



Province of Newfoundland

FORTIETH GENERAL ASSEMBLY
OF
NEWFOUNDLAND

Volume XL

First Session

Number 23

VERBATIM REPORT
(Hansard)

Speaker: Honourable Patrick McNicholas

Friday

31 May 1985

The House met at 10:00 A.M.

MR. SPEAKER (McNicholas):

Order, please!

Statements by Ministers

MR. SPEAKER:

The hon. Minister of Fisheries.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Mr. Speaker, as most members are aware, my department has for some time operated a lobster pot bank programme. Under this programme we establish inventories of lobster pots at a number of locations throughout the Province for sale to fishermen who suffered losses of their own pots during the lobster season due to ice or storm conditions. The intent of the programme was to provide our lobster fishermen with ready access to a supply of lobster pots so that, in the event of such losses, the impact on their fishing effort could be minimized. In accordance with the terms under which the programme was established, these pots were sold at cost price, which amounted to \$7 per pot. This morning I wish to announce a significant change to this programme.

It is no secret to anyone that many inshore fishermen have been facing financial difficulties over the past two to three years. Lobster fishermen in many areas of our Province are included in this category. For the second year in a row, many of them are having their season delayed because of heavy ice conditions. In addition, these ice conditions have resulted in some lobster

fishermen incurring substantial lobster trap losses.

In recognition of these factors, and in response to representations we have received from fishermen, and from members of the House, my department has decided that, effective immediately, we will drop the price of lobster pots available under our lobster pot programme from \$7 per pot to \$3 per pot.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

It is my belief that this move will enable those directly affected to raise their fishing efforts to normal levels without undue hardships or further lost fishing time.

I am also pleased to say, Mr. Speaker - and it is not incorporated in the statement - that a couple of other conditions that were previously in effect on this programme have also been dropped. For example, under the older programme, fishermen had to experience a 20 per cent. loss of their pots before they are able to qualify for pots under this programme. We have also dropped that condition as well so that fishermen can, if they have any losses whatsoever, avail of the programme. Also, under the old programme fishermen could only buy pots through the programme at a certain time during the year. Under the new conditions, they will be able to buy from the programme whenever it suits their needs. So there are some significant changes to the policy.

Mr. Speaker, I would advise those lobster fishermen who have incurred trap losses due to storm

or ice damage, and who would like to avail of this programme, to contact our regional offices in their respective region.

MR. TULK:

Mr. Speaker.

MR. SPEAKER:

The hon. member for Fogo.

MR. TULK:

Mr. Speaker, let me first of all thank the minister for providing me with a copy of this statement. Let me point out to him that, indeed, what he says in the statement is quite correct in that the fishermen along the Northeast Coast are suffering as a result of conditions that exist along that Coast and also as a result of some other problems that they have experienced in the past couple of years.

Mr. Speaker, the price of \$3 per pot, I do not believe will be argued with by anybody. I think I suggested to the minister that perhaps we should let them go for \$1 or \$2, but that, I guess, has to be recognized as a starting bargaining position. I think the \$3 is okay. However, many of those pots have deteriorated as they are, I think, seven or eight years old. I think the member for Twillingate (Mr. W. Carter) was the Minister of Fisheries, as a matter of fact, when that lobster bank programme was implemented and some of those first pots are still around. But on behalf of the fishermen of the Province, may I say I am sure this is welcomed news. I say that to the minister quite sincerely and I hope we can see some more progressive steps taken from the suggestions of the Opposition.

SOME HON. MEMBERS:

Hear, hear.

Oral Questions

MR. SPEAKER (McNicholas):

The hon. Leader of the Opposition.

MR. BARRY:

Mr. Speaker, I would like to ask the Premier, in light of the information that has been coming out in the days following the federal budget, about the extent of the money which will be lost to our senior citizens, to our poor families, our lower income families, these indications that the Government of Canada will save, by 1990, approximately \$6.4 billion. I would like to ask the Premier whether any estimates have been made as to what the federal budget will cost senior citizens and our lower income families in this Province?

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, we have an assessment underway now through the Departments of Finance and Intergovernmental Affairs on the whole impact of the federal budget, both directly and sort of indirectly, as the Leader of the Opposition (Mr. Barry) mentioned. So over the next week or two we will be in a position to indicate in more specific terms just exactly what the loss may be. There are some potential losses that we do not know will accrue, of course, because we do not know, for example, on the transfer payments just exactly will happen. There have been negotiations on that between the provinces and the federal government, but we are in the

process of doing an assessment now and as soon as we can we will be able to give more accurate figures. It would be sort of inappropriate to try and pick a figure out now without having the full assessment done because there are some offsets there as well. We have to see the whole picture before we can give a sort of valid calculation on it. We are working on it, both the Departments of Finance and Intergovernmental Affairs.

MR. BARRY:
Mr. Speaker.

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

MR. BARRY:
A supplementary, Mr. Speaker. Figures indicate that Ottawa will save approximately \$260 million in the next two years alone on old age pensions. And although the child tax credit programme will cost Ottawa \$40 million next year, by 1990-91 it is estimated that Ottawa will be saving \$155 million a year. I wonder would the Premier confirm whether he has received any preliminary indications that the loss to senior citizens, money that would otherwise be in the pockets of senior citizens over the next five years, will consist of a loss of approximately \$1500 over the next five years because of the de-indexing contained in the federal budget? Would the Premier confirm whether this is so?

MR. SPEAKER:
The hon. the Premier.

PREMIER PECKFORD:
I honestly do not know off the top of my head what the number is, Mr. Speaker, but obviously, as I indicated to the Leader of the

Opposition (Mr. Barry), we will be getting those numbers. But once again we have to look at the full picture and see just what total disposable income will be available to all Newfoundlanders, do it that way, and also do it as it relates to the various sectors or age groups as well. I do not have that number at my disposal right now but, as I indicated to the Leader of the Opposition, we are doing a full-scale assessment of the budget and its impact upon the Province and once that is completed we will be able to provide the numbers.

MR. BARRY:
A supplementary, Mr. Speaker.

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

MR. BARRY:
Mr. Speaker, considering that officials of the Government of Canada itself, according to recent press reports, are confirming that this budget will mean that Atlantic Canada is worse off, and that the budget impacts more adversely on Atlantic Canada than other parts of Canada, why is it that we have not yet heard the Premier speaking out, as we have see other individuals in Atlantic Canada, pointing out the negative impact of this budget on Atlantic Canada? Why is the Premier keeping so quiet? And is this analysis by the Finance Department going to be another way of hoping that the problem will go away, and staying quiet until some other issue comes up to deflect from this savage, atrocious cutback for Atlantic Canada, the federal budget?

PREMIER PECKFORD:
Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

Mr. Speaker, on Budget night, as I have indicated in a prepared statement that was issued to the people of Newfoundland by myself, the Minister of Finance (Dr. Collins) and the President of Treasury Board (Mr. Windsor), we expressed the view that there were some positive things in the budget but there are also some negative things in the budget relative to Newfoundland. So I have not been quiet on it. I have indicated in this House publicly that there were a number of areas that I was very concerned about, obviously, de-indexation on the senior citizens is one but, more importantly from a provincial point of view for development purposes, there were a number of other areas that were very important. One was the whole concept of regional development and how the federal government was going to approach it. This week the Minister of Intergovernmental Affairs (Mr. Ottenheimer) and the Minister of Development (Mr. Barrett) were in Vancouver for a development conference and, there was a statement given at that time, approved by Cabinet for the Minister of Intergovernmental Affairs and the Minister of Development to make and, later on this morning, I can have that statement tabled in this House to indicate our position on the whole question of regional development. Because that is a very, very key point in ongoing joint development opportunities and development agreements for the Province, like the ones we have signed now.

So we have not been quiet and we have developed a very firm and straightforward position as it

relates to regional development, which the Minister of Intergovernmental Affairs (Mr. Ottenheimer) can table.

On the question of numbers, we are in the process, urgently, of preparing the numbers. I have expressed concern on the whole question of transfer payments, and the indication in the budget of the number of, I think, \$2 billion for all the provinces by 1990. The whole question of transfer payments is of very real concern to the government.

Over the next couple of weeks we will be taking each one of those areas and making representations to the federal government - if it is a negative impact, what the negative impact is, and to try to get changes made.

MR. BARRY:

Do you not know whether there is a negative impact on balance?

PREMIER PECKFORD:

I do not have the numbers. You know, I am answering a question from the Leader of the Opposition (Mr. Barry) while he is sitting in his place. I am trying to answer his previous question, trying to be fair and reasonable and straightforward and open with the Leader of the Opposition.

In the preliminary statement that I issued, of which, obviously, the Leader of the Opposition has a copy, we expressed concern that there was on balance a negative influence upon Eastern Canada, particularly Newfoundland.

What I want to do now is to quantify what that is.

On regional development, and I am emphasizing that and transfer

payments because they are so broadly based they affect everybody, we are very, very concerned. And I will show the Leader of the Opposition just how concerned we are in the statement that the Minister of Intergovernmental Affairs (Mr. Ottenheimer) made at the development conference in Vancouver this week.

On the transfer payment thing, we are going to have to sit down with the other provinces, as well, later on. But we will get an early indication ourselves through our assessment of what it will mean over the next few years and then we will be expressing our concerns and aggressively pursuing them with the federal government.

MR. BARRY:

A brief final supplementary, Mr. Speaker.

MR. SPEAKER (McNicholas):

A final supplementary, the hon. the Leader of the Opposition.

MR. BARRY:

The Premier, I think, has now taken a step further than he took in his statement on Budget night.

On Budget night, the Premier made the point of starting off with the budget having certain positive impacts on Newfoundland and then, and only then, going on to say, 'and also certain negative impacts.' There was no statement with respect to how this budget impacted on balance. Other provinces are saying on balance it is negative for Atlantic Canada. It is time that the Premier of this Province took the position, clearly and unequivocally that whatever the positive impacts might be there, on balance it is bad for this Province.

PREMIER PECKFORD:

Mr. Speaker.

MR. SPEAKER:

The hon. the Premier.

PREMIER PECKFORD:

The Leader of the Opposition (Mr. Barry) has his opinion and he is entitled to it, and we have ours. But we are in the process, as I told the Leader of the Opposition, of doing a full assessment on it. We have just signed a \$180 million roads agreement, or will be signing it soon, we have announced three projects under it and we have other positive things that are happening between ourselves and the federal government. As it relates to this particular budget, there are a number of areas that deeply concern us. One is the whole question of transfer payments over the next five years as we get into a new Fiscal Arrangements Act with the Government of Canada and the other provinces. The other area is the whole question of regional development and how many additional agreements we can sign over the next few years to get our infrastructure up. Another big concern which we point out in our paper, as the Leader of the Opposition will see - and I am sure he agrees with me on this - is that the concept of attracting more money into investment through the private sector is philosophically a sound and good one for central Canada. What we want to see as part of the overall business of development is investment in the private sector. But the private sector in weak parts of the country is not as strong as the private sector in strong parts of the country and, therefore, we have always taken the position that we do in this paper, that you must have that

ongoing programme, which they are now relaxing under the tax credit side - \$500,000 and so on - and other measures that they have. But additional to that, on a part of that whole Canadian development philosophy, must be an ongoing regional development programme and we have said that and we will table the paper to indicate it. So, yes it is in the field of the indexation of senior citizens payments, it is in the area of regional development, it is in the area of transfer payments that we remain very, very concerned and we want to get firm numbers so that when we make our representations over the next few weeks and months to the federal government that we have our homework done and are ready to argue, from the point of view of actual numbers, of the impact upon this Province.

MR. SIMMONS:

A supplementary, Mr. Speaker.

MR. SPEAKER:

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

MR. SIMMONS:

Mr. Speaker, the Premier indicated that he had on budget night expressed some reservations. One of the reservations that got in print, to his credit, related to his concern about the increases in personal income tax and how it would affect low income earners. He will be aware that because of the piggyback way in which provincial personal income tax is calculated, as a percentage of federal tax, that the increases in federal income tax will trigger an increase in provincial personal income tax. Keeping that in mind, and his concern about how these increases are going to hurt low income earners, I wonder would he make an undertaking to the House

to take the appropriate steps to provide for an offsetting decrease in personal income tax to offset any increases that are forthcoming by the federal budget increases?

MR. SPEAKER (McNicholas):

The hon. the Premier.

PREMIER PECKFORD:

I understand the hon. member's question very well and that is why it was in that preliminary statement. We are going to quantify that and see. That is one area where, as a province, we can assist. If we just piggyback our percentage of the federal tax, if the federal tax goes up so much then our percentage in absolute dollar terms will get more, too. So that is one area we will have to look at as a Province, and it is a good question and one that we will address. That is one alternative that the Province can look at over the next few months as it relates to it. I appreciate the hon. member's question.

On the question of the surtax on the rich, I do not think it affects us. But in the general personal income tax field it does affect us and that is what the hon. member was referring to. I take his question in the seriousness in which it was made, and I can assure the hon. member that it is one area in our assessment that we will have to look at. You are taking so much disposable income out of an individual and, because we piggyback our percentage of that more amount, therefore there is room for the Province by itself to do something to alleviate the problem that is now being presented to us. It is a good question and I will ensure that it gets studied intensively.

MR. SPEAKER:

Before recognizing the hon. member for Windsor-Buchans (Mr. FLIGHT), I would like to welcome to the gallery Mr. Cecil Whitten and students from the Special Needs Upgrading Programme taking place at the Miller Centre.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

And I would also like to welcome thirty Grade VIII students, Mr. Sheppard, Mr. Budgell and Mr. Poole, from F. G. Bursey Memorial Collegiate.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. member for Windsor - Buchans.

MR. FLIGHT:

Thank you, Mr. Speaker.

My question, Mr. Speaker, is to the hon. Minister responsible for the Petroleum Directorate (Mr. Marshall), and the hon. House Leader. When will the House of Assembly get the legislation to implement the offshore agreement?

MR. SPEAKER:

The hon. President of the Council.

MR. MARSHALL:

Mr. Speaker, I am glad that the hon. gentleman has asked a question. The hon. gentleman is the critic for energy and this is the first question that he has asked me since the House opened. So I am very pleased to congratulate him on his new promotion to critic on energy.

The Atlantic Accord specifies that the legislation implementing the

Atlantic Accord will be introduced in the House of Assembly and the House of Commons within one year from the date of the Accord, which was February 11. I can advise the hon. gentleman that work is progressing with respect to the drafting of that legislation both here and in Ottawa, it is well underway at the present time, so it will be in within a year.

MR. BARRY:

Not during this session?

MR. FLIGHT:

Mr. Speaker.

MR. SPEAKER:

The hon. member for Windsor - Buchans.

MR. FLIGHT:

The minister seems to indicate that we are not going to get the legislation this session. There may be an excuse, I suppose, if the minister admits that we are waiting for full public discussion of the EIS before legislation is introduced. That is the thought on everybody's mind for all this waiting. So would the minister give an undertaking that there will be full public discussion on the EIS, or anything else relating to offshore, before the legislation is introduced? Is that why we are going to have to wait a full year for that legislation?

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

I know the hon. gentlemen there opposite, and his esteemed leader, do not like reading the Atlantic Accord because it causes them to rather swallow their tongues. It causes them a great deal of

discomfort. But if the hon. gentleman wants to read the Atlantic Accord he will see that the reason for it is plain. It says there clearly that within one year of the execution of this very historic document, both for Canada and for Newfoundland, that legislation will be introduced. So it has really no relationship to the Environmental Impact Study which is continuing. The Atlantic Accord will be put within a legislative framework in statutes of the Legislature of this Province as well as the House of Commons.

MR. FLIGHT:

A supplementary, Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the member for Windsor - Buchans, a supplementary.

MR. FLIGHT:

Mr. Speaker, we realize on this side, as do most Newfoundlanders, that Clause 54 is a terrible giveaway and will, if permitted to stand, deny forever the full benefits of our offshore oil to Newfoundland, and maybe that is the reason that the legislation is being delayed. But in view of that, Mr. Speaker, and maybe because of that, is it not time that the government gave the agreement some substantive form in legislation so that that Accord or that agreement can be properly debated?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, they dug some deeply. I mean, the Leader of the

Opposition (Mr. Barry) has dug and dug and dug and dug. Clause 54 protects the refinery.

MR. FLIGHT:

Answer the question.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please!

MR. MARSHALL:

The Minister of Energy, Mines and Resources (Mrs. Carney) of Canada, Mr. Speaker, has indicated that Come By Chance will get preference, and she did that on March 11 in the House of Commons. So it is only another red-herring the hon. gentlemen always attempt to throw across. Now how is this for a giveaway? The federal legislation -

MR. FLIGHT:

Talk about Clause 54!

MR. MARSHALL:

'The federal legislation implementing the Accord will' - this is clause 36 - 'permit the Government of Newfoundland and Labrador to establish and collect resource revenues and provincial taxes of general application as if these petroleum-related activities were on land.' That is some giveaway, is it not, Mr. Speaker?

And how about this for a giveaway, Mr. Speaker? If we want to talk about giveaways, clause 37 says, 'On the basis of the foregoing, Newfoundland will receive the proceeds of the following revenues: (a) royalties; (b) corporate income tax; (c) a sales tax; (d) any bonus payments; (e) rentals and licence fees.' And in case there is some other kind of tax that may be invented at any

time - guess what, Mr. Speaker? - there is another clause which says, 'Any other forms of resource revenue and provincial taxes of general application.' How is that for a giveaway, Mr. Speaker?

MR. FLIGHT:

A point of order, Mr. Speaker.

MR. SPEAKER (McNicholas):

A point of order, the hon. the member for Windsor - Buchans.

MR. FLIGHT:

Mr. Speaker, my question was specific to clause 54, so I would like the minister, instead of reading all the other wishy-washy clauses, to get up and talk about clause 54.

SOME HON. MEMBERS:

Oh, oh!

MR. SPEAKER:

Order, please! Order, please!

MR. MARSHALL:

Now we understand, Mr. Speaker, why the Leader of the Opposition (Mr. Barry) battened down the hatches -

MR. SPEAKER:

Order, please!

There is no point of order.

MR. MARSHALL:

- and appointed the hon. member critic for Energy, but told him not to say anything until now, some twenty days after the House opened.

Clause 54, Mr. Speaker? It is answered. It is a red herring from the hon. gentleman. We get all the revenues, Mr. Speaker, as if they were located on land. Come By Chance is completely protected under the agreement, and

every possible, conceivable interest of the people of Newfoundland, not just today but for generations yet to come, not just for Hibernia but for 700,000 square miles, are protected forever and a day. The same revenues, Mr. Speaker, as if they were on land; the right to determine the way in which development will occur; joint management; a \$300 million development fund; equalization benefits that are good for the people of this Province; enshrined in the Constitution; mutual and parallel legislation.

And the hon. gentleman's leader, with his friend Mr. Chretien and what have you, wanted to give it all away; all the revenues were to go to Ottawa after we had gotten our equalization payments. There was to be no joint management at all. There were to be three federal and two advisory provincial people. If you want to talk about a giveaway, look within yourselves. The people who were prepared to betray the interests of the people of Newfoundland should not have the consummate gall to get up and ask questions such as that in this House.

SOME HON. MEMBERS:

Hear, hear!

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, I have a question for the Minister of Labour (Mr. Blanchard). I wonder if the Minister of Labour knows, or if anybody knows, what is the main issue in dispute in the present

strike/lockout situation between the breweries and the unions, a labour dispute, Mr. Speaker, which is long and drawn out and appears to be reaching a crises situation?

MR. SPEAKER (McNicholas):

The hon. the Minister of Labour.

MR. BLANCHARD:

Mr. Speaker, there is no simplistic answer to the hon. member's question. There are a number of issues, some of them may be real issues, some of them may be smoke-screens. Some people think that the introduction of cans into the industry may be a complicating factor. One of the complicating factors, Mr. Speaker, is the change of affiliation of the unions. I can advise the hon. member that while no actual face-to-face negotiations have taken place over the last several days, behind the scenes efforts are being carried out to try to remove some of the complicating factors. For instance, the change of affiliation of two of the locals at two of the breweries is causing some problems and we are looking for a methodology of getting them back to the table.

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, it is always with some degree of caution and prudence that I question the minister on a labour dispute because the process has to be followed, but I only do so when it appears that the industry is in trouble or that the strike having a negative impact on the provincial economy or that one

side or the other seems to be being treated unfairly or unjustly. With that in mind, is the minister aware that the employees in this dispute feel that they are disadvantageously placed because of both inappropriate and inequitous application of certain provisions of collective bargaining regulations to the benefit of the employers? Has the minister discussed this point with the employees? I suppose what I am asking is is the dispute being played out with the rules equally applied for both sides?

MR. SPEAKER:

The hon. the Minister of Labour.

MR. BLANCHARD:

Mr. Speaker, I am unaware of any unfair application of the rules. I do not really know, maybe the hon. member wishes to clarify his question. But there is a strike, in one case, at one of the breweries; and at the other two breweries it is a lockout. But there are equal rights for unions and employers in the act. In the case of the strike it is legal, and in the case of the lockout it is legal. There are countervailing provisions in the law for that. But other than that, Mr. Speaker, I know of no other ways in which he might think that there is an unfair use of the regulations.

MR. LUSH:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, there can be no doubt that this is a very serious strike, as I indicated earlier,

and it is reaching a crisis situation. Now we have an entire industry that has been brought to a standstill resulting in the loss of millions of dollars to the provincial economy, loss of dollars to workers, and businesses closing. So it is a very serious situation. Sir, there are provisions in the act, in the labour laws of this Province for the minister to act in such a situation. I am wondering whether the minister intends to use the powers given him in this act to see if we cannot get this strike situation resolved, to see if we can get this industry back on the rails again?

MR. SPEAKER:

The hon. the Minister of Labour.

MR. BLANCHARD:

Mr. Speaker, there are, indeed, provisions in the act that can be used by the minister to help resolve disputes. I know precisely, I think, what he is thinking about, he is probably thinking about the provisions in Section 136. This is an industrial matter that has implications for the whole of the industry. I appreciate, Mr. Speaker, his prudence in recognizing that we cannot negotiate in public and we cannot give details of matters, but I would go so far as to say to the hon. member that both parties are aware that if there is any purpose in the appointment of an industrial enquiry commission under the provisions of Section 136, then one would indeed be appointed. But to this point, Mr. Speaker, there has been no indication that an industrial enquiry, which involves the expenditure of funds, would make any real difference to this dispute. But as soon as there is

an indication that something of that nature can be beneficial, we are ready to move on it, Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. member for Port de Grave.

MR. EFFORD:

Mr. Speaker, my question is directed to the Minister of Fisheries concerning the ever ongoing problem of the sealing right across this Province. For the past couple of years state of the sealing industry has been affecting the income of fishermen, the income in the private sector. Now it is causing another very serious problem. Just recently out in my district a fishermen hauled his gill nets and had a very large number of seals in his gill nets which destroyed them. Is the Minister of Fisheries (Mr. Rideout) aware of this problem and does he have a proposal to curb this problem before it gets any larger than it now is?

MR. SPEAKER:

The hon. Minister of Fisheries.

MR. RIDEOUT:

Mr. Speaker, I am glad to see that there is somebody on the Opposition side of the House who is expressing publicly a concern for sealing and the sealing industry. Because when the royal commission was here, Mr. Speaker, nobody from the Opposition appeared.

MR. TULK:

A point of order, Mr. Speaker.

MR. SPEAKER:

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

MR. BARRY:

We made it before you made yours,

the first day in the commission hearings.

MR. TULK:

Mr. Speaker, I knew when that question was raised by the member for Port de Grave (Mr. Efford) that the Minister of Fisheries was going to stand on his feet to make that point. But let me tell him that the Leader of the Opposition (Mr. Barry) and I made a trip to Montreal in early April and made our representation long before anyone else in this Province did. So stay on the point.

SOME HON. MEMBERS:

Oh, oh!

PREMIER PECKFORD:

To that point of order, Mr. Speaker.

MR. SPEAKER:

Order, please! To that point of order, the hon. the Premier.

PREMIER PECKFORD:

We know the hon. member is just trying to make a speech but just let me ask, seeing he did try to make a speech why did he not make it in Newfoundland? We do not have to go to Central Canada to defend our sealing industry. We can defend it right here in our own Province.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

Order, please! Order, please!

MR. BARRY:

To that point of order, Mr. Speaker.

MR. SPEAKER:

To that point of order, the hon. the Leader of the Opposition.

MR. BARRY:

It is the same sort of silliness that we had from the Premier when he refused to sign a federal/provincial agreement with - I think it was Mr. Pepin - the Minister of Transportation. He would not go down to Hotel Newfoundland, Mr. Speaker, because he said it should be signed at the seat of government. Where was the so-called Atlantic Accord signed when there was a Tory Government in? They were very quick to jump down to the Hotel Newfoundland to sign an agreement. It is the position of this party, Mr. Speaker, that it does not matter where an agreement is signed, it does not matter where a presentation is made. The Premier should be more concerned with what is in the presentation and whether it is of benefit to the sealers of this Province than that silliness of saying there is a difference in making the presentation in Montreal as opposed to making it here in Newfoundland. What nonsense!

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD:

To that point of order, Mr. Speaker.

MR. SPEAKER:

Order, please! I have heard enough on that point of order. There is no point of order. The hon. the Minister of Fisheries.

MR. RIDEOUT:

Mr. Speaker, all I can say is that I was very pleased to go down and rub shoulders with sealers and Newfoundlanders and everybody and present a position on behalf of this government to that commission.

Now, Mr. Speaker, to get back to

the hon. gentleman's question, he asked me if I was aware of the particular problem, no I am not. I am aware of a problem in general that of course if there is an over population, a growth without any control in the seal fishery, then you are going to have problems like the hon. gentleman has referred to. We are going to have problems with managing cod stocks because if the seal overpopulation gets out of hand, then it is going to cause problems in that regard, it is a problem as far as parasites are concerned in the cod stocks and the other fisheries. So there is a whole big problem there that perhaps not very far down the road, Mr. Speaker. We are doing everything we can as a government, the federal government has been helpful and the Sealers' Association has been helpful, all trying revitalize the industry. But even doing all of that there is a big problem there that may have to be faced in the short term. There may have to be a cull of that seal herd. That is something that we addressed in our brief as well. If the hon. gentleman has any particular specifics as far as losses or something in a particular part of his riding, then I would be quite happy to have a chat to him about it behind the curtain, and I will have my officials look into it. And if there is any way that we can help him, or help his fishermen, then we will be glad to do so, Mr. Speaker.

PREMIER PECKFORD:

If the Royal Commission never came to Newfoundland they would be complaining.

MR. EFFORD:

Mr. Speaker, a supplementary.

MR. SPEAKER (McNicholas):

The hon. the member for Port de Grave, a supplementary.

MR. EFFORD:

I am glad I got an answer, Mr. Speaker, to the question. It seems like every time you stand up you hear a lot of nonsense about a question. Would the minister consider putting a proposal to the Federal Minister of Fisheries and Oceans (Mr. Fraser) to put a bounty on the hunting of seals which would help to curb the over-populated seal herds and, also help to supplement the income of fishermen?

MR. FLIGHT:

A good question.

SOME HON. MEMBERS:

Hear, hear!

MR. EFFORD:

Also, right now it is very difficult for a fisherman who has not had a sealing licence in the past three or four years to obtain a licence. Would he also consider putting forth a proposal that all fishermen would be given easy access to obtaining a sealing licence?

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

The hon. Minister of Fisheries.

MR. RIDEOUT:

Mr. Speaker, the idea of a bounty is not something new. It was not first brought to issue or brought to light here today. The fact of the matter is, Mr. Speaker, that we addressed that issue in the presentation that I made to the Sealing Commission a couple of weeks ago.

SOME HON. MEMBERS:

Hear, hear!

MR. RIDEOUT:

Mr. Speaker, the fact of the matter is that Prince Edward Island addressed it. There are other provinces that addressed it while here in our Capital City to make their presentation to the Sealing Commission.

Now, Mr. Speaker, we have already indicated to the federal government that there is something going to have to be done and perhaps have to be done in the very near future, not in the long-term, to control that seal herd. We have told them that. If that takes a bounty, if that takes a cull, whatever form it takes, we have already made our position known. We have already made our position clear. We have to do something perhaps over the very near future to try to control that herd. So we have made our views known to the federal government. We have made representation to federal government. We have done it jointly with the Sealers' Association and anybody else that is interested. We told the Royal Commission the same thing.

Now on the matter of licencing, Mr. Speaker, it is something that would have to be addressed in a broader context. If there is no economic advantage for a fisherman to go kill a seal, then there is not much point giving him a licence. Now if there is a bounty replacing a commercial hunt, then that is a different matter, and I would assume that there would be a kind of a quota that could be shared up between anybody that is a bona fide fishermen or not. But to give somebody a licence when there is no economic advantage to them killing something, that is one matter. But the matter of

licencing, extension, or giving more licences is something that we can very readily support as far as this particular sector of the fishing industry is concerned.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

Order, please!

The time for Oral Questions has elapsed.

MR. BARRY:

A point of order, Mr. Speaker.

MR. SPEAKER (McNicholas):

A point of order, the hon. the Leader of the Opposition.

MR. BARRY:

During the course of answering either the last or the second last question, the minister spoke in terms of being happy to go down to the Hotel Newfoundland to rub shoulders with representatives of the sealing industry. I wonder if the minister and the Premier, who implied there was something bad about going to Montreal to make a presentation, is aware that the executive of the Canadian Sealers' Association were all up in Montreal making a presentation - Kirk Smith, the director, Mr. Mark Small, Mr. Chesley Coish, Mr. Harold Small and Mr. John Melendy - because they realized it was a matter of some urgency. Rather than waiting three or four months, they wanted to make the presentation as quickly as possible. I wonder if the Premier and the Minister of Fisheries (Mr. Rideout) were implying there was something wrong about those Newfoundlanders going to Montreal to make a presentation to the sealing commission.

PREMIER PECKFORD:

To that point of order, Mr. Speaker.

MR. SPEAKER:

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

PREMIER PECKFORD:

There is no point of order. We hit a sore point. The Liberal Opposition are always arguing about things happening outside of Newfoundland, now, when a Royal Commission comes to Newfoundland, they take off to Montreal. The Sealers' Association was down at the Hotel Newfoundland and they were also in Montreal. We have hit a sore point. The Liberals now have a new approach. The way to address the problems of Newfoundland is to go to Montreal.

SOME HON. MEMBERS:

Oh, oh.

MR. SPEAKER (McNicholas):

Order, please!

I must rule there is no point of order.

Answers to Questions for which
Notice has been Given

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. RIDEOUT:

Mr. Speaker, a few days ago the hon. gentleman from Fogo (Mr. Tulk) asked me a question about certain lights in the Musgrave Harbour area that had not been working so I had the officials in the department check this with the

Canadian Coast Guard and they advised us that the light in Lumsden was repaired this week by an aides technician and that also the range light in Musgrave Harbour was scheduled to be repaired this week. So I hope that information is of some benefit to the hon. gentleman that the work has been done.

Petitions

MR. EFFORD:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the member for Port de Grave.

MR. EFFORD:

Mr. Speaker, I have a petition to present on behalf of the Marysvale local school committee in Georgetown. This school is presently being threatened by transferring two grades from Marysvale to Brigus school. Just recently this last year, or two years ago, Georgetown had the same problem as the adjoining community where in one year they transferred students down to Brigus transferred them back to Georgetown, again transferred them back to Brigus and the same year transferred them back to Georgetown - three times in the one year. Now the people in Marysvale and Georgetown realized that what is happening now is if these grades are transferred out of school in Marysvale, the school is going to be completely closed and there will also be a loss of jobs in the school.

So, I present this petition on behalf of the people of that area and also to state the fact that if the school students who were

transferred from Georgetown to Brigus were put back into the Marysvale school, which is only one mile away, this school would be able to be kept open. Also, it would be a great savings on transportation. I have here the petition to read.

"We, the undersigned, demand that the elementary students in Grade IV and V remain at Our Lady of Peace School, Marysvale, and we do not wish to have our children transferred to Brigus." Also we have the same petition from the people in Georgetown. So I would like to present this petition to the House.

Thank you.

MR. BARRY:
Mr. Speaker.

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

MR. BARRY:
Mr. Speaker, I would like to rise in support of that petition. Having gone to school in Brigus, I can remember those years, before the advent of school buses, very, very small children walking the distance from Georgetown and Marysvale to Brigus. Now that must be five miles. They would walk that Winter and Summer, Mr. Speaker, and, while I am sure there was a lot of cold and hardship suffered, I am not sure in the long run they were any the worse off for it in terms of health. But, Mr. Speaker, those days are gone now and at least people have a choice as to whether they are going to walk, as opposed to having to walk to get to school. We now have the bus transportation system.

Mr. Speaker, the point is that we still have two communities, Georgetown and Marysvale, that are entitled to have school facilities provided, particularly for the younger children. Mr. Speaker, we would ask the Premier, the Minister of Education (Mr. Hearn) and government generally to look very favourably upon this request by the people of Georgetown and Marysvale to let them have a school for the lower grades, for the smaller children, that will be close to the community where the children will be able to go back and forth for lunch, they will not have to spend as long away from their homes as they do with bus transportation being provided, where they leave very early in the morning and do not get back until very late in the afternoon. We would ask, Mr. Speaker, that the Premier or the Minister of Education or somebody from the other side give an indication as to whether or not they find in this petition something they can support.

MR. HEARN:
Mr. Speaker.

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

MR. HEARN:
Mr. Speaker, I would like to thank the hon. member for bringing this petition to the House. When we talk about closing schools or transporting students from one school to the other, it is a problem for the school board involved. I have been told by one of my colleagues that there is not indication from the board that they intend to close the Marysvale school. I do know that out in rural Newfoundland we have had, over the past number of years, a fair amount of movement from

smaller areas to larger centers etc., for centralization reasons, and also because of declining enrollments.

That is a big concern to the school boards involved, the loss of jobs concerned. I presume we are gradually losing some jobs in our school system because of declining enrollment, but usually with people retiring and so on, however, it does not mean the loss of actual people who want to stay in the profession. When children move from one school to another, quite often the teachers are also moved somewhere within the system and we do not have a direct loss of jobs.

I know it is a concern of parents, in particular, to see children moving from their own area to another area. It always has been. Sometimes the boards try to accommodate the wishes of all people, sometimes it is almost impossible under the system under which they operate. I will certainly have our people made aware of that, and wherever we can help out in those situations, we always do.

Orders of the Day

MR. OTTENHEIMER:
Committee of Supply.

On motion, that the House resolve itself into Committee of Supply, Mr. Speaker left the Chair.

Committee of Supply

MR. CHAIRMAN (Greening):
Order, please!

DR. COLLINS:
Mr. Chairman.

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

MR. MARSHALL:
If I could, Mr. Chairman, before the Minister of Finance begins.

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

MR. MARSHALL:
Yesterday, when we adjourned, I asked, for the guidance of the Committee, the time remaining in Committee of Supply, and I wonder whether we could have that addressed.

MR. CHAIRMAN:
The time remaining is five hours and fifty-two minutes.

MR. BARRY:
Five hours and fifty-two minutes. Now, will the Chair indicate whether the time in Interim Supply has been deducted?

MR. CHAIRMAN:
Yes, it has.

MR. BARRY:
Mr. Chairman, I rise on a matter of privilege. We would ask that the Committee refer this matter back to the Speaker, because we feel that this is taking time away from the Opposition which we should have to debate the estimates. We submit that the time spent on Interim Supply -

MR. MARSHALL:
You have asked the Chair -

MR. BARRY:
Well, I would like to suggest to that, if you do not mind - if the Government House Leader (Mr.

Marshall) would just observe the rules and keep quiet until I have finished -

MR. MARSHALL:

That is what I am trying to get you to do.

MR. BARRY:

- I just want to make the Chair aware of the problem so that he can properly convey it back to the Speaker. It is our position that the time spent debating Interim Supply before the Budget Speech does not come out of the time that the Standing Orders say applies to the estimates.

MR. MARSHALL:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the President of the Council.

MR. MARSHALL:

The hon. gentleman rose on a point of privilege. I assume he wants the Speaker called back so we can refer the point of privilege back to him.

I move that the Committee rise and that the Committee Chairman (Mr. Greening) report that the Leader of the Opposition (Mr. Barry) has raised a point of privilege.

MR. BARRY:

Do you want to resolve it here.

MR. MARSHALL:

Fine, if you want to argue it further.

MR. BARRY:

No. If you are prepared to give us the time, fine. If not, bring back the Speaker and we will have a -

MR. MARSHALL:

No. I mean, the precedent is there. There has been a precedent of the House with respect to this. The reading of Standing Order 116 (2) is clear.

MR. BARRY:

Clear my foot!

MR. MARSHALL:

We will go back and have a ruling in the House on it, then.

MR. CHAIRMAN (Greening):

The Committee will rise and report to the Speaker that the Leader of the Opposition (Mr. Barry) has raised a point of privilege.

MR. SPEAKER (McNicholas):

Order, please!

The hon. the member for Terra Nova.

MR. GREENING:

The Committee rises to report that the hon. the Leader of the Opposition has risen on a point of privilege.

MR. SPEAKER:

The hon. the member for Terra Nova (Mr. Greening) reports that the hon. the Leader of the Opposition rose on a point of privilege.

The hon. the Leader of the Opposition.

MR. BARRY:

Yes, Mr. Speaker, it is a technical point, but it is a point that is fairly important to the Opposition in terms of permitting us to do the job for which we have been elected, and which the Opposition must do, and that is to ensure that the estimates of government spending see the light of day and that they obtain a sufficient examination by this House to ensure that there are no expenditures for improper purposes

and so forth.

Now, what we are dealing with here is the amount of time to debate the main estimates now that the budget has been brought down. The Government House Leader (Mr. Barry) and the Chairman of the Committee has decided that the time that has been spent in debating Interim Supply should be deducted from the time spent debating the main estimates. Now, the Government House Leader relies upon 116 (2) which says, "For the purposes of Standing Order" - well let us read 116(1) first, "The procedure in Committee of Supply shall be limited to not more than seventy-five hours to be reduced in accordance with the provisions of this Part." Okay, that is fine. Now, then we go on to 116 (2). "For the purposes of Standing Order 116 (1) "Committee of Supply" includes the Committee of Supply on the main estimates and on Interim Supply forming a part of the main estimates."

Now, Mr. Speaker, we would submit that Interim Supply brought in before the Budget Speech and before the estimates cannot form part of the main estimates because the estimates were not even heard of when Interim Supply came in. The estimates were just a twinkle in the eye of the Minister of Finance (Dr. Collins) at that point in time, a figment of his imagination. There was no main estimates when the Interim Supply Bill was placed before this House, so how could that Interim Supply be considered as forming part of the main estimates? Now what this sub-section deals with, Mr. Speaker, is the case where the Budget Speech is being held, where the estimates are before the House, but where government then comes in with an Interim Supply

Bill because they know that the main estimates are going to be debated for two, three, four weeks or longer, and, in the meantime, they need to expend money to keep government going. So you debate Interim Supply at that point in time, and it makes sense, then, to take that away from debate on the main estimates, because we have the main estimates in front of us and we have all the information. But to take away debate on Interim Supply when we have no idea what is going to be in the main estimates, Mr. Speaker, is a serious infringement of the ability of the Opposition to give to the estimates the scrutiny that they should have for the protection of the public interest. Now, Mr. Speaker, it is bad enough that this House at some point in time, in the deep recesses of history, four or five years ago, voted to - it is longer than that now, I guess, it is about seven or eight years ago. I think it was 1979, six years ago. It is bad enough, Mr. Speaker, that a lot of the estimates were taken out of the House and put into committee.

The little devils are not up there again, but I am going to wait until they come back. The press of this Province is falling down on the job, Mr. Speaker. We were here in the House last night and there was not a single representative of the press to deal with the matters that were being brought up in the course of going through the Department of Social Services estimates. So it is bad enough that we have some time put off in Committee which is not getting coverage from the press, is not getting the attention that can keep the public informed, but, Mr. Speaker, we cannot afford to have the number

of hours of debate limited by this type of legal pettifoggery that we are seeing from the Government House Leader. It is a pure matter of statutory interpretation, Interim Supply forming a part of the main estimates. How can Interim Supply form a part of the main estimates when the main estimates are not even before the House when Interim Supply is brought down.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (McNicholas):

The hon. President of the Council.

MR. MARSHALL:

Forsooth, Mr. Speaker, I honestly thought the hon. Leader of the Opposition's (Mr. Barry) eyes were going to pop out on the floor of this Assembly. I mean, the Hon. Leader of the Opposition should understand that he is developing a reputation, really, of a paper tiger, and that is probably the reason why the press is not hear to hear him.

Now, it is there and it is plain, Mr. Speaker, in Standing Order 116 (1) and (2). Standing Order 116 (2) reads, 'For the purposes of Standing Order 116 (1)' which says it will only be 75 hours in Committee of Supply, "Committee of Supply", that is the definition of it, 'includes the Committee of Supply on the main estimates and on Interim Supply forming a part of the main estimates.' Now, if the hon. gentleman could contain himself the fact of the matter is, first of all, I would point out that Interim Supply, generally and by precedent in this House, although it is not necessary, Interim Supply is usually concluded and passed always before the budget is brought in.

Secondly, we have the precedents of this House, now built up over the past six or seven years, since this measure has been brought in, that Interim Supply is concluded. That would answer fully and sufficiently, I think, the hon. gentleman's point without me having to embarrass him as to his incorrectness and his interpretation of the statute. But the fact of the matter is, how can the bill that was passed on Interim Supply be anything other than Interim Supply, forming part of the main estimates? For this purpose, for this reason, first of all it says, if the hon. gentleman wants to read the relevant clause, Clause 2, 'From out of the Consolidated Revenue Fund there may from time to time be issued by the Minister of Finance sums not exceeding six hundred and forty-eight million nine hundred and nineteen thousand five hundred dollars (\$648,919,500) and the said sums so issued' - now, get this, Mr. Speaker, get this the hon. Leader - 'shall be paid and applied by the several Heads of Expenditure in respect of the financial year extending from the first day of April one thousand nine hundred and eighty-five to the thirty-first day of March one thousand nine hundred and eighty-six towards defraying the charges and expenses of the Public Service of Newfoundland as set forth in the schedule.' So what else is the Interim Supply but related to the main estimates? Similarly, Mr. Speaker, I do not know the gigantic amount, I do not have it in the budget, the total expenditure for the year, that the Minister of Finance (Dr. Collins) brought before us, but say it was \$2 billion.

DR. COLLINS:

Here is the gross.

MR. MARSHALL:

Yes, Mr. Speaker, \$2,452,883,500, and that other amount of \$600-odd million is not additional to that, it is included in that \$2.4 billion. We are not asking for \$3 billion, we are asking for \$2.4 billion. So it is clearly Interim Supply on the main estimates. It was known at the time. We meet this kind of argument in the House at all times when Interim Supply comes. We counsel the Opposition and we say that it is to be deducted from the time of the main estimates, and they know that. They get full and sufficient means of debate. This government has been very open in giving full and sufficient means of debate. We have referred to committees which were established in order to make the budgetary process more effective, eighteen departments, we are going to have nine hours afterwards of Concurrence Debate, we had four hours in Interim Supply, and we are going to have a total of six or seven hours on Consolidated Fund Services. Mr. Speaker, there is ample opportunity to do it, but also, and the point is this, the hon. gentleman's point of privilege, or order, or whatever it is - I think it is more appropriately a matter of order, but I am not going to get niggly about that - he is incorrect, this is Interim Supply on the main estimates and in accordance with Standing Order 116.(2), that time of four hours and fifty-one minutes that the Clerk gave us is to be deducted from the main time in Committee of the Whole.

SOME HON. MEMBERS:

Hear, hear!

MR. SIMMONS:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the member for Fortune - Hermitage.

MR. SIMMONS:

Mr. Speaker, the frightful thing about watching the President of the Council (Mr. Marshall) perform is that he believes his own bile. That is the frightful thing about it, because all of this convoluted talk about these dollars being part of the total bill we have to pay, nobody is begging that point, Mr. Speaker. We understand it if under authority through Interim Supply procedures you get certain authority to spend. We understand that it runs up the total bill that the Minister of Finance (Dr. Collins) has managed to run up - not guess very accurately, but keeps running up. We are not saying that it comes out of some other pocket or from the Red Cross or the Salvation Army, that is not what we are saying at all. We are zeroing in on two issues. The first is in 116 (2). Surely, the framers of 116 (2) had a reason for saying: 'Interim Supply forming a part of the main estimates' as opposed to having said 'Interim Supply', period. And, as my hon. friend has so well made the distinction, it is a very different situation when you have Interim Supply being brought forward here before the advent of the estimates to the House, and Interim Supply which interrupts the deliberation of the main estimates because of a deadline that has to be met to meet the financial obligations of the government. The term in 116 (2) 'main' to qualify estimates - these are not just the total estimates for the year, we are now dealing with the main estimates, as opposed to what was dealt with at another time called the Interim Supply, and the terms help to make

the distinction one from the other, except in that very special case that my hon. friend referred to, where, during the deliberation on 'main' estimates, on the overall estimates, we interrupt that proceeding to devote intangent, if you like, to divert ourselves to deal with an immediate pressing issue put to us by the government, the question of Interim Supply to meet deadlines in terms of financial commitments.

For those reasons, Mr. Speaker, I submit to you, we have the qualified phrase in 116 (2). The drafter did not say interim supply, period, which would connote both cases of Interim Supply that the Leader of the Opposition (Mr. Barry) referred to. The writer did not stop there. He qualified the type of Interim Supply he was talking about, 'Interim Supply forming part of the main estimates.' Now, Mr. Speaker, that is the first of the two points I wanted to make to you.

The second one is that I believe we really ought to call spades spades. This has nothing to do with who is technically right or wrong, this is another device, of which we have seen many in this session and in past sessions, ever since the gentleman for St. John's East (Mr. Marshall) has been associated with the process, a muzzling process, smiling all the way, showing what a great, magnanimous person he is, and all the way laughing up his sleeve because he has managed to con the Assembly one more time, he has managed to muzzle some more; he has managed to see that the escalating debt is not held up to any more scrutiny than possible. If he is so much for all this open government he is talking about, if

he wants to practice magnanimity, why does he not stand up and say, rules aside, Mr. Speaker, whatever your interpretation, let the Opposition have the extra time that was chewed up on Interim Supply. In case there is any misunderstanding, let us be magnanimous. We want a full hearing of the public accounts of this Province. Why does he not do that? Because, Mr. Speaker, that puts the lie to what he is really up to.

MR. BARRY:

What is he trying to hide?

MR. SIMMONS:

He is trying to hide the bungling of the Minister of Finance (Dr. Collins), who cannot even predict the deficit from day to day. Oh, he can predict it. It is a different prediction every day for that matter. Now, Mr. Speaker, I appeal to him to use a little fair play for a change instead of standing on technical argument all the time. We need time to expose what this government is doing in bungling the accounts of the Province, bungling the fiscal management in this particular Province. Give us that time, even if it means allowing a broad interpretation of the rules. Without that, Mr. Speaker, I submit to you, as I did a moment ago, that a narrow interpretation of 116 (2) in all fairness suggests that we are not talking here about Interim Supply, but Interim Supply which would come during the normal course of debate on the main estimates. This has not been the case in this particular session, they proceeded in bringing down the budget. So I say to you, Mr. Speaker, as my colleague has said, 116 (2) does not apply here. And I submit to you that the time remaining of the

seventy-five hours ought not to have subtracted from it the time we spent on Interim Supply.

MR. SPEAKER (McNicholas):
Order, please!

I have heard enough on that point of order to make a few observations. Now, I want to thank the three hon. gentlemen for their comments. I think I understand quite clearly the point the hon. the Leader of the Opposition (Mr. Barry) is making, that Interim Supply was already decided on before the Budget Speech was introduced and that there could be two different entities. I would like to consider that. I do not think there is an absolute urgency, we are not near our seventy-five hours at the moment, and I would take it under advisement, consider it over the weekend and rule on the matter on Monday.

SOME HON. MEMBERS:
Hear, hear.

MR. MARSHALL:
Committee of Supply, Mr. Speaker.

MR. CHAIRMAN (Greening):
The hon. the Minister of Finance.

DR. COLLINS:
Mr. Chairman, no matter what just transpired, we are still on Consolidated Fund Services. Just let me make a point or two before we get back into the give-and-take across the House.

The first point I would like to make is that it is said, especially by our opponents opposite, that the public are very concerned about the level of public debt in this Province, that there is uproar out there, there is great consternation, everyone

is fearful about their future and the future of their children and all this sort of hyperbole and so on. Well, now, I kept an ear out for the media and I had a quick look at whatever written media I could lay my hands on in the interval, and despite what I took to be a reasonably good debate on the public sector debt yesterday, I did not hear a word about it. I did not hear a single, solitary word. So where all this concern is I do not know, it must be buried under some rock or other.

We went into the public sector debt, the direct debt, the guarantee debt is some detail yesterday and I think there were some interesting points brought out and even some points that might be subject to further scrutiny. But certainly it did not ring a bell with the public insofar as the media presented public concerns, because, as far as I know, there was not a word about the thing. Now, of course, I am not too surprised on that, because I do not believe the public is concerned about the level of public debt or the way the public debt is being handled in the way that the hon. members imply. Obviously, no one likes debt, but there is not that public concern about how the debt is being managed, how it is being handled, what the future has in store for this Province in relation to its public debt. They obviously would prefer we had no debt, but they are quite happy the way the public debt is being handled in this Province. I think it is a lot of hyperbole and a lot of rhetoric to have this point brought out whenever we get down to the financial matters of the Province, that the people out there are terribly upset and they want people discharged from their

offices, they want government to fall and all this sort of stuff.

Now, Mr. Chairman, getting back to some of the points we made yesterday, and this, I think, underlines what I have just said in regard to public confidence in how the financial matters of this Province are being handled, we found out as we went along yesterday that the public sector debt, in actual fact, is a declining quantity if you relate it to total personal income in this Province. I think that is a significant point. In other words, in 1977 the total public sector debt was 87.6 per cent, if you relate it to the total aggregate personal income in this Province, where as in 1983 it was 69.6 per cent. There was a significant drop, from 87.6 per cent down to 69.6 per cent. And if you relate that to what has happened in certain other provinces, and we tend to compare ourselves, I suppose, most closely, usually, with the Maritime Provinces, if you relate that trend to their situation, you find that their trend is upward. Our trend is downward and their trend is upward. I am not saying that we have reached the level that they have yet, we still have a greater percentage figure in this Province, but we are getting down to their level or they are getting up to our level, whichever way you want to look at it, and, in actual fact, it was a combination of both. Similarly, Mr. Speaker, in the debate yesterday in Committee we found that if you relate the public sector debt to the Gross Domestic Product in this Province, that is the value of all the goods and services produced in this Province, we find that in 1977 the figure was 88 per cent, and in

1983 it was down to 68.9 per cent, again a significant drop. And if you compare it with our Maritime neighbours you find will that their trend is gone upwards. For instance, Nova Scotia went up from 43.7 per cent up to 53.9 per cent. Theirs was up, ours was down. Then if you look at it on a per capita basis we have still a higher level of public debt per capita, per head of population than the other provinces. But our rate of growth in the last six or seven years was of the order of 6.7 per cent annually. The compounded rate of growth was about that order, 6.7 per cent. In the Maritimes it was around 12 per cent to 13 per cent. So our rate of growth on a per capita basis was approximately half what the Maritime Provinces have been showing.

Now, I do not want in any way to imply that we are satisfied with the present situation. We still have a high level of debt. It is controllable, it is being controlled, but we still have a high level of debt and it is a costly item in our budget, a very costly item. The cost in this Province, because of that high level of debt, is greater as a percentage of our budget than in the Maritime Provinces. It is a greater cost in this Province on a percentage basis of our total budget than the Maritime Provinces. But if you look at the spread between the cost to us and the Maritime Provinces, over time you will find that that spread is narrowing and that is another index that we getting our debt situation under control, or we are handling it. For instance, the spread in 1981 between ourselves and Nova Scotia in that regard was 6.5 per cent. In other words, the percentage in our budget for our

debt services charges was such and such a figure and Nova Scotia in their budget was 6.7 per cent less. In 1984 that spread has diminished to only 2.3 per cent. In other words, the percentage costs in our budget is only 2.3 per cent, not 6.5 per cent as it was in 1981.

In absolute terms the percentage is still high in this Province and this is why we still have to maintain a very tight control on our public financial matters. If you want to look at it in absolute terms, for 1984 the public sector debt percentage, or ratio as it is called, was 16.1 per cent in this Province whereas in Nova Scotia it was 13.8 per cent. So we still have a serious concern regarding the level of our annual cost of servicing our debt. But it is improving, at least if you want to compare us with other provinces. And if you want to use the other indicies I mentioned, we are still getting along reasonably well in that regard. We have to be sure, though, that we do not relax unduly and get into large expenditure programmes before we have in our hands the additional funds to handle them. In the present budget we have relaxed our capital expenditure somewhat because we could see that things are improving. The economic activity in the Province has improved; it improved last year, we are projecting that it is going to improve again this year, and our near-term prospects for economic growth are, shall we say, more certain now, related to the things like the Atlantic Accord, related to things like the improving structuring of the fisheries, and certain other matters, so that with that near-term comfort we have been able to relax our capital budget

somewhat and in this time of unemployment that is important.

Mr. Speaker, I think the hon. the Leader of the Opposition asked me something that I may not have answered yesterday. I believe this is right, but he can correct me if I am wrong in it. I think he asked me about the percentage of our annual borrowing, the percentage related to our total provincial expenditures. I believe that was the question he asked. I have those figures now if he is interested in them. I might mention that there is not a smooth trend line in that, because what we borrow in any year, to some extent is related to our level of debt redemptions and these vary from year to year. It has nothing to do with what is going on in any particular year. They might even relate to ten years ago - what did you borrow ten years ago and when do you have to pay it back? So our redemptions are not closely related to what is going on in our budget in any one year.

MR. CHAIRMAN (Greening):

Order, please! The hon. minister's time has elapsed.

DR. COLLINS:

If the hon. Leader of the Opposition wishes to have those figures, I have them available.

Thank you.

MR. CHAIRMAN:

The hon. member for Fortune - Hermitage.

MR. SIMMONS:

Mr. Speaker, the minister was talking when the Committee rose yesterday and he only shut up now because you came to our rescue. You see, Mr. Speaker, it is part

of the tactic by the government to, first of all, take the 75 hours which, by itself, is not an awful lot of time to talk about the squandering of this government. But that aside, leaving out the pejorative terms, to talk about an amount of money so large as a couple, or \$3 billion. So were sent me to scrutinize these amounts, and we ought to have fair time to do it. Seventy-five hours is not fair time, but that is what is in the rules. But, then, once you get the rules on paper then you have this ongoing perversion of the rules, muzzling in every way, every possible tactic. They must have camp meetings over there on filibustering.

And the net affect, Mr. Chairman, is that the people of Newfoundland are very ill serviced by the process we are now going through.

MR. J. CARTER:

Criticizing (inaudible) just now. That is what we are going through.

MR. SIMMONS:

Now, Mr. Chairman, being a Newfoundlander who sometimes gets a little annoyed about the bad weather, I dream of good weather once in a while. But I have an extra reason for dreaming of good weather. I dream of it because I like the good mood that it puts me in. But I also dream of it for an addition reason that some Newfoundlanders would not appreciate. I dream of it because with good weather we can transplant that obstruction to parliamentary democracy from here to Mount Scio. Mr. Speaker, that in itself ought to be an extra reason for the good Lord to give us some good weather. There must be some justice in that.

Now, Mr. Chairman, in listening to the Minister of Finance (Dr. Collins) just now, as painful as it is, but as necessary as it is, because you must understand. You see, you might, Mr. Chairman, not appreciate what this gentleman is doing as Minister of Finance (Dr. Collins). You might not like what he is doing, you might not even understand what he is doing, but you better try and understand, because what he is doing is so diabolical, so threatening to the process of economic recovery in this Province that we have an onus, we have an obligation, on behalf of the people who sent us here to, at least, try and listen to his rhetoric, as painful as it is.

Not only was it painful just now, Mr. Chairman, but it was very revealing. Because, you see, he told us, perhaps for the first time, what the real problem is on the escalating debt. He does not see it as a problem. That is the problem. He does not see it, he gets up and says, 'what is the problem? Getting better all of the time,' he says. 'So we have \$3.6 billion in debt', he says. 'So we are running her up at the rate of \$222 million a year.' Then he goes on to say, 'what is the problem with that?'

Now, Mr. Chairman, I say to you, there is the problem that we have in the portfolio of Finance a man who does not appreciate, who does not understand, and has admitted to this Committee today that he does not understand, the difficulties that are being imposed on the Newfoundland people by this scandalously high debt. I am not sure we are going to convince him.

MR. J. CARTER:

Who is responsible for the debt?

MR. SIMMONS:

Well again I am glad the member for St. John's North (Mr. Carter) asked that question because the Liberal administration can take responsibility for \$900 million of it, and the Tory administrations, which he has been sometimes supporter, can take responsibility for the other \$2700 million. So there is his answer right there. In twenty-three years the Liberals built up a debt of \$900 million and the last twelve years the Tories have built up a debt of another \$2700 million on top of that. So if you want to know who is responsible? I guess he need basically look in a mirror, if he can find one large enough.

MR. BARRY:

And strong enough.

MR. SIMMONS:

And strong enough.

Now, Mr. Chairman, I have a question -

MR. J. CARTER:

(Inaudible).

MR. BARRY:

(Inaudible).

MR. SIMMONS:

Actually, you see, that is another trait about the gentleman for St. John's North, he is brilliant at coping the other guy's idea. Why does he not quit? The Leader of the Opposition (Mr. Barry) just made that point, I thought rather eloquently, but making the same point the second time is never as eloquent. He must know that.

Now I have a question for the Minister of Finance (Dr. Collins), if I can be distracted for a

minute from my love affair with the gentleman of St. John's North (Mr. Carter). I refer the Minister of Finance to a document that came out of the Federal Department of Finance. It was not suppose to come out, Mr. Wilson his federal cohort tried to sit on it and keep it secret, but it got out, because these things have a way of seeing the light of day. In this document it indicates that the transfer payment from the federal government to the Newfoundland Provincial Government, in respect of offshore, will be \$8 million in this fiscal year, \$8 million. Now in his Budget Speech, I believe, in the figures as well under the Department of Development or, I am sorry, under the Department of Mines and Energy actually, the minister projects a \$30 million revenue from the federal government for the offshore development fund. I wonder if he would, when I conclude in a moment or so, explain that discrepancy? I repeat, so that we understand what we are dealing with, that I have here a document appropriately labelled 'Secret,' a document called Table 1, Direct Impacts Of Budget Measures by National Accounts Component, in millions of dollars, the Department of Finance, Canada.

And on the second page of that document, under the item: Transfers To Other Levels Of Government, it says, 'Newfoundland Offshore, 1985-1986, \$8 million.' I say to him that, according to federal Department of Finance figures, is the total amount being projected, as being allocated for the Newfoundland offshore in the 1985 - 86 fiscal.

MR. BARRY:

Have you released that to the

press yet?

MR. SIMMONS:

No, I have just mentioned it here. Perhaps we ought to see that the press get copies of this particular document because it has got some other very revealing items on it too relating to the OIS, the old age security. In 1990 - 1991, for example, there is going to be a cutback of \$1.6 billion in old age security payments, \$400 million cutback in family allowance, \$2 billion cutback in transfer payments in the 1991 year alone. I can understand the Premier choosing his words this morning because he must be caught between partisan loyalties and some loyalties he must still feel to the people of this Province to defend a budget that is going to do that kind of thing to ordinary people. To the point at hand, because I wanted to see if we could get an answer on this specific point, the document to which I have referred says \$8 million for Newfoundland offshore this year. The minister is saying \$30 million. Is he aware of the discrepancy and/or can he explain it.

Perhaps I could get a response from the minister on that point if he were inclined to respond or else I will continue.

DR. COLLINS:

Go on, continue

MR. SIMMONS:

I was yeilding. Now, Mr. Chairman, if the minister has no inclination to answer that perhaps I could just elaborate on it for a moment. You see, this figure puts the lie to the kind of airy fairy Utopian rhetoric we are hearing about the offshore. Now you saw the trained seals this morning,

Mr. Chairman. It is like at a hockey game where on certain cues you get certain choruses and chants going up and everybody is very enthused about it.

MR. BARRY:

The minister is not the great Gretzky of Finance.

MR. SIMMONS:

No, he is hardly the great Gretzky of Finance. Although I must say he skates magnificently. He does not score often but my Lord does he skate. Like Gretzky he skates in all directions. Most of the time backwards.

Mr. Chairman, I was not referring to the action on the ice when I referred to hockey, I was referring to action in the stands, the spectators, not the skilled practitioners of the sport, but those who come and follow and repeat particular chants sometimes knowing what they mean, sometimes not.

MR. CHAIRMAN (Greening):

Order, please!

The hon. member's time has elapsed.

MR. SIMMONS:

A point of order, Mr. Chairman.

MR. CHAIRMAN:

A point of order, the hon. the member for Fortune - Hermitage.

MR. SIMMONS:

Under what rule has my time elapsed? There is no ten minute rule. There is a ten minute convention. If Mr. Chairman can refer me to a Standing Order on that point then well and good. I understand there is a convention.

MR. MARSHALL:

Mr. Chairman.

MR. CHAIRMAN:

A point of order, the hon. the President of the Council.

MR. MARSHALL:

Standing Order 118 (5), "Notwithstanding Standing Order 49, the Minister introducing his estimates and the member speaking immediately in reply shall not speak for more than fifteen minutes and every other member shall not speak for more than ten minutes at a time during Committee of Supply". Now what the hon. gentleman is referring to with 'convention', when we have had before matters like Committee on Supplementary Supply the same rules have applied and I think that is probably where he is confused but that is definitely there in the rules, Mr. Chairman.

MR. SIMMONS:

I yield. I will be back for more.

MR. CHAIRMAN:

On that point order I refer the hon. member to Standing Order 118 (5).

MR. J. CARTER:

Mr. Chairman.

MR. CHAIRMAN:

The hon. the member for St. John's North.

MR. J. CARTER:

Mr. Chairman, at the outset what I am going to say is going to sound like a compliment to the member for Fortune - Hermitage (Mr. Simmons), it is not meant as a compliment and I do not intend it as a compliment but unfortunately it is going to sound like a compliment. That member, I think, and in the opinion of others, is responsible for \$100 billion of Canada's present debt and given a few minutes I will elaborate.

We must turn our minds back to December 17th or 18th, 1979, when there was a debate going on in the House of Commons that, unfortunately for the hon. member, was televised and a lot of people remember how that member got up and snickered and sneered and downgraded and down played, as I suppose he had a right to do because he was in the party that was in Opposition at the time, John Crosbie's budget.

Now, John Crosbie's budget, if implemented and if carried out over the succeeding three or four years, would have saved the country of Canada at least \$100 billion, but instead that hon. member over there helped to defeat a well-meaning, conscientious government that was trying to bail Canada out of the morass that it was rapidly sinking into and promoted a wretched leader that got back and drove us at least \$100 billion more in debt. So the hon. gentleman, when the final story is written, has to take some responsibility for putting Canada \$100 billion in debt.

MR. SIMMONS:

A point of order, Mr. Speaker.

MR. CHAIRMAN (Greening):

A point of order, the hon. member for Fortune-Hermitage.

MR. SIMMONS:

Sir, you know, the gentleman from St. John's North (Mr. J. Carter) is, as always, half right. The month was December, the date was 13, I was making a speech, the last speech before the Clark Government fell as it happened, but to my point of order, Mr. Chairman, I was proud to vote against that budget brought in by the gentleman from St. John's West federally, Mr. Crosbie. Time has

proven us right because Mr. Mulroney, in choosing his Cabinet, had the good wisdom not to put that man back in Finance.

DR. COLLINS:

To that point of order, Mr. Chairman.

MR. CHAIRMAN:

To that point of order, the hon. the Minister of Finance.

DR. COLLINS:

Mr. Chairman, we have complained about this a number of times but I suppose the opposite side are encourageable, they rise, they take up the time of the House, in this place in the Committee,-

MR. SIMMONS:

Listen who is talking now.

DR. COLLINS:

- they interfere with other people's rights to speak on clearly spurious points of order, do not make any mention of what rule that I am rising on the point of order, just to rise, call it a point of order, and then get into debate.

MR. SIMMONS:

What are you doing now?

DR. COLLINS:

Now I quite understand why the hon. member did it, he did such a disgraceful disservice to this Province when he was an MP by voting in the last Liberal Administration up there, which was a total, absolute, and utter disaster for this Province. I quite understand why he is so sensitive, but never the less it is not according to the rules for him to rise the way he did.

MR. SIMMONS:

Mr. Chairman.

MR. CHAIRMAN:

The hon. member for Fortune-Hermitage.

MR. SIMMONS:

Mr. Speaker, again to that point of order. Mr. Chairman, I assumed, I forgot that the gentleman from St. John's South (Dr. Collins) was in the Chamber, I would have been much more elementary in my explanation. But I forgot that for a moment and I apologize to him and to the Chair. My real point of order obviously was that that gentleman from St. John's North was talking about had nothing to do with this particular debate, it was completely irrelevant. I relied on the well-known intelligence of the gentleman who now occupies the Chair to discern my point that it was completely irrelevant what he was talking about. I engaged in a similar relevancy hoping to get this Committee back to the subject at hand.

MR. CHAIRMAN:

To that point of order, the debate can be wide ranging.

MR. J. CARTER:

Mr. Chairman.

MR. CHAIRMAN:

The hon. member for St. John's North.

MR. J. CARTER:

Mr. Chairman, this shows how far the hon. gentleman's dementia has progressed. This shows the extent to which the rot has set in in that not only did he do it but he was proud of doing it.

Now he mentioned the fact that the hateful Smallwood regime had left us with \$900 million of debt, whereas \$2700 million was added by

the succeeding government. I would like to remind the hon. gentleman that when we took over in 1972 we were left with the legacy of the Smallwood Regime, one legacy of which - he had only mentioned one of the legacies - was the Stephenville Linerboard mill and that subsequently cost this government something of the order of \$400 million to bail out, first to try and make it work as a linerboard mill, and finally to make it work as a newsprint mill. So this was one of the legacies that was left, that does not come into that \$900 million, that comes into that \$2700 million that the hon. gentleman spoke about. So if he is going to use figures, I suggest, he should use them accurately.

Now there is one other thing and that is that both the Leader of the Opposition (Mr. Barry) and the member for Fortune-Hermitage (Mr. Simmons) are wallowing in error when they suggest that the time spent on Interim Supply should not be subtracted from the time spent on the budget.

That Interim Supply was part and parcel of this budget and I remember the Leader of the Opposition deliberately cutting short the debate on Interim Supply so that he would not be subtracting it further from the debate on the budget. And as for the Leader of the Opposition's remarks on the press, or the absence or presence thereof, might I just remark that it is only a fool who quarrels with the cook. Only a fool will quarrel with the cook and the cook in this case being the press, the press who rightly or wrongly, wisely or unwisely, decide to report this House. And I think it is very foolish and very shortsighted,

although I would like to encourage the hon. gentlemen opposite to continue in that regard, to criticize the press. They are doing their job, they are doing it well or they are doing it ill, they are doing their job and I think it is very foolish to criticize them because they are the ones who write the bottom line.

So on those few points I think I will sit down and let the Minister of Finance (Dr. Collins) continue his very enlightening and informative dissertation on this very excellent budget.

MR. CHAIRMAN:

The hon. member for Fortune - Hermitage.

MR. SIMMONS:

Mr. Chairman, I thank you for your ruling about this debate being permitted to be wide ranging because I am going to have to indulge in a matter that I would judge not to be terribly close to the subject at hand but since my friend from St. John's North has made reference to it, it requires some elucidation. He talked about Lab linerboard, why does he not tell the full story? Why does he not tell the role of John Crosbie in that when he was Minister of Finance? Why does he not tell, Mr. Chairman, that there are a couple of buildings that are still over there, those BOQs, those bachelor officer quarters, that Mr. Crosbie thought, I believe it was John Doyle or somebody, had gotten too sweet a deal on. So he went out with good taxpayers' money and brought them back. He was going to get a better deal, so he brought them back and they paid \$250,000 each for them. That 250,000, that 500,000 helped build up the debt we are talking about. But that is not the full story I

say to him. He knows the rest of the story. He hopes I will not mention it, but I will. It cost the taxpayer s\$250,000 per building for those two monstrosities out there, those two building, okay, because, you see, Crosbie was going to save us, he was going to undo this wretch deal with this fellow Doyle who got a sweetheart deal with the former Liberal government so he went out, with the great courage that he is known for, and bought the two buildings back. You see, the idea was, Mr. Chairman, he was not only going to buy them back - now let us give the man credit - he was going to sell them, you see, to make some profit. Do you understand? You are a businessman, Mr. Chairman, and if you buy something for \$250,000 and sell it for \$300,000, well that normally is a profit, unless you incurred a lot of expenses along the way. So it was a good business proposition, obviously. So he bought them, using your money, \$250,000 a crack \$500,000 and then, you see, he put them up of sale. Now comes the crunch. He ran ads, called tenders, whatever, and, yes, he got takers, Mr. Chairman. He got no takers for one, but he got a taker for the other one, a Crown corporation bought it for one dollar.

SOME HON. MEMBERS:
Oh, oh.!

MR. SIMMONS:

So I say to the gentleman for St. John's North (Mr. J. Carter) that it did not run up the public debt by \$500,000 just \$499,999, if you allow that the other dollar from a Crown corporation was not public funding.

Now, Mr. Chairman, those is the kind of red herrings we deal with

when the guy from St. John's North gets up. If he wants to raise some more of them we can elucidate the Committee for you, he will tell that part of the story which is convenient to himself about how everything in the past or in the Smallwood period - the man he hates with a passion, he has made that clear. I remember one of his more despicable performances in this Chamber, and he has had some, like the day that he would not allow the cameras in. Now he has a sudden new-found respect for the press, all of a sudden today. Remember on the last day that the former, former Premier, The Only Living Father of Confederation, his last day in the Chamber, it was the gentleman from St. John's North, the only man to their credit, everybody else over there were agreeable, except one man, he would not allow the cameras into the Chamber to record the last moments in this Chamber of the former, former Premier of Newfoundland. How is that for magnanimity?

AN HON. MEMBER:
Shame.

MR. SIMMONS:

There is your respect for the press. He is not what I called him the other day, Jekyll and Hyde, he is Sybil, the one with the sixteen personalities, you know, that book about Sybil. Sybil John Savory, Sybil Carter.

Mr. Chairman, I am still waiting. Perhaps if the Minister of Finance (Dr. Collins) will not answer the question I see the Minister of Intergovernmental Affairs (Mr. Ottenheimer) is in Committee, perhaps he will answer the question? The question that I put some time ago, I yielded a couple of time to get the Minister of

Finance to respond to the question and he chose not to, so perhaps the Minister of Intergovernmental Affairs would respond to the question. The question is: Why the discrepancy? In our provincial budget there is a projection of \$30 million in revenue from the federal government for the offshore development fund. In some federal budget papers the projection is \$8 million to the Newfoundland offshore. Could the Minister of Intergovernmental Affairs, or the minister administering the offshore development fund, I presume the Government House Leader (Mr. Marshall), could one of these gentlemen bail out the Minister of Finance and give the Committee the explanation that he either will not give, or cannot give, to the Committee? I would yield if one of them would do that.

MR. CHAIRMAN (Greening):

The hon. the President of the Council.

MR. MARSHALL:

The explanation is so apparent that it really does not need any elucidation. I refer the hon. gentleman to that great document the Atlantic Accord and to Section 42 of the Accord. This is signed now by both orders of government. I do not talk about levels of government, I talk about orders of government because we are sovereign - something the hon. gentlemen there opposite would not understand. But anyway it says, "The Fund will consist of a \$300 million grant, cost shared 75 per cent federal, and 25 per cent provincial. Contributions to the Fund will be made", now hear this, "over a five year period commencing April 1, 1985 on a schedule to be agreed by Ministers on the basis of project

requirements." Now, we anticipate that we will be moving on that development fund, as a matter of fact, we are moving on it now, and our anticipation is that it, very likely, will be that there will be some \$40 million necessary this year in expenditures out of the fund. We are preparing for that. I have not seen the budget papers to which the hon. gentleman refers but -

MR. TULK:

It is about time you did.

MR. MARSHALL:

- I am fully confident that if we need the money we will get the money and if the money can be expended, it will be expended. The money is there, I mean, we have comfort in the fact there is \$300 million over a five year-period.

Another point to be made is I cannot refer to the papers because, despite the orders of the member for Fogo (Mr. Tulk), I have not seen it, and I am not going to rush to see those papers over the weekend, but I can tell the hon. gentleman that part of it is going to be funded, as well, perhaps under the existing ERDA agreement and through other sources, as well. But I know and I am certain that as much money as is needed and can be reasonably and rationally expended under that particular development fund, will be available this year. I have the assurance of the federal Minister of Energy, Mines and Resources with respect to that.

Maybe they are projecting that they think less will be paid out this year than we do, but we figure that we need that amount and we are working on the projects now. Actually, we will be making

an announcement in due course with respect to that, because there is a proceeding, as the hon. gentleman knows, under the Atlantic Accord as to the announcement of the projects. They are going to be made jointly, so I can only tell the hon. member at this time that committees are meeting with respect to it and we are working very, very assiduously with respect to the implementation of this document.

Now, aside from that question, and I know the hon. gentleman gets into the debate - the hon. gentleman asks relevant questions from time to time - but I do have to observe, Mr. Speaker, not the member for Fortune - Hermitage (Mr. Simmons) because I do not want him to attack me again today, but I have heard other members speaking in this debate today and yesterday, and when you talk about the point of privilege that the Speaker will decide upon as to the time that is necessary in the debate, I mean, for what the Opposition really has shown, aside from the illustrious member for Fortune - Hermitage in his penetrating questions and observations, we might just as well not have Committee of the Whole. Because, all the hon. gentlemen are doing is getting up and regurgitating things and going over the same types of things. You would almost swear that they have taken the Hansards and are just reading back what one, Mr. Steve Neary used to say when he was in here as Leader of the Opposition.

AN HON. MEMBER:
Who, who?

MR. MARSHALL:
One of the succeeding array or army of deposed leaders of the

Liberal Party. I think it is the immediately preceding one.

MR. FLIGHT:

He also deposed of a few people over there, did he not.

MR. MARSHALL:

But anyway, I do not want to take up time, so I will show that I will not take my full time. I have answered the question fully to my own satisfaction and, I certainly hope, to the satisfaction of the member for Fortune - Hermitage (Mr. Simmons). Both he and all hon. gentlemen there opposite, who were prepared to conclude an agreement on the offshore with respect to the Development Fund, which was not a fund or a grant, but merely a loan, can take heart in the fact that this fund which we have, this non-repayable Development Fund, is being worked on and will be used to the benefit of all the people of this Province. The fact that the federal government, apparently, according to the hon. gentleman, have less than we have is totally irrelevant, because we will get as much as is needed to carry out the projects. How is that now?

MR. OTTENHEIMER:

Brilliant, that was brilliant.

MR. SIMMONS:

Mr. Chairman.

MR. CHAIRMAN (Greening):

The hon. the member for Fortune - Hermitage.

MR. FLIGHT:

We will have no more yielding, give it to him!

MR. SIMMONS:

Mr. Speaker, it was not a question of yielding, it was a convention

to ensure that either I or he got the floor. I yielded my position on the floor, but I now have another ten minutes if I need them. I only need to take only one or two to thank my kissing cousin from St. John's East for the openness with which he answered the question and, at the same time, to deplore the overabundance of faith in the federal boys which he has demonstrated in the last minute or so. I wonder where was all that faith when there were other regimes in Ottawa, where he wanted everything signed, sealed and delivered? Do you remember the occasion in 1982 when after having met with Mr. Chretien, he came out of the meeting and he and the minister, Mr. Chretien, went on national television to tell people that they had the makings of an offshore deal? And then the Premier got into the act the following day and said, 'Not so fast!' The Premier did not want a deal at any price with the former administration, although the gentleman from St. John's East (Mr. Marshall) and Mr. Chretien, in their wisdom and with their skill had arrived at a deal in principle, and they announced it on national television - in December, 1982, I believe it was. But then, suddenly, they wanted all those sixteen or seventeen points in writing.

Now then, today, notice how things have changed. I come in today and I say, 'Look, I have a document here from the federal Department of Finance, in writing, and they are telling you in writing they are only going to give you \$8 million; he says, 'I do not mind what they put in writing, I have a great faith that we are going to get what we need.' Well, he may have that kind of faith, but the

old age pensioners are not getting what they need from this government, they are getting \$15 million less than what they need this particular year. People on family allowance are getting \$20 million less than what they need. Job creation, which was to be the great centerpiece of this government in Ottawa, is not putting in one extra dollar this year. DRIE is going to get \$100 million less this year, and I could go on. Because, you see, Mr. Chairman, while the gentleman from St. John's East, the Government House Leader (Mr. Marshall) has great faith in the federal government to deliver, despite what they put in writing, I do not have that kind of faith. And I say to him, in all kindness, that he ought to get on the phone and he ought to get on a plane and go up to Ottawa. I realize, as a result of Question Period this morning it is slightly sacriligious to have those out-of-province meetings in far-away places like Montreal and so on, but we will excuse him for that and we will encourage him to spend a few more of the taxpayer's dollars and go off to Ottawa and say to his buddies in Ottawa, before they take him completely for granted, 'What is this all about? What is this outrage? On the one hand, you people in Ottawa signed an Atlantic Accord in which you say the ministers will agree, and then, you fellows have obviously agreed unilaterally up there on \$8 million.'

Do you remember, Mr. Chairman, all the hopes that were raised, all the people out there who were lining up for those offshore jobs. Remember how we were told during the last two or three years that the only thing hanging this up was a couple of signatures on a

piece of paper and that as soon as they got this agreement, things would begin to happen.

My friend from Windsor-Buchans (Mr. Flight) who is temporarily out of the House, he is here most of the time, he is probably taking a phone call from one of his constituents, he and I were aboard a taxi last night and we spoke to a gentleman in this city that I have know for about twenty years, he has been in the taxi business for about thirty years, and he said to me, 'What is happening on this offshore agreement?' As a matter of fact it was what prompted my friend from Windsor-Buchans to raise the question this morning. What is happening on this offshore agreement? He said, 'I remember day in and day out for two or three years you could not turn on the car radio but Mr. Marshall and Mr. Peckford,' he called them in the taxi last night, he said, the Premier and the minister were on the radio all the time, and suddenly there is no talk of this anymore. And my point in concluding, Mr. Chairman, is that the hopes were raised and they are being dashed by the lack of initiative of the Minister of Finance (Dr. Collins), and the Minister of Intergovernmental Affairs (Mr. Ottenheimer) to get this accord implemented, to get on the road, and more particularly, to nail down the federal ministers and the Prime Minister to be as good as their word. And this document from their own department demonstrates they have not been nearly as good as their word in terms of offshore development.

MR. CHAIRMAN (Greening):
The hon. Minister of Finance.

DR. COLLINS:

Mr. Speaker, normally speaking in the House during debate, one side would follow the other. That is the convention. It is not necessarily there either, I suppose, but nevertheless that is the sort of convention that there is equal time given to each side and one follows the other immediately. Now that is not necessary and it really is not as much of a convention in committee. Quite often you can have hon. members in the Opposition, or on the government side for that matter, but it would more likely apply to the Opposition, where one member from the Opposition will get up and make some points, perhaps over just a few minutes, or perhaps taking his full ten minutes, and then another member would say, 'well, now, before the minister presenting his estimates replies I want to add on another few points and perhaps he could roll those up into his reply.' So that is quite regular, to do that, and quite accepted. However, I do rise, following the member opposite, despite that non-convention, shall we say, and despite the fact that the hon. members made no point at all that needs a reply, or if he brought up half a point it has already been replied by the President of the Council (Mr. Marshall). But despite all that I do rise, because I just want to have a few comments myself on the Atlantic Accord.

The Atlantic Accord has scared the wits out of the Opposition. They never thought the Atlantic Accord could be brought off. They themselves were so discouraged and so pessimistic about the tenacity of the Newfoundland people and the tenacity of the government of this Province in getting our justifiable deserts, they were so

pessimistic, they had so little faith in that, that they were quite willing to accept a crumb or two. There was the usual sort of cap-in-hand type of approach that the Liberal Party has always foisted onto the people of this Province. They do not have any confidence in themselves, they do not have any confidence in the ability of Newfoundlanders to make their way, not their excessive way, but to make their rightful way in Confederation, they do not have any confidence in the people of this Province. They are are willing to put forward a request, or even a demand, but then the minute it is not immediately met, they pull back and say, 'oh, well, we do not deserve it anyway, we will never get it, so let us just see what little thing we can get, something at all. And if it is nothing at all, well, at least we said something and we are brave fellows.'

Now, the Liberal Party has that so embedded in their psyche and it was so accentuated during twenty-two dark years of the Smallwood regime, the dark ages as far as Newfoundland was concerned, it was so embedded in their psyche during that day that, unfortunately, and I have a great regard for individual members opposite, but even their good character will not save them from labouring under that type of misapprehension, that terrible psychological block for many years to come. I think they will overcome it in time and I think the Liberal Party will rise to a level that is its historic deserts.

If we go back in Newfoundland history long enough, we will find that the Liberal Party was a good party, was a party that had the

best interests of the people of this Province at heart, and so on and so forth, and brought forward good policies and so forth. But it has fallen on so many hard days since Confederation, since the day this Province became a Province, it has fallen on such hard days now that it is buried under a psychological load of discouragement and pessimism that it is going to take years and years for it to dig its way out. And that is the reason why the party opposite is so totally appaled by the Atlantic Accord. They said to themselves, 'they can never pull it off.' They were saying this back for years, 'they can never pull if off. Why do they not grovel on their hands and knees to Ottawa like we have always done and how we will always do it? Why they cannot see the light and go up there and grovel before the people in Ottawa and take anything at all they want to give us? That is the correct policy for this Province.' Now that was Liberalism. That is the essence of Liberalism. That is written in stone.

When the PC Party and when this administration with the tenacity it showed over the hard, hard years when it was being lambasted from all sides, but which was bouyed up by the confidence it had from the Newfoundland people, when this government knew the fibre out there, and the encouragement it was getting from the people out there and stuck to its guns and would not shift except where it was sensible to do so we were not dog-in-the-manger, we were not rigid and hard and hidebound. We were willing to look at sensible compromises, which we did. We will look at the other side of the question, which we did. But we were not going to give up. We

were not going to compromise our principles.

Now having gone through all of that and concluded an Atlantic Accord which is an example not only to the other provinces in Canada, indeed it is an example to the world; it is an example how offshore resources on Continental Shelves can be handled. Now this is a new area of international law. And people are looking to what the Newfoundland government concluded with the federal government as a tremendous example and as a tremendous model to follow. Now when the Liberal Party saw that happening they were flabbergasted, they were totally and utterly deflated, they were thrown into disarray.

Now because of that they closed their mind against it and they looking at all sorts of spurious ways to niggle away at it. They misrepresent its provisions. They pooh-pooh any possible benefits will come from it, you know, to put the offshore resources of this Province in a bad light as the hon. members do continually opposite, to put those in a bad light for the economic welfare and the future of this Province is like saying, you know, Saudi Arabia is only a bunch of sand, there is no value out there. It is like saying that Alberta is just an old prairie out there where the wind blows. There is no value out there. It is like saying that the North Sea is just a rugged piece of water, there is no value to that. It is like saying that Norway is just a bunch of rocks, there is no value to that. If you want to say that the Grand Banks of Newfoundland will not be the abundant resource for this Province in terms of hydrocarbons as it as always been

the abundant resource for the fisheries of this Province, if you want to say that, it is logical to say the same thing about those other countries that I mention. And it is just as illogical to say that about them as it is to turn thumbs down on our Grand Banks which our friends opposite are continually doing.

MR. SIMMONS:

Mr. Chairman.

MR. CHAIRMAN (Greening):

The hon. the member for Fortune - Hermitage.

MR. SIMMONS:

Mr. Chairman, to help the minister make his point is like saying I was looking at the front end of the horse when he was talking. Mr. Chairman, he misrepresents so badly and so deliberately our concerns about the AA, the Anonymous Accord, as it will be called. Clause 54 is a shameful, knee-bending giveaway. Mr. Mulroney had you across a barrel. By kowtowing to every gesture of Mulroney during the past couple of years, by making such a circus of this whole process of the offshore, the Tory Government in this Province ensured they would be taken for granted on it, giving away all the bargaining chips, and when the time came, when the election was over, and when Mr. Mulroney had his 211 seats in Ottawa, the political clout had gone and then it was a matter of getting what crumbs. You talk about crumbs, it was a matter then of getting what crumbs you could. And you got two things, I say to the government, you got exactly all the names are different, and the semantics are different, the words have been changed to protect the guilty and so on, but you have the same thing in essence that you

had in December 1982.

If you want to know what your achievement was in the offshore it was this, it was to cost this Province three years of development time at least. That has been your achievement. The word is not 'pugnacious', the word is 'stubborn'. You have cost this Province three years because you have two things in that agreement, you have what the gentleman for St. John's East (Mr. Marshall) and Mr. Chretien announced on national television December 1982 when they said, and he said it publicly, he had to take it back when his Premier ganged up on him, but he announced it publicly in December, 1982, they had a deal in principle. They had it in December, 1982. So why did it take until 1984 to get it signed? The answer is politics. The answer is the Premier had made up his mind, he even overruled his Minister of Energy (Mr. Marshall) publicly on the issue. He had made up his mind he was going to have no deal.

Now, Mr. Chairman, in the process of taking that stand the Premier set himself up for a fall, and that fall came the day he met Mr. Mulroney to sign the deal or the days leading up to it when they negotiated the fine print. Because the most insulting fine print of all is contained in Clause 54. That is the trade-off. Visualize the conversation between the two Brians, Mulroney saying, 'I will make you look good, but you have got to make me look good too. You have got to remember Premier Peckford that I have more seats in Ontario and Quebec and in the West, you know, than I will ever have in Newfoundland. I have got to keep the boys in Central Canada

happy,' just like he just kept them happy on the budget. We had the admission of the ministry on that this morning, that it was a better budget for Central Canada than for Newfoundland. Can you not visualize the trade-off that went on where the now Prime Minister of Canada said, 'I will make you look good back home, but for that bit' - to use scriptural analogy - 'for that bit of materialistic pottage you got to sell your soul.'

MR. FLIGHT:
Clause 54.

MR. SIMMONS:
Clause 54, 'You sell your soul Premier Peckford.'

I will give you all the rhetoric to explain it to the troops so you can get up in the House and get the trained seals to pound their bench, just like back in another day in this Chamber or its predecessor Chamber down the road, every member of this House, Liberal and Tory, pounded their desk about a great thing called the Churchill Falls deal. Where are the Tories now with all of their hindsight? Suddenly they have discovered twenty years later there might have been something wrong with that deal. There might have been something wrong. No, he was not here at the particular time, he was not in the Chamber. The point I am making without talking about the merits, or demerits of the Churchill Falls deal, is that, at that point in time some people, irrespective of party - Liberal and Tory - had a particular perspective on the Churchill Falls deal which is since changed 180 degrees.

AN HON. MEMBER:
(Inaudible).

MR. SIMMONS:

Three hundred and sixty degrees. One hundred and eighty, I think.

AN HON. MEMBER:

(Inaudible).

MR. SIMMONS:

Yes, you say 360 degrees because if you go 360 degrees you will be back where you are. I say to the gentleman from Torngat Mountains (Mr. Warren) he has only made 180 degrees yet, he is only half way there. One of those days he will do the other 180 degrees and he will be over here again but we make him a deal, if he comes over here we are going over there.

Now, Mr. Chairman, the difference about the anonymous accord, the AA, is that it is not going to take the purview of twenty years hindsight to recognize what a shell game it is because, Mr. Chairman, by the vehicle of clause 54 the now Prime Minister of this country pulled off from his vantage point a brilliantly political trade off. That trade off consisted of giving the Premier all the rhetoric he needed, all the phraseology he needed about control and ownership and development modes and so on and so forth, gave him the materialistic pottage, but extracted the soul and said, "You can have all that rhetoric that will get your troops excited in the Chamber, the rhetoric that will allow you to go before the Newfoundland people in the short-term and say, 'I have got a deal,' but for that," he said, "I want to extract from you one thing. I want to extract from you the essence of any benefits that will flow from the offshore. I want to extract from you the economic prosperity because I want to give that to Ontario, I want to

give that to Quebec, I want to give that to Central Canada." That is what the clause says. Read it, word for word. I will not go into detail about what Chretien's clause said but I will answer to you this way, I will tell you this way what it said, it was so good that the gentleman from St. John's East (Mr. Marshall) went on television and said that he agreed with it in principle.

AN HON. MEMBER:

Tell us about De Bane and you on the fish plants?

MR. SIMMONS:

Now we did a marvellous job on the fish plant, Mr. Chairman. Indeed we have succeeded in keeping Gaultois opened, Ramea opened, Harbour Breton opened, Grand Bank opened and Burin opened, despite the fact that the Premier was talking about closing them, despite the fact he would not let his minister come to Toronto - by the way that was an absolutely amazing sequence where the Premier had to be excused from the meeting to talk to the minister of the day, the gentleman from Bonavista South (Mr. Morgan), and the basic instruction was, 'Did I not already tell you to stay where you are? I still mean it.' Here we were up in Toronto -

AN HON. MEMBER:

(Inaudible.)

MR. SIMMONS:

That is right.

Mr. Chairman, I say to people who want to throw what they think are slurs across this House to be very, very careful.

MR. PATTERSON:

What do you mean 'very careful'?

MR. SIMMONS:

I am sure you would not know what I meant.

MR. PATTERSON:

Do you have something on us? Do you have something on me?

MR. SIMMONS:

Now, there is the mentality, Mr. Chairman. It is a matter of if you got something on somebody. No, Mr. Chairman, I thank my maker, I do not have anything on anybody. I assure the member for Placentia (Mr. Patterson) of that. I also say to him, if I thought I had something on him it would make no difference in the way I participate in this particular Chamber. I said to the gentleman, friend to friend, that if he takes comfort from the fact that his mind may be in the gutter, then he has my absolute and unaborted pity and compassion.

AN HON. MEMBER:

I do not want your pity.

MR. CHAIRMAN (Greening):

Order, please!

The hon. member's time has elapsed.

MR. J. CARTER:

Mr. Chairman.

MR. CHAIRMAN (Greening):

The hon. the member for St. John's North.

MR. J. CARTER:

Mr. Chairman, I think it is probably time now for a bit of personal abuse, which I would like to direct towards the member for Fortune - Hermitage (Mr. Simmons). I have in my possession, or at least I did have in my possession, something on the hon. gentleman which I will bring up right now, and that is a

photograph, taken around, I think, 1904. It is a picnic somewhere out in Mount Pearl and it is in honour of one, Richard Squires. The facial likeness of the hon. gentleman to Sir Richard Squires is quite uncanny.

AN HON. MEMBER:

Is that right?

MR. J. CARTER:

Yes, it is.

MR. SIMMONS:

A slime slurper!

MR. J. CARTER:

Now, I just wonder if that is the kind of past that the hon. gentleman has in front of him, because if he does, God help Newfoundland!

MR. MARSHALL:

Joey said he was the greatest Prime Minister.

MR. J. CARTER:

Yes. I just hope that a facial likeness does not denote a spiritual or political likeness, because I would shudder to think that such a past was in front of the hon. gentleman. But anyway, there it is.

They keep suggesting that Churchill Falls was a good deal.

AN HON. MEMBER:

Oh, yes, a Liberal deal.

MR. J. CARTER:

Now, you should refresh your memory. Very little was revealed about the so-called deal on Churchill Falls until it was a fait accompli. The then Premier, whose name escapes me for the moment, agreed - and the Minister for Intergovernmental Affairs (Mr. Ottenheimer), who was the Leader

of the Opposition at the time, did suggest to the then Leader of the Opposition that he would let him see the letter of intent, but it would have to be on a matter of privilege, it would have to be on a matter of secrecy, and he could not possibly reveal it. And, of course, the Minister of Intergovernmental Affairs, the former Leader of the Opposition, would not allow himself to get caught up in that kind of a web, so he said, 'No, if I have to be sworn to secrecy and confidentiality, I will undertake not even to look at it, because it may contain something about which I cannot keep confidential and still retain a clear conscience.' So he did not look at it. But that is how secret the negotiations were, that is how secret the deal was. So Newfoundlanders generally knew very little about this pernicious deal until it was signed, sealed and delivered.

So hon. gentlemen should not use a selective memory when recalling the very bad, dark days, the dark twenty-two years that I wonder how I managed to live through, and the rest of us who had to put up with a malevolent dictatorship. Thank goodness we are clear of that particular form of government!

The debate seems to be centering on Clause 54. It reminds me of that television programme Car 54. Where Are You?. Clause 54. Let us hear some other hon. gentlemen get up and make fools of themselves. They think they have this government on the run on Clause 54. I do not need to repeat the arguments that the President of the Council (Mr. Marshall) made. They are made far better than I can make them, and I think they make a lot of good

sense to me. But I would like to hear from some other hon. gentlemen on Clause 54. Get up! Get up and make fools of yourselves, I urge you, right now!

MR. FLIGHT:
Mr. Chairman.

MR. CHAIRMAN (Greening):
The hon. the member for Windsor - Buchans.

MR. FLIGHT:
Thank you, Mr. Chairman.

Mr. Chairman, a very famous member of this House one time was rushing to get some information, and the person who passed him the information said, "What is wrong, Sir? You seem to be in a terrible rush." "Hurry and get me that," he said, 'because, you know, this is the only asylum in the world where the inmates run it.'

When I see the kind of ruling coming across the House, Mr. Speaker, today, where the hon. House Leader (Mr. Marshall) denied the Opposition the four hours taken up in Interim Supply, an attempt that he knows - he listened to the argument of the Leader of the Opposition (Mr. Barry) and he knows Interim Supply had nothing to do with the estimates. He gets up and tries to talk to us on how co-operative he is and then denies the Opposition the measly four hours to debate the estimates. Well, Mr. Chairman, those are the kinds of rulings that we see, this is the kind of fair play that the House Leader (Mr. Marshall) is prepared to show the Opposition.

This budget - we are into a current budget that is in excess of \$2 billion. Now, Mr. Chairman, when this hon. crowd took over

this Province, the provincial debt was not \$1 billion. We are looking now at an annual budget that exceeds the total provincial debt of this Province when this crowd took over. And the question, Mr. Speaker, is what do we have to show for it? The provincial debt, by the way, has gone to in excess of \$4 billion.

MR. TULK:

Four billion!

MR. FLIGHT:

Four billion - 'b'!

So, Mr. Chairman, the provincial debt has quadrupled under the stewardship of this hon. crowd. And what do we have to show, Mr. Speaker? We have to show a decrease in every service delivered to the people of Newfoundland, and it is either decreases to the extreme or increases to the extreme - increase in the cost of living, increase in the cost of electricity, increase in labour tensions in this Province, increase in anxiety amongst the people, decreases in the level of services, decreases in the standard of education in this Province, decreases in the standard of highways in this Province. Everything that this government is responsible for delivering to the people has either been increased or decreased in a way that adversely affects the people of this Province.

Now, Mr. Chairman, we talk about the Atlantic Accord. The mover and seconder of the Throne Speech, I think, said I did not know what I was talking about. I remember, Mr. Chairman, an incident involving the mover of the Throne Speech where I ran into some people in the gallery who said,

'That man is a great orator! He is going to make some great speeches in the House of Assembly!' And I said, 'maybe he will be the one mover.' And in the seven years that I was here, Mr. Chairman, it is the kiss of death. The man who moves, seconds the Throne Speech never speaks again in this House of Assembly, and I thought for a minute we had a bread in that tradition, but I see we do not. All the member for LaPoile (Mr. Mitchell) does is sit there now having made that great speech and throws his little darts across the House. So, Mr. Chairman, I am expecting the member for LaPoile to be up here for ten minutes, we still have forty minutes to go.

Now, Mr. Chairman, I want to refer to Clause 54 too.

AN HON. MEMBER:

55.

MR. TULK:

54.

AN HON. MEMBER:

It is not 53.

MR. FLIGHT:

Mr. Chairman, I find it interesting -

MR. TULK:

Be quiet!

MR. FLIGHT:

- that the government today tells us that the legislation will come within a year, one year and the legislation will come. Now, Mr. Chairman, we all know that the Government of Newfoundland and the hon. minister, in particular, and the Premier put the boots to Mobil, muzzled Mobil on the Environmental Impact Statement three months ago because they did

not want the people of Newfoundland to see what was in that report before a general election. Now we find out, Mr. Chairman, the House Leader used his clout to try to limit the number of EIS reports available to the people of Newfoundland. Normally, Mr. Chairman, the Government of Newfoundland, up until the last election and up until the Mulroney coronation in Ottawa, everything concerning offshore, any report from anywhere was published at public expense and inserted into every mailbox in Newfoundland. How come EIS was not published? How come the EIS was not made available to every household in Newfoundland, Mr. Chairman? Why the effort to muzzle?

Mr. Chairman, while we are the Accord, the hon. member for St. John's South (Dr. Collins) wants to compare the Accord to the Upper Churchill. Mr. Chairman, let us stop talking about the Upper Churchill for a moment and let us start talking about the Lower Churchill. If we ever see a reason to grovel, this government is going to grovel, Mr. Chairman, when they finally get down to dealing with the fact that they have missed the chance to develop the Lower Churchill on its own. In 1975 the cost to develop the Lower Churchill, capital cost, \$1 billion, Mr. Chairman. In 1982 the last time they did the analysis on the cost it was \$4 billion. The cost to develop that Lower Churchill in 1975, the year they blew the tunnels on both sides of the Straits, the year that they were going to develop it, two months before an election, the capital cost to this Province to develop the Lower Churchill, and we could have done it, the money was available, Mr. Chairman,

the capital cost has now gone to in excess of \$4 billion. Now we will see grovelling.

Now, Mr. Chairman, we, in the Province of Newfoundland, may have denied ourselves of the ability to develop the Lower Churchill on our own. So now, Mr. Chairman, we will see the grovelling when the Government of Newfoundland, the Premier or the Minister of Energy (Mr. Marshall) starts talking to Quebec. And the Premier of Quebec may have the Newfoundland Government in the same position that Prime Minister Mulroney had him on Clause 54. He may well recognize that it is impossible for the Province of Newfoundland to develop the Lower Churchill on its own. And he may exact an awful price. He may say the only way the Lower Churchill will ever be developed is if it is developed as a joint venture with the other five rivers. We could have had, Mr. Chairman, very well the Lower Churchill on stream in this Province. It is not inconceivable that the Lower Churchill could have been developed in 1975, 1976, or 1977.

But there are some people in this Province now well qualified, well informed people who suggest that it may not be feasible to ever develop the Lower Churchill on its own. So whether we like it or lump it, Mr. Chairman, we may well, thanks to the procrastination we have seen this past four or five years with regards to hydro development in Labrador and the inability of the Premier to negotiate a deal that would have seen that power wheeled out of Labrador, it may well have cost us our chance to develop the Lower Churchill on its own. It may now be a part of a package deal, not necessarily because we

want it so, but because we have set the stage where it must be. There may be no other way, Mr. Chairman.

MR. POWER:

You had to it away.

MR. FLIGHT:

The hon. Minister for Career Development knows it is one thing for the Province on its own to handle a \$1 billion project, it is quite something else to handle \$4 billion project. It may now be that the only way the Lower Churchill will be developed is as a result of a joint venture with Quebec, with the other five rivers. There may be nothing wrong with that, Mr. Chairman, but it points out the inability of this government to accomplish any thing.

I would rather point my finger at a failure for having tried than not to be able to point my finger at nothing. In seven years we have seen nothing accomplished by this government, absolutely, totally nothing.

MR. TULK:

Only dirt and slime coming across the House.

MR. FLIGHT:

We have blown our chances, Mr. Chairman, to have had development that would have been beneficial to the people of Newfoundland, and the Lower Churchill may be the shining example.

In Clause 54, Mr. Chairman, if anybody in this hon. House will show me somebody in this Province who is fifteen years old when the Upper Churchill was developed then I will show you now a thirty-five or a forty year old who is totally and completely bitter about the

Upper Churchill and the deal and the contract. No question. And rightly so. But, Mr Chairman, let me tell the hon. Minister of Career Development (Mr. Power), if he does not have the power, if he does not have the stability, if he cannot fight the Mulroney Government, and if he cannot have Clause 54 changed, then I will tell him now that you show me a fifteen-year-old in this Province today, and I will show you a thirty-five year old twenty years from now whereby the incrimination against Clause 54 and the deal that he is responsible for putting together on the offshore, the recriminations against Churchill Falls will be nothing to what will be seen in this Province fifteen years from now when we suddenly realize that we are making the treasury of Newfoundland rich on the profit of the sale but there is not a job in Newfoundland pumping oil. Mr. Chairman, does anyone here believe that the reason the unemployment rate is so low in Alberta is because they pump oil? Hardly! The reason Alberta's economy is so buoyant, based on oil, is because by every oil well there is a refinery, and by every refinery there is secondary processing, perfume plants, rubber plants, any plant that uses oil as the primary source. And, Mr. Chairman, if we are into a situation where that oil is going to be shipped out of Newfoundland and sold for the profit on the sale, then the Upper Churchill deal will be peanuts, the sellout that we have been accused of will be nothing compared to the recriminations in this Province against the people who accepted the Atlantic Accord and accepted Clause 54 in the Atlantic Accord.

MR. CHAIRMAN (Greening):

Order, please!

The hon. member's time has elapsed.

The hon. member for Twillingate.

MR. W. CARTER:

Mr. Chairman, I want to ask the Minister of Finance (Dr. Collins) a few questions with respect to the Fisheries Loan Board and the new policy now where fishermen are required to go to the banks to obtain loans over a certain amount. But before I do, I want to have a few words to say with respect to what two of my colleagues spoke about who have spoken before me, and that is Clause 54 in the so-called Atlantic Accord. It is rather interesting, Mr. Chairman, to see the same people attempting to defend - I do not think they can really defend Clause 54 - that clause, these same people, the Premier, the former Minister of Fisheries, or the member for Bonavista South (Mr. Morgan). I recall quite vividly, I believe it was a year or a year and a half ago, when the debate was ongoing with respect to who owns the Northern cod stocks. At that time, Mr. Chairman, there was a suggestion that Nova Scotian trawlers were harvesting the Northern cod stocks and taking it back to their respective plants in Nova Scotia for processing. Some of these plants, Mr. Chairman, also had plants here in Newfoundland. I can think of National Sea, for example, Nickersons, and I believe one or two others. These plants in Newfoundland, of course, are here by leave and by license of the provincial government. They must have a license from the Province, signed by the Minister of Fisheries (Mr. Rideout) before they are allowed to operate in

this Province. Now, the government was so incensed over having those fish companies catch what we consider to be the Newfoundland Northern cod and taking it back to their respective plants in Nova Scotia for processing, that the present Premier and the then Minister of Fisheries threatened to cancel licenses of these fish plants operating in Newfoundland, the argument being, of course, that the Newfoundland plants needed the Northern cod stocks that were being harvested by the Nova Scotians, we needed that fish in our plants to provide some badly needed jobs. Now, surely that kind of a situation must prevail with respect to the Come By Chance refinery. By agreeing to Clause 54, the government has precluded the possibility of there being a spin-off benefit for Newfoundland. As my colleague said, the prosperity in Alberta obviously cannot be attributed solely to the fact that Alberta is a major producer of oil, it is attributed to these industries, the petrochemical industries that spin off the production of oil and that, Mr. Chairman, I contend, is one area where we are going to be left shortchanged.

There has been a lot of talk in recent years about the great advantages of Hibernia. I can tell the Minister of Finance (Dr. Collins) now that in most rural Newfoundland districts it has not caused that much excitement, certainly not in my district. The people in Twillingate district, as I am sure are the people in most rural Newfoundland districts, are more concerned with the fishery. In fact, they say to me that all this talk about oil on the Grand Banks, the same oil was there back in the thirties, not one gallon

less or not one gallon more, when Newfoundlanders were literally starving to death, living on six cents a day. So there is no point in having oil one hundred and eighty miles off our shores, that is not going to do very much for us. It did not do much for us in the thirties.

AN HON. MEMBER:

We did not know it was there.

MR. W. CARTER:

It was still there. But the fact remains, Mr. Chairman, we must get the oil ashore, we must get it developed, we must then bring it to this Province for final processing. And unless and until we do that, we are not going to get many benefits from Hibernia or, in fact, any other oil resource on the Grand Banks.

Mr. Chairman, it would be interesting to know, and I believe that there are figures available from the university and the economists, exactly what the five-year delay has cost the people of Newfoundland. We know what it has cost, Mr. Chairman, in terms of human suffering. In the past five years, in the recessionary period, we have the dubious distinction of having the highest rate of bankruptcies of any other province in Canada, corporate bankruptcies and personal bankruptcies. We have the distinction of having more mortgage foreclosures than any other province in Canada. We know we have, again, the dubious distinction of having the highest rate of unemployment than any other province in Canada.

These are the things that have resulted from the policies of the present government and from their unwillingness, their inability to

properly negotiate a deal. The present government has done very little in the past five or six years. If one were to sit down with a pencil and paper and list the positive things that has been done, things that have a positive impact on the Newfoundland people, it is difficult to come up with too many items that have been done. We have heard a lot of talk about offshore oil. I can tell you now it has not put any bread or butter on the tables of the fishermen in Twillingate district, or in any other district in this Province off the Avalon Peninsula. And I suspect, Mr. Chairman, that once Hibernia is developed the beneficiaries will be mainly this side of the overpass, or certainly on the Avalon Peninsula. I cannot, for the life of me, see what direct impact it is going to have on the proverbial lowly fishermen on the bill of Cape St. George. I think it will have the affect, Mr. Chairman, of maybe jeopardizing what most Newfoundlanders will agree is our greatest resource, the fishery.

Talking about the fishery, it is regrettable that the present government has so little interest in that industry. Let me give you an example of the lack of interest shown in the fishing industry by this Province and by the Premier of our Province. Under oath last Tuesday night at the Standing Committee dealing with the so-called missing files affair, the Deputy Minister of Fisheries, Mr. Ray Andrews, while giving testimony before that Committee was being questioned by the member for Fogo (Mr. Tulk) as to what had transpired in recent days between the Deputy Minister and the Premier on, 'Did they have discussions on the so-called

missing files,' The Deputy Minister of Fisheries, Mr. Chairman, made a very startling revelation, and it is this: Under oath he said, and I am quoting him, 'Look, let us get one thing straight. This guy,' - referring to himself - 'has not had any conversation whatever with the Premier of Newfoundland on any matter, the Morgan affair or any other affair, between April 2 and April 24 when the new minister was sworn in.' Now, what an admission. Can you imagine? Mr. Chairman, just think for a moment about what I am saying. We just came out of an election where the then Minister of Fisheries, Mr. Goudie, had spent at least twenty-five days campaigning in his district of Labrador. There was no minister in the department. Really, the Deputy Minister was then running that department, and certainly he was running it from April 2, from the time Mr. Goudie was defeated until the new minister was sworn in, in the most critical period in the year as far as fisheries goes. I know that from my experience. I would not dare leave my office in April month as Minister of Fisheries. For forty-five days the problems of ice blockades, the problems of the seal fishery, the problems of the longliner owners being robbed of their boats by the banks, all the problems surrounding the inshore fishery, are laid on the plate of the minister in that period in the year. The Deputy Minister, under oath, stated that the Premier and he did not have any conversation in that period. That is unbelievable! That has got to be the most incredible statement for a Deputy Minister to make, and, of course, having made it under oath, we can only believe what he says.

MR. CHAIRMAN (Greening):
Order, please!

The hon. member's time has elapsed.

MR. GILBERT:
Mr. Chairman.

MR. CHAIRMAN:
Before recognizing the hon. the member for Burgeo - Bay d'Espoir (Mr. Gilbert), I would like to welcome to the galleries forty Grade III to Grade VI students and two girl guides from Gooseberry Cove, in the district of Bellevue, with their teachers Mr. Eric Stringer and Lynette Palmer.

SOME HON. MEMBERS:
Hear, hear!

MR. CHAIRMAN:
The hon. the member for Burgeo - Bay d'Espoir.

MR. GILBERT:
Mr. Chairman, it is interesting to sit here and listen to the defence of this budget by gentlemen opposite. It seems that their only defence is to refer back, as the hon. the member for St. John's North (Mr. J. Carter) did a few minutes ago, referred back to the Churchill Falls agreement in defence of his colleague's budget. This, to me, seems to be an awful weak defence. Every time a member opposite gets up to defend anything or to make a statement, the first thing he must do is refer back to the now famous, or infamous, Churchill Falls agreement that was signed some twenty years ago.

It seems to me that hindsight is always twenty/twenty and those people over there, I would like to see them have some foresight. And this is one thing they do not have. It certainly was not shown

in the budget that was presented by the hon. minister some days ago. It seems to me that the main thrust of the budget is to try and reduce the debt on the backs of fellow Newfoundlanders. We have, for instance, the wage freeze still in effect. When I refer to the wage freeze I am not talking about the highly paid people government likes to glamourize when they talk about a wage freeze, I refer to the people working in hospitals, maintenance people working in hospitals and things like that. We hear now that hospital beds are being closed in hospitals all over the Island this Summer as a result of this budget and the cutback in grants to hospitals. I will give you an example now of some of the things that are happening specifically in that budget. Take the community clinics around our coast, the areas of Newfoundland that are the least well served with medical services. There has been a cut of \$180,000 in clinics to areas in rural Newfoundland that are suffering, and people are dying because they have not got proper medical care. I have here right now, as sort of an example of this, I have here in my hand a telegram that was yesterday sent to the hon. Minister of Health (Dr. Twomey) from the people of Ramea concerning a serious situation that has developed there over the last few days and just to acquaint the House, Mr. Chairman, I will outline some of the problems.

The community of Ramea, with 1500 Newfoundlanders, were serviced by a professional nurse for their medical treatment, that was their only medical treatment. A gentleman, Mr. Stewart, is to retire this year - as a matter of fact he retires today and he is

moving out of the area. The people of Ramea were promised that the community's needs would be now serviced by a doctor as well as a nurse. Well up until this morning, when I came in this House this morning, there was no relief for the people of Ramea, they are left there, 1500 Newfoundlanders are left without any type of medical service whatsoever and no provision made to replace the nurse who is retired today, even though there was a promise from this government that they would have a doctor stationed on Ramea with a new medical clinic to be built and as well as a doctor, a nurse.

Now this is the sort of things we see. When you see a budget that has cut out community clinics - they cut \$180,000 out of community clinics - that to me is cutting off the backs of Newfoundlanders, the hard working people of Newfoundland who do not have the amenities of life of people who live in St. John's or on the Avalon Peninsula. But you have a situation there now, this is where the budget is hurting. The budget is hurting all Newfoundlanders but in particular those people in areas like that.

The people of Ramea were also promised a dental clinic and dental services on a regular basis. This has not happened. The community of Grey River was promised a community clinic and a doctor. This doctor who is supposed to be stationed in Ramea was supposed to be able to go there. You worry about reducing the deficit, so you cut out medical services. Is that the way to do it?

Mr. Chairman, you know you can go on and you can see the other

crying needs in rural Newfoundland such as the police service and again I refer to Ramea as an example of the suffering that is imposed on Newfoundlanders by an uncaring government.

Ramea, again, with their 1500 people do not have the benefit of police service. They get haphazard visits from an RCMP detachment in Burgeo. Last week there was a family held at knife point for a couple of hours and they could not get an RCMP Constable to come from Burgeo. The people of Ramea have made a plea on many, many occasions to have police services provided right in the community. Where else, Mr. Chairman, could you see a community of 1500 people, ten miles away from any part of Newfoundland, connected only by a ferry that gives haphazard service at best, and no police service and no provision made to put it there. I think this is the sort of stuff that should be addressed in your budget.

Now, Mr. Chairman, in the most recent election the major point that was stressed and was asked for was a mandate to create employment. We have seen the budget and we have not seen the employment only in the case of several defeated Tory candidates who have gotten jobs, and maybe that is the extent of the employment opportunities that is to be created there. There have been some halfhearted attempts. But I would like to go back now and sort of think about the way the Newfoundland economy used to be. It seems to me that a few years ago in far better times under a Liberal Government, there were four main ingredients that provided employment and the economy of Newfoundland was based

on it.

One was the fishery. We have seen the condition that the fishery has deteriorated to over the twelve or fourteen years of Tory misrule.

The forestry, there were halfhearted attempts to prove this by still a reduction in the number of people who are working in the woods.

AN HON. MEMBER:

Amen. Poor people.

MR. GILBERT:

Yes, the poor people unemployed. That is the Tory deal, well managed, cut out jobs, that is their process. The mill in Grand Falls has gone from 1500 people who were there ten years ago to now 700 full time people and this is going to be reduced.

The mining industry was the third thing that comprised the economy of Newfoundland and this has gone to rock and ruin with people laid off, never to be hired again in places like Labrador City.

Now the fourth thing, and that thing that sort of kept the economy vibrant and buoyant was the construction industry. Now the construction industry in Newfoundland has not worked to any efficient level at all. Fifteen years ago a person that was in the construction industry in Newfoundland, knew that he was going to work for six or seven months of the year, and he knew that then, when he went home, he was going to be off for three or four months and then he was going to have a job again in the Spring. This has not happened in this government's effort. First of all, they refused to sign any agreements with the previous

Liberal Government in Ottawa, so consequently there are highway's agreements and transportation agreements where left there and to run out and not to be signed.

We understand now that there is a highways agreement signed for this year. You know, this was announced on the 29 March this agreement was to be signed. And yet, to this point, we know now that there are going to be contracts let for certain upgrading to the Trans-Canada Highway and, I believe, certain work on the Trans-Labrador Highway. But for people in Newfoundland who have a 30 per cent -

MR. CHAIRMAN (Greening):

Order, please!

The hon. member's time has elapsed.

The hon. the member for Twillingate.

MR. W. CARTER:

Mr. Speaker, I started out a moment ago to question the Minister of Finance (Dr. Collins) with respect to Fisheries Loan Board loans. I am concerned, as are most members that represent fishing communities with respect to the present system that forces fishermen, who want loans, in excess of \$50,000, forcing them to go to the chartered banks to get those loans. Now in theory, Mr. Chairman, that might sound very well. But I think most of us will agree that certainly when it comes to fishermen that the banks are not too sympathetic.

Of course, we have seen experiences in the past few months, my colleague for Port de Grave (Mr. Efford), in fact, brought it to the attention of the

House. I have cases in my own district where fishermen, who have been forced by virtue of that new policy, to go to the chartered banks to obtain loans in excess of \$50,000 to buy longliners, through circumstances over which they have absolutely no control whatever, were unable to meet their payments. In fact, in many cases they were unable to meet their interest payments, consequently, the banks got after them, and in a great many cases they have lost their boats. Of course, when they lose their boats, they lose a chance to earn a livelihood, and it also denies the four or five people that would normally be employed on that boat a chance to earn a livelihood as well.

I would strongly recommend to the minister and to his colleague, the hon. Minister of Fisheries (Mr. Rideout) that that policy be discontinued. I see no reason at all why fishermen would not go to the Fisheries Loan Board, as they did in the past, and all things being equal, if they met the criteria that was established, there is no reason why these people then could not obtain loans from the Fisheries Loan Board as do people who obtain loans of a lesser amount.

Now I am not suggesting, Mr. Chairman, that these loans should not be repaid, of course, they should. We know that most fishermen when they obtain a loan to buy or to build a boat, or to buy equipment these people are sincerely and genuinely interested in repaying that loan, meeting their interest payments, paying it off as required. But there comes a time maybe when they cannot do that because of circumstances beyond their control they do not have a cash flow sufficient large

to handle their payments. But certainly when you are dealing with the Fisheries Loan Board, certainly, I think, the experience in the past proved it, you can get a much more sympathetic hearing and a better understanding of what is happening than you can when you deal with a chartered bank, the manager of which might be some fellow who was moved in here from Nova Scotia, or some Western Province.

There is very little understanding, Mr. Chairman, shown fishermen by bank managers in this Province. Their only interest is the bottom line, getting the interest paid on date and getting the loan retired on the date it is suppose to be retired and in many cases that is not working. I think, my friend for Port de Grave (Mr. Efford) has presented a very good case before this House to prove that that new policy is not a good one, and it should be abolished.

So I would strongly urge the Minister of Finance (Dr. Collins), Mr. Chairman, to give some very serious thought to this problem and hopefully correct it.

Getting back, Mr. Chairman, to what we were saying before my time expires, I do not think any Newfoundlander, certainly not this Newfoundlander and I do not think any member on this side of the House, has anything but praise for what is happening on the Grand Banks with respect to oil development. We all hope that Hibernia will pay off, that oil in sufficient quantities will be found. We hope that the government will be able to renegotiate Clause 54 in the Atlantic Accord so the oil will be brought ashore and processed,

which was the initial intention when that plant was built there. There might very well be the potential for a petro-chemical industry to develop around the Come By Chance refinery. Well, certainly without a refinery operating in the Province there is practically no chance whatever of there being any meaningful spin-off benefits from oil. We know that it will provide a number of jobs on the boats and on the rigs and in other service industries, mainly on the Avalon, mainly in St. John's, but I fail to see how it is going to have any direct or meaningful benefit, for example, for the fishermen in my district, or for the people living in other parts of rural Newfoundland. And I think the outcome of the April 2 election in rural Newfoundland proves that point, that the people were not convinced that there would be any benefits flowing to their respective communities or districts from oil development. And, of course, the government, having placed pretty well all of its eggs in one basket, that of oil development, I think was reflected in the outcome of the election on April 2.

A lot of people in this Province, Mr. Chairman, have suffered tremendously in the past four or five years. Families have been broken up because of the serious economic plight through which they have gone. Homes have been broken. We have a very high rate of unemployment, and I contend that a lot of these things could have been avoided, Mr. Chairman, had the government opposite been more willing, more able to sit down and negotiate a proper deal.

Now you can say what you like about Nova Scotia. A lot of us

have occasion to visit Halifax frequently and I say to you now, Mr. Chairman, and much to my sorrow, and I am sure much to the sorrow of Newfoundlanders, that Nova Scotia has done much better, especially the cities of Halifax and Dartmouth, in recent years from offshore development than we have. We have had five years of nothingness, five years of do nothing. We have seen an extension being build on this building, probably one of the last things we should have considered doing, but we have seen very little else take place in this Province during the past five years. And I contend that the blame for that, Mr. Chairman, must rest on the shoulders of the men opposite. And I say that with great respect. I am not just being political, I am making a statement that I am quite serious about. I think, Mr. Chairman, the facts speak for themselves. We have a province with the highest unemployment in Canada. Is that an accident? Should that be? We have a province where we have the highest rate of bankruptcies in Canada, corporate and personal.

Mr. Speaker, the House Leader (Mr. Marshall) is pointing, I think I should probably adjourn the debate.

On motion, that the Committee rise, report progress and ask leave to sit again, Mr. Speaker returned to the Chair.

MR. SPEAKER (McNicholas):

The hon. member for Terra Nova.

MR. GREENING:

Mr. Speaker, the Committee of Supply have considered the matters to them referred and have directed me to report progress and ask leave to sit again.

On motion, report received and adopted, Committee ordered to sit again on tomorrow.

MR. SPEAKER:

The hon. President of the Council.

MR. MARSHALL:

We are still on Consolidated Fund Services. We will follow that with whichever it is in the book there, Legislative and then Executive Council.

I want to advise, Mr. Speaker, as well that the Social Services Committee will review the estimates of the Department of Culture, Recreation and Youth on Monday at 9:30 in the House here and then, as I announced yesterday, the Resource Committee will meet on Tuesday. I do not want to confuse because the Resource Committee will not be meeting until Tuesday, but the Government Services will meet on Monday at 7:30 in the House to review the estimates on the Department of Municipal Affairs.

Having given that information, Mr. Speaker, I move the House at its rising do adjourn until tomorrow, Monday, at 3:00 and that this House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Monday, June 3, 1985 at 3:00 P.M.