilege?

MR. BARRY:

Yes, to the point of privilege, Mr. Speaker, if that is still allowed.

We have seen the high level of debate that the minister announced the Atlantic Accord with, we saw, Mr. Speaker, that Clause by Clause analysis that he provided in that debate on principle.

MR. SPEAKER:

Order, please!

The hon. the Leader of the Opposition is not speaking to the point of privilege.

MR. BARRY:

Mr. Speaker, perhaps if the Speaker gave me the opportunity to finish my sentence the Speaker would be in a better position to determine that.

MR. SPEAKER:

The hon. the Leader of the Opposition is not speaking to the point of privilege.

MR. BARRY:

Mr. Speaker, what we have seen here today is the President of the Council rise, as I started to make remarks that started to cut too close to the quick, and take up the time of Opposition, which is only half the time in any event, in a Ministerial Statement. The President of the Council stood up on a point of order, Mr. Speaker, to cut into the time we had to respond. Other members of the administration, Mr. Speaker, shouted and interrupted to cut into the time that we have in

debate. Now, if we are talking about privileges of members in this House, Mr. Speaker, let us have protection on this side, as well. If we are talking fairness -

PREMIER PECKFORD:

But you went over your time.

MR. BARRY:

Even the Premier, who has seemed a bit out of it lately, would be aware that the amount of time I had to address the topic was severely curtailed by the interruption of the President of the Council and the interruption of his goons and gofers in the back benches. Now, I know that is the strategy the Premier has decided to adopt, because he is feeling under some heat and under some pressure. We know, Mr. Speaker, he received a poll recently which indicates that if there is continued clear and open debate in this House of Assembly, he will not make it into the next session of the House much less the next election.

SOME HON. MEMBERS:

Hear, hear!

MR. BARRY:

Now, Mr. Speaker, we are here ready for open, full and thorough debate, but we want the protection of the Chair from being shouted down, Mr. Speaker, and we want Your Honour to apply the rule of fairness in treatment of all members of this House.

SOME HON. MEMBERS:

Hear, hear!

MR. MARSHALL:

Mr. Speaker, further to the point of privilege.

MR. SPEAKER (McNicholas):

To the point of privilege, the

hon. President of the Council.

MR. MARSHALL:

We have just seen an example of the same type of petulance that made him leave the Cabinet and destroy the united front of the people of Newfoundland.

MR. PATTERSON:

He was flicked out of the Cabinet.

MR. SPEAKER:

Order, please!

To that point of privilege, the point of privilege raised by the President of the Council was strictly in regard to the hon. the Leader of the Opposition not sitting down when he was called to order and questioning the ruling of the Chair about the time that he had spoken. There certainly is a point of privilege in the sense that the hon. the President of Council, his privileges are being affected if these rules are not obeyed.

So I would ask all hon. members to remember that and, when they are called to order, will they please sit down. And I can assure them that I can keep a very accurate time of what is happening.

SOME HON. MEMBERS:

Hear, hear!

Oral Questions

MR. FUREY:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for St. Barbe.

MR. FUREY:

Mr. Speaker, we learned last evening of the imminent layoff of

165 miners in Daniel's Harbour. Of course, the minister told us that he learned yesterday morning. It is too bad he is not as quick to come in here pounding his chest on Ministerial Statements with sad news as well, Mr. Speaker, so that we can deal with it.

On Friday, December 7 in this hon. House in response to a question I put to the Minister of Mines and Energy with respect to assistance for the Newfoundland Zinc Mine the minister said, and I quote from Hansard, verbatim, 'There has been no request from the mine the hon. member is talking about in Daniel's Harbour. With respect to assistance, we have not received a request from the mine.' I want to ask the minister does he still stand by that statement.

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

MR. DINN:

Mr. Speaker, as I indicated to the hon. member, there was a request from Workers' Compensation to look at the Workers' Compensation rates. I said I believed that had been looked after. I said, "There is no request from the mine that I am aware of that we did not act upon." Now, just to clarify that a little bit, we got a request from the mine because, I believe, Occupational Health and Safety indicated that there was a ventilation raise required in the T zone of the mine. So we got a request on December 2 -

SOME HON. MEMBERS:

Oh, oh!

MR. DINN:

If hon. members will just wait now, because the hon. member who

is very concerned about this has, with his public statements, clouded the issue somewhat. Just to clarify: Occupational Health and Safety indicated to the mine that they would need a ventilation raise in the T zone. So on December 2 the manager of the mine requested assistance from the department. We said, "We do not have a programme in place at the moment, but we would certainly have a look at the possibility of doing that." Since that time, and because of the deep drilling I indicated to the hon. member yesterday is ongoing, the exploration programme that is ongoing in the mine, there is the possibility that there will be a higher grade of ore found in that T zone. If that happens, essentially what will happen is there will be an extension in the T zone to the L zone and, if you have that circulation because of the possibility of that new ore, there will not be any need for the ventilation raise.

Based on that, the mine indicated to us to put that request for the ventilation raise on hold, and that is where it is right now, although we are still pursuing with the Department of Regional Industrial Expansion to see, if it becomes necessary to put a ventilation system in, would there be a programme under which they could assist the mine with that ventilation system. That is ongoing.

Now, Mr. Speaker, up to Friday, and up to now, that is as much as I know about requests from the mine. I believe there was another request on electricity rates and the hon. the Minister responsible for Energy may be able to enlighten the hon. gentleman on that part of it.

For the past few months the hon. gentleman has been raising the problem with respect to Daniel's Harbour, which we were all very concerned with, and more or less saying the mine would close because of Cyprus Anvil. The fact of the matter is, because of Cyprus Anvil coming on stream eighteen months from now, that might have had some effect on the markets - it might have had. There is absolutely no way to determine that. The fact of the matter is, there have been no requests from the mine to do anything with respect to assisting the mine other than, as I indicated, the Workers' Compensation and the ventilation system, which has been put on hold. There was one about electricity rates, but I do not know where that is at the present moment.

MR. SPEAKER:

A supplementary, the hon. member for St. Barbe.

MR. FUREY:

It is good have the minister tell us about the ventilation now rather than on that Friday, when I asked whether Newfoundland Zinc had asked him specifically for some help. It is also interesting to see as well, Mr. Speaker, that he does now know that Newfoundland Zinc mines have asked the minister responsible for Newfoundland Hydro for a break on those massive costs of \$1.5 million annually for their light bill and, I am told by mine management -

MR. SPEAKER:

Order, please!

Would the hon. member please ask his supplementary?

MR. FUREY:

I think this is very important, Mr. Speaker. We are talking about 165 jobs.

MR. SPEAKER (McNicholas):
This is Question Period.

MR. FUREY:
A new question.

MR. SPEAKER:
A new question.

MR. FUREY:
Mr. Speaker, I would like to ask the Minister of Mines, (Mr. Dinn) because he has clearly admitted here today that Newfoundland Zinc has sought help from Newfoundland Hydro, which is under the purview of the minister responsible for the Petroleum Directorate -

PREMIER PECKFORD:
(Inaudible)

MR. FUREY:
If you would ask the Premier to roll in his tongue, I would finish, Mr. Speaker. Now, that the minister has told us that Newfoundland Zinc asked for help as far back as December 6, could the minister tell us what he has done to get that help and to protect those jobs?

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

MR. DINN:
Mr. Speaker, as I indicated to the hon member, I received a letter on December 2 with respect to a ventilation raise in the T zone. Since that point in time, and this comes under my responsibility, the mine has asked us to put that request on hold. Even though they requested that we put the thing on hold, we have not put it on hold. They eventually may need it, and

if they need it we want to know if there is federal assistance available.

My hon colleague the Minister of Development (Mr. Barrett) is looking into the possibility of getting DRIE to assist in the possible event that it will be needed. There was a request but it is on hold. Is it active? It is active as far as we are concerned but it is not active as far as the mine is concerned.

Now, Mr. Speaker, with respect to electrical rates, there are letters going back and forth between people in this Province to ministers in government. I am not aware of all letters that go back and forth, but I can assure the hon. member that I am aware of all letters that come to me; all these letters get answered and all these letters are attended to in an efficient manner.

Now, the hon. member knows, or he should know, what the problem is down in Daniel's Harbour. The problem is, number one, productivity with respect to getting the number of tons of ore into the mill so that they can have zinc put out. They need 40,000 tons a day approximately. That is number one, quantity. The other one is quality. Right now they are getting a grade of ore of 5.5 per cent and that loses money. The hon. member knows that, because they have been losing money for three months - about \$300,000 a month. Now, if the grade of ore increases -

MR. FUREY:
(Inaudible).

MR. DINN:
The hon. member does not want to know what the problem is. He does

not know, so I will tell him. The problem is that the grade of ore needs to go up above 7.5 per cent in grade. So, number one, quantity: They have to have the quantity of ore to put through the mill, 40,000 tons a day. Number two, they have to have a grade of ore of 7.5 per cent or greater.

Now, Mr. Speaker, I indicated to the hon. member there is a drilling programme going on. I indicated to the hon. member that I wrote the principals involved with Teck Corporation to ask for a meeting. I have gotten a reply from them. Mr. Halbauer has indicated to me that the drilling programme will take approximately a month. I will be meeting with Mr. Halbauer in Toronto; that drilling programme will be done; he will have an assessment done on it by that time and then, and only then, can we address the problems of Daniel's Harbour.

MR. FUREY:
Mr. Speaker.

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

MR. FUREY:
I do not know what the Premier is shouting out, that he called this morning to find out about the quantity of ore. He must have called China. Because mine management tells me that there are 500,000 tons of ore there and the problem is their equipment is being used to carry out waste and they cannot get these 500,000 tons to the mill to refine it to get it to the market.

Let me ask the minister a final supplementary, Mr. Speaker.

MR. SIMMS:
(Inaudible) is it not?

MR. FUREY:
Mr. Speaker, may I ask the minister a final question in silence, if you can silence the Minister of Trees for a minute?

On Friday past, in response to my question on what was the specific response of the federal government, this provincial minister said, "Yes, I have received a reply. Of course, I received a reply. I am quite happy with the reply I did receive." What are you so happy about?

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

MR. DINN:
Mr. Speaker, because I received the normal courtesy that you would receive from any minister. I said to the Minister, Mr. Layton -

MR. K. AYLWARD:
And that made you happy?

MR. DINN:
Exactly! There is no problem at Daniel's Harbour but for the last -

MR. BARRY:
(Inaudible) from Baie Verte.

MR. DINN:
The hon. the Leader of the Opposition is interrupting. I will tell you, Mr. Speaker, I will not run away from the Ministry of Mines and Energy like the hon. member did when he got into a problem with Baie Verte. When it got a little bit too tight and there was a problem at Baie Verte, the hon. member could not take the pressure. He ran away from it. He could not take the pressure.

SOME HON. MEMBERS:
Hear, hear!

MR. DINN:

I will assure the hon. member for St. Barbe (Mr. Furey) that I will not run away from Daniel's Harbour like his leader ran away from Baie Verte when he got into a little bit of a problem. I will face the problems of Daniel's Harbour, Mr. Speaker, like we have faced the problems of every one-industry town in this Province. Every time a problem arises, whether it is in Stephenville or Corner Brook or Daniel's Harbour or Baie Verte, or wherever, we stay and rough it out. His leader, who is interrupting and breaking the rules of the House, never did that. When Baie Verte got into trouble and it got a little bit too hot, he scooted off.

MR. SPEAKER:

Order, please!

I think the hon. minister was asked what he was happy about and I have not heard his answer yet.

MR. DINN:

Mr. Speaker, I am happy because the Federal Minister of State for Mines (Mr. Layton) and myself are there ready, willing and able to help if there is something that can be done. But mine management indicates to me that if the grade of ore does not go to 7.5 or greater, and if the quantity of ore that they need to put through the mill, which is 40,000 tons a day, does not get to that level, then there is absolutely no assistance they will need because they just simply will not be able to compete. That is where it is right now.

MR. FUREY:

Mr. Speaker.

MR. SPEAKER:

That was a final supplementary, I

understood.

MR. FUREY:

A new question.

MR. SPEAKER:

The hon. the member for St. Barbe.

MR. FUREY:

Mr. Speaker, I obviously cannot get any answers from the Minister of Mines. I mean, my God, what a verbal circus that was. Let me ask the Minister responsible for Hydro (Mr. Marshall), if I can interrupt the Premier whispering into his ear, on December 6 Newfoundland Zinc Mines approached you and asked for a reduction in the hydro rates similar to other mining operations in this Province that are given a break on energy costs, such as IOC in Wabush and ERCO at Long Harbour. That was nearly two months ago. We have been raising this problem in this House of Assembly for a long time, warning of the imminent closure. Can the minister give his commitment today, because we only have eight weeks to try to solve this very serious crisis, to get in touch with Newfoundland Zinc Mines immediately and offer a subsidy or a reduction in costs so we can protect these jobs and these livelihoods in Daniel's Harbour?

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, we are more concerned with the livelihood and the jobs in Daniel's Harbour than the hon. gentleman on the opposite side of the House is. The fact of the matter is, the long-term future of Daniel's Harbour or any mining operation is going to depend on the quality and the quantity of

the ore, and the Minister of Mines and Energy (Mr. Dinn) has given a full and complete answer with respect to it.

With respect to the matter of the request for assistance through Newfoundland and Labrador Hydro, as the hon. gentleman fully understands, the policy of this government has been that you cannot sustain an industry and you cannot create jobs and you cannot even keep jobs purely and simply by juxtapositioning the hydro rates.

If he holds up ERCO as an example, yes, I guess the hon. gentleman and his party to which he belongs would hold it up because it cost the people of this Province many millions of dollars and the net return to the people of the Province was nil until this government brought about a change in it, and we have indicated that it is going to come to the full price in a little while.

When he talks about Wabush, the hon. gentleman obviously has no knowledge of Newfoundland. As a matter of fact, he has very little knowledge of anything. When he talks about Wabush, Mr. Speaker, he is talking about a special situation, where it is done by them and where the energy costs are cheaper. I want to tell the hon. gentleman that I responded in full and complete detail, after a complete investigation of the entire situation, to the manager of the mines. He has that answer. The bottom line of all of this is that Daniel's Harbour, as well as any other mine, cannot operate unless the quantity and the quality of ore is there, and that is what we are striving to determine. If it is there, I can tell the hon. gentleman that this

administration, as well as the administration in Ottawa, will do everything it possibly can to protect those jobs and to enhance the mining operations in Daniel's Harbour.

MR. BARRY:
Mr. Speaker.

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

MR. BARRY:
I would like to put a question to the President of the Council. Will the President of the Council admit that if the energy costs and other costs of this operation go down then the grade of ore which it needs will go down? The minister is trying to mislead the people of Daniel's Harbour and the people of this Province when he goes on with that nonsense. Now, face up to the fact, will he or will he not help Daniel's Harbour in cutting its cost so that it will not need as high a grade of ore?

MR. MARSHALL:
Mr. Speaker.

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

MR. MARSHALL:
You know, that is the philosophy of the hon. gentlemen there opposite. The fact of the matter is, if the quantity or the quality of the ore is not there, then you cannot possibly make an effective mine by subsidizing the power. It is just completely and absolutely impossible to do it. That kind of philosophy is one of the reasons why the total economy of this Province has the problems that we experience and we have inherited

from the hon. gentlemen there opposite. So, you know, that is their philosophy and that is where we differ: What we are going to do is, as I say, determine whether the quantity and the quality of the ore is there, and then we are going to see what possibly can be done with respect to it. And the people of Daniel's Harbour know, as we have shown in all other areas of the Province, as we showed in Bowater with Kruger, as we showed in Gaultois, as we showed in St. Lawrence, as we showed in Burin, as we showed in Grand Bank and as we have shown in the offshore, that we are going to build this Province on a firm and sound foundation that is available to us because of the resources that we have. And if the resource is not there, you cannot create the resource by fooling around and subsidizing it through the hydro rates.

MR. BAKER:
Mr. Speaker.

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

MR. BAKER:
Thank you, Mr. Speaker.

MR. TOBIN:
Get your act together over there.

MR. EFFORD:
Mind your own affairs.

MR. SPEAKER:
Order, please!

The hon. the member for Gander.

MR. BAKER:
Thank you, Mr. Speaker.

In the Premier's Telex to Don Mazankowski yesterday concerning the Air Canada situation he starts

off by saying, 'There is growing confusion in Gander.' This morning, as reported in The Globe and Mail, a spokesman from Don Mazankowski's office says 'He called Mr. Peckford's position confusing.' He also says 'Mr. Peckford's Telex states the obvious but does not address the issue.' Now, then in light of this -

DR. COLLINS:
Who said that?

MR. BAKER:
Mr. Mazankowski's Press Secretary, a Thomas Van Deussen, that is who said it.

DR. COLLINS:
To whom did he say it? He told George, did he?

MR. SPEAKER:
Order, please!

SOME HON. MEMBERS:
Yes, Boy George! Brother George.

MR. BAKER:
Mr. Speaker, this is what comes from a situation where the Premier of this Province tries to pat the people of Gander on the back with one hand and stab them in the back with the other.

MR. SPEAKER:
Order, please!

MR. BAKER:
I would like to ask the Premier will he now, in light of the fact that his telegram is so confusing and so equivocating and so on both sides of the fence at the same time, make a definitive statement as to his position with regard to the Air Canada situation to this House and to the hon. Don Mazankowski?

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

First of all, Mr. Speaker, the people who sold out the people of Gander are the hon. member and his brother, and other people in Gander who would not stand up for the people of Gander when E.P.A. moved out. 'No public inquiry'. 'We can weather the storm' - 300 or 400 hundred jobs - and now they are trying to present a smoke screen over the Air Canada thing, Mr. Speaker. It was the hon. member and his cohorts in Gander who would not stand up for Gander, who would not support the government of Newfoundland when we asked for a public inquiry.

MR. BAKER:

A point of privilege, Mr. Speaker.

MR. SPEAKER:

A point of privilege, the hon. the member for Gander.

MR. BAKER:

First of all, Mr. Speaker, I expect, when I ask a question, that at least the answer relate to it. Secondly, this is the second time in this House in two days that the Premier has accused me of trying to get rid of one of the major industries in Gander. I would like, Mr. Speaker, your protection in this regard. It is a very serious matter when these accusations are hurled across the House, that I actively tried to get rid of E.P.A. and that I actively tried to get rid of 500 jobs in my district. Now, Mr. Speaker, the reason I am making

this a point of personal privilege is that I think you can get to the bottom of this issue. I think that if you were to ask the Premier to table in the House minutes of a Cabinet meeting - he was presiding Premier - minutes of the meeting where he let Harry Steele off the hook and out of his obligation to stay in this Province, then we would find out who sold out the people of Gander!

PREMIER PECKFORD:

To that point of privilege, Mr. Speaker.

MR. SPEAKER:

To that point of privilege, the hon. the Premier.

PREMIER PECKFORD:

That had nothing to do with E.P.A. leaving Gander.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

PREMIER PECKFORD:

And that is not a point of privilege. The member for Gander (Mr. Baker) got up on his feet in order to make a speech under the guise of a point of privilege; he has not learned the Rules of the House. I wish the hon. member for Gander did not feel so guilty over the position he took when E.P.A. moved out two years ago.

MR. SPEAKER:

Order, please!

To that point of privilege, there obviously is no point of privilege, it is a difference of opinion between two hon. members.

MR. BAKER:

Will the Premier answer my

original question?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, it was answered yesterday. The position of the government of Newfoundland is very clear. We want guarantees from the Minister of Transport that the international status of Gander will be maintained on into the future, because the Minister of Transport had said, 'Not necessarily so.'

The Minister of Transport in Ottawa when asked the question, 'Will International Status remain in Gander?' answered, 'Not necessarily.' All of the letters and representation that we have gotten from people around the Province says, 'This is the beginning of the end for Gander. If Air Canada goes, international status is going to follow, and then the TOPS programme is going to follow.' So what we are trying to do is make certain the 99.8 per cent of the activity which keeps the international airport going, which is the TOPS programme and the Trans-Atlantic fueling stops, must be maintained, otherwise we would have to oppose the Air Canada transfer. We are trying to support 99.8 per cent of the economy of the airport and the hon. member opposite is trying to support .2 per cent.

SOME HON. MEMBERS:

Hear! Hear!

MR. BAKER:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Gander.

MR. BAKER:

The Minister of Transport in Ottawa says, Mr. Speaker, that the Premier's communication is confusing and does not address the issue. I will ask very simply again, will the Premier please make clear to the Minister of Transport exactly what his position is in the issue, which simply is to move the international flights from Gander to St. John's. Obviously, Mr. Speaker, he has not done this, as stated by a spokesperson for the Minister of Transport in Ottawa. Would he now do that?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, I am not going to sell out Gander by ignoring the international status and the TOPS Programme. That is the core to Gander International Airport. I have no intention of falling into the trap of ignoring what is the core activity for that airport.

Now, the hon. the member for Gander (Mr. Baker) might try to get me to ignore it so that, then, next week he can accuse me of ignoring the core that is going to make the international airport work, but he is not going to succeed. We are going to fight to keep international status. We are going to fight to keep the TOPS Programme, because that is the lifeblood of the international airport at Gander. That is what will keep Gander going over the next several decades and nothing else really matters, Mr. Speaker. That is the core to it. That is what the people of Gander and the people of Central Newfoundland want to know.

Are we going to be eroded away and

picked off over time, or are we going to continue to have all of the Trans-Atlantic flights which do refueling in Gander stay in Gander? That is the key to Gander's future, Mr. Speaker, and we are going to stick on what is the key to Gander's future and not be diverted by little rabbit tracks that the hon. the member for Gander brings up from time to time.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMONS:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Fortune - Hermitage.

MR. SIMMONS:

Mr. Speaker, the Premier says that on this issue he is going to fight. We he not agree that if - the Globe and Mail has quoted correctly this morning, that is my only source in this matter - that is a correct quote from Mr. Van Deussen, in Mr. Mazankowski's office, that now, literally days before a decision is being made on the issue, having a spokesman from Mr. Mazankowski's office, however ill-informed or out to lunch he may be, having a spokesman in the public print saying that at this stage in the game the message coming from the provincial government is, to put the kindest term on it, confusing, does it not leave some doubt in the mind of the public of Newfoundland as to how well or how diligent has been the representation of the Premier on this matter? Why should the Government of Canada, particularly the Ministry of Transport, have to wait until a week before the decision is to be made to characterize the Newfoundland

Government's representation as, at best, confusing?

Surely, if the Premier has been fighting as he says, Mr. Speaker -

MR. SPEAKER:

Order, please!

This is a supplementary. I would ask the hon. the member to please pose his question.

MR. SIMMONS:

Surely if the Premier has been fighting, as he informs this House, then part of that fight, we must assume, has been to make convincingly clear - whether Mr. Mazankowski agrees is another issue - what the Premier's position is. We hear now that, at best, it is confusing. Is he not concerned about that, and what steps will he take to make the message more forthright and clear?

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

I thank the hon. member for his question and I shall answer it by saying that Mr. Mazankowski was in touch with the government this morning and he in no way indicated what his press secretary or whoever was quoted by The Globe and Mail - he has indicated to us clearly, by the way -

AN HON. MEMBER:

He is still confused.

PREMIER PECKFORD:

No, no. Mr. Mazankowski did not say it, it was his press aid who said it. Mr. Mazankowski called this morning. The Minister of Transport never said that our position was confused, he said that a couple of weeks ago he undertook to do a total review for

the people of Gander. He promised the people of Gander he would do a total review. He is in the process of doing that total review, but he wanted to assure us now that pending that final review, and he will have a complete statement, that he could assure us now, given my telegram of yesterday, that international status would be maintained in Gander forever.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Order, please! Order, please!

MR. BARRY:

Did he ever go for the bait!

MR. SPEAKER:

The hon. the member for Windsor - Buchans.

MR. FLIGHT:

Maybe, Mr. Speaker, the Minister of Mines and Energy (Mr. Dinn) will go for the bait now.

MR. K. AYLWARD:

All you have to do now is flick it in.

MR. SPEAKER:

Order, please!

MR. FLIGHT:

Mr. Speaker, I have a question for the Minister of Mines relative to the -

MR. OTTENHEIMER:

I guess you do have a question for the Minister of Mines.

MR. SPEAKER:

Order, please!

MR. FLIGHT:

I have a question for the Minister of Mines, Mr. Speaker, and I would

hope over the next three years to have one for the Premier, and it is relative to the Daniel's Harbour shut-down.

SOME HON. MEMBERS:

Oh, oh!

MR. FLIGHT:

Could I have silence, Mr. Speaker.

MR. SPEAKER:

Order, please!

MR. FLIGHT:

Mr. Speaker, the Minister of Mines on February 7, six days ago, in answer to a question from the member for St. Barbe relative to the mine shut-down said, "I will tell the hon. member that last year the Teck Corporation, and I am quoting his words in Hansard, "which owns the majority share in the Daniel's Harbour mine, made \$2.5 million. So the hon. member may be concerned about something that does not exist."

Now, that statement was made by the minister six days ago. Six days ago the Minister of Mines, referring to the fact that the operator had made \$2.5 million last year, told the hon. member from that district, the member who represents that mine, that he was worried about something that did not or may not exist. I have to ask the minister in all honesty, Mr. Speaker, what kind of communications, what kind of relationship does he or his department have with the few operating mines left in this Province when a minister can stand in this House, five days before notice of a total shut-down, and tell a member he is worrying about a concern that does not exist? What kind of a relationship and what kind of a job is that minister doing in keeping track of

what is happening in the mining industry in this Province?

MR. SPEAKER:

The hon. the Minister of Mines and Energy.

MR. DINN:

Mr. Speaker, in answer to that question, obviously I am very, very up-to-date on what is happening in Daniel's Harbour as well as with all the mines in the Province. The hon. member has not asked me a question yet, nor has any hon. member opposite asked me a question that I could not answer. I quote from The Northern Miner, Mr. Speaker: I said approximately \$2.5 million; The Northern Miner, dated February 3, 1986 quotes Mr. Halbauer as saying that Teck's share of net earnings from its 63 per cent interest in 1985 was \$2.4 million compared with \$3.9 million the year previous. So that was just about 100 per cent accurate, Mr. Speaker.

Now, since October -

MR. FLIGHT:

Five days.

MR. DINN:

Does the hon. member want the answer or does he not? Now, Mr. Speaker, the hon. member's question is what happened.

MR. FLIGHT:

It is unbelievable!

MR. SPEAKER:

Order, please!

MR. DINN:

Well, what happened in October of last year when the quantity of the ore and the quality of the ore was up, the mine broke even. That was at approximately 77 per cent zinc

in the ore, at the time.

Now, Mr. Speaker, in November, because the quantity and the quality went down, there was a loss at the mine. I think the loss was somewhere around \$168,000. That was November.

MR. FLIGHT:

I am talking about February 7.

MR. DINN:

In December, Mr. Speaker, the quantity and the quality of the ore went down again and they lost more money and, Mr. Speaker, they have been losing it at a fairly large rate over the past three months.

Now, the company has, as it has always had, an exploration programme ongoing. Hon. members may not know but I happen to know, that there are small ore bodies -

MR. BARRY:

On a point of order, Mr. Speaker.

MR. SPEAKER:

Order, please!

MR. BARRY:

The question that was put to the minister was did a problem exist on February 7, five days ago, or did it not? And did the minister know about it five days ago or did he not?

MR. FLIGHT:

Answer the question.

MR. MARSHALL:

To that point of order, Mr. Speaker.

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, there is no point of order. I mean, the hon. gentleman has asked a question and he is being given a response. If the hon. gentleman keeps on like that, we are just going to have to get the nets for him again.

MR. SPEAKER:

To that point of order, I do not think there is a point of order. I would remind all hon. members that questions should be short and answers should be equally short.

MR. DINN:

Mr. Speaker, it is very difficult to answer a specific question that deals with the financing of the mine.

Now, in speaking with Mr. Halbauer, I said, 'This is a very serious situation at Daniel's Harbour. I would like to sit down and get together with you.' Now, this is Mr. Halbauer, who is the President and Chief Executive Officer of Teck Corporation. We had to give notice because notice is required under the Labour Standards Act. He said, 'We are doing an exploration programme. We really do not know at this point in time', and this is Mr. Halbauer of yesterday -

MR. FLIGHT:

Yesterday?

MR. DINN:

- the hon. member talks about.

MR. FLIGHT:

Yesterday?

MR. DINN:

Of yesterday. He says, 'We really do not know if there is a very serious problem at Daniel's Harbour in that we have to finish this exploration programme. It will be finished in about a month,

and I will have more detailed information to provide you with. I would love to meet with you and since you are going to Toronto and I am going to Toronto, we will meet at that point in time and discuss Newfoundland Zinc in full.' So Mr. Halbauer is indicating to me, as Minister of Mines and Energy for Newfoundland, that there may or may not be a problem at that point in time.

So to answer the hon. member's question: Since there was exploration on the go when the question was posed to me, and since I had the same information that Mr. Halbauer had, that there may or may not be a problem, it is very difficult to do something about something that may or may not exist. And he confirmed that yesterday.

MR. SPEAKER:

Order, please!

The time for Oral Questions has elapsed.

o o o

MR. SIMMONS:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the member for Fortune-Hermitage.

MR. SIMMONS:

On a matter of privilege Mr. Speaker, before you proceed to Orders of the Day. It has just come to my attention that in speaking - Hansard L4522 is the page - the gentleman for LaPoile (Mr. Mitchell) had reported to the House -

MR. SPEAKER:

I am sorry I do not hear you.

MR. SIMMONS:

Mr. Speaker, I rise on a matter of privilege. The debate of February 11, reported on page L4522, the gentleman for LaPoile (Mr. Mitchell) is reported as saying something in which he alleges to quote me. I assure the House he does not quote me and I rise to correct the record. His version of events, unfortunately, is not true. I have know the gentleman for some time and I am a little surprised at this particular tactic. Perhaps it is inadvertent. I certainly hope it is.

I remember that conversation quite well in the office when I was the federal member. I asked him and his executive to come to the office. I did it out of some concern for him and his executive because I was getting complaints from the manpower people that the work under his supervision was not being adequately done and they were threatening to hold up further projects. I undertook, and told him at that time, to stand by them and say, 'Give them another chance.' That was the essence of that particular conversation, nothing more. There was no demand that anybody "tow the line."

I just make an appeal to him friend to friend that we need not have this kind of thing. He can say what he wants in this House but if he insists on misrepresenting the record, I shall have to rise and correct the record. I will make a deal with him. If he will refrain from telling lies about me, I will refrain from telling the truth about him.

MR. SPEAKER:

To that point of privilege, I will look up the record that the hon. member for Fortune-Hermitage (Mr. Simmons) has referred to and review the comments of today. I will have more to say about that tomorrow.

Orders of the Day

MR. SPEAKER:

Order 22, the second reading of Bill 59, "An Act To Implement An Agreement Between The Government Of Canada And The Government Of Newfoundland And Labrador On Offshore Petroleum Resource Management And Revenue Sharing."

The debate was adjourned by the hon. member for Windsor-Buchans (Mr. Flight).

The hon. member for Windsor-Buchans.

MR. FLIGHT:

Thank you, Mr. Speaker.

I will, Mr. Speaker, wind up the remarks that I started Monday. Mr. Speaker, I really wonder why I have to be standing here. We all remember that on Monday the Minister of Energy (Mr. Marshall) stood in this House and suggested to the House that since this was such an historic day, such an important piece of legislation - he had an hour anyway under the rules but - he basically asked for unlimited time. He asked this House for leave for unlimited time to debate and present the Atlantic Accord since he was the minister responsible. We on this side and everybody agreed that it was indeed a very historic day so we gave the minister leave.

Mr. Speaker, the minister spoke in excess of two hours. I have since had a chance to peruse his speech and time it, Mr. Speaker, and it is over two hours. He spent about half an hour of that two on substantive matters talking about the Accord, talking about the legislation, talking about offshore, and other substantive matters that relate to the legislation.

The other hour and a half, Mr. Speaker, was spent attacking Marc Lalonde, attacking Jean Chretien or attacking the Leader of the Opposition (Mr. Barry). Mr. Speaker, the tactics seem to be forget the issues that are important to the people of Newfoundland; forget the substantiveness of the legislation; forget what the legislation means or the resource means; destroy the credibility of the Leader of the Opposition (Mr. Barry) or destroy the credibility by any means possible, by innuendo, of anybody on the Opposition benches who is going to speak about the resource policies of this government.

Mr. Speaker, the minister also, if anyone cares to read his speech or anyone who could have listened to the speech, is obviously still smarting over the fact that they lost that Supreme Court case. He even indicated in his speech that he would one day write about it, when he went back to what he referred to as his 'conflicts'.

I have to assume from that comment that he is still smarting from having been seen by people in this Province in perceived conflict of interest positions, having been stripped and exposed so he was no longer seen as the lilly white member of this government that he

wanted to be. He referred to going back to his 'conflicts'. Anyway, Mr. Speaker, he indicated that one day, when he goes back to his 'conflicts', he will want to take a look at those decisions.

So, Mr. Speaker, the minister is still smarting and no wonder. He should smart after the humiliation he caused this Province by Premier Peckford in the first place pushing the offshore ownership situation into the courts and losing unanimously in our own court and then, Mr. Speaker, forcing the hand of the federal government, who later made a reference to the Supreme Court, and again we lost unanimously. The minister is still smarting and he has got good reason to be.

Mr. Speaker, he may also be smarting over the fact that he is the minister who became famous in this Province by making a statement five years ago that he did not want to overheat the economy of Newfoundland, he did not want to bring the offshore oil on at too fast a pace of development. Five years ago the minister stood up in this House and told this House and the people of Newfoundland that he did not want to overheat the economy. He wanted control over the offshore, you see, so that the offshore would not be developed so fast as to not to be able to be handled by the economy of the Province. He would not want to create too many jobs in Newfoundland in the next five or six years. That is the minister, Mr. Speaker, who did not trust the Lalondes and the Chretiens and the Trudeaus. He is the minister, Mr. Speaker, who did not trust those ministers. He thought that they might create too many jobs too fast from the offshore resource. He could not

negotiate a deal with them because one of his concerns was that they would overheat the economy. No wonder he is smarting!

It will be written down in the record the same way the bile that came out of the hon. member yesterday was written down and will be written down and flung back in his face at least while I am in this House of Assembly, Mr. Speaker, that nonsense, that political slime and dirt that came out of that minister yesterday.

MR. HODDER:

What are you talking about?

MR. FLIGHT:

Read the speech. The hon. member for Port au Port (Mr. Hodder) should read the speech. He would see high class if he read the speech of the hon. the Minister of Mines and Energy.

Mr. Speaker, the hon. the minister made some reference to Nova Scotia seeking an amendment. Mr. Speaker, Nova Scotia may be seeking an amendment to the Accord, but they are surely not seeking an amendment to Clause 41. There is no reason for Nova Scotia to seek an amendment to Clause 41. Clause 41 is Buchanan's contribution to the Atlantic Accord. Clause 41 guarantees Buchanan the only thing that he ever wanted from our offshore, all the oil he needs to refine and first call on that oil before Newfoundland gets a crack. Buchanan, Mr. Speaker, should get down on his hands and knees and kiss the Minister of Mines and Energy of Newfoundland and the Premier all over Canada. In Clause 41, Buchanan got exactly what he wanted.

Mr. Speaker, imagine the scenario

back in 1982 when the Premier and Mr. Marshall were fighting with Prime Minister Trudeau. The scenario was Mr. Buchanan sitting in his office with two telephones. He picked up one telephone and he called up the Premier of Newfoundland and he says, 'Brian, the same political strife, you keep fighting. You are right. You came into Confederation with more rights than we did. We are backing you up. Keep fighting! Do not give in to those Upper Canadians. Do not give in to Trudeau and Lalonde. You have a better case than we have. Keep fighting, Brian, keep going!' He laid down that telephone and he picked up the other telephone. He said, "Hello, Mr. Mobil, Hello, Canterra, come into Nova Scotia. We have an agreement and we can offer you all kinds of concessions." He had it to them both ways, Mr. Speaker, and then he had the best of both worlds when he got the last clause in the Nova Scotia agreement. That clause said that any agreement made between the federal government and any other Maritime Province, with Newfoundland in brackets, will replace the Nova Scotia agreement.

Mr. Speaker, Nova Scotia might be wanting to amend their agreement but, I will guarantee you they do not want to amend Clause 41. They got the clause they wanted. They have our oil! The Minister of Energy (Mr. Marshall) has made sure that Nova Scotia has got Newfoundland's oil and he has also made sure that P.E.I. gets a crack at it. According to that clause, P.E.I. can build a refinery and have first call on our oil under that Accord before Newfoundland does. How is that for overheating the economy? How is that for

protecting Newfoundland's interest? How is that for holding Newfoundland up to ransom for seven years while the play politics with the offshore? How is that defending Newfoundland? They defended Newfoundland! We will see how they defended Newfoundland, Mr. Speaker.

I have a clipping here, Mr. Speaker, the Premier in 1982 again, defending Newfoundland on April 3, 1982, the day before the Provincial election. The clipping says, "Premier Brian Peckford branded political foes of his stand on the offshore as traitors". Premier Peckford on April 3, 1983 branded his political foes as traitors but, he stayed clear of new advice on the issue, he stayed clear of the Roman Catholic Church. The clipping goes on to say, "A just written editorial was in keeping with the Liberal's position on the offshore."

Mr. Speaker, they are traitors to Newfoundland ever having a fair chance at the future. Anyone who opposed Mr. Peckford's position on the offshore in 1982 was a traitor to Newfoundland. Mr. Speaker, now where are the traitors when we are asked in this House of Assembly after seven years of that garbage to implement an accord that denies Newfoundland forever the ability or the right to a refinery. Let us give up everything that the Premier stood for, everything, Mr. Speaker. Now, who are the traitors? Who will be perceived as the traitor in this debate?

Mr. Speaker, the poor Minister of Mines and Energy, the poor political bigot from St. John's East (Mr. Marshall), the negotiator of the Atlantic Accord, tried to tell us now, after seven

years, that that Accord is the same thing as though we owned it and as though it were on land. He knows it is a lie, Mr. Speaker, he knows it is a bluff, he knows that!

Can the Minister think that he can convince the people of Newfoundland that he can do that same thing as Lougheed did? When Lougheed did not like particularly like suggestions, agreements and the policy of the federal government he threatened to tighten the taps, he threatened to cut back production. Is there anything, anywhere in that Accord, Mr. Speaker, that gives the Minister of Mines and Energy of Newfoundland or the Premier the right to turn the tap? Not hardly, Mr. Speaker, it is not being treated the same as if on land, it is treated as it was intended to be treated by Mr. Mulroney. It is treated as a resource over which the federal government, under this Accord, received total control and they have total control.

Mr. Speaker, there is talk of entrenchment into the constitution. All we can do is pray and all the people of Newfoundland better pray is that the Atlantic Accord that we are debating now will not be entrenched into the constitution. It is flawed, Mr. Speaker. It is not in Newfoundland's better interest. Here is the problem, Mr. Speaker: in this Accord the federal government makes no mention of helping Newfoundland entrench. They suggest to Newfoundland that you go out and convince the other provinces and we will look at entrenchment.

Mr. Speaker, every province in Canada would jump on the bandwagon

tonight. They would have an agreement in this country in twenty-four hours to entrench that in the constitution. Why would not Nova Scotia support Newfoundland in entrenching that? Why would not P.E.I., why would not Quebec? Every province in Canada, Mr. Speaker, would concur and would support entrenchment of this Accord and this legislation.

Mr. Speaker, Clause 41 has been talked about, and there will be a lot said about Come By Chance. Mr. Speaker, Clause 41, paves the way for the demolishing of Come By Chance. Clause 41 says, the capacity of Come By Chance, Mr. Speaker, is available to Newfoundland from Hibernia, the existing capacity on the day that this bill is proclaimed.

Not only that, Mr. Speaker, it goes further and says that Newfoundland can have the oil to replace that facility in the event that it is torn down. You can hear it now, Mr. Speaker. When Greenspoon moves in this Summer to take down Come By Chance and people start to oppose it, the Minister of Finance (Dr. Collins) and the Minister of Mines and Energy (Mr. Dinn) will say 'do not worry, it is obsolete anyway. Let us tear it down. There is legislation there in the Accord to build a new refinery and get the oil.' Who do they think they are kidding, Mr. Speaker? Who does the minister think will build a refinery after that one comes down? The problem, Mr. Speaker, with that refinery not operating is not because an operator cannot find the supply of oil, they cannot find an operator.

Here is where the minister sold out; here is where this government sold out. The only way that there

ever will be a refinery in this province is if it is a condition of the lease, if it is a condition of production, that Mobil Oil is told the only way that you are going to produce that oil is to put a refinery in Newfoundland. There is no other way that there ever will be refining capacity in this Province. It will have to be a condition of the agreement, Mr. Speaker.

DR. COLLINS:

Can you quote a precedent for that?

MR. FLIGHT:

The Minister of Finance (Dr. Collins) knows full well that the only way there will be a refinery in this Province is if the Government of Newfoundland and he are prepared, with federal government support, to say to the operator - and Mobil Oil owns refineries around this country - the only way there will be refining in this Province is if it is a condition imposed on Mobil Oil by the Province. The Province does not have the backbone to impose that condition, and there will be no refining of Hibernia oil in Newfoundland. You should come clean and tell the people and stop the political rhetoric that you have gone on with for the past seven years.

DR. COLLINS:

Do you have a precedent for that in the Western World?

MR. FLIGHT:

I will tell you where there is not a precedent for, there is not a precedent for the Atlantic Accord in the Western World.

Mr. Speaker, I have some more clippings here. Listen to this, Mr. Speaker: "St. John's, Newfoundland - The offshore

dispute with Ottawa is a make or break issue for Newfoundland that could eventually see separatist's sentiments, John Crosbie said Thursday." We had come to a point where that minister, that Premier and that Minister of Finance, had brought this Province to a point in the debate over the offshore where we were prepared to talk about separatism. John Crosbie, in making a speech supporting three candidates in St. John's in the provincial election of '82, decided to put it out in the open. 'Let us say it boys.'

Here is what he said: "'The offshore dispute with Ottawa is make or break issue in Newfoundland that could eventually see separatist's sentiments," John Crosbie said Thursday. The Progressive Conservative member for Parliament for St. John's West said in an interview, "The offshore is viewed as Newfoundland's one chance to come into their own".' One chance! This piece of garbage will never bring Newfoundland into its own. The minister should stay in the corridors and hear what is being said. We were forced to sit and listen to what he had to say. We have had to listen for the past seven years to what he has had to say.

He went on to say, Mr. Speaker, "I would fear that this that this could get out of control if the federal government does not come to its senses." Crosbie, helping out St. John's members area candidates, the member for Waterford-Kenmount (Mr. Ottenheimer), the member for St. John's South (Dr. Collins), said, "Premier Brian Peckford had awakened local patriotism and a feeling that justice must be done".' If you want an issue for

the arts community, there it is.

I saw the arts community in this Province, go to Buchans, it was the Mummers, Mr. Speaker, and they put Buchans on the map. I guarantee you they have a chance right here if they are looking for an issue for satire, for ridicule, if they want to hold up for ridicule someone in Newfoundland, somebody who for seven years held this Province up to political ransom and then sold out, all they have to do is take this, all I will give them the press clipping, and let them put together a play having John Crosbie tell the people of Newfoundland just exactly what this crowd has done and then take the Accord and say this is what you have to show for it. You should be ashamed! I would not sit in the backbenches with that crowd if I were you. No wonder Ochre Pit Cove is writing letters for aid with a member like that. I would not sit in the backbenches with that crowd and support this.

MR. PEACH:

You will never get in the front benches.

MR. FLIGHT:

With that crowd I will never be in the front benches.

Mr. Speaker, I have a message for the Liberal Party of Newfoundland, the Liberal Opposition of 1982, the only thing I ever regretted being defeated was that the day that they defeated in this House of Assembly a resolution and Mr. Peckford, the Premier, asked for unanimous consent, the only thing I ever regretted was not being in this House when he announced that. I never had the satisfaction. Three weeks after he practically wiped out this

party on a lie. Three weeks after nothing only pure propaganda.

Mr. Speaker, very interesting things are going on here with the Atlantic Accord. Back in May, three weeks after the election, Bill Marshall sets out the conditions for meetings with Lalonde and lo and behold in this newspaper it says, just for the purpose of comparison, the proposals calls for Newfoundland to receive 75 per cent of all government revenues, 75 per cent.

Mr. Speaker, here we had a situation where the Government of Newfoundland was negotiating in public. They were laying out the financial regime. They were telling us and whether you agreed or not made no difference. We were being asked to buy a pig in the poke. We are not being told what the royalty regime is here. We are not being told whether the royalty regime is going to be based on twenty-one dollar a barrel oil, twenty-eight dollar a barrel oil or forty dollar a barrel oil. Why if it could be negotiated in public in 1982, why are you denying the facts and figures to this House of Assembly now, let alone the general public?

Ms Carney said yesterday that over the next six months a financial regime had to be worked out. Yet here we are debating the legislation, debating the Accord, not knowing anything about the financial regime.

MR. OTTENHEIMER:

It is a totally different thing.

MR. FLIGHT:

Why is it totally different? It is totally different because the minister says it is totally different.

Mr. Speaker, I referred to Buchans a few minutes ago, and I did not intend to actually, but it just came to my mind in the debate. For any members who wants to listen, I come from a mining town that had fifty years non-stop production of lead, copper and zinc, fifty years, day in, day out. The only benefit that that town ever got from that lead, copper and zinc was the 300 miners who took the resource out. I tell you and I tell the hon. the member for Humber Valley (Mr. Woodford) who also worked in that mine and grew up in that town, that all Newfoundland is going to be another Buchans.

This Accord will guarantee that the Province of Newfoundland will be another Buchans in as far as that resource is concerned. This Accord will guarantee that all we do is take that oil out and ship it out, the same as we shipped the lead and copper and zinc out of Buchans. That is all that is going to happen. In a fiscal regime where we may be talking twenty-five or thirty dollar a barrel oil, tell me about the royalties? If that were true, if there were one chance in a million that what I just said is true, let the three hon. members who are sitting in their seats tell me this, would you not just as soon see it sit out there until hell freezes over the way the hon. member's party for years said they would allow the Churchill River to run to the sea? The Leader of the Opposition coined a phrase: we will be hewers and shippers of oil. That Accord will guarantee that we will be hewers and shippers of oil. There will be no processors. The member shakes his head.

I am prepared to sit down and

yield to the member if he will tell me something in that Accord that makes me wrong, that says that my argument is wrong. Find me something in that Accord that indicates that we will have processing in this Province. Without processing, that oil is worthless because, as every speaker, from Ms Carney down, to the Prime Minister, to the Leader of the Opposition, to the Premier, has said, nobody can tell you what the price of oil will be in 1992.

Remember when gold went to \$800 an ounce. It started at \$25.00 and went to \$800 and people said, 'It may go to \$1,000.' Suddenly it came back. It bottomed at \$300 and the experts say it is going to stay at \$300. Draw a comparison to oil. It went from \$1.50 a barrel in 1969, in the Churchill days, to \$40.00 a barrel in 1981. It has now come back to \$15.00. Maybe it has found where it should be. I am told there is \$12.00 or \$13.00 a barrel profit in the Persian Gulf on \$15.00 a barrel oil. I am told that you can stick a pump in Venezuela or Alberta, one of those things you see on television, back and forth, after you get it down and you change a bearing every nine years as it pumps oil. I am told that that kind of oil can be pumped for \$1.50 a barrel or \$2.00 a barrel. That means \$14.00 profit based on a \$15.00 a barrel oil.

How would the member like to stand up in this House and compare the cost of producing a barrel of Hibernia oil to producing a barrel of Venezuela oil where you have this old pump and you replace a bearing once every seven or eight years. I do not know, but the minister and the Premier should stand up in this House and tell us. I do not know if oil will be

\$40.00 a barrel in 1992, but the member does not know either. He is supporting an Accord that guarantees we will have no refining and we will have no petrochemical industries.

One could make the argument that if that Accord was such that we were guaranteed the refining, we would therefore be guaranteed ten or twelve thousand jobs based on the refining and the petrochemical industry that will come around the refinery. Does the member know that when Alberta was shipping oil in the 60s and 70s when the unemployment level in Alberta was 2 per cent, it was not because they were pumping oil, it was not because they were producing oil. If they had been taking that oil and shipping it to the states, there would not have been very many people working, just the roustabouts on the rigs. It was because by every oil well there was a refinery and by every refinery there was a little petrochemical plant, that is why there was 2 per cent unemployment in Alberta. This Accord will guarantee there will never be 2 per cent unemployment in Newfoundland. That is the reason why there was 2 per cent.

Mr. Speaker, I am enough of a Liberal, I am enough of a Socialist to make the argument and say that I am prepared to see Hibernia subsidized by the federal or provincial government if it is going to create ten or twelve thousand jobs onshore. It will have to be a hell of a subsidy not to warrant that, it would have to be one awful subsidy. But, I am not prepared to see that industry subsidized for the purpose of drying up the oil and shipping it off to create employment somewhere else. Maybe, Mr. Speaker, it

would be worth a subsidy if that Accord gave us the right and the ability and even the hope, if it held out the hope, that we could have onshore refining. It does not even hold out that hope, Mr. Speaker.

Some person, Mr. Speaker, said very simply a couple of nights ago when talking about the Accord, 'Carney and Marshall could have drawn up a piece of legislation that people could understand.' Nobody has agreed with this yet. I cannot find in the Justice Department of this Province two lawyers that agree on the interpretation of half the clauses in that legislation. Mr. Speaker, it was complicated deliberately.

However, Mr. Speaker, a very simple mind can understand the most important aspect of this legislation, a very simple mind. There is no rights, no guarantees and no protection for Newfoundland to have call on that oil. We will not have refining in this Province under that Accord and without refining, the only hope that we have, Mr. Speaker, without refining and onshore petrochemical plants, the only hope we have is that we make money from the royalties and the taxes. But I guarantee you we will make no money from a \$20.00 barrel of oil on royalties or taxes of the offshore. It does not matter if the whole 700,000 square miles that the minister referred to out there is all oil at \$17.00 a barrel with no provision for employment onshore, it will mean nothing to the economy of this Province.

MR. SPEAKER (Greening):
Order, please!

The hon. member has been speaking

for a fair amount of time and I am sure if the hon. members wish to give you further leave, you may continue.

MR. TULK:
Mr. Speaker.

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

MR. TULK:
As far as I understand the Leader of the Opposition (Mr. Barry) worked out something with the government side that we would give the Government House Leader (Mr. Marshall) leave to introduce the bill providing that leave was given for the spokesman on this side to continue as long as he wanted. The Government House Leader continued as long as he wanted and I understand that it has already been said that our spokesman would have the same courtesy.

MR. SPEAKER:
I was not aware of that.

The hon. member for Windsor-Buchans.

MR. FLIGHT:
I am soon going to wind up, Mr. Speaker.

Another point the minister made that was purely political, it could make one sick if one thought about it, was the attack on the Leader of the Opposition who he said almost ruined Newfoundland, almost wiped out any possibility of ever getting a deal on the offshore when he walked away from the table. When he could not stomach the kind of giveaway that I just talked about, he walked away from the table. When he saw the possibilities of what could happen, he walked away from the

table, Mr. Speaker.

What is very significant to me is that here is the minister standing up and saying what a terrible deed, what a terrible thing the minister did, the then Minister of Energy the now Leader of the Opposition (Mr. Barry). Well, it is a funny thing. If that minister, the present Leader of the Opposition, was so important to the negotiations on offshore, why was it that the Premier refused to appoint a full-time minister for the next year and a half and allowed a part-time minister, acknowledged to be a part-time minister, handle the negotiations on the offshore? What political tripe and nonsense!

Mr. Speaker, over the next four to seven days the members of Opposition only get to speak once and then we get into Committee. The Government House Leader (Mr. Marshall) and the Minister of Mines and Energy (Mr. Dinn) and Premier Peckford and the Minister of Consumer Affairs and Communications (Mr. Russell) and I am delighted to see them sitting here and listening, may as well make their minds up that in Committee they are going to have a answer a lot of questions. This Opposition, Mr. Speaker, has got a lot of questions.

We will have an amendment to try and remedy the position that this Province finds itself in with regard to Clause 54. I guarantee the member for Lapoile (Mr. Mitchell) that he will be forced to vote against refining in this Province. He will be forced to stand on his feet and vote against a motion that will try to guarantee Newfoundland refining ability. As surely as his party accused the Liberal Opposition of

the day as being traitors, as sure as the Premier accused the Liberal Opposition of the day as being traitors in 1982, the back bench of the government members will have to stand in this House and vote against an amendment that will guarantee Newfoundland refining its own oil. We will see who the traitors are before this debate is finished. So the member for Lewisporte and the member for Lapoile had better be prepared to vote against a motion that will guarantee the people of Newfoundland refining capacity and thereby benefit from the offshore. The only prayer that they have for benefits from the offshore.

MR. MARSHALL:

Will the member permit a question?

MR. FLIGHT:

Yes, sure.

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

What I would like to know, if the hon. member is asking us that question, whether the hon. members there opposite are going to vote against providing equal joint management for 700,000 miles on the offshore and whether they are going to vote against the same revenues offshore as on land? That is what the issues are.

MR. FLIGHT:

What is the question?

MR. TULK:

You have asked the question, now sit down.

MR. MARSHALL:

I am asking the hon. gentleman if they are going to continue on in

exactly the same way or are they finally going to admit that this is the best deal that has ever been struck in Newfoundland and one that is going to give Newfoundlanders for the first time equality of rights in Confederation. You answer that you little weasel!

MR. SPEAKER:

The hon. the member for Windsor - Buchans.

MR. FLIGHT:

We are going to make sure that the people of Newfoundland know that this is the worst deal that was ever struck for Newfoundland. The worst deal that was ever struck with regard to a resource, that is what we are going to do! But, Mr. Speaker, in as far as whether we are going to vote for or against, we will decide over the next ten days. We want information, we want to know, for arguments sake, how much it is going to cost Mobil to get a barrel of oil out of Hibernia. That is a fair question. Is there any Newfoundlander who would deny us the right to that information? Is there any Newfoundlander who would think it is unfair for me to stand in this House and ask: since we are going into the production of Hibernia, will the government please tell the people of Newfoundland how much it will cost to produce one barrel of oil? Is that an unfair question? Where is the press? Can they hear this?

MR. PATTERSON:

A point of order, Mr. Speaker.

MR. SPEAKER:

Order, please!

A point of order, the hon. the member for Placentia.

MR. PATTERSON:

I am kind of interested in the hon. member's speech there and I know he is a socialist because he is a Liberal but, he is living in market economy and the market place decides the price. Who can tell today what the price of oil will be in 1992?

MR. SPEAKER:

To that point of order, there is no point of order. The hon. the member for Windsor - Buchans.

MR. FLIGHT:

The hon. member is one of the nicest members on the other side and I find it very difficult, Mr. Speaker to say anything. I have not asked what Mobil will charge the consumer for it! I have not asked what the government will sell it for! I have asked what it will cost Mobil to recover its costs. How much will it cost Mobil to produce a barrel of oil before the allow -

MR. PATTERSON:

A point of order, Mr. Speaker.

MR. SPEAKER:

Order, please!

On a point of order, the hon. the member for Placentia.

MR. PATTERSON:

I am a bit amazed that a socialist would be defending a capitalist. Could the hon. member for Windsor-Buchans (Mr. Flight) answer that? While he is on his feet, would he tell the hon. House of Assembly where he wants the penitentiary to go, in Grand Falls or in Buchans?

MR. FLIGHT:

Not in Grand Falls.

MR. TULK:

To that point of order, Mr. Speaker.

MR. SPEAKER:

To that point of order, the hon. the member for Fogo.

MR. TULK:

What we are witnessing here is an attempt by the member for Placentia (Mr. Patterson) to interrupt the speech of the member for Windsor-Buchans. The so-called point of order that he rose on is really not a point of order. If he wants to ask those type of questions to the member for Windsor-Buchans, I am sure he could meet with him privately. If he wants to ask him the questions he can ask him the questions in debate rather than get up on spurious points of order just to interrupt and be a nuisance.

The hon. gentleman is a better man than that to be a nuisance, so I would ask him to stay in his seat, Mr. Speaker, and failing that I would ask Your Honour to see that he does stay in his seat or leave the House and behave himself. I am amazed at the hon. gentleman, I know that for fifteen or sixteen years he has been attempting to get a couple of premiers to put him in the Cabinet, he has been attempting to move up in his party, and they have ignored him, and I know he is frustrated, but surely he does not have to lower himself to the state that he has put himself in this afternoon. I ask him to be quiet and to act like the gentleman that I believe he is.

MR. SPEAKER (Greening):

To that point of order, there is no point of order.

The hon. the member for Windsor-Buchans.

MR. FLIGHT:

If the government would leave me alone, Mr. Speaker, I would wind this up very quickly.

MR. PATTERSON:

Go with your leader now.

MR. FLIGHT:

Mr. Speaker, I think it would be appropriate in this debate if one asked the Premier and the Minister of Energy (Mr. Marshall), having gone on with their political rhetoric for seven years, knowing that we should be getting into production and knowing that we were going to have platforms either floating or fixed. A government so concerned that we were going to reap the benefits of offshore would have made sure that our young people were trained to take those jobs.

People must have been flabbergasted, Mr. Speaker, three or four months ago when a Mobil spokesman said that if we build a structure in Newfoundland, it will require around 3,000 people, but only 1,000 is available in Newfoundland. If they start tomorrow only 1,000 of those skilled technicians, those skilled men are available in this Province. We have had seven years to prepare them, seven years. If that does not prove rhetoric, Mr. Speaker, nothing else will. If Mobil starts tomorrow, Mr. Speaker, maybe with the day the Premier stood, it was in Alberta I think, prior to 1982, he was sitting in the middle of an auditorium and around him were all these young Newfoundlanders who had been forced to go away from our shores because there were no jobs, and they said, "Mr. Premier, when can we come home? When will you do what has to be done for us to come home?" And the Premier

was supposed to have said, "That is why I am the Premier because I intend to do the things that will bring our Newfoundlanders home. My motivation in this life is to bring them home." How it caught on, Mr. Speaker! Six months later he wiped out the Liberal Party, which elected eight seats. What did he do three years later? He is becoming despised in the minds of people outside of this city. He is becoming despised by people outside of this Province. I would not align myself too closely with him if I were the member for Grand Falls.

That was six years ago and those young Newfoundlanders were in Fort McMurray. By the way, they were all over Alberta but, according to the Premier's story, they came to this hotel in Calgary to hear him speak. Their Messiah had come all the way up from Newfoundland to speak to the people who were forced away by the harsh economic conditions that existed in Newfoundland before he got a chance to take our resources and cultivate them for the benefit of all the people of Newfoundland, the first man in 400 years who was going to save Newfoundland, who was going to break the poverty, the only Newfoundlander who was ever concerned about the people, the only man who came who was going to stop the give aways, the great white knight. In 400 years, Mr. Speaker, he was the only one. He called on their patriotism; he called on their nationalism; and he brought them within debating distance of separatism.

Look at the conditions we have in the Province today as a result of having that Messiah. Maybe now, Mr. Speaker, the 1,000 jobs that we are talking about or maybe the 2,000 - 3,000 to build platform,

only 1,000 Newfoundlanders Mobil can hire, a short-fall of 2,000, maybe that 2,000 who will come will be some of those young people from Alberta who sat around the Premier five years ago will come back and take those jobs. What an inditement of a government, Mr. Speaker, who took a resource, made it their political flagship, would not talk about anything else. They watched the forestry go by the board, watched the fishery go by the board and watched everything in this Province go by the board for seven years, Mr. Speaker, and did not bother to provide the training that will be required for our young people to go to work on that project. What a government!

Mr. Speaker, here is the clipping that caught my attention. "Ottawa-Newfoundland Battle Flares. Federal Move On Offshore. Resources Ruling Angers Peckford." Now I tell you when you anger Peckford in 1982, you were taking something on. When you angered Peckford in 1982, Mr. Speaker, God knows what was going to come next. Here is what came - God knows what was going to come, he could have crawled on the floor, the thunderbolts could have come. "It was business as usual for many retail outlets in Newfoundland in the two major cities as businessmen defied Brian Peckford." Businessmen defied Brian Peckford in 1982 when even you won in Terra Nova, that great Liberal stronghold. The nerve of two businessmen in St. John's to defy Brian Peckford.

MR. SIMMS:
Who were they?

MR. FLIGHT:
The blue-eyed shiek.

MR. SIMMS:

Tell us who they were. Give us the names. Name names.

MR. FLIGHT:

As businessmen defied a provincial Cabinet declaration of a day of mourning in the form of a provincial holiday." By the way, do we still keep that holiday? Was that just a one shot deal or is it an annual holiday?

Mr. Speaker, here was the Messiah that for seven years kept this Province on its knees, put our case in the Supreme Court, lost the case, and then he felt he had a right when the federal government acted, and the only way they knew how to act and could have acted by making a submission to the Supreme Court, called a day of mourning. It cost this Province \$600,000. That is the great Brian Peckford. That is the great Messiah.

Mr. Speaker, I am going to wind up this debate now. I am going to let the member for Grand Falls (Mr. Simms), and the Minister of Education (Mr. Hearn) get up and defend this offshore agreement, or the member for Humber West (Mr. Baird), and the Minister of Labour (Mr. Blanchard) get up and defend this offshore agreement.

MR. SIMMS:

The galleries are empty.

MR. POWER:

You have made a real bad mistake so start off from scratch, start off on a new leaf. You made a bad mistake, and you have blundered.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Hickey):

Order, please! Order, please!

Order, please!

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please! The hon. member requests to be heard in silence.

MR. FLIGHT:

Mr. Speaker, if the members had kept quiet, I was just about to sit down. I was just about to wind up, but while I was waiting for a ruling, I noticed something I did not mention so I think I will take my time and point out this to the hon. Minister of Career Development (Mr. Power).

The deal in this Accord is the same as if it were onshore we are told. Yet, Mr. Speaker, in the Accord, if the Newfoundland Government, if the people of Newfoundland wants to build a refinery, if they want to increase their petrochemical plant, if they ever get one, they have to go to the other provinces to get permission. The people of Newfoundland have got to go to Nova Scotia and say to the Nova Scotia government, 'Is it all right if we enlarge our refinery. Can we have a drop of oil to increase our petro chemical industry? We now have a entrepreneur who is prepared to have a perfume factory in Newfoundland but in order to do it our refinery has got to increase its production by four or five barrels a day. Can we have enough oil to allow that?' Premier Peckford will have to go to Premier Buchanan and ask that. That is what that Accord guarantees. Does Alberta have to go to Saskatchewan? Does Mr. Getty have to go to Manitoba and ask if they can increase their petrochemical capacity? Not at

all! So it is not the same as a resource on land.

In winding up, here is the Liberal position. If the Minister wants to know whether we are going to vote for or vote against, he must wait over the next four or five days as various speakers try to get the information requested, like the cost to produce a barrel of oil; information on the royalty regime, not an unfair question - why did we give up the right to participate? This man, this Newfoundlander, the Premier, up to 1984, Mr. Speaker, brought into this House of Assembly the Newfoundland Petroleum and Gas Regulations. Here is where we would have had our refining. Here is, if he would have kept his courage, where Newfoundland would have done all right out of the offshore. Let me read:

"Clause of participation: It shall be deemed to be the condition of every lease that the leasee shall transfer to the Province of Newfoundland and Labrador Petroleum Board within one year after the start of the term of the lease an undivided 40 per cent interest in that lease." The Premier for years and years and years, and there he stands in the door, in his own Petroleum and Natural Gas Act kept in the interests of this Province from the day he was the Minister of Mines and Energy, until the day he sold out -

MR. TULK:

Who do you think wrote that?

MR. FLIGHT:

We will get to that. Until the day he sold out by accepting the Atlantic Accord, he held to the right of Newfoundland a 40 per cent interest. Mr. Speaker, a 40

per cent interest of Hibernia, there were different ways it could have been done. We could have paid our 40 per cent share of the exploration and the development costs, cash up front if we had had it and retained for the Province and received the royalties and the profits that came from that 40 per cent. Or we could have had that 40 per cent in kind. We could have had it in oil or we could have chosen, Mr. Speaker, to allow the companies three years taking 100 per cent of the revenue from that lease, our taking nothing, and that would have been our contribution towards the cost of the 40 per cent. Then, Mr. Speaker, after the three years we could take our 40 per cent in kind, in oil. Forty per cent of Hibernia is almost the total production capacity of Hibernia. There was our oil for Hibernia. What happened? Why did the Premier sell out the 40 per cent? Why did we give up that interest? We had a carried interest. It was a back-in. It was not doing to cost us a cent. We had it. There is the legislation and there is the author of the legislation sitting to my right. There is the author of that legislation.

It is a big joke, big deal. Do not laugh, it is not funny. Mr. Speaker, we are now negotiating the Atlantic Accord in an environment of \$17 a barrel oil, not knowing if ever there will be a royalty. We know there is no provision for refining. What that 40 per cent would have meant to this Province! Why did you give it up?

MR. PEACH:

That is not true! Do not mislead the House!

MR. FLIGHT:

Why did you give it away? Why did you cave in to Mulroney and Carney? Why did you not continue to hold on to the 40 per cent? We would have been guaranteed something on that offshore. We could have taken it in oil. We could have maintained Come By Chance, or we could have taken it in cash. Why? Mr. Speaker, the minister can sit there in the sanctity of this House and nod, but sooner or later he is going to have to explain it. He will have to explain it outside this House, Mr. Speaker.

I said the other day that it took ten years before the recriminations over Churchill Falls came about, and I tell you that there will be more recriminations on this Accord than ever there was on the Churchill Falls deal. The minister laughs! He will have reason not to laugh. This Accord will put him in the Opposition. I do not know if we can make enough of a dent in that Tory district he represents. It came close last time. He will get off his bike in the next election because of that Accord. But he will sit there, Mr. Speaker, and just as surely as he spent seven years ridiculing the people who had anything to do with Churchill Falls, people will spend just as long ridiculing the people who had anything to do with this Accord.

It is a giveaway, and the member for Port au Port (Mr. Hodder) had better believe it. Why does not the member for Port au Port call the Minister of Energy out back and ask him why he gave away the 40 per cent? Why does he not do that? Why does he not call him outside and ask him why we are not guaranteed refineries?

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER (Hickey):
Order, please!

MR. FLIGHT:
I tell you one thing about the prison. We will need a prison to put every one of those jackasses in who had anything to do with this Accord.

SOME HON. MEMBERS:
Oh, oh!

MR. FLIGHT:
Before this is all over, some of the people who had anything to do with this Accord may be in prison.

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER:
Order, please!

MR. FLIGHT:
I tell you what that issue is going to do. I won my last election by 1,000 votes. That issue is going to see that I get elected by 2,000 in that district in the next election.

SOME HON. MEMBERS:
Hear, hear!

MR. FLIGHT:
I saw Mr. Crosbie in Buchans a few days ago making a political speech, and I am just waiting for him to make the announcement.

SOME HON. MEMBERS:
Oh, oh!

MR. FLIGHT:
I want to stick to the Atlantic Accord. Mr. Speaker, why? I know somebody else on this side will pick up on it. I want the member for LaPoile (Mr. Mitchell), quietly, on his own, in the

sanctity of an office, to ask the Minister of Energy and ask the Premier why they stood so firm in 1982 on holding on to a 40 per cent interest in an oilfield out there, holding on for this Province forever 40 per cent of the oil in Hibernia or 40 per cent of all the oil on the 700,000 square miles that the minister talks about? Why did he give it away? Those are the kinds of questions we will ask, Mr. Speaker. If we get the answers to those kinds of questions, if we get some amendments, if we get some indication that the government is prepared to come clean, then we will decide whether we will vote for or against this Accord, but you will have to make some hard choices! When we get into Committee, Mr. Speaker, clause by clause, you will find yourself between a rock and a hard place many times in having to support or oppose amendments that we will put to this House on the Atlantic Accord. Now, Mr. Speaker, one could go on for another four hours but, I will tell you, I look forward to when this debate goes into Committee and we get a chance to debate this legislation clause by clause. Clause (41) will get a thorough riding. Mr. Speaker, it has been an honour for me to have taken part in this historic debate and I look forward to the bill going into Committee. Thank you.

DR. COLLINS:
Mr. Speaker.

SOME HON. MEMBERS:
Oh, oh!

MR. SPEAKER (Hickey):
Order, please!

The hon. the Minister of Finance.

DR. COLLINS:
Mr. Speaker, I have to say thank you to the hon. Leader of the Opposition for-

SOME HON. MEMBERS:
Oh, oh!

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

Hon. members are well aware of the fact that they are not supposed to -

SOME HON. MEMBERS:
Oh, oh!

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

MR. YOUNG:
Name them, Mr. Speaker.

MR. FLIGHT:
You got a bad deal!

MR. SPEAKER:
Order, please!

Does the hon. member for Windsor - Buchans want to take his seat or leave the Chamber? He is aware of the rule that he is not supposed to speak while he is standing or while he is not in his place. On the other hand, I agree that there are a hell of a lot of interruptions coming from the other side but, whether he is provoked or not, that does not excuse him for breaking the rules.

MR. YOUNG:
Apologize to the Chair!

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

MR. SPEAKER:
A point of order, the hon. the member for Fogo.

MR. TULK:

My friend for Windsor - Buchans (Mr. Flight) took an article which was there on the floor, a bill, and carried it across to the Minister of Career Development and Advanced Studies (Mr. Power), which he promptly took and threw at him. I wonder if that is allowed in this House, Mr. Speaker?

MR. POWER:

I had my own. I did not need it.

MR. TULK:

You had no business throwing it at him.

MR. SPEAKER:

Order, please!

Aside from all that, hon. members, as I said earlier, are well aware of the fact that, despite provocation, they are to follow the Rules of the House. I did not see the minister throw anything, but I did see the member for Windsor - Buchans cross over and lay something on the desk of the Minister for Career Development and Advanced Studies. My ruling remains the same, that members cannot speak unless they are in their places. The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, I have no doubt that you will consult Hansard to see if anything was thrown in the House a few minutes ago. I apologize for the disturbance that just occurred. It always occurs when I stand up to speak. There is such wild applause, with one side applauding the other, and shouts of exaltation and so on, that I do apologize for all the disorder that occurs when I stand up to speak.

So I will try to be muted in my

remarks, I would not want to excite anyone. I just want to give the facts and lay out what a great occasion we are involved in here today and over the next few weeks. I am sure hon. members can feel that there is a wave of excitement finally working its way through this Province.

Our history has been one of such adversity and one of such blighted hopes that it is hard for the people of this Province to realize that a great day is dawning.

MR. BARRY:

On a point of order, Mr. Speaker.

MR. SPEAKER:

On a point of order, the hon. the Leader of the Opposition.

MR. BARRY:

Talking about a great day dawning, the Minister of Finance has received the Auditor General's Report this year and has a statutory responsibility under the Financial Administration Act, Section 67 (2).

DR. COLLINS:

Is this a point of order?

MR. BARRY:

Yes.

We would like to know from the Minister of Finance, does he intend to file the Auditor General's Report pursuant to his legislative responsibilities before the end of this afternoon, which we understand is the last day the minister has for filing, or is he going to break the law?

DR. COLLINS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Finance,

to that point of order.

DR. COLLINS:

Yes, I will file under my statutory obligations and, no, I will not break the law.

As I was saying, there is a great wave of excitement running through the people of this Province who, over many, many years, if indeed not decades and almost centuries, have felt that there was prosperity within their grasp, or about to come, and it it receded away from them.

Even when the offshore resource was proven, when we first heard about it in 1979 - there were indications before that that there might be interesting things out there, reaching back to the 1960's, I think, but it was only in 1979 that some solid word came in. I can remember when there was such excitement that there was a press conference held and a little vial of oil was shown. This was oil from our offshore. That caused a great wave of excitement at that time, but it was short-lived because it was unrealistic to expect that things would flow from that right away.

If one, say, think back to the experience in Alberta - I am not certain when oil was first discovered in Alberta, but it was quite early in the 1930's - they really did not begin to get a lot of benefit from it for about a decade, really. It just takes time for this type of industry to get going. When you consider the adverse environment in which our resources were found - offshore, in hostile waters and in difficult weather conditions - I suppose if anyone ever really thought about it they would say that even though, for the first time, there

was some concrete evidence that we had a big resource offshore, we were not going to get benefits from it in short order. However, there was that initial burst of enthusiasm, then it faded away when that realization came home.

There was then a sort of re-ignition of that excitement a few years later, and certain businessmen contracted obligations and they undertook certain plans and so on and so forth, again rather unrealistically, because things were not yet in place; there had to be agreements put in place between the two orders of government. I do not say levels of government. In Canada we do not have levels of government, we have orders of government. Each order of government has its own responsibilities but, in their own right, they are fully sovereign. So between the two orders of government there had to be certain things put in place and in our Confederation it was unrealistic to think that anything could go ahead until those arrangements had been completed, and those arrangements had to be completed to the satisfaction of both players. We were not talking about a large player and a small player, we were not talking about a boss and a servant, we were talking about two sovereign powers. Those two sovereign powers had to come to an agreement that they could both live with. No agreement, in that situation, could stand if one party felt aggrieved. Both parties had to feel that they were fully behind any agreement for it to stay in place.

Now, unfortunately, we had this extremely arrogant form of administration in the federal government at that time, an

extraordinarily arrogant type of administration which had been in power for so long and had been used to achieving their own way in many of the more populace parts of this country that they said, 'We do not care what the Constitution of Canada says, that is a piddling little provincial government.' As a matter of fact, I think at one time they referred to this government as a municipal government - they likened the government of this Province to a municipal government. So that was their attitude. Now, that was obviously incorrect, a stupid sort of assessment of the situation, but it is a reflection of how that arrogant, overbearing, unfeeling government in Ottawa regarded this Province.

One would have expected that they would have said, 'Here is that Province down there, our newest part of Canada, the first country to join Canada, the first sovereign country to join Canada, let us, if only out of a sense of history, be a bit giving, be a bit understanding, be a bit generous to that sort of government.' Not on your life! You might have thought that they might have said, 'Look, here is a part of Canada that has just come in, they do not have many resources developed, they do not have much infrastructure, they are behind the rest of Canada in terms of how the health system was developed, how the education system was developed, how the municipal authority system was developed, how the transportation system was developed, and all that sort of thing, let us lean over backwards and try to see their point of view and give them every possible help we can.' You would expect that. Did it happen? Not on your life! Or they could have said, 'Here is

a part of Canada, it is a poor part of Canada, it is a part of Canada with a great deal of unemployment, surely we can bend over backwards and try to bring them up not above average, because even with the great resources they have to be developed, even though they have those they are not saying they should be better'-

MR. SPEAKER:
Order, please!

It being 5:00 p. m. I have to announce I have two items for the Late Show, submitted by the Opposition. They were a few minutes late so I would ask leave that they be heard. If leave is not given, I will have to rule them out of order. Technically I would have to rule them out of order because they were a few minutes late, they were supposed to be in by 4:30.

SOME HON. MEMBERS:
No. No.

MR. TULK:
Is there leave on that?

DR. COLLINS:
What?

MR. TULK:
He is asking if there is leave.

DR. COLLINS:
Mr. Speaker, if I understand correctly, there was a slight technical hitch in the timing of receiving the questions. I do not think we will object to that, no.

MR. SPEAKER:
Is there leave that I announce them?

DR. COLLINS:
Yes, there is leave.

AN HON. MEMBER:

No leave.

MR. TOBIN:

It has to be unanimous. No leave.

MR. SPEAKER:

Order, please!

Is there leave or is there not?
I am told there is leave and then
I am told there is not. Did the
Minister of Finance (Dr. Collins)
indicate that there is leave?

DR. COLLINS:

Yes, there is leave.

MR SPEAKER:

I have two items, one from the
Leader of the Opposition who is
dissatisfied with the response
from the Minister of Energy on the
matter of the hydro contract at
Daniel's Harbour, and one from the
member for Gander (Mr. Baker) who
is dissatisfied with the answer
given by the Premier to the
question on Air Canada. Those are
the two items for the Late Show.

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, just to pick up the
train of thought, you would have
thought that the government in
Ottawa would have said, because of
the nature of our joining the
country, because of the resources
we brought into the country,
because of our needs down here and
so on and so forth, they would
have been particularly inclined to
give us the benefit of any doubt
that existed. Unfortunately, that
was not the case. There was an
unawareness of the people living
at the periphery. That is the way
that particular administration
was. As long as things were going
their way in Central Canada, they
did not care too much what went on

in the West - we all know about
that, there was Western alienation
out there - they did not care what
particularly went on in the East
down here, there were only a small
number of people down here and
they were always beggars anyway,
they were always having to give
them money down here, so just a
pittance would do them. Of
course, this government that had
control of the administration was
a very different government than
was there in the first
twenty-three years of
Confederation when, indeed,
anything that was said in Ottawa
was accepted down here with a sort
of touch-your-forelock type of
situation, and anything that was
sent down or said by Uncle Ottawa
was okay.

Well, they found that it was a
very different situation here,
because we knew that this Province
would never, never prosper, it
would never prosper unless it had
adequate control of its own
destiny. We are a resource-based
Province, so our destiny was to
get control of our own resources;
if we did not have control of our
own resources, we would always be
improvised, we would always be
the poor man of Confederation, we
would always be a people with our
neck just above the water, every
once in a while getting a little
lift and taking a deep breath, and
when world conditions turned
around a little bit, or whatever,
our head would sink below the
water and we would be destitute
again. That was going to be our
destiny forever and a day unless
we got control of our resources,
and that was very clearly
appreciated by the Peckford
Administration and, to a very
large extent, by the Moores
Administration before it.

So a series of negotiations were put in place to try to achieve that result. It even required a reference to the Supreme Court of Canada to attempt to bring that point home, but it did not succeed.

Now, fortunately the people of Canada, themselves, had become totally disillusioned, totally turned off by this arrogant, overbearing, navel-watching type of administration that was in place in Ottawa and they threw them out, they discarded them. They put in place a federal administration which had a sense of Canada, a sense that Canada was not just the Central part of the country. Canada reaches all the way from the Atlantic to the Pacific, it encompasses many types of people, it encompasses people who have different strengths, it encompasses people who have different aspirations. The administration in Ottawa appreciated that and one of the things they very quickly got on to was that the Newfoundlanders and the Labradorians had a case. Even though by this time the Supreme Court had said on a purely technical basis the offshore was in the control, in the ownership of the federal government, even though by that time that unfortunate occurrence had come about, nevertheless that far-seeing federal government, that federal government that really knew what Confederation was all about and what Canada was all about said, 'We are going to ignore that, essentially, and we are going to say Newfoundlanders and Labradorians have a case and they are going to have as much control of their destiny and their resources as the Westerners have of their destiny and their resources, and as the Ontarians and the Quebec people have control

of their resources. 'So, they said, 'we will arrange things such that the Newfoundlanders will get as much revenue, as much financial benefit as though this resource was on land, and we will manage it jointly with them because there has to be a federal presence in the management.' After all, the thing is not on land. There are certain international aspects to it, the thing is in international waters and so on and so forth. The federal government does have obligations in terms of shipping and in terms of the rights of peoples generally if there are discoveries outside the Continental Shelf and that type of thing, so there had to be a federal presence in the management. But they said, 'There is going to be the Newfoundland presence in the day by day management of this resource. How it is done, at what pace it is done, what controls are put on it for the sake of health and safety and regarding the environment, the Newfoundland presence is going to be paramount in all those areas. The one proviso we will put in there will be that now that we have gone through the 1973 oil shock, and the 1979 oil shock, where prices went to heck and where supplies became very uncertain, we have to put in a proviso there that no matter how the thing is developed and managed there has to be guarantees of national sufficiency of supply.' And, of course, as good Canadians we have no problem with that. So that was the one proviso they put in there, that if there is a question of security of supply and sufficiency of supply, that there had to be a federal override. No problem!

To go back a few years, who would have ever thought that the day

would come when the Newfoundland Government on behalf of its people would be in a position to develop the offshore in such a way that all our concerns are taken care of, can develop the offshore in such a way that we are going to reap the maximum benefits, the benefits to the extent that we can absorb them, and that we can take these benefits without, sort of, undermining the whole operation, the whole validity of the operation and that type of thing? Who would have thought that three or four years ago? I think many people in the Country said, 'Look, it is too much to expect. No one will believe that 600,000 Newfoundlanders can do that, they just do not have the weight of numbers, they just do not have the level of expertise in that small Province down there. They just cannot do it.' Fortunately, they forgot that for centuries the Newfoundland people have done things that it is almost impossible to believe a small group of people can do. The Newfoundland people carried on international trade as a nation when there was hardly more than 250,000 people here. Newfoundland had sovereign powers and entered into treaties with large nations. It dealt with the influx of the American army when it came here. A huge influx of people that you would expect to have swamped our society, we accommodated them. Newfoundland built a railway across this Province - I forget how long it is now - something like 500 miles of railway, when provinces considerably larger than ours put in place, perhaps, 100 miles of railway or 200 miles of railway.

We did all these things and fortunately these things prepared us, even though we did not know

it, to take on the big job, the really big job, I guess the largest job that we as a people will have to face, and that is the management and the development of the offshore. Anything less than this, unless it is very far down the pipe and unless we are a much larger group of people, anything less than this would be small beer. This is our real test and, as I say, fortunately we have come through an apprenticeship that will allow us to do it, much to many people's surprise, I am convinced.

Certainly my meeting with people on the Mainland over the last couple of years, having the good fortune to be in a sort of governmental position, you always got the impression, 'It cannot be done. We think your aspirations are good, we think that you deserve it, but do you not think that you had better leave that to the federal government? People did not think it could be done, certainly on the Mainland and, I believe, many of our own people, and this unfortunately included some of the business people in St. John's, which was extremely disappointing. It is very disappointing to hear businessmen in our own capital city, who in actual fact owed their businesses and their livelihood and their future prospects to the people of this Province, to the consumers of this Province, the people who attend their stores and so on and so forth, to hear those businessmen taking negative views, projecting that, "Yes, we should grab whatever is offered to us. It does not matter what it is, just grab it and be thankful you got it." To hear what I have always regarded as a Liberal philosophy, a philosophy whereby you really do not have confidence

in your own self, and if you are given anything, for gosh sakes take it because people might take it away from you and then you will have nothing. Many of our own businessmen, not all by any means, took that short-sighted, superficial, narrow-minded point of view.

Now, I am glad to say that this government did not, and the people of this Province generally did not. Because if the people of this Province had taken that view, this administration would have fallen in any number of the elections that took place since that time, in 1979, in 1982 and in 1985. We would have fallen, because we said that is the incorrect way of looking at things. The correct way is to say we stick by our guns, we negotiate hard, we do not negotiate for unreasonable things. We were convinced we could do certain things, we asked the people of the Province to support us in that and they came forward in tremendous numbers, in droves. We had to almost beat them off, the support we got. That support counteracted this government's disappointment over the negative feelings of some sections of the business community. Anyway, it came about that we achieved our ends. Now, even with the federal government having taken the correct attitude, if anyone thinks it was easy to put in place what we are legislating here today and over the next few days, they really do not understand the whole process. It was a very difficult job. It required dedication, it required hours and hours of consideration and meetings and studies and reports and consultations and so on, because there was new ground being broken here all the time. There was no act one could pull

off the shelf in some other Province, or off the shelf in our own Province and say, "Well, let us change an odd word here, add a different clause here, let us put a different date in here and we are away to the races." We were breaking absolutely new ground not only, shall we say, in terms of dealing with an offshore resource, that type of new ground, I am talking about new ground in how the two orders of government relate to one another and develop something in association with one another.

I suppose the only thing that one could compare it to would be the fisheries agreement we entered into in terms of National Sea. That was a sort of precursor of this legislation here, where the federal government and ourselves got together and said, 'We have to change the way the offshore fishery is being handled. It is not working, there are too many difficulties arising in the offshore in terms of the supply, in terms of the marketing, in terms of the relationship between the harvesting and the plant operations. It is not working, we have to change it, and the only way we can change it is for us to get together and do it in a co-operative, co-ordinated fashion.' We have done that and we now have in place a world-class fish operation.

I can remember going on a trip with the Premier a number of years ago and we visited a number of fishing nations. Now, I certainly am no expert in the fishery and I do not suppose I ever will be, but I certainly did learn from being in contact with people in the know in those fishing nations, and I am talking of Norway and Iceland and Northern Germany, that they had a

fear of the Newfoundland fisheries, but they were also reassured about Newfoundland fisheries. Our fishery is such a resource and we are so beautifully positioned to that resource - it is right on our doorstep - and, secondly, we are so positioned that we are right on the doorstep of the major market in the world for fish, the United States, that they had a fear that we would put our act together and they, as our competitors, would have a pretty tough time of it. That was their fear.

Now, they were reassured by one thing, they were reassured by our history. In the history of Newfoundland we never got our fishing act together, we were always one year up and one year down, disorganized and so on and so forth, so they were reassured by that. Now, we have taken that reassurance away from them. For the first time in our history, we have in place an offshore fishing operation that is hardly to be found anywhere else in the world. It has such an abundant resource available to it and it is itself so large and so, shall we say, complete in terms of harvesting efforts, plants, experienced workers and experienced fishermen, also, it has such a marketing arm in place and it has such a ready market to put our fish into that the like of our offshore fishing industry is hardly to be seen anywhere else in the world. That was a very, very good effort. It took this government a long time to put that in place and there were many heartaches but, again, we succeeded. But that was only small beer.

MR. TULK:
What was that?

DR. COLLINS:
Our FPI. You have heard of it.

MR. TULK:
Could you tell me what that has to do with it?

DR. COLLINS:
Yes, I am mounting a beautiful argument. I will send you a copy of Hansard.

MR. TULK:
I am impressed with the twisted logic of the Minister of Finance. His budgets do not impress me, but his twisted logic does.

DR. COLLINS:
Anyway, that was really a good effort but it is not to be compared with our offshore effort with ourselves and the federal government, hand in hand, dealing with multinationals. I suppose if you wanted to think of a rich multinational, you would have to think of an oil company. If you wanted to think of a complex multinational, you would have to think of an oil company who has got operations in Indonesia, Saudi Arabia, South America and in the United States. It is that complex a thing. If you wanted to think of a multinational where you would say that they have tremendous sophistication and know how and, therefore, they are always going to outfox you and you will never get the better of them, if you wanted to think of that type of multinational, surely you would have to think of an oil company. But here we are, ourselves and the federal government, and we have put an arrangement together whereby we are dealing with one of the largest of the oil companies, Mobil, and we are dealing in an extremely co-operative fashion and being extremely beneficial to ourselves. Of course, we only

have to look at the gravity-based structure to realize that.

What I am saying is not just a lot of hot air. The hon. the member for Twillingate (Mr. W. Carter) sometimes emotes a little hot air as he did yesterday when he was talking on the Private Member's Bill but I am not emitting hot air. I am telling the straight truth, that we have been able to reach arrangements with Mobil that are very beneficial to this Province.

Mobil, at one time, was leaning very severely towards floating structures for the development of the offshore. We had already determined, through studies - it was not just a thought brought out of the air - and through consultation that, firstly, a concrete platform is a practical proposition. It is not something that you just dream up. It had been done elsewhere in the world and we knew it could be done. Secondly, we determined that if we put a concrete platform in place, Newfoundlanders would get the maximum benefits. Those are the two things we determined. We were certain of our ground. We did not do this in a fly-by-night fashion. We were absolutely certain that we had the facts on this.

Obviously, we were not in a position to dictate to Mobil in that regard nor, indeed, would we want to dictate to Mobil. The hon. member opposite very often say when a difficulty comes up, 'You are the government. Just go out and dictate. Just tell them what to do. If Hydro has got a fuel charge in, just tell them to take it off.' You know, it does not matter whether it is good, bad or indifferent, sensible or

non-sensible, 'just tell them to take it off.' If a mine is in difficulty, 'just go out and make it practical, make it operational, make it viable.' It is not the sort of thing where you ask is there a sensible way of doing it. As a government, just go out and do it and that is the end of it.

Obviously, you cannot operate in this life that way, and we could not operate that way towards Mobil, even though we said the concrete platform is best for us and it is practical. Even though we knew that, we could not say 'you put a concrete platform out there.' What we could say to them was 'you show us why you should not put a concrete platform out there. You come to us and show us. If you show us and you are right, we will believe you.'

So Mobil, even though they were thinking in another direction, knew that we had a case and that we were taking a sensible approach to things. So they put their people to work and they have extremely good people.

I remember meeting a gentleman in Norway who was the top man on one of their concrete platforms over there. They sent that man here to St. John's. As soon as we knew they were sending that calibre of person to this Province, we knew that Mobil were seriously considering the concrete platform. This was quite a number of months ago. There was no proof yet, but we knew that Mobil really had the message and they were really giving it their best shot. Indeed, they did come to this Province and they came up with the answer that we had hoped they would come up with, not that we knew better than they, but the one that we had hoped that they would

come up with, i.e., yes, the concrete structure is the best structure. It is the most feasible structure economically, and also from a safety point of view. Of course, this is of prime importance, from a safety point of view their concrete structure is by far the preferable way to go, and lo and behold here we have something which, as I say, many Newfoundlanders did not think would ever come about. I guess we are so used to disappointments and we are so used to the knocks of fate that we can hardly believe that good fortune can come our way.

But here it came and we have a confirmed resource. We got a method of development which is best for us, and we have in place a federal government who will take a sensible view of our aspirations and will not give us the put down. They will regard us as being sensible people and competent people to deal with. So we have all these three things together. It is only in the last few weeks, I think, that Newfoundlanders really have appreciated that everything is coming together this way.

We are going to see such an enthusiasm for this whole venture over the next few months and especially when the inevitable comes along, because it is inevitable, i.e., project release, very shortly, we are going to see such an enthusiasm for this whole project that it is going to change the whole attitude in this Province about our future and about our economic outlook.

Now, we have to be careful though, and I want to sound this note. It has been sounded before, and I want to sound it in an extremely serious and sincere way. We have

to make sure that this enthusiasm is shared by as many people in this Province as possible. We have to make sure that the benefits, to the extent they can, and to a large extent this will be so, are spread as widely around this Province as possible. There are very practical reasons for that and one of course is that it would be unjust for this provincial resource to render benefits just to some people. That is obviously unjust. But secondly, if we want to maintain the integrity of our provincial identity, we have to make sure that there are no unnecessary strains that we can prevent. You might say, 'well, that is selfish to' but I do not mind being selfish in that regard or projecting a selfish view in that regard. We have to make sure, for the good of the people and for the good of the Province on the whole that all parts of this Province get the benefits that can accrue to it. Obviously, in some places this is more easily done than in others, but we have to make that attempt.

I adjourn the debate.

MR. SPEAKER (McNicholas):

There are two questions to be debated on the Late Show. The first is by the hon. Leader of the Opposition (Mr. Barry) who is not satisfied with the response of the President of the Council (Mr. Marshall) concerning hydro contracts in Daniel's Harbour.

The hon. Leader of the Opposition.

MR. BARRY:

Mr. Speaker, we saw the member for St. Barbe (Mr. Furey) and we saw the member for Windsor-Buchans (Mr. Flight) raise very serious questions today about the inaction

of the administration in dealing with the problems of the Baie Verte mine.

We saw direct contradictions raised with respect to what the Minister of Mines (Mr. Dinn) said as recently as February 7, five days before yesterday's news came out. We had the Minister of Mines stand in this House and say that possibly a problem does not exist. We had that same minister, I think, on the same day say that there had been no request for assistance, period. He did not say there was a request that was later withdrawn. He did not say there was a request that needed to be postponed until the company came back with information. He just said to this House, no request for assistance.

Then we saw the member for St. Barbe say to the minister, when he had tried to put of this request for assistance on a ventilation shaft, 'what about the hydro bill? Did they also not make a request for assistance on hydro?' The Minister of Mines did not even deal with that and did not even refer to that. He went on about unless the grade of the ore gets to a certain height or certain level, there is nothing that can be done anyhow.

Mr. Speaker, that was then taken up by the President of the Council, that same point when the question was directed to him, was made, 'oh, there is nothing we can do because of the grade of the ore.' Well, Mr. Speaker, the President of the Council, the Minister of Mines, the Premier and other members opposite should know that the grade of the ore and whether or not that grade of ore can be processed at a profit depends directly upon the costs

that the mining operation is experiencing. One of the very large costs that the Daniel's Harbour mine is experiencing is the cost of hydro or the cost of electricity.

Mr. Speaker, I have to say it is with a very great degree of sadness that I heard that news yesterday because that was a mine, Mr. Speaker, that was opened during my time as Minister of Mines, from 1972 to 1975. I had the pleasure and the very great satisfaction, Mr. Speaker, of negotiating directly with the Tech Corporation. I have to say that myself and the then Minister of Development, I think he was, now Senator Doody, co-operated in a fashion that avoided completely all the rivalries that occur from time to time between departments. That co-operation saw red tape cut for that company and saw a deal put in place, I would say, faster than any mining company or probably any developer had ever experienced in trying to get a project started where the co-operation of government was needed. We ensured that government assistance was available soonest for that company and it was with great pleasure I saw the Northern Peninsula blossom as a result of the employment and the income that was injected into the region when that mine started up.

I say to the Minister responsible for Newfoundland Hydro (Mr. Marshall), the people of Daniel's Harbour, the people of the surrounding area on the Great Northern Peninsula and the people of this Province deserve more than these misleading statements that that minister laid on this House today. The people want an answer. Will he or will he not

bring a recommendation to Cabinet that there be assistance supplied to that mining operation? One specific form of assistance can be a reduction in the cost of electricity to the mine.

Thank you, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, I can only reiterate what was said during Question Period today, that the future of the mine in Daniel's Harbour is going to depend, as the future of any mine, on the quantity and the quality of the resource that is there.

MR. BARRY:

And the costs.

MR. MARSHALL:

The Minister of Mines (Mr. Dinn) has indicated that this is being looked into and the government has indicated that it will do everything it possibly can for the people of Daniel's Harbour and their future. If it is shown that there is the possibility of a viable operation, they are guaranteed that both the federal and provincial governments will bend their will to see that everything is done that can be done to keep that mine operating and viable, to strengthen it, to safeguard the jobs that are there and, if possible, to improve the jobs. We will do that by support.

However, it is not appropriate, Mr. Speaker, to support any industry by subsidization of power rates. We had nothing but trouble

in this Province as a result of that particular policy. Hon. gentlemen should know that. The net benefit to the people of the Province of Newfoundland was very much a minus quotient as a result of a similar arrangement that was made with ERCO.

I listened rather whimsically today and did not make the observation when the hon. gentleman there opposite, I am not sure whether it was he or the member for St. Barbe (Mr. Furey), mentioned Wabush. Wabush has a different rate of electricity. I indicated at the time, yes, it has a different rate for electricity because of its location in Labrador. I could say to the hon. gentleman that that is not a good analogy for the Liberal Party to bring up in this Province anyway because the reason why electrical costs are so high and we have the problems we do is because of our lack of access to power in Labrador.

MR. FLIGHT:

Nonsense.

MR. MARSHALL:

This was one of the very things that the hon. gentlemen there opposite created.

Mr. Speaker, all I can say is this: This government stands full square behind the people of Daniel's Harbour and will do everything it possibly can to protect the jobs that are there. The Minister of Mines and Energy has indicated in a very full and complete way today in Question Period as to what we are doing. Whatever assistance may be necessary that can be reasonably supplied will be supplied, provided, as I say, the resource is there.

So this government, Mr. Speaker, will not desert the people of Daniel's Harbour in their hour of need as the Leader of the Opposition deserted the people of Newfoundland and Labrador in their hour of need and destroyed the united front that we had when we commenced negotiations on the offshore. We will operate, Mr. Speaker, in an entirely different way.

MR. FLIGHT:
Balderdash.

MR. MARSHALL:
For the hon. gentleman to get up in this House and advocate a policy of supporting industry by subsidizing electricity is a very, very empty and dangerous policy. I presumed he changed his horse in midstream because he was very much against it at one time when he was over on this side of the House. So, we can now take it that the policy of the Liberal Party of Newfoundland is to continue to attract industry by the subsidization of power rates so that we will get into the positions that we did with ERCO that this government had to unravel and we will get into the other positions that we have had. It is just a no show. It is not possible and it is not the way to do it but, the people of Daniel's Harbour should be confident, Mr. Speaker, in the fact that we will do everything possible, provided the quantity and the quality of the resource is there. That is all anybody can do. Certainly the Minister of Mines and Energy is on top of the situation and as he indicated today, he is working at full steam with the persons concerned.

We will do, as quickly and as expeditiously as possible,

whatever can be done for the people of Daniel's Harbour.

SOME HON. MEMBERS:
Hear! Hear!

MR. SPEAKER (McNicholas):
The hon. member for Gander is not satisfied with the answer given by the Premier on his question relating to Air Canada.

The hon. member for Gander.

MR. BAKER:
Thank you, Mr. Speaker.

My question today dealt primarily with a report in The Globe and Mail this morning which indicated that a spokesman for the Minister of Transportation in Ottawa called Premier Peckford's position, which he expressed to the Minister of Transportation yesterday, "confusing." It states the obvious and it does not address the issue.

The Premier, in his usual fashion, started to play a little game with this whole issue and members opposite fell into the trap of playing that same little game. Mr. Speaker, this is a much more serious situation than that. I hope that the Premier deep down, outside his game-playing in the House of Assembly, realizes that this is a much more serious issue than that. He said that Mr. Mazankowski contacted his government this morning and gave him the assurance that Gander would have international status forever.

Mr. Speaker, since then I have checked with Mr. Mazankowski in the House of Commons in Ottawa and he confirmed that he had a conversation with the Minister of Transportation (Mr. Dawe) this

morning where he pointed out to him that international status for Gander is not really in doubt. He did not give a guarantee of international status forever.

SOME HON. MEMBERS:
Oh, oh!

MR. BAKER:

I would like to deal with that particular issue, Mr. Speaker, and that is the reason that I was dissatisfied with the Premier's answer. It is also the reason that Mr. Mazankowski said that the Premier was stating the obvious and not dealing with the issue. The issue is not simply whether the Minister of Transportation, once a year, writes a letter to ICAO and tells them to put Gander on the list of international airports. That is not the issue, the people in Gander know it is not the issue and I really hope that the Minister of Transportation and the Premier know that that is not really the issue.

The issue is this: Mr. Speaker, when scheduled trans-oceanic flights go through Torbay, ICAO lists Torbay as an international airport. That is where the problem arises. The Board of Trade and business interests in St. John's have expressed the view that when they use Air Canada's two flights as a gimmick to get international recognition, then they can go after the same kind of carriers that Gander goes after under its TOPS programme.

I am explaining this slowly for the benefit of the people on the other side because I know that a lot of them support Gander's position on this. I would also remind the Premier that in his own home town of South Brook we have

344 signatures supporting Gander's position and there were only 290 there who voted for him. So there is a lot of support for this particular issue.

The issue is: Will Torbay be able to compete with Gander for the business it already has? Now, it gets a little more complex than that because already Customs and security people have been given notification that they have to move to Torbay. There is a regulation in effect which says there is to be no more hiring in those departments so that means that Gander goes down.

When St. John's gets this international designation by ICAO, it goes to all the countries and all the carriers in the world, and then St. John's goes after that business, how many carriers can Gander Airport afford to lose before keeping international status in Gander becomes totally out of the question sometime, five, six, seven, or eight years down the road? At what point will that happen?

There is the crux of the matter. Is it going to be possible, after this decision is made, for St. John's to go after the same business that Gander is going after? Is the situation going to be where we have two international airports side by side, the only situation in the world where this happens, in one little Province, competing for the same meager, scrawny amount of business that is on the go for such an international airport right here? Are we going to have that situation because if we are, Mr. Speaker, it ultimately will mean that Gander will lose enough business to lose everything. This is the fear in Gander and I am

just pointing this out.

Whether Mr. Mazankowski every year, and some years he might forget or something, writes his letter to ICAO to ask them to put Gander on their list, whereas St. John's will automatically go on the list because of those flights, that really is not the issue. Whether Gander gets this designation with ICAO by the grace and the kindness and so on of the Minister of Transport, we are not concerned about that. What we are concerned about goes far deeper than that, it goes far deeper than continuing the TOPS category. It goes far deeper and I want to take this opportunity to point that out to members opposite. I would again express the wish that the Premier would take a clearer stand on the issue, that he would address what Mr. Mazankowski says is the real issue, the movement of those two flights. I wish that he would address that issue.

Thank you, Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

I do not know where the member for Gander (Mr. Baker) has been in the last week or so, or the last two or three weeks, that is the whole reason we are asking for those guarantees. We do not want the competition for the trans-oceanic flights to be between St. John's and Gander. Gander must be the sole designated area in this Province for that work. That is what we are saying to Mr. Mazankowski that we do not want to see in the transfer of Air Canada to St. John's that they would then have the kind of designation which would allow them to compete with Gander for the other work. That

is what I said today earlier in Question Period.

It is a question of the core activity which must be relegated to Gander, and you cannot have St. John's competing in that marketplace too. That is what we are looking for from the Ministry of Transport. We want those guarantees in place so that there will not be the erosion that the people of Gander and the Gander Town Council are talking about. That is exactly what we are trying to get, Mr. Speaker. That is why we say that until we get them we cannot support the transfer to St. John's. We need those kinds of guarantees.

When we get those kinds of guarantees, then we know we have an ongoing viable airport at Gander. Gander's whole history and current viability rests upon that designation and on them having the sole business in Newfoundland for that. That is exactly what we want to ensure, so I do not know what the member for Gander (Mr. Baker) is talking about. That is what we are trying to ensure, those kinds of guarantees. It cannot go with the transfer of Air Canada from Gander to St. John's. It cannot go! We cannot have strings attached to that transfer which will allow St. John's next year to compete with Gander in the trans-oceanic refueling business. It cannot be!

We want those guarantees from the Ministry of Transport and we will not be satisfied until we have them in writing and clearly established. That is our position. Those are the guarantees we want and that erosion cannot be allowed to take place. That is what we are going

to fight for on behalf of the people of Gander. That is what we are doing, exactly what the hon. member is talking about. I am glad that he has finally come on to the subject matter this evening. He did not do so in Question Period and he did not in the last few days.

The core issue around Gander is their ability to be the sole airport in Newfoundland to be able to continue to attract that trans-oceanic refueling business. That is the crux of the whole matter and that is why we took the position we took. It is a question of the ongoing marketing of Gander as the trans-oceanic trans-Atlantic refueling stop.

A few years ago, if hon. members remember, Gander lost some of it to Shannon or wherever and we did not have some of the East Germans, Russians and so on landing in Gander. Then, through renegotiation, we got it back, and business picked up in Gander. We want to ensure as the Government of Newfoundland that that activity be activity relegated to Gander, not to St. John's. That is the kind of guarantees we want because that is the core economic activity for the Gander Airport. The transfer by Air Canada to St. John's of a flight from St. John's to London, attached to that cannot be, even the possibility, let alone the probability, that they can, over time, attract the trans-oceanic business. It cannot be! The guarantee for the 99.9 per cent of the business in Gander must be guaranteed just to Gander, solely, just for Gander. That is the kind of guarantees we want, Mr. Speaker, and we will leave no stone unturned until we get it.

SOME HON. MEMBERS:

Hear, hear!

On motion the House adjourned until tomorrow, Friday, at 10:00 a.m.