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***VERBATIM REPORT***  
*(Hansard)*

*Speaker: Honourable Thomas Lush*

Thursday

[Preliminary Transcript]

31 May 1990

The House met at 2:00 p.m.

Mr. Speaker (Lush): Order, please!

The hon. the Member for Humber East.

Ms Verge: I rise on a point of privilege to make a statement. We on the official Opposition, as everyone realizes, have taken issue strenuously with both the position and the strategy of the Premier regarding the Meech Lake Accord. However, we are outraged by the comments made by the Assistant Deputy Speaker of the House of Commons, Denis Pronovost, maligning the Premier and the people of our Province. We have written the Prime Minister saying those statements are unacceptable in any circumstances and they are harmful to the efforts of all parties to achieve constitutional peace in Canada. We have asked the Prime Minister to instruct Mr. Pronovost to apologize immediately to the Premier and the people of our Province.

It is vitally important, as we approach the deadline for resolving differences about the Canadian constitution, that everyone refrain from making personally disparaging and offensive remarks.

Mr. Speaker, I would like to circulate this statement and table a copy of the letter I sent on behalf of the Official Opposition to the Prime Minister.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Premier.

Premier Wells: Mr. Speaker, I just received a telephone call from Monsieur Pronovost and he expressed his most sincere and

deep apologies. Anybody who listened to what Mr. Pronovost had to say could only be impressed with what I would call the depth of the sincerity and the manner in which he expressed the apology. All of us know that in the heat of debate we are prone to say things that we should not say, and Mr. Pronovost, having apologized as he did and in the manner in which he did, I accepted his apology without any reservation whatsoever, and I expressed my gratitude to him for his courtesy in calling. There are two other things I should say. Some of the comments that he made make a far more eloquent argument for the position I am taking with respect to putting a Triple "E" Senate in place, than anything I have ever said, the reality of it, and let us not forget that.

Some Hon. Members: Hear, hear!

Premier Wells: I express some gratitude to the hon. Member for Humber East for her opinion but I cannot help but point out, Mr. Speaker, that the remarks of Opposition Members yesterday, and the day before, in their questioning in the House, accused me of spreading hatred against Québec. It is not at all unlike the intemperate remarks of Mr. Pronovost.

An Hon. Member: It is true.

Premier Wells: Somebody now claims it is true. I say again it is time for all people in this country to deal with the issues involved in the Meech Lake Accord on the basis of a fair and full consideration of their merits without personal attacks. This comment today by the hon. Member for Humber East rings sort of hollow in the light of the remarks

contained in the questions the day before yesterday and today. Nevertheless, I express appreciation for the support.

Some Hon. Members: Hear, hear!

Mr. Speaker: The Chair is sort of at a loss as to what the Chair is supposed to do because the Member rose on a point of privilege. I am not sure if it was an actual point of privilege. If the Member could just clarify what it was she was wanting the House to do, just for a couple of seconds.

Ms. Verge: Mr. Speaker, with Your Honour's permission and leave of the House I would like to react to the Premier's comments.

Some Hon. Members: (Inaudible).

Mr. Speaker: It is an unusual circumstance. I do not think we should get into debate. We will leave it as it is. The Chair will review what the hon. Member said and act accordingly.

### Oral Questions

Mr. Speaker: The hon. the Member for Humber East.

Ms. Verge: Mr. Speaker, the Premier said in this hon. House last Friday that, in his judgement, there would be serious negative consequences for Newfoundland and Labrador if Quebec were to separate from the rest of Canada. I am referring to Hansard for last Friday in quoting the Premier's remarks. I would now like to ask the Premier to explain what type of serious negative consequences for our Province, resulting from Quebec's separating, he foresees, and if

these serious negative consequences include a lessening of our social programs, such as unemployment insurance, old age pension, veterans pensions and allowances, transfer payments for health and post-secondary education and equalization grants?

Mr. Speaker: The hon. the Premier.

Premier Wells: To begin with, I do not foresee Quebec separating from Canada. I do not believe it will happen. I cannot believe or think in terms of a Canada without Quebec. Having said that, somebody asked last week if I thought it were possible - is it possible? Yes, it is possible. I think it is not at all probable, but I may be in error in that. It may happen. I suppose, theoretically at the very least, it could happen. It was only ten years or so ago that Quebec took a vote on it; there is still a substantial body of opinion thinking in that direction in Quebec. So theoretically, of course, it is possible. Is it probable? I do not think it is probable, so I have not been foreseeing any adverse consequences. Somebody asked me if I thought it could happen. Yes, logic tells me it is possible. If it does happen, would there be adverse consequences? There would be adverse consequences for the entire country, and Newfoundland would suffer no more or no less than the entire country would suffer if such an unthinkable consequence occurred.

Mr. Speaker: The hon. the Member for Humber East.

Ms. Verge: Thank you, Mr. Speaker. The Fraser Institute, through its Executive Director,

Dr. Michael Walker, who, by the way, is a native of Corner Brook, just published statistics showing that our Province ranks third among all the provinces, behind PEI and Nova Scotia, in receiving per capita net benefits from the Federal Government. The Fraser Institute calculations are that Newfoundland and Labrador received \$1.82 billion worth of benefits from Confederation in 1988. Is the Premier not concerned that the ability of the Canadian economy to maintain such benefits will be hurt if the Meech Lake Accord fails?

Mr. Speaker: The hon. the Premier.

Premier Wells: Mr. Speaker, essentially I consider this the same kind of fearmongering that's part of the planned policy that was indicated yesterday in the leaked document from Ontario. Now, this is just continuing on with the same kind -

An Hon. Member: (Inaudible) and study it.

Mr. Speaker: Order, please!

Premier Wells: Let me start again, Mr. Speaker. I consider this to be the same kind of fearmongering that is consistent with this planned program to try and discredit the Government and Premier of Newfoundland, on the Meech Lake issue, without dealing with the issues that are involved in the Meech Lake Accord. Let us deal with it on the basis of the genuine issue.

No, I do not think Newfoundland will be affected any more than any other province if the Meech Lake Accord goes through. No, it will not. If other provinces are affected and the Canadian economy

is affected by the passage or the failure to pass the Meech Lake Accord as it is, Newfoundland would be affected, in economic terms directly, about the same if the Meech Lake Accord fails. If the Meech Lake Accord were to be approved as it is, Newfoundland would be adversely affected in economic terms infinitely more than any other province, because the economic disparity that exists now in this country would be continued, because it would be perpetually entrenched by reason of not being able to put a balance in the national legislature so that national economic policy and national legislative powers would be developed and exercised in a manner that provided for the balanced economic development of the country.

So, economically, the worst possible thing that could happen to Newfoundland in the long-term future, over the long term, for the next five to 100 years, is the passage of the Meech Lake Accord as it is. Now, if it fails, it is possible that it could have some adverse economic consequences on Newfoundland like it would have on the other provinces, but to no greater extent.

Mr. Speaker: The hon. the Member for St. Mary's - The Capes.

Mr. Hearn: Thank you, Mr. Speaker. I should remind the Premier, when we talk about fearmongering, that he was the one who said in the House he would rather be poor.

I ask him, in light of the fact that the latest polls show that support for his stand on Meech Lake is considerably softening, is the Premier now prepared to rethink his overall position?

Mr. Speaker: The hon. the Premier.

Premier Wells: He must have taken the poll in the Tory caucus. That is all I can say.

Some Hon. Members: Hear, hear!

Premier Wells: As a matter of fact, I just received a poll that somebody mailed in to me, faxed in. It is dated today, by Baseline Market Research.

Mr. Tobin: Fifty-two per cent.

Premier Wells: Just stated today, it asked questions of how people would vote on the Meech Lake Accord if it were put to a referendum. The question is: Based on what you know today, do you think Newfoundland's decision on the Meech Lake Accord should be made by the Premier and the Legislature, or should Newfoundland's decision be made by a vote by the people of Newfoundland? Sixty-seven per cent say they want the people of this Province to decide, a right the former Government deprived the people of. We should either do that, Mr. Speaker - we cannot alter the position we took prior to and during the election campaign without either calling a new election, which we may well be prepared to do -

Some Hon. Members: Hear, hear!

Some Hon. Members: Call it. Call it.

Premier Wells: Mr. Speaker, we would either have to do that to get a new mandate, because the mandate we have is to reject the Meech Lake Accord, that is the only way to interrupt the mandate we have and we would have to call a new election if we were to get a

new mandate to accept it, or, at the very least, call a referendum in order to get an authorization to reverse the position we stated to the people of this Province.

Clearly, Mr. Speaker, all of the polls, and everything that has recently been done, have demonstrated clearly that not only the people of Newfoundland and Labrador but the people in all parts of this nation object to the Meech Lake Accord. What I do not understand, Mr. Speaker, are two things: First, I do not understand Premiers, Governments, and Legislatures pressuring the acceptance of constitutional changes they know are contrary to the wishes of the people of this country. I cannot understand how you can do that in a democracy. Secondly, Mr. Speaker, I do not understand people who supported the opposition to the Meech Lake Accord. Whenever those who want to cause it to happen against the wishes develop the kinds of schemes we saw released yesterday in Ontario to discredit the opponents, and put out these kinds of false stories and this accusation of spreading hatred, the accusation of sabotage, as soon as they see this kind of thing, they run and cower and abandon any indication of principle.

An Hon. Member: (Inaudible) abuse.

Mr. Speaker: Order, please!

I was about to remind the Premier that I think he is now straying from the question and getting into speechifying.

The hon. the Member for St. Mary's - The Capes.

Mr. Hearn: Thank you, Mr. Speaker.

Maybe the Premier should either analyze his polls more carefully, if he has the intelligence to do so, or also listen to things which are negative, as well as the positive news he seems to assimilate. The 67 per cent who would like to have a say on Meech Lake did not necessarily say they were in favour, they probably wanted to have some say.

Let me ask the Premier, does the Premier agree that the United States Senate is a Triple "E" Senate?

Mr. Speaker: The hon. the Premier.

Premier Wells: Yes, it is a Triple "E" Senate.

Mr. Speaker: The hon. the Member for St. Mary's - The Capes.

Mr. Hearn: I ask the Premier, then, is he aware that in the United States there are significant differences in personal income per capita among the states, and that the residents of Mississippi, for example, earned less than 50 per cent per capita the citizens of the richest state, Connecticut, earned per capita? How does he justify that in light of the fact that the Triple "E" Senate is supposed to be the panacea for Canada?

An Hon. Member: Would you agree that (inaudible)?

Mr. Speaker: Order, please!  
Order, please!

The hon. the Premier.

Premier Wells: Take a couple of Provinces similar to Newfoundland, or a couple of states, Vermont, New Hampshire: Vermont, with a population smaller than

Newfoundland, has two senators; California, with a population greater than the whole of Canada, has two senators. New Hampshire is in the same boat. New Hampshire, a New England state - both Vermont and New Hampshire - on the coast of the northeast United States, no unemployment; New Hampshire, no debt.

Mr. Hewlett: Mississippi.

Premier Wells: I will dig out the information on Mississippi and bring it to the House. I happen to know the information on New Hampshire and Vermont, because they are two -

An Hon. Member: (Inaudible) of course you do.

Mr. Speaker: Order, please!

Premier Wells: Let me start again, Mr. Speaker.

I will dig out the information on Mississippi and any other state they want, but I happen to know the information on New Hampshire and Vermont because they are two of the states whose governors participate in the New England Governors and Eastern Canadian Premiers Conference. I happen to know the statistics on those two states, but I will check the statistics on the other smaller states and bring the information back to the House, Mr. Speaker.

Mr. Speaker: The hon. the Member for Harbour Main.

Mr. Doyle: Mr. Speaker, my question is for the Government House Leader. I am sure the Government House Leader will be aware of the remarks of the President of the Newfoundland Association of Public Employees,

Mr. March, and I quote: 'The Government seems to be backing out of a deal to kill Bill 59.' My question is, is Government going to be applying the provisions of the old legislation in dealing with a possible strike or a possible walk-out by the Lab and X-ray on Monday?

Mr. Speaker: The hon. the Government House Leader.

Mr. Baker: Thank you, Mr. Speaker. Where we are coming from in terms of labour legislation is obvious. The Bill has been prepared and, I believe, is before the Committee now. It will be under examination in the next few months.

With regard to the current situation, talks are going on right now, at this moment; they went on all yesterday, last night, they are going on this afternoon. I am pleased with the progress that is being made at this point. We will just have to allow the process to take its course. I believe in the collective bargaining process, this Government believes in the collective bargaining process, and we are willing to let it work.

Mr. Speaker: The hon. the Member for Harbour Main.

Mr. Doyle: Mr. Speaker, the Government House Leader did not answer my question. The union reported today that they submitted a 110 page report to Government outlining what they felt should be included in that labour legislation and, they said, no meaningful response came back from Government on that. But Government responded on Tuesday that Bill 59 was still in place. Now, that new legislation is not

coming before the House for quite some time yet. Will Government agree to negotiate with NAPE as if the old Bill 59 was not in place, and to honour the agreement of the former Government and NAPE to negotiate as if the new legislation was on stream?

Mr. Speaker: The hon. the Government House Leader.

Mr. Baker: Mr. Speaker, I have to correct something. In terms of the legislation that is now in the process of being brought before the House, a very high-ranking official of NAPE sat on the committee which developed that legislation and had very direct input into the legislation. So I do not really know where the hon. Member is coming from.

The second part of his question had to do with Bill 59 and so on?

Mr. Doyle: To negotiate with NAPE as if the new legislation was now in place?

Mr. Baker: We are now, as I pointed out, talking to the bargaining unit. We are in the process of negotiation. One of the things we are discussing is an essential workers' agreement, along the lines, I suppose, of the legislation we are proposing.

So the talks are ongoing. In spite of, perhaps, some of the inflammatory things you might hear, the relationship is still there and we are working on the situation; we are hoping for some satisfactory resolution.

Mr. Speaker: The hon. the Member for Harbour Main.

Mr. Doyle: I would submit to the Government House Leader that if

the strike takes place on Monday or Tuesday, by the lab and x-ray, nobody seems to be aware right now of what employees will be considered essential. Again I ask him, are you going to be operating on the basis of the old legislation in designating what employees in lab and x-ray will be considered essential? I am sure the hospitals want to know. If this is going to take place on Monday or Tuesday, a lot of health care will be in jeopardy. So what employees will be considered essential in lab and x-ray, and how are you going to determine that?

Mr. Speaker: The hon. the Government House Leader.

Mr. Baker: Thank you, Mr. Speaker. That is being determined in the process of negotiation right now. Something should be worked out that is acceptable to employer and union. This is now in the process of being discussed, and I hope we can come to some kind of satisfactory arrangement. I am sure the Member does not expect me to stand here and say that the Government is going to be heavy-handed in this particular instance, and tell them what is going to happen.

I am sure the hon. Member also believes in the bargaining process, in the fact that if things are done properly, and if there is goodwill on both sides, that we can come to a satisfactory resolution.

Mr. Speaker: The hon. the Member for Fogo.

Mr. Winsor: Thank you, Mr. Speaker. My question is to the Minister of Fisheries. Over the last few days I have been asking

the Minister of Fisheries about storm damage done along the northeast coast, and the Province in general. The Minister was chafing at the bit on Tuesday to give us an answer, and he told us yesterday that there was 25 to 30 per cent storm damage. Will the Minister not admit that in certain areas of the Province, particularly from Cape Freels to Fogo Island, the damage was much worse, it was in the 50 to 75 per cent range, and in some cases even higher, along the strait shore?

Mr. Speaker: The hon. the Minister of Fisheries.

Mr. Carter: Mr. Speaker, contrary to what the hon. Member thought he would try to convey, I never downplayed the severity of the damage caused by the storm. I did investigate it, and had my field officers investigate the damage and the extent to which it affected different areas, and I was told that on average it would have been between 25 and 30 per cent of the lobster traps in the water that were probably destroyed. I have been talking to my people this morning, I have talked to the field officers in the areas concerned, and I am told they received to date about fifteen requests for help from fishermen affected. They have been advised of the program we have in place, that of a lobster pot bank which is available to them. Some have expressed an interest in availing of that service, others have not, and that is where it stands. The lobster pot bank is there, and there is a charge which was established, by the way, by the previous Administration. We did not put the price tag on it, the price was put on it by the other side, Mr. Speaker, when they were in



Government. The bank is there for the benefit of the people affected by the storm.

Mr. Speaker: The hon. the Member for Fogo.

Mr. Winsor: The Minister, in his answer, has indicated that certain areas did get more than 25 to 30 per cent damage. The Minister is in a position to take the \$7.00 fee off per trap, and in light of the fact that the trap bank has only sold, as of yesterday, 500 to 700 traps, the reason being that fishermen cannot afford it, will the Minister now, because he is in a position to do so, lower or eliminate completely the \$7.00 fee on traps?

Mr. Speaker: The hon. the Minister of Fisheries.

Mr. Carter: Mr. Speaker, what the hon. gentleman is not saying - and I give credit to the fishermen who had the foresight in a great many cases, in fact, in probably most cases, to have had a back-up supply of lobster traps. You can moan and groan all you like, but that is a fact. In many cases as, you would expect, they have 150 pots in the water and they probably have 100 pots behind the stage in the event of a storm. And that, Mr. Speaker, is quite prevalent. A great many fishermen had the foresight to do that. In cases where they didn't, the lobster pot bank is there for them.

Mr. Speaker: The hon. the Member for Fogo.

Mr. Winsor: Mr. Speaker, the storm damage was not only confined to lobster traps; there was considerable damage done to other types of gear, particularly lump nets. What was the extent of the

damage to lump nets, and is the Minister going to offer any assistance at all to fishermen who are lump roe fishermen?

Mr. Speaker: The hon. the Minister of Fisheries.

Mr. Carter: Mr. Speaker, once again, I do not want to downplay the severity of the damage done to lump nets. I understand that in some areas there has been considerable damage done, but, again, I can only tell him that I think the day after the storm occurred, last Thursday, he got on his feet in the House and he expected me to have a complete report of every lobster pot lost, every lump fish net lost, and every bit of damage suffered in the storm. The fact of the matter, is, Mr. Speaker, in most cases the fishermen couldn't get back on the water until Monday past - I had a report ready on Tuesday. He didn't have the interest then to ask me a question, because he was too engrossed in the Meech Lake thing.

An Hon. Member: (Inaudible).

Mr. Speaker: Order, please!

Mr. Carter: On Wednesday he asked a question to which I replied, and I am doing the same thing now.

Mr. Speaker: The hon. the Member for Burin - Placentia West.

Mr. Tobin: Mr. Speaker, my question is to the Minister of Education. Several times in this House, and outside, the Minister has said the decision to move the community college headquarters from Burin to Clarendville was a difficult one. The Member for Bellevue has publicly stated that

he supports the decision of Government to move the headquarters from Burin to Clarenville. Can the Minister tell me why, with confirmation that the decision had already been made, he initiated a White Paper?

Mr. Speaker: The hon. the Minister of Education.

Dr. Warren: Mr. Speaker, I would like to indicate to the hon. Member that we did call for briefs and presentations on the White Paper and approximately 100 have been received. We are now in the process of analyzing all of these briefs. There were quite a number of letters concerning the moving of the headquarters from Burin to Clarenville, and from Carbonear to Clarenville; there are quite a number of letters arguing that that's not appropriate. But I want to assure the hon. Member that no final decision has been made; we want to do it right; we want to review all the briefs and shortly, perhaps within a month, we will be able to announce the Government's decision in this regard.

Mr. Speaker: The hon. the Member for Burin - Placentia West.

Mr. Tobin: Mr. Speaker, the Minister has already said in this House that it was a difficult decision to make, to move the headquarters to Clarenville. I ask the Minister again, will the Minister confirm that the headquarters will be remaining in Salt Pond, Burin?

Mr. Speaker: The hon. the Minister of Education.

Dr. Warren: Mr. Speaker, the hon. Member must know that the White Paper was a proposal. It is a

difficult decision to propose the removal of any headquarters, because we had people in place, and offices. The proposal was a difficult decision to recommend any movement. No final decision has been made. All the briefs have been reviewed, and very shortly Government will make the decision on the implementation of the White Paper.

Mr. Speaker: The hon. the Member for Burin - Placentia West.

Mr. Tobin: Mr. Speaker, will the Minister confirm that what he is doing is similar to what they did with the office of the Ombudsman, that in order to get at the Ombudsman, they decided to close the office? In order to get at some people, both in the Carbonear and Burin Headquarters, the best way to do it is to close the Headquarters in these communities. Will the Minister not confirm that that is his plan?

Mr. Speaker: The hon. the Minister of Education.

Dr. Warren: I am tempted not to answer that. Mr. Speaker, I am tempted not to answer that question. The decisions, the proposals in the White Paper are on what is best educationally for this Province.

We are at a very difficult time in education in this Province. We have tremendous needs, we have limited resources, and the Government is going to examine all programs and proposals and propose what is in the best interest, the economic and educational interest, of the Province. That is the basis on which these proposals were made.

Mr. Tobin: You didn't deny it

though. You didn't deny it.

Mr. Speaker: The hon. the Member for Port au Port.

Mr. Hodder: Mr. Speaker, I have a question for the Minister of Works, Services and Transportation. In mid or late November, I asked the Minister what the Government's policy was concerning smoking in public buildings belonging to the Province. At that time, the Minister indicated that the Government would be changing the present policy, and he indicated a preference for non-smoking. I quote the Hansard where he says, 'We are right now considering making the recommendation and we hope to have it in place very shortly.'

My question to the Minister: It is now seven months later. Is the Minister still planning to have a smoke-free policy in Government buildings in this Province?

Mr. Speaker: The hon. the Minister of Works, Services and Transportation.

Mr. Gilbert: Mr. Speaker, I will let the Minister of Health answer.

Mr. Speaker: The hon. the Minister of Health.

Mr. Decker: Thank you, Mr. Speaker. As my hon. colleague pointed out some time ago, the Government is indeed looking at a non-smoking policy for Government buildings. However, when this was made public as a result of that question, that maybe the hon. Member asked, there was a lot of concern generated throughout the Province that the Government would look into making a broader application of the law. For

example, it has been suggested that we look at the supermarkets, that we look at the schools, and that we look at other buildings.

What we are doing now is reviewing legislation from other provinces; we are especially looking at Quebec, which has quite a policy in place. But I cannot anticipate what Government will come up with, other than to say that we are looking into the possibility of bringing in a non-smoking policy for public buildings, including the Confederation building and Government buildings.

Mr. Speaker: The hon. the Member for Port au Port.

Mr. Hodder: Mr. Speaker, that answer is not quite good enough. Because the Minister - and I was going to ask my supplementary to the Minister - has been quite vocal in public about non-smoking, and it is my opinion that perhaps we should start at home. Every other legislature - the House of Commons itself a non-smoking institution, and federal public buildings, as well as all Government buildings in practically all the provinces across the country. I would just like to ask the Minister what reason would keep the Minister from doing it here?

It would seem to me, as well, that forcing private institutions to do it would be quite difficult. But would the Minister not agree that it would be quite simple to try to do it in public buildings which are under the control of the Minister of Works, Services and Transportation?

Mr. Speaker: The hon. the Minister of Health.

Mr. Decker: Mr. Speaker, the hon. Member does not have his facts quite right. In actual fact, smoking is permitted in the House of Commons, but it is not permitted in Government buildings. But I agree with the principle of what the hon. Member is saying.

As the hon. Member probably knows, I, too, am an avid non-smoker. But whenever we talk about bringing in rules and regulations, we have to consider the rights of everyone. We just cannot go with a heavy-hand, we have to make sure that we are not taking away people's rights without a good, solid reason. So we are approaching this from a very reasonable point of view, Mr. Speaker. I should say a lot of smokers, though, are asking that we would come in with a non-smoking policy.

I think the good news for the hon. Member, and for the people of the Province, is that it is by no means a dead issue. We are looking very closely at it, but we want to come up with a program which is reasonable so that nobody's rights are unnecessarily trampled, but that in the end everyone will be able to benefit from a non-smoking program for the whole Province.

Mr. Speaker: The hon. the Member for Torngat Mountains.

Mr. Warren: Thank you very much, Mr. Speaker.

My question is to the Minister of Fisheries. As the Minister of Fisheries is aware, his Department owns and operates, in conjunction with the LIA and Torngat Fisheries, two fish plants in Nain and Makkovik, and feeder fish

plants in Postville, Hopedale and Davis Inlet.

Could the Minister advise if he is considering using one of the middle-distance boats to supply fish to the fish plants in the District, from Makkovik to Nain, this coming summer?

Mr. Speaker: The hon. the Minister of Fisheries.

Mr. Carter: Mr. Speaker, I hope to be in a position, probably before this week is out, to be able to make an announcement on the disposition of the four mid-distance vessels. As the hon. Members knows, we called proposals for the purchase of those vessels. We succeeded in attracting two worthwhile offers, and we sold two of them. Subsequent to that, we called proposals from the industry for the leasing of those vessels. We received, I think, about five responses to the leasing tender call, and within a few days I should be announcing what the decision is on it.

Mr. Speaker: The hon. the Member for Torngat Mountains.

Mr. Warren: Thank you very much, Mr. Speaker. My supplementary to the Minister. Would the Minister confirm that he has received a proposal from the Labrador Innuit Association? If he has, would their proposal be also considered when the Minister makes his announcement in the next couple of days?

Mr. Speaker: The hon. the Minister of Fisheries.

Mr. Carter: Mr. Speaker, I can tell you now that all the proposals we received have been

considered. Again, he will have to wait a few days, until I am ready to make the announcement.

Mr. Speaker: Question Period has expired.

**Answers to Questions  
for which Notice has been Given**

Mr. Speaker: The hon. the Minister of Fisheries.

Mr. Carter: Mr. Speaker, yesterday, in the House, there was a question raised by the Member for Grand Bank having to do with grants made available by my Department for fishermen's committees, and to do certain things to fishing facilities around the Province. I should point out, Mr. Speaker, that The Small Grants Program, which is available to fishermen's committees around the Province, is administered by the Engineering Division of the Department of Fisheries. The purpose of the program is to assist fishermen's committees with repairs to provincially and community owned fishing facilities. The criteria for delivery of those grants under that program was established by the Department some years ago, and it is still being followed.

I apologize for not having all the information. Because some of the information that is sought, we have to get it in from our field offices and I am unable to give the hon. gentleman, in the House, the number of applications submitted. I will have that information when we get it in, but I can tell him that since 1985, there have been 508 projects approved, for a total of about \$2 million - 508 for a total cost of

\$2 million.

He sort of implied in his question that maybe we were favouring Liberal Districts now. I should tell him that since 1985, even though the then Opposition represented probably more than half of the fishing Districts in Newfoundland, the Government of the day received 65.5 per cent of the total amount of the grants made, and the Liberals, in Opposition, received 33 per cent.

Mr. Tobin: Twillingate got that much the other day.

Mr. Carter: Twillingate, Mr. Speaker, to date, in this year, has not received one single grant, even though there have been eighteen grants made. There have been no approvals for Twillingate District. Twillingate District, since 1985, received, I believe, a little more than 3 per cent of the total number of grants approved. I do not have all of the figures here, but I will. I should tell him the five grants which were announced, which he referred to yesterday, were last year's grants, they were made from last year's Budget.

An Hon. Member: (Inaudible).

Mr. Carter: There were five, Mr. Speaker. Last year there were one hundred-and-something grants given; Twillingate certainly got no more than its share. I fail to understand what the hon. Member opposite has against Twillingate. Last week they were complaining because we got the fish plant reopened, and now they are complaining because we are giving the poor old Twillingaters a few dollars. These grants, I should point out, Mr. Speaker, are worth about \$3,000 each.

Mr. Speaker: I want to remind the hon. the Minister of Fisheries, in giving Answers to Questions he should proceed to give the answers to the question at hand and not get carried away by extraneous matters.

Mr. Carter: (Inaudible).

Mr. Speaker: The Minister is finished, though.

The hon. the Minister of Environment and Lands.

Mr. Kelland: Thank you, Mr. Speaker. Some days ago, the Member for Menihek District, in Labrador, raised questions with respect to an illegal hunt of waterfowl by Innu from the Province of Quebec. I have some information I would like to provide in response, because at that time I had given a commitment I would bring information into the House with respect to his questions.

The first question the Member asked was whether we were forewarned that illegal hunting or poaching was to occur in the Menihek Lake area? I believe that was the question. Our officials in Labrador West obtained a press release on May 17 concerning this matter. The press release was issued by an Innu group in Sept-Îles, and you will be able to see from the English version which I will table, the translation of that press release, there was no mention of Menihek Lake or any other part of Labrador. The statement clearly states the individuals plan to go to Schefferville, Quebec, to hunt geese, and it goes on to state: 'These actions are in line with a series of occurrences which makes relations more and more tense

between the police forces and the Innu in Quebec and in this country.'

As you are aware, Mr. Speaker, the enforcement of the migratory bird regulations is under Federal jurisdiction, whether it is in Quebec or Labrador or, for that matter, any part of Canada. Our wildlife officials in Labrador did contact the RCMP and the Canadian Wildlife Service officials and offered to assist any investigations in Labrador. In fact, one of our wildlife people from western Labrador carried out, or participated in, an aerial patrol with a member of the Canadian Wildlife Service. That was in a fixed wing aircraft that didn't land. I understand, additionally, Mr. Speaker, that what appeared to be duck blinds or geese blinds, were spotted, but no hunting activity was underway at the time.

Now, subsequent to that - and I will table the information I have here, Mr. Speaker, along with the version of the press release - subsequent to that, it has been said to me that the RCMP and the Canadian Wildlife Service had made some decision not to go in and carry out their legal mandate to do a search and lay charges, and so on. And as we had offered to assist, the decision was made by the chief enforcement officer not to send our two men, unarmed men, in to face something which could have been in excess of 200 Innu who were in possession of -

An Hon. Member: Firearms.

Mr. Kelland: - firearms and illegally obtained waterfowl; and I think it was a good decision, based on that. However, I will say, though, that I am not

satisfied that sufficient action, or adequate action has been taken, and, based on the information I have just given, the fact that the RCMP apparently, or reportedly, and the CWS, reportedly, decided not to go in and take any action, and it is their mandate to do so, I will now contact my Federal counterparts with that information, and ask the counterparts why - because we would have assisted, had we been requested, in the confrontation; even though short of manpower, I think we would have probably scraped up, between all of us, maybe seven people, to face something like 200 people - why some action wasn't taken, if everybody had been forewarned, indeed, at least the officials had been, and perhaps what possible action might follow from what has already happened, and what possible action the Federal authorities may take for future occurrences. Because obviously, as I said in the House, I really find it criminal, in more ways than one, that people would slaughter our waterfowl resources or wildlife resources to make a political point. I say 'political', not in the partisan sense, but a political point by a group who have claims, and believe they have special rights in certain parts of our country. Mr. Speaker, I would like to table this information.

Mr. Speaker: Just a comment with respect to this particular item of business, Answers to Questions for which Notice has been Given. Generally, we follow the same rules of the House as with respect to answers, that the answers should be brief, because Ministers must remember that Members of the Opposition don't get a chance to respond. So we should try to be

as brief as possible. The other alternative, of course, is to do it by a Ministerial Statement. If the answer to the question appears to be longer than normal, then the Minister can do it by Ministerial Statement.

## Petitions

Mr. Speaker: The hon. the Member for Torngat Mountains.

Mr. Warren: Thank you very much, Mr. Speaker.

Mr. Speaker, I have a petition to present. The prayer of the petition is: "We are concerned with the health care as presently available through Grenfell Regional Health Services, and we call upon the Government to have a public inquiry into health care. It is similar to petitions I have presented to this House on numerous occasions.

I think it is evident throughout Newfoundland and Labrador that the rural areas of our Province need better health care. I think there was an indication a couple of days ago from my colleague for Grand Bank who asked a question to the Minister of Health concerning health care in the Grand Bank area.

Mr. Speaker, I noticed today in the media that the physician down there expressed a concern of health care in remote areas. And the same thing applies to the coast of Labrador all the way from L'Anse-au-Clair to Nain. Mr. Speaker, I think the Government of the day is sitting on a very valuable report that was compiled for the Grenfell Regional Health Services, but they have not moved on this report. Mr. Speaker, this

report calls for two boards in Labrador. That in itself will see the administration of the Grenfell Regional Health Services being better controlled, and naturally better for the patients who need better health care.

Mr. Speaker, if you talk to people, whether they are in Port Hope Simpson, Paradise River or Davis Inlet, you will find they have problems, they have concerns with the health care, in particular with the administrative section.

Mr. Speaker, there is no doubt that the letter the Minister received from Gary Mitchell a number of days ago sums it up very, very easily. The Minister is more concerned now in pork barrelling, making sure that he would get his buddies or his friends on the board. Looking at the list of the new board members who were appointed a few weeks ago, we will notice that the Minister scraped the bottom of the barrel in places, Mr. Speaker, looking for a person with political affiliation to the particular party. Now I think this is shameful when we have to stoop that low to make sure that we can get representatives to sit on such very important boards.

Mr. Speaker, this petition is from the Community of Nain. I would say that the people in Nain are concerned, as well as the people in Hopedale and Postville, that this Minister and this Government during the last month have decided to hold back on the construction of the nursing clinics in Hopedale and Davis Inlet. Mr. Speaker, I would like to know why? Tomorrow is the first day of June and tenders are not even called yet for the engineering part of the

two nursing stations. I cannot see, Mr. Speaker, unless this Government is planning to call tenders sometime in September or October and then it will be too late to even commence construction this year of those two nursing stations, because naturally with the geography of the area it will be impossible to do any groundwork because of the frost in the ground.

Mr. Speaker, I would like to refer this petition to the Department to which it relates. I would hope that the Minister of Health will move very quickly on supporting a revision of health care along the Labrador coast. Subsequently an improvement in health care will mean better living conditions for all concerned.

Thank you very much, Mr. Speaker.

#### Orders of the Day

Mr. Baker: Order 24, Mr. Speaker.

Mr. Speaker: The Speaker is in a dilemma. He has lost the Order Paper. Oh, no, I am sorry, I have it.

Order 24, which is second reading of a Bill, "An Act To Amend The Mineral Holdings Impost Act." (Bill No. 27).

Did I read the wrong one?

The hon. the Minister of Finance, in any event, to introduce his Bill.

Dr. Kitchen: Thank you, Mr. Speaker.

This Bill, "An Act To Amend The Mineral Holdings Impost Act" is a simple measure. What we are



proposing to do, Mr. Speaker, is three things. We are proposing to increase the rate of the impost as we announced in the Budget Speech. It has been \$3 per acre from 1981 until 1989, and now we are proposing to increase it to \$6.00 for 1990, \$7.00 for 1991, \$8.00 for 1992, and so on, until it reaches \$12.50 in 1996 per hectare in each year following. That is one proposal, Mr. Speaker. Secondly, in Clause 2, we want to increase the carryforward period for approved exploration expenditures from two to five years. Thirdly, Mr. Speaker, we would like to provide that the owner of a mineral holding may apply to the Minister of Mines and Energy to have the mineral holding converted to a license under the Mineral Act 1976, either a ground stake license or a map stake license.

Thank you, Mr. Speaker.

Mr. Speaker: The hon. the Member for Mount Pearl.

Mr. Windsor: Thank you, Mr. Speaker.

I would simply like to note that the Minister very quickly has doubled the mineral impost from \$3.00 to \$6.00 per acre. He is going to triple it in three more years, and quadruple it three more years after that. I do not know what the justification for this is, Mr. Speaker. It was thirty-five cents per hectare in 1978 which was very low. It was increased to fifty-five cents in 1979, \$1.15 in 1980, \$1.95 in 1981, and \$3.00 in 1981. It has held there since then. There is some justification for some increase now, but to double it now, then triple it in three years time, and quadruple it three years

after that, appears to be a pretty heavy measure. Maybe the Minister of Mines would like to address this. I am sure he is going to want to speak to this Bill, being so involved in it for so many years. I think perhaps he can give us some insight as to what the implications will be on some of the major mining companies. The real question, I guess, that need to be asked here are two things: first of all, some of the smaller companies that are out doing some exploration are having real difficulties today in raising the finances necessary to do exploration. Now, we have enjoyed, over the past two or three years, record levels of exploration in this Province, thanks to the policies that the previous Administration put in place.

We have opened up large tracks of land and made it available for exploration in this Province. It has been an extremely worthwhile program, we have made great process, and some discoveries have resulted from the fact that exploration has increased so dramatically. I would like to ask the Minister of Mines what impact this will have now, particularly on the smaller companies who do not now have the same financial opportunities as well, because some changes in federal legislation a year or so ago, made it very difficult for flow-through financing, flow-through shares, for mineral exploration in Canada, and made it much less favourable from a tax benefit point of view. Maybe the Minister of Mines would address those two aspects? What will be the financial implication, particular on the smaller junior mining exploration companies, and particularly in light of the change in federal legislation? We

are now allowing it to go for five years. Maybe the Minister will tell us why we now need it to go for five years? We are striking out the words, for two years, and substituting the words, for five years. It presently said, any excess of approved expenditures may be carried forward as approved expenditures and applied towards reduction (inaudible) Well, that is probably a favourable thing to the companies, I would think. That would give them an opportunity to spread expenditures over that period. Maybe the Minister would address those questions when he rises, Mr. Speaker?

Mr. Speaker: The hon. the Minister of Mines and Energy.

Dr. Gibbons: Thank you, Mr. Speaker.

In addressing the first part of the question, why go to \$12.50 now, over an eight year period? The answer is quite straightforward. Presently, at this time, and for the last decade, the requirement under the Mineral Act for any claim stake is that a company spend \$12.50 per hectare in exploration expenditures, so by going through with these changes now for the mineral impost areas we are putting areas held under long-term leases on the same basis as areas that are going to be held under mineral claims. So a company that now owns a large area of land for mineral exploration, for example the Abitibi-Price grant down through central Newfoundland, is now being told that over the next eight years, you are going to have to spend, for mineral exploration, the same amount by 1996 as a company is presently required to spend today on a mineral claim,

put them on the same basis, so we are encouraging companies that have these long-term holdings, some of them large like the Abitibi one, to do more exploration. This is not primarily a tax measure. This is, primarily from my perspective as the Minister of Mines, an exploration inducement measure, because the companies must either explore or pay a tax or give up the land, and this is going to make them explore or give up the land. Otherwise they have to stay on the same basis as The Mineral Act. So that is the reason for going to that \$ 12.50, in these annual one dollar per year increases starting this year with the three dollar jump for this year.

The next question regarding the impact on small mining companies. There is no impact at all on the new small mining companies because they all have their land under The Mineral Act. They have claims under The Mineral Act and this impost does not apply to claims that are held under The Mineral Act. It does not apply at all. So there is no implication for the cancellation of the CEIP Program by the Federal Government on these companies. None at all. As a matter of fact, if anything, it might be positive for them if some of the larger land holdings are released as a result of this change.

The implications for the companies that hold the land, of course, are there. They either have to explore or pay or drop land. And that is the whole intent of this act in the first place.

The carry forward thing, as the Member for Mount Pearl said, from two years to five years is purely

that, an inducement to help them spend money now if they have a good property, and they can carry it forward and hold the land for a while as they do a thorough assessment of that property. So that is a positive benefit for any company that holds any lands in this area.

I think that covers it, Mr. Speaker.

Mr. Speaker: The hon. the Member for Menihek.

Mr. A. Snow: Thank you very much, Mr. Speaker.

I can agree in principle with the theory put forward by the Minister with regard to encouraging the companies owning large tracts of land, encouraging them to spend more money in exploration and, of course, then hopefully down the road what you see is development of a mine. Of course, we all know that as an industry mining has become the leading economic generator in this Province. It is approaching now a \$1 billion industry. It is the number one economic generator in this Province. And, of course, I represent a District that produces about three-quarters of that revenue in the mining sector.

So it is very important that when we do have mineral holdings imposts, and we do have new taxes or impost on mining companies operating or indeed holding land tracts, that we see it can have an affect on development and operating mines. As you notice in the Budget that was brought down there was a payroll tax placed on mining operators in this country, in this Province, and, of course, that was a huge tax burden in comparison to what this particular

tax is. Although this is a tremendous increase and I can see the purpose in the sense that it does encourage more exploration and encourages companies to spend more money to look for minerals and develop the minerals. In my own District we have a company that is out exploring this year, looking to do a further exploration looking for the mineral graphite.

Of course, about fifteen miles away from their particular deposit there is a mine being developed in the Province of Quebec to mine and process graphite and that is about a \$30 million development occurring this year. There is about \$5 million or \$6 million already spent there. This year they are hoping to proceed with the actual concentrator development. I would be more encouraged and so would all the residents of this Province, I think, if this particular Administration could see fit to put into legislation some type of legislation that, if indeed it was going to encourage more development or exploration work, that it could encourage more exploration of the type that is occurring in western Labrador this summer.

There has been about a couple of million dollars already spent in this graphite deposit over a number of years in the Mills Lake area. The particular developers are looking for assistance to see indeed if they can go ahead and find a suitable quantity and quality of graphite. They know that the initial reports state that the quality is of a higher grade than what is about fifteen miles away in a similar type of terrain, and they know that this particular deposit in the

Newfoundland portion or the Labrador portion of the Province, is a higher quality and they are looking to see if they could develop this mining property and thus create more employment for our residents.

Of course, we recognize that in the province of Quebec, if this mine is developed we would probably, in all likelihood, see some commercial spin off in western Labrador, and suppliers and that type of thing, but the actual employment in the mines, I would think would be largely given to the people in the province of Quebec, the citizens of that province. There are probably a lot of them now living up in Fermont and that area, who would like to see their people employed in the mines, but I know that there is going to be some benefit in our area. So I can see that what the Government should be looking at, as a recommendation to the Minister, what they should be looking at is, if they are going to impose these new tax measures, this is the second one now on mines, and what bothers me is that they are coming in with these new taxes, increased tax burden on the mining industry, and while it is indeed the number one economic generator in the Province, you cannot place a total tax burden on mining companies. You have to be concerned that you are not just taxing a company.

A company is not just a piece of paper registered in Delaware, a company is composed of a lot of miners, men and women working in the industry and the payroll tax is a point in case. I think that possibly rather than call it the health and post-secondary education tax, whereas, I believe it is time to probably look at, if

you are going to impose a new tax or another tax burden on mining operators and mining companies in this Province, what you should be indeed doing, is, probably coming in with something that could be considered a diversification fund tax, and possibly maybe even a resource depletion fund tax, and that I feel would be a lot better in the sense that people who are presently employed in a particular industry, mining, we know that from experience that people who are employed in the industry tend to stay in the industry. We have seen people leave an area that produced a lot of wealth in this Province, in Buchans, we have seen that mine, that resource, completely depleted and the people left devastated economically, the area devastated economically and the people themselves devastated. But they have gone on to other areas. We have quite a few of them residing in our District. They seem to stay in the industry, so, I would argue that those people, the people from Bell Island, the people from Baie Verte, they come to live in our area, working again in the mines and I would urge that this Government look at any new taxes which they are going to impose would go to a special fund called a resource depletion fund or diversification fund.

I think it is very necessary to have that type of thing. It's something that a single industry town such as Labrador City and Wabush; we need that type of thing, we need to diversify. You hear - it's a common buzz word on that side of the House now when they talk about what they are going to do because of the devastation in the fishing industry, but they don't seem to associate it with what can happen

in the mining industry, although it has happened all around us in Bell Island and it's -

An Hon. Member: They need a new Member down there.

Mr. A. Snow: They need a new Member. They may indeed get the opportunity if the Premier were to call an election they might indeed get the opportunity to select a new Member, and I would hope that somebody of the calibre of the Minister of Social Services would come down there and we would see what would occur. But in the meantime, in talking about this new tax that he is so fast and quick to jump upon, to impose upon the people of western Labrador, while he doesn't want to give any benefits from his particular Department to western Labrador, such as to the crisis shelter, maybe if he would look after that we can start looking after taxing the mining industry.

Mr. Speaker, I think it is important that we consider funding, if we are going to tax, if indeed you are going to increase the tax burden upon the mining industry per se. If you are going to put that increased burden upon the miners of this Province you should put a special fund in place for a resource depletion fund or diversification fund. I think it's important, I know what the people of western Labrador went through when we had a problem, a global economy and our production levels went down in the mid 80s, in the early 80s and mid 80s. We had 1,000 people in the primary sector alone, in the mines, 1,200 actually, 1,200 people who lost their jobs in the mining industry in Wabush and Labrador City, and that was devastating. So it is necessary,

I believe, to have that type of fund, and I think that it is generally agreed by most people, especially liberal thinkers - that is small "l" liberal thinkers - that there should be some type of diversification or resource depletion fund in resource based industries - and that is what this is - where it is a non-renewable resource. It is very important that that fund be in place when the resource has been depleted.

While this particular Bill does not address this particular theory or suggestion of what the new tax measures should be by this Province, I think it is something that has to be considered, and the fact that this whole Province generates such a revenue from it; this whole Province gets a benefit from the revenues being generated in the mining industry in western Labrador. When the day comes, and there is going to be a day, every day we dig iron ore from the pits in Wabush and the pits in Labrador City, the Carol project, is a day closer to the death of those mines. There will be a day when those mines will operate no more, as sure as we are sitting in this House today.

We have seen mining towns north of us, in Schefferville, shut down; started in 1954, I believe the first shipment came out of Schefferville. Mulroney was President of The Iron Ore Company of Canada while that town shut down, while that mine was closed. That is to the north of Labrador City and Wabush.

We have seen the community to the southwest of us, called Gagnon, created around the same time as Labrador City and Wabush. That mine operated by QCM, (Quebec Cartier Mining) we have seen that

mine shut down and that community bulldozed. I have talked to the people. Quite a few friends of mine lived and worked in those communities, and I know the devastation that occurred, not to the towns per se -

An Hon. Member: (Inaudible).

Mr. A. Snow: Yes, they have been bulldozed. They bulldozed the houses and the buildings, tore up the streets and grassed them in and that type of thing. But the personal devastation that occurred to these people when they lost their jobs and their houses and there was no purpose to the community, there was no *raison d'etre* for their community.

We have seen historically in this Province the despair of people when they have seen their livelihood removed from them because a non-renewable resource had been completely removed from the ground, or was too expensive to remove. Thus we have seen mines which could no longer operate. So it is important, if people produce for thirty to forty years in a particular industry and the whole province derives an economic gain and benefits from it, that when they are personally devastated, losing in a lot of cases their life savings which had been put as equity into a house, and by the trauma of having to move, uproot and take their families to a completely new area of this country, a specific fund is in place to diversify the local economy, such as Bell Island, such as possibly Daniel's Harbour, Buchans and St. Lawrence.

I think with a bit of forward thinking, or small "l" liberal thinking, if we are indeed going to increase the tax burden on the

mining companies, or the miners, because that is really who you are taxing - when you impose a new tax on a mining company, you are really taxing the miners. That is who you are taxing, because that is who the mining company is; it is miners mining a resource which belongs to all the people of the province. I believe that a person who invests their time within the community and working in the mines, they should have some added protection for the day there is no more purpose to that particular community.

So I would urge the Cabinet, and more specifically the Minister of Mines, to consider that any further tax increases would only be considered if they are, indeed, into such a thing as a resource depletion fund or a diversification fund. Now these have been talked about in this Province and in this country for years and years. We have had different people put forward different proposals, but, of course, they have all fallen on deaf ears. I am hoping that any new additional burden, such as the burden that was placed with the payroll tax on the mining operators of western Labrador, this new burden on the miners in western Labrador, 1.5 per cent on the people employed in the mining industry, 1.5 per cent of the payroll, is a new tax on these miners in western Labrador, and it is going to take from western Labrador additional revenue, apart from what they already generated within the economy of this Province in previous years, an additional \$3 million a year, approximately. I could agree to increasing that tax, to put that tax at \$3 million, if it were put into a diversification fund to diversify the economy in western

Labrador.

Mr. Efford: (Inaudible) this year.

Mr. A. Snow: I do not agree with the tax this year, because it does not go into a diversification fund, it does not go into a resource depletion fund. This is a non-renewable resource, a non-renewable resource you are removing from the ground, from the earth, from the Province. I believe it should be that any new taxes have to put a benefit back to the community which develops that revenue which you are able to tax. The problem, of course, with increasing all these taxes, all the time, is that if you place too much of a burden on the mining industry and the people in the mining industry, you will kill the industry. The art of taxation, I suppose, could be compared to the art of plucking the down from a goose. You take a certain amount out, but not enough to kill it. And you can kill the mining industry, if you tax the mining industry too much.

While this year it has become the number one economic generator, the one single industry in this Province, the leading industry in this Province, \$1 billion this year, I do not believe the Government should be taxing them to the hilt with this additional \$3 million this year. Another one coming now in The Impost Act, although I agree in principle with this Impost Act, I think the payroll tax is ill-conceived, unless it were to be pushed directly into a diversification fund or a resource depletion fund.

Now, let me speak for a few minutes with regard to the diversification fund. It is important to an area, especially

an area such as I live in, in western Labrador, an area which can be considered isolated in the sense of geography, yet has a tremendous potential for further development in tourism, having just been a new gateway added to this Province, in the sense that a road from Quebec has been opened and people who live on the eastern seaboard now have the opportunity of moving into Labrador via the four wheel traffic mode, that is a car. And we all know, of course, how important that is; it becomes a lot cheaper for a family to vacation or, indeed, people who want to come out and have a new sense of adventure, moving into western Labrador and central Labrador for access to the hunting, fishing and the wilderness areas which are available to them.

I believe if this payroll tax had been a diversification fund, and we could have that fund which could be drawn upon by local entrepreneurs, we could possibly even allow people from the Island portion of the Province to access this particular fund, if the money were invested in Labrador, of course, to diversify the economy. Now that is the secret, to diversify the economy so that it is not tied strictly to the mining industry per se. Because, as I mentioned earlier, there is going to come a day when the mines in Wabush and the mines in Labrador City will operate no more. So we must be ready to allow that community to go on and support the number of people living in the general area. I believe the mines in western Labrador will probably operate in a manner and at the production levels they have today in our working lifetime. I firmly believe that. But there will be a day when the mines will not

operate, albeit I don't think in our working lifetime it will be shut down. But it is important that during our working lifetime, whether in industry or in the Legislature, with the new tax burdens you place on the miners, and I speak specifically of western Labrador, that you channel any extra revenues into these particular funds. I believe that is important.

All you have to do is look around this Province. We have all witnessed what has occurred in other areas which had mines operating in their particular towns, such, as I said earlier, Bell Island, St. Lawrence and Buchans, these areas.

And diversification is not something new, although it is a new word this particular Administration has found recently with regard to the crisis in the fishing industry, and they are asking another level of Government to completely fund what should be done, what they feel is the cure for what is occurring in the fishing industry. Well, I challenge them that they do have the wherewithal to implement a diversification in the mining industry. Instead of just imposing new taxes so that you can improve your own personal transportation modes, if you are going to put a new tax on the industry, have a new tax that would diversify the particular areas which produce this wealth for this Province.

If this particular Administration spent as much time studying methods of improving the mining industry and what can occur in the mining industry, and how it can generate new wealth, rather than on Meech Lake issues, I believe we

could do a lot more for the provincial economy. I think some of the scenarios which have been painted throughout this country with regard to the effects of a failure to sign the Meech Lake Accord, the failure of this country to reach an Accord throughout, the failure of this Accord to pass, could have a tremendous economic impact on this whole country. And when I see some of the economic impacts it could have on where I live in this country, which is a border community between Labrador and Quebec - I am living right on the border. I guess it can be said I am caught between a rock and a hard place - that makes me feel a little precarious, and I am sure it makes a lot of people in my district feel a little precarious and threatened.

One of the scenarios which has been painted is that there has been a suggestion in this House that the Premier mentioned in this House at one time, I forget exactly when, but back a couple of weeks ago, that if the Province of Quebec did separate, maybe we could get an extra \$500 million a year out of the Province of Quebec through the Upper Churchill hydro deal. I believe that was mentioned. I am not sure if he was serious, and I don't know how he was going to do it. I don't know how this extra \$500 million was going to accrue to the Province all of a sudden because Quebec separates.

An Hon. Member: Import tax.

Mr. Noel: A separation agreement.

Mr. A. Snow: A separation agreement. The hon. the Member for Pleasantville suggests we would get \$500 million because of



a separation agreement, if Quebec separates.

An Hon. Member: (Inaudible).

Mr. A. Snow: Now the anti-Confederate over there just said it, and I want to have it recorded in Hansard that that is what he suggested, the hon. Senator from Pleasantville. But if, indeed, that is a fact -

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

I just want to remind hon. Members that I do not mind interruptions when the interruptions could lead to the enhancement of the debate, but what I have been hearing now is doing nothing to enhance the debate, so I call order, please.

The hon. the Member for Menihek.

Mr. A. Snow: Thank you very much, Mr. Speaker.

If, indeed, that did occur, and somebody also mentioned, I think it was probably an off-the-cuff remark by the hon. Senator from Pleasantville or somebody else, that it would be an export tax or a tariff. Other people have suggested that if indeed that did occur, that usually what occurs in a tariff war, if one puts a tariff on one place, somebody else puts a tariff on something else. We have witnessed that, and that is why we have international and national agreements with regard to tariffs. Now, if that did occur in Labrador with a tariff of power, that would be the tariff, and I see the hon. the Minister of Mines and Energy shaking his head in an affirmative manner, if that did occur, we could have the republic of Quebec, or whatever it

would be, maybe they would tariff the shipment of iron ore through their province, because one-third of the railroad, and the port which ships the iron ore from Labrador, is in the Province of Quebec. If that were tariffed, we would see an increased burden on the cost of production of the iron ore, so it would be a threat to the mining industry again, Mr. Speaker. That is one of the things which has people in my district thinking of what can occur with Meech Lake.

If, indeed, that did occur, tariffs being placed by one and somebody making a counter-tariff, putting another tariff on somewhere else, we could see the republic of Quebec possibly tariffing the iron ore being shipped through their ports, and that would be to the detriment of the mines in Labrador. Now, I honestly do not believe that will occur. I do not think this country will break up; I am confident this country will remain one. I am proud to be a Canadian. But I see it as a possibility which could occur. If one thinks that you can tariff, then the other one usually will come back with another tariff, a counter-tariff, and that is dangerous stuff, I believe. It could drastically affect the mining industry, which has been touted by the hon. Minister as the leading industry in this Province. The number one single industry could be devastated, completely ruined.

The competitors in the iron ore industry in the western world today operate from western Labrador and northeastern Quebec, our neighbours up in Vermont, Mount Wright. They are the two competitors, the iron mines in

western Labrador and the iron mines in northeastern Quebec, QCM. So, you see, there could be an economic benefit maybe accrue through a windfall or a tariff on the hydro, but the mining industry would be devastated, and the communities would be devastated. I urge the Minister of Mines and Energy, who I know is really a small 'l' Liberal, he is really a small 'l' Liberal, and he is really in favour of a diversification fund and a resource depletion fund, that if there are going to be any new tax burden placed upon the miners, on the mining industry, that that is where it would come, it would come in the form of going into a resource depletion fund or a diversification fund. Thank you, very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Member for Kilbride.

Mr. R. Aylward: Thank you, very much, Mr. Speaker.

I know quite a bit about mining; I have two gravel pits in my district. My eyes are watering, Mr. Speaker. I cannot see.

Mr. Speaker, I just want to have a few words on this Bill. I won't hold it up very long, but my concern is not related so much to the Bill as to the process. I just want to read out a copy of a Telegram press release that was put out today by Tom Murphy, MHA, St. John's South, Chairman of the Government Services Legislative Review Committee. It says: 'The Committee will consider four pieces of legislation on Monday June 4, at 9:30 in the House of Assembly'. Mr. Speaker, I guess I would say that this statement or

telegram or whatever it was, the fax was sent out in order to inform the media, which we haven't been doing, and I take part of the responsibility for that too, because both myself as vice-chairman and the chairman, should have informed the media of our hearings, but I forgot.

But both of us agreed that we would send this telegram out to inform the media of what hearings we were having and when, so that they could come and cover it. But, Mr. Speaker, the announcement of the four pieces of legislation for Monday June 4th, which is Monday coming, suggests that legislation looked at, will be: An Act To Amend The Retail Sales Act 78, which is quite acceptable for the offshore petroleum development, we are going to look at that; An Act Respecting The Reduction Of Offshore Act Corporate Income Tax, which is a good piece of Legislation, we will be looking at that, which we should; An Act Respecting The Creation Of Regional Services Board, which it is good we are going to have a look at it because I would imagine that might be a bit controversial and we have agreed to go over that and have some people from the staff come and explain it to us; and number 4, Mr. Speaker, An Act To Amend The Mineral Holdings Impost Act.

Mr. Speaker, why are we going to look at the Mineral Holdings Impost Act which was agreed to by the chairman and vice-chairman? We were going to look at it so that we could get some information from the staff of the Department of Finance and probably the Department of Mines so that we could be better informed on the purpose of this legislation, what it would be doing and what the

changes would incur. Yet, Mr. Speaker, because of the disorganized way this House is being run, the Government House Leader has called this Bill before it has gone to the Legislative Review Committee.

This Legislative Review Committee system which was brought in by hon. Members opposite, and I give them credit for it, is a good way for Members on both Committees and Members of this House in general to review legislation so that we can be better aware of what the legislation provides, and that in a way is an answer to the question of the Minister of Social Services of, what am I doing talking on Mines, what do I know about Mines? Mr. Speaker, for me to be informed on what is happening in the mining industry or what changes are coming in this Mineral Holdings Impost Act, I have to rely on the staff of the Departments involved, so that I can ask them questions in the meetings that we hear, so if I disagree with some of the policies which Government is bringing in, I will be better informed in this House, so that I can question it. If we have the disorganization of the running of this House or the will of the Government House Leader to shut this place down as fast as he can to get out of here for the summer, where we have a telegram, we have a press release today from the Chairman of the Government Services Legislative Review Committee and myself, who did it by agreement, when we set the agenda for Monday, June 4th's meeting, and on Monday, June 4th, we had planned to have staff in from the Department of Mines and the Department of Finance, to review, An Act To Amend The Mineral Holdings Impost Act, yet, Mr. Speaker, today we see the

Government House Leader, who has ignored the purpose of the Legislative Review Committees, and I think it was his idea to bring it in, Mr. Speaker, and it was a good idea. But what is he doing now that he has brought it in, Mr. Speaker? He has brought in this review procedure and now he is totally ignoring it, which is a shame, which is a shame because I believe this Legislative Review system that he has brought in is a good idea and it certainly helps opposition Members to be upgraded on Acts that ordinarily we might not be familiar with, and the Mineral Holding Impost Act is not an Act that I dealt with while I was in Cabinet. It is not an Act that I dealt in detail with while I was a Government backbencher or Deputy Speaker, and I would like to have had the opportunity to discuss this act with the staff of the Department of Mines, in particular, to ask them some questions.

Now I do notice that the Minister of Mines did answer some of the questions that I would have liked to ask, and questions that were asked by the Member for Mount Pearl. And I realize that the Minister of Mines is a very knowledgeable person on all related mineral activity in this Province because he was one of the ADMs of that Department and he was very involved in all of this.

But, Mr. Speaker, the only opportunity now that I have to ask certain questions will be to the Minister of Finance who will, when he is clueing up this bill answer some of the questions that we might have on the bill. I want to say that in principle I agree with the bill. It is very sound, good legislation, Mr. Speaker. But I have to rely on the Minister of

Finance answering some questions if I have any that were different than the Member for Mount Pearl, and I know that he does not know the answers.

The Minister of Mines might know the answers, but the Minister of Finance in clueing up his debate, he might be able to go get the answers now, but I am sure that he is not totally familiar with The Mineral Impost Act, even though it is in his name.

Some Hon. Members: Oh, oh!

Mr. R. Aylward: Mr. Speaker, I do note that there is quite a sizable increase in the taxes per hectare of the mines when it was brought in in 1978, it was some thirty-five cents per hectare, and it increased to three dollars per hectare in 1981 which in itself was a sizable increase. But the purpose of it is good. It dissuades or tries to eliminate people holding large tracts of land and not doing the exploration on it. Mr. Speaker, if I had to have the opportunity of going to the Legislative Review Committee system I would have been able to ask staff a lot of questions, and had I known it was not going to go to our Committee, we were assured, our Committee was assured that it would. Had I known that it was not going to the Legislative Review Committee, it was going to be called here five or six days before we held that Committee meeting, I would have gone to the staff of the Department of Finance and to the staff of the Department of Mines and asked a few questions so that maybe I could contribute somehow a bit more effectively to the debate that is taking place on this Bill today.

But, Mr. Speaker, I am

disappointed that the Government House Leader has called the bill before it has had an opportunity to go before the Legislative Review Committee. And I hope that he will not be doing this with other legislation which is very important, and if he is doing it just let me know so that I can go do my work separate from the Legislative Review Committee and get the answers to any questions that I might have, or any questions that I might want to raise to one of the Ministers who are introducing bills, I might be prepared better.

Mr. Speaker, the increases in the taxes are quite substantial. There is one thing in this act, and I missed the Minister of Mines answer to it, I realize he made a comment on it when I was coming into the House here. But the act now provides that unused expenditures be carried forward for two years, Mr. Speaker. And the new act, the change in the second amendment allows the amounts to be carried forward for five years. Now it would seem to me, being an uninformed person because I did not have the chance to discuss this with the staff of the Legislative Review Committee, being an uninformed person in this matter, it would seem that this is going to weaken the intent or the provisions of the act. The intent and the principle of the act is to encourage exploration, and it is to encourage exploration and discourage holding large tracts of land so that nobody else can get in and do their exploration.

So if we change it so that the unused expenditures can be carried forward from two years to five years, it would seem to me that this is a weakening of some of the provisions that now are in the

Act. Maybe I could be completely wrong, Mr. Speaker, because I never had a chance to discuss this during the Legislative Review system in this House.

There is another amendment in the Act, Mr. Speaker, that allows owners of mineral holdings to have their interests converted to interest under The Minerals Act. Mr. Speaker, I do not understand what that means. I have not had an opportunity to be able to get an answer for it. I am sure the Minister of Finance when he answers will explain the third amendment to me as to why owners of a mineral holding would have their interest converted to an interest under The Mineral Act, therefore, the land would be subject to the Act and so on and so on.

Mr. Speaker, I am not sure what this means. It is an Act that I have to vote on. It is an amendment to an existing Act that I have to vote on. I hope the Minister of Finance when he is clueing up this debate will inform this House of what that third amendment would mean. I am sure he can get the information from the Minister of Mines because, obviously, he does not have the answers which, Mr. Speaker, was the main reason why I wanted this legislation to go to the legislative review. I realize that it is not under the Minister's control. The Minister of Finance did not control that. The Minister of Mines did not control that. But the Government House Leader, Mr. Speaker, who is running a disorganized ship here in this House of Assembly, has called the legislation before the process has taken its proper course.

Mr. Speaker, I would have liked to have hearings on this Act or would like to question the officials on how well this Act has worked in the past. We know that this Act was introduced sometime in 1978, I believe, yes. I do not have an up-to-date report on how well the Act has worked since 1978 -

An Hon. Member: (Inaudible).

Mr. R. Aylward: Yes.

I was for ten years, from 1969 to 1979, in northern Newfoundland surveying, and if you want me to go through all of that I can go through the ten years. I was in northern Newfoundland surveying transmission lines which were going to bring power down to Newfoundland from Labrador. On June 18, 1979, I ran in the District of Kilbride and got elected as the Member for the District of Kilbride. Then from 1979 to 1982 I served in the back benches, in the same seat I believe that the Member for St. John's South is but I am not sure. So that got me up to 1982 and in 1982 sometime there was another election called in this Province. I understand a very heated election. In 1982, I was re-elected to this House of Assembly for the District of Kilbride with the highest majority of anyone else in the Province at the time, which I am rather proud of Mr. Speaker.

So in 1982, when we came back there was a new Speaker appointed to this House of Assembly, he was the Member for Lewisporte. I was fortunate enough to be appointed Deputy Speaker of the House of Assembly. I must say that the Speaker in the Chair now I am sure he would agree with me, as far as the operations of this House of

Assembly are concerned, being Speaker or Deputy Speaker is certainly a very prestigious, interesting and challenging job to have in this House of Assembly. I would recommend that if the Premier offers such a thing to any of the hon. Members opposite that they take it. It is a good opportunity for people, especially the Minister of Social Services, who interprets the rules of the House of Assembly to his own benefit, to get a good understanding of the rules of the House of Assembly so that he would not be breaking the rules of the House of Assembly. So from 1982, Mr. Speaker, until January of 1985, I believe, I was -

An Hon. Member: (Inaudible).

Mr. R. Aylward: I am just answering the question. I don't mean to get off this Bill, but I do have some time left. I only have a couple of more questions.

In January of 1985 I was very fortunate to be asked by the Premier of this Province to serve in his Cabinet. I must say that I was very, very honoured to be asked by Premier Peckford to serve in the Cabinet of this Province, and even more so with the Portfolio that he gave me. The Portfolio that was completely destroyed by this new Administration, Mr. Speaker.

It had to be the most effective Portfolio for helping rural Newfoundland that ever existed in this Province, Mr. Speaker, the Department of Rural, Agricultural and Northern Development, which happened to be the Department that, I suppose, could be described as a people Department right from one end to the other. I was very proud to be in the

Cabinet and certainly even more proud to be in the cabinet as Minister of Rural, Agricultural and Northern Development. We are up to January 1985 now, so in June of that year, I believe, there was another election called and I believe that was the year the hon Member ran. It was in the election of June 1985 that the hon. Minister of reading pickle recipes ran and he did very well. I was glad to see him in the House. I was really glad to see him over on this side of the House, and would be even more glad if I saw him over here again. I would encourage the hon. Member to run again because I know he will be elected again and I know he will have his seat picked out on this side of the House after the next election.

He does a good job in his District and obviously he should be rewarded for doing that good job which means that his constituents will support him again in the next election, I would say. I will keep this seat here warm for him. I know he was not allowed to sit this close to his leader the last time. I think he was down there somewhere, but I am not sure. I will keep this seat warm for him for a couple of more years and then when the election is called we will exchange seats, maybe, and maybe once again I can re-establish the Department of Rural, Agricultural and Northern Development which was very helpful to rural Newfoundland in this Province.

The hon. House Leader is looking at me now and wondering in his mind the relevancy of the debate I am having now. I just want to inform him, because he was out of the House, that the Minister of Social Services asked me what I

was doing since 1978, so I am just trying to answer his question very quickly. I am just running through it as fast as I can. If you want me to get back to the Act I can get back to the Act again anytime anyone would like to enforce the rule of relevancy in this House, Mr. Speaker.

So, we are up to the election of 1985, I believe it was in June sometime, and I could tell you a few good stories about that one, maybe some time in private. It was rather an exciting election campaign at the time. After January I stayed in the portfolio of Rural, Agricultural and Northern Development for a year and a half, or two years, I am not sure now. The closer I get to today's date the less accurate I am for some reason or other. I seem to remember a long time back a lot easier than I remember what happened yesterday. Anyway, I was moved from the Department of Rural, Agricultural and Northern Development sometime, I believe, in 1988, but I am not sure of that, I think it was 1988 or 1987. I served as Minister of Forestry then and was quite delighted again to become involved in the forest industry of this Province and see how the operators, the loggers, the paper companies, and the sawmillers were operating in this Province and have a look at how the forest industry is being managed in this Province. I must say I was frightened on occasion, Mr. Speaker, to get reports on what forest resource we do have in this Province. A lot of it is now tied up with the paper companies and a lot of the areas that are not tied up with the paper companies are getting cut out fairly quickly. The forest industry is a great concern of mine but we will have a

chance to debate that again in a little while, Mr. Speaker.

The Minister of Social Services was not really serious about asking me the question about what I was doing since 1985 and if he does not want to listen I will carry on with the Act. If he wants to sit down for another little while I am getting close to 1989. I think sometime in 1989, just before the last election, I was made Minister of Municipal Affairs for awhile. I was there forty-odd days, a couple of more days than forty, I think, and it was like the great one who went to the desert for forty days and forty nights, Mr. Speaker, and I did not have an opportunity to leave my stamp.

So, for the information of the hon. the Minister of Social Services that is a brief rundown of what I was doing since 1978 when this Act was first introduced, Mr. Speaker. Since that time I did not have, because I was not Minister of Mines, a detailed update on what the Act was doing. In 1981, when this Act was probably the last time brought to Cabinet for revision, when the rates per hectare were changed, at that time I was a backbencher over there so I would not have been privileged to the Cabinet paper at the time. Mr. Speaker, I have not had a detailed update on how this Act is working in the Province, and if it is fulfilling the purpose for which it was brought in. I am sure the Minister of Finance will certainly give us a detailed answer of how this Act has been working since 1978. I expect it is probably fairly successful, Mr. Speaker, and that the act has created some activity, with the help of some other incentives, no doubt.

But this Act has dissuaded people from grabbing large blocks of land and sitting on that land, not doing anything with it, which is what we had for a number of years in this Province, before this Act and other Acts were brought in by the great Progressive Conservative Governments we have had in this Province since 1971 - 1972. And I am sure that if the present Administration doesn't deviate very much from the intention of the previous Administration in bringing in these Acts in the first place, the intent of the Act will survive and we will see that there will be less land tied up for long periods of time and not being used for exploration.

Mr. Speaker, I want the Minister to answer, when he gets up - if he doesn't have the answer now, maybe when we go into Committee, we can debate this a little more quickly and ask questions a little better - how well has this Act worked, Mr. Speaker? One other thing the hon. Minister should have, because he is Minister of Finance, and he did bring in the budget and did some of the planning for our Budget - I would like to know how much tax this Act has generated for the provincial Treasury of this Province, Mr. Speaker, how much tax since 1978, and probably, on a yearly basis he could tell us what taxes were collected.

I would suggest that the Minister take heed for his next Budget, of the very good speech made by the Member for Menihek when he put forward the suggestion that if we are continuing to tax the mining companies and the exploration companies in this Province, probably we should give some very serious consideration to putting aside some of that tax to create diversification funds for our

one-industry towns, or, particularly, for the one-industry towns which depend on non-renewable resources, and Labrador City and Wabush would be among these.

And, if we had that type of system in place now, where there was a fund available through the tax dollars coming out of mines, maybe the people of Daniel's Harbour, today, who expect that their mine will close in the next few months - I understand the mine will close - had I had the foresight to do what the hon. the Member for Menihek said, maybe it would have been more helpful for the people of Daniel's Harbour today. But, Mr. Speaker, I have to admit that I didn't have the foresight and I didn't have the opportunity of having the Member for Menihek in our caucus at the time. But, now that he has made the suggestion, maybe, Mr. Speaker, the Minister of Mines, who I know is very informed on mining operations in other parts of the world, could do some investigation in conjunction with the Minister of Finance to see if the setting up of such a fund to diversify the economies of one-industry towns, particularly those with non-renewable resources, should be established in this Province. Hopefully, it would help out when the mines, which obviously, as the Member for Menihek said, eventually will run out of ore, or for some other reason, will close. Cost of production might mean that they close, or the cost of their product might not be competitive on the world market.

Mr. Efford: (Inaudible).

Mr. R. Aylward: Mr. Speaker, does the hon. the Minister of Social Services have another question he



would like for me to go over, back before 1978? I could give him a good run-down on that.

Mr. Tobin: Be like the Premier, start over again.

Mr. R. Aylward: Yes. If the Minister of Social Services wants to continue interrupting, maybe I could start over again. I can remember pretty well all of what I have said so far.

Mr. Speaker, when the Minister of Finance gets up to clue up this debate within the next two or three days, probably he will take note and collect the information on the amount of tax collected under this Mineral Holdings Impost Act over the last years. I asked him before if he could give us an explanation of how well this Act has performed and operated since 1978, when we brought it in. He might even give us an explanation of how his Department sees this Act, and how much economic revenue comes to the Province from the overall mineral exploration in this Province.

I only have three minutes left. I am sure I will get leave from hon. Members to continue, because I do have a few more things to say. Mr. Speaker, I would like to know what revenues we are getting from overall mineral exploration in this Province, and production activity, as a result of this legislation which was brought in, as I said before, by the previous Administration, Mr. Speaker.

Now, I only had time to do a small amount of homework on this because, as I said before, I was expecting to get to the Legislative Review process so that we could question members of the staff of both Departments. Had we

gone through that process, probably I would not have as many questions. Then, again, I would probably need leave of another half hour or an hour from hon. Members to continue with the questions, Mr. Speaker. But I would like to know what the production activity is as a result of this legislation.

One other thing I would like the Minister to explain - I think he got the information from the Minister of Mines a little while ago - is why the extension of the carryover from the two year period, as it is in the existing legislation, to a five year period which, Mr. Speaker, I think might weaken the legislation? I do not know. I do not have the answer, obviously, not being an informed person in the mining industry. There aren't very many mines in the District of Kilbride, Mr. Speaker, so I am not up to date on all the taxes involved with the mining industry. Mr. Speaker, we could have a few more words to say on how the mining industry is going to be affected by the payroll tax, but I guess we will have to get into that at another time because time is going by rather quickly.

Mr. Speaker, had I the opportunity to get this legislation before the staff of the Department of Finance and the Department of Municipal Affairs, I would have been more informed. Had there been a couple of mines in the District of Kilbride, maybe I would be more informed, or had I been Minister of Mines at sometime in the past I might have been more aware of what this legislation and the details of the increases, the tripling of the mineral holdings imposts are, Mr. Speaker, going from some three dollars, I believe, now to - what

does it say? - six dollars in 1990; seven dollars in 1991; eight dollars per hectare in 1992 - Mr. Speaker, that is getting rather expensive for people with large tracts of land - and nine dollars per hectare in 1993. It goes to some ten dollars per hectare in 1994; eleven dollars in 1995, as I read out of this Act. I would like the Minister or his staff, if they would, to get some information as other Members are debating.

Mr. Speaker: Order, please!

The hon. Member's time is up.

Mr. R. Aylward: Oh, I see. By leave? Could I clue up by leave?

Some Hon. Members: By leave!

Some Hon. Members: No leave.

Mr. R. Aylward: I would like to say -

Mr. Speaker: Order, please!  
Order, please!

The hon. Member's time is up. Does the hon. Member have leave of the House?

Some Hon. Members: Oh, oh!

Mr. R. Aylward: The hon. Member said yes, Mr. Speaker.

Mr. Speaker: Does the hon. Member have leave of the House?

Some Hon. Members: By leave.

An Hon. Member: Thirty seconds.

Mr. R. Aylward: Mr. Speaker, thirty seconds. I just want a couple of questions answered by one of the Ministers: How well has this Act worked? The amount of

tax we generate or we collect as a result of this legislation. And why the extension of the carryover, from a two year period to a five year period? Thank you very much.

Mr. Speaker: The hon. the Member for St. Mary's - The Capes.

Mr. Hearn: Thank you very much, Mr. Speaker.

Just a few short words on the Act. Certainly I think it is headed in the right direction. It would be interesting to find out, perhaps, how much land is tied up, because when we look at what is happening to the general economy of the Province, especially the fishery upon which so many people have relied in the past, undoubtedly we are going to have to look elsewhere for the provision of employment.

Over the last few years, one of the most interesting sectors to watch in relation to progress, the provision of jobs, the contribution to the economy, is the mining sector. But, even though there has been a lot done, most people will think there is still an awful lot which can be done. And if we can get a fair amount of the land freed up to encourage more exploration, then undoubtedly we will see a reoccurrence of some of the very interesting discoveries which have been made in the Province in recent years.

Now, one reason for this, of course, is because of what is happening in the other sectors, such as the fishery, and there are some concerns in the forest sector also. But the mining industry itself, there are certain areas there where we have to find other

ways to make up for the losses.

We see Daniel's Harbour right now threatened with extinction, and I hope the Minister of Development will find some way to prolong the life of that mine. I remember a few years ago, when Daniel's Harbour was supposed to close down, ways were found to extend the life of it, and hopefully other ways can be found to keep that mine open and prolong the jobs. But we have concerns in other areas, because minerals are finite things. Once they are all taken out of the ground, then you cannot replenish.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

Mr. Hearn: With the fishery it is a bit different. If we manage properly and look after it, then the stocks will rebuild. Mines, we know, are not the same. Consequently, as mines die in certain areas, and we see what has happened on Bell Island, we see what has happened in Buchans, and now Daniel's Harbour and there will be others, but as old mines go out, certainly we should be exploring more and more to make sure more mines come onstream. But if we are going to tie up, or let companies tie up large tracts of land, then this is going to prohibit exploration, it is going to delay discovery, and it is going to lead to a downturn in the revenues which are coming into the coffers of the Province.

The other major concern we would have in that area is in relation to the mines in Labrador west, where a tremendous amount of the mining activity of the Province takes place. And a lot of the revenues which come into our

coffers from the mining industry do come from Labrador.

The present unstable situation in the country undoubtedly has caused a tremendous amount of concern in Labrador, and, in particular, in the mines. Because if we cannot find some way to settle our present differences - and hopefully we can in the next few weeks, before June 23rd. That is why it is so important for everyone to be realistic in relation to what is happening in the country and to try to find a way where everyone is happy.

Consequently, it is a time for tremendous leadership. It is not a time for personal pride or trying to get your own headstrong way, it is a time to put the country first. If the country falls apart, if Quebec separates, then it is going to have an adverse effect on the mining activity, especially in western Labrador, for every bit of the ore that comes out of there, goes to market through the Province of Quebec.

What is going to happen to the old QNS & L if Labrador is affected by the separation of Quebec from the rest of the country? Consequently, the mining industry is facing a period of uncertainty and, to offset that, anything that can increase exploration will be of benefit to the Province and to the country generally.

Mr. Speaker: Order, please!

I wonder if the hon. Member will take his seat while I inform the House of the questions for the Late Show.

'Mr. Speaker, I am not satisfied with the answer given today by the

Minister of Fisheries in response to my question on storm damage in last week's storm. That is the hon. the Member for Fogo. 'I am not satisfied with the answer given by the Premier to my question concerning the consequences of a failure of the Meech Lake Accord.' The hon. the Member for St. John's East. 'I am not satisfied with the answer given to me by the Premier on the Meech Lake issue and would like to debate it on the Late Show.' The hon. the Member for St. John's East Extern.

Some Hon. Members: Oh, oh!

Mr. Speaker: The hon. the Member for St. Mary's - The Capes.

Mr. Hearn: Thank you very much, Mr. Speaker.

I would suggest to hon. Members that we not start looking at trees and forget the forest here when we are looking at the overall issue of mining, because the big picture, the picture of Canada, plays an extremely important part in what happens in the development of mines in the Province, and, as I have said, particularly in Labrador.

Just looking across at the other side I was thinking we do have the makings of a great crew when it comes to mining. If the people opposite find themselves out of a job down the road, we do have a number who could easily get together. We have a fair amount of experience. We do have the makeup of a mining crew, a mining fraternity. Already they have dug some wells and they have dug them pretty deep. Haven't found very much perhaps, but they are there. If they want to set up in the field, they have field kitchen

already. They have a good crane, a very heavy crane for their operation. They have some copper - well, they have a Penney, and penney and copper mean the same thing. They have some fill. Somebody asks what do you call a fellow who is down in a hole or in a rut, and the answer is fill. Of course, they have that. If they want to get into exploring the interior, they have a flight of their own. So putting it altogether, perhaps with a little effort, they could have a good mining operation. Maybe if they support the Minister, as we will on this Bill, we can see a turnaround in the mining industry in the Province and a further progression so that we will make up in the mining sector where we might tend to lose in some other areas. Thank you, Mr. Speaker.

Mr. Speaker: The hon. the Minister of Mines and Energy.

Dr. Gibbons: Am I closing the debate on this now?

Mr. Speaker: Order, please!

Is the hon. Minister speaking on behalf of the Minister of Finance?

Dr. Gibbons: Oh, he is back.

Mr. Speaker: In that case, the hon. the Minister of Finance. If he speaks now, he closes the debate.

Dr. Kitchen: Thank you, Mr. Speaker.

We were listening with great interest to the comments made by Members opposite, particularly the points made by the Member for Menihek when he made some suggestions about setting up a fund. Certainly, these points are

something to be thinking about, particularly as mining companies and mining towns wind down. However, I think the Member was extremely pessimistic when he said that everyday he gets up, he realizes the life of the mine is one day less. Because, as I understand the situation in Labrador west at the moment, it is quite an optimistic scene there, where a company is making good money and increases have been given to miners and so on which are quite good increases. He is so pessimistic, Mr. Speaker, that he reminds me of a person who gets up every day and looks in the mirror and says, 'My gosh, I am one day closer to my death,' as opposed to the optimist who looks in the mirror and says, 'This is the first day of the rest of my life.' You should be more optimistic. It is very possible that you might even get three more years in the House as opposed to, if the Premier calls an election, being finished.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

Dr. Kitchen: Mr. Speaker, on the matters of substance that were raised, we will take these matters under advisement as we make further changes to this Act in the years to come. I might add a specific question was asked, I think, by the Member for Kilbride concerning clause 3. He asked why would the owners of mineral holding apply, and what was the purpose of that? Basically it is to encourage mining companies to come under the general Act. Our general Mines Act is The Mineral Act. There are a number of special Acts, and we want to encourage people to come under The Mineral Act of 1976 which is our

general Act applying to as many mines as we can. That is the purpose, and that is one of the reasons why we have raised the rates, to make them conform to some of the other Acts, so that there will be no particular advantage in staying under the old legislation.

Mr. Speaker, with these comments I move second reading.

On motion, a Bill, "An To Amend The Mineral Holdings Impost Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 27)

Mr. Baker: Order 22.

Motion, second reading of a Bill, "An Act To Amend The Mineral Act, 1976. (Bill No. 7)

Mr. Speaker: The hon. the Minister of Mines and Energy.

Dr. Gibbons: Thank you, Mr. Speaker.

It is my pleasure to introduce this Bill again, for the second time. We introduced this Bill last fall at the previous sitting of the House and we debated it in second reading at that time, but it was left on the Order Paper so we are back doing the same again. I do not know if it is necessary to go through all of the same things that were said before because we did have fairly substantial debate at that time.

This is dealing with amendments to the Mineral Act, 1976, as was just referred to by my colleague the Minister of Finance, the act of general application. I give credit where it is due, this piece of legislation has worked very

well since it was implemented in 1976 and most activity since then has started under the Mineral Act. These amendments are primarily administrative refinements, Mr. Speaker. They are not of great substance. They are primarily refinements, clarifications, and interpretations of the Act to make it more efficient for the industry, like, for example, the renewal of mining leases.

At the fall session of the House this went to public hearings under the Resource Legislation Committee and there were actually members of the industry who came forward and commented on these amendments. They agreed with these amendments and suggested that we move on them and get them in place, because some of these had been waiting for about two or three years since they were first discussed with industry as an appropriate refinement, some of these particular amendments. I can look at the explanatory notes and mention some of them. Clause 1, for example, amends the definition of minerals by adding mineral tailings and this is because we are now looking at things like gold in tailings at Rambler. That is one example. We debated this before and I do not really think we should go through it all again. But if the hon. Members from the other side wish to go through all the details and raise questions I would be pleased to answer questions on any particular aspect when I rise to close debate.

I will stop speaking at this time and leave it to my hon. colleagues on the other side to raise any questions they wish.

Mr. Speaker: The hon. the Member for Menihek.

Mr. A. Snow: Thank you, Mr. Speaker.

As the hon. Minister stated, this Bill was put before the House during the last session and it was debated, I believe, to second reading. It has gone to public review in the Resource Legislative Committee and there has been quite a bit of discussion and input put into it. The hon. Minister also suggested that this is mainly administrative refinements, or could be considered housekeeping, with a few minor changes in the Act. The Mineral Act is the one that most mines operate under or at least it is my understanding that most mines operate under, except where excluded in the Province, such as the mines in western Labrador which operate under particular acts such as the Javelin Act in Wabush and the Labrador Mining Exploration Act in Labrador City.

I would like to just mention a few things, one is about the tailings, there are some questions we could probably get into further debate on, with regard to the tailings, that could give rise to certain problems. Other than that it is fairly basic housekeeping and we on this side of the House, as did most of the people who appeared before the Committee, did not see any radical changes from the Act that had been brought into place years previously.

Thank you, very much, Mr. Speaker.

Mr. Speaker: If the hon. the Minister of Mines and Energy speaks now he closes debate.

Dr. Gibbons: Mr. Speaker, there being no major questions asked by my hon. colleagues I thank him for the comments he did make and close

the debate.

On motion, a Bill, " An Act To Amend The Mineral Act, 1976", read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 7).

Mr. Speaker: The hon. the Minister of Development.

Mr. Furey: Mr. Speaker, Order 23, Bill No. 30.

Motion, second reading of a Bill, "An Act To Authorize Certain Agreements Between The Government Of The Province And Other Parties Respecting The Future Operation Of The Corner Brook Newsprint Mill," (Bill No. 30).

Mr. Speaker: The hon. the Minister of Mines and Energy.

Dr. Gibbons: Mr. Speaker, In the absence of the Premier, I am pleased to introduce this Bill with regard to Corner Brook Newsprint Mill and particularly because it does have some applications relative to power production from Deer Lake Power, an agreement relative to that. The Act is quite self-explanatory and I would certainly move that we approve this particular Bill.

Mr. Speaker: The hon. the Member for Mount Pearl.

Mr. Windsor: Mr. Speaker, The Bill doesn't tell us a great deal. It is enabling legislation really which proves agreements that have been entered into between Government and Kruger. I would like to know some details of agreement. What does this in fact do? All that this Bill says, is, that there is a draft agreement deposited with the clerk of the Executive Council, but what is in

that draft agreement? What does it do? If I am not mistaken, I believe this relates to an extension of some loan guarantees for Kruger for some work on that modernization program that was initiated when the take over from Bowater was done in 1986, and I understand there is an extension and an addition to these loan guarantees. I would like to know what the terms and conditions of those loan guarantees are, have they changed? What now are the requirements on the company in the event of a default, what security does Government have and what work in fact will these guarantees cover, if in fact this is the same proposal that I believe it is? Maybe if the Minister or somebody can answer that - does anybody have the answers to that available - you are not sure?

An Hon. Member: (Inaudible).

Mr. Windsor: Oh. I am asking, what in fact, is in the agreement? Is it possible to get a copy of the agreement, it is on file with the clerk of the Executive Council. Can it be tabled and provided to us?

Mr. Furey: We can check to see if (inaudible) agreement which was there before which allows them to borrow extra money to get on with modernization and the pollution controls that are required at Corner Brook.

Mr. Windsor: That's what I understand. Do I understand that there are new terms and conditions in there and I think in fairness to the House, we should see that.

Mr. Furey: I had approval. I don't have the details of it right here, but we can certainly see what can be released. Sure.

Mr. Windsor: So, can we move on to another Bill, until Government can provide us with some information. I can appreciate Ministers may not have it available, the Premier is not here and the Minister of Finance is not here, maybe we could defer and -

An Hon. Member: (Inaudible).

Mr. Speaker: Order, please!

Mr. Furey: On Government business. They are on Government business.

Mr. Windsor: I will yield to the Minister of Mines, if he wishes to answer some of those questions, like -

Mr. Speaker: Order, please!

The hon. the Minister of Mines and Energy.

Dr. Gibbons: I wasn't expecting this one to come today as well so I wasn't prepared with the details on it, but as my colleague, the Minister of Development stated, it is related to the PUTT agreement and I believe previously the PUTT agreement was for \$30 million and it expired and now it is necessary to renew that PUTT agreement and we have renewed it for an amount of, I believe, \$50 million to allow the company to borrow the money that it needs to borrow to carry on with the work that it has to do at that mill in Corner Brook.

Mr. Speaker: The hon. the Member for Mount Pearl.

Mr. Windsor: Thank you, Mr. Speaker.

I thank the Minister for that. That confirms what I thought this Bill was about. But we would like

to see some details of this agreement, what is in there, what has changed. I mean it is one thing to say we have extended the guarantee, and I think we could support that because it is very valuable work taking place, and it is an extension of the guarantee we put in place which made it possible for Kruger to buy that property from Bowater. And if an additional \$20 million is required then fine, I think we could accept that if we could see the rationale for that, what is it being used for? And why do we need it? And what security does Government have? I can understand the Minister is in a difficult position, he does not have the information with him, but we would like to see it.

The other question that I would ask is that how come the Premier is introducing this bill? Not the Minister of Forestry or not the Minister of Development? Really this is an industrial opportunity. And generally the Minister of Development is the lead Minister on this sort of thing. Certainly when the original thing was put forth the Premier was very much involved, and I was involved with the Minister of Forestry and, of course, my colleague for Corner Brook, because of her personal involvement was very much involved as well at the Cabinet level.

Mr. R. Aylward: Doug House would not let him.

Mr. Windsor: Pardon?

Mr. R. Aylward: Doug House would not let him.

Mr. Windsor: Doug House would not let him maybe. It came directly from Doug House to the Premier did



it not? The Minister of Development was not allowed to be involved. I will not say that, it is too unkind.

An Hon. Member: (Inaudible).

Mr. Windsor: No, I am not telling him. We are being facetious here now.

I would like to see that information, it is enabling legislation. I do not know if some of my colleagues have any strong feelings on whether we let it go through and get the information later or maybe the House Leader would like to defer it?

Mr. Speaker: The hon. the Government House Leader.

Mr. Baker: Thank you, Mr. Speaker.

Just briefly I would like to point out that this is second reading, and we will get into the detailed examination of the bill during the Committee stage, clause by clause and so on. So there is lots of opportunity to get the details of the whole thing during the Committee stage in the House. I think that is the purpose of the Committee stage to get those details.

So this is second reading and we are trying to get approval on principle of the concept of doing this. So I would just like to point that out to the hon. Member and there is all kinds of room for getting into the details during the Committee stage.

Mr. Speaker: The hon. the Member for Humber East.

Ms Verge: Thank you, Mr. Speaker.

I concur with the questions of my colleague the Member for Mount Pearl that we, in the Opposition, and the people of the Province need to know more about this Bill before we pass it on second reading.

The Minister of Mines has given just a broad outline, but has not really even given us an outline of the contents of the bill. As the Member for Mount Pearl pointed out the bill refers to a draft agreement that has been deposited with the Clerk of the Executive Council. The House Leader said correctly that the Committee of the Whole is the stage at which we should get into the fine details. But we in the Opposition are not even seeking detail at this stage. We simply want to know the outline of the provisions and the effect of this Bill.

I can talk in general terms about Corner Brook Pulp and Paper Limited, and its significance to the economy of western Newfoundland and the whole Province to take the clock to 4:30, with the understanding that we will come back to the bill in the morning and at that stage the Government will be able to answer our questions.

Corner Brook pulp and paper is the single most important industry in western Newfoundland. It is the most important industry in that region of the Province in terms of its contribution to the Gross Domestic Product of the Province. It is a generator of wealth within the Province. And it is also the single most important industry in western Newfoundland because of the number of people it employs both paper mill employees in Corner Brook and woods workers in western and central Newfoundland.

The mill was opened about sixty-five years ago and in the context of the worldwide newsprint industry it is an old mill. When Kruger, under the name Corner Brook Pulp and Paper, took over the business from Bowater about six years ago through an arrangement initiated and backed by the Peckford Government, Corner Brook Pulp and Paper entered into formal agreements with the Provincial Government to invest over \$200 million in modernizing the mill. The modernization commitment ensured the long-term viability of the mill.

I am pleased to be able to say, Mr. Speaker, that Kruger long ago, several years ago, exceeded its \$200 million investment in modernization, however, disappointingly it has not yet fulfilled all its obligations to abate pollution. Part of the original formal undertaking on the part of Kruger to modernize the Corner Brook Mill involved curbing both air and water pollution. Indeed some of the modernization they had carried out has worsened the air pollution problem. In an effort to cut down their energy cost they installed bark burners and have been using bark as well as bunker C oil for fuel.

Because the burners and boilers in the mill are old, an attempt at cleaning up this old apparatus has not been successful. The emissions have become worse. In the past couple of years Corner Brook, especially the town site part of Corner Brook which is in the District I represent, has been subjected to a rain of sooty particles. These particles have been bothersome to the residents. They have marred peoples property. They are particularly annoying summer time when people

like to be outdoors.

Kruger has concluded that the only real solution to this air pollution problem - to this visible air pollution problem - is to replace the burner. Previously when they undertook the modernization program on acquiring the business they believed they could get by with lower cost adjustments or refinements of the equipment, but those efforts have proved to be futile and they have concluded that they have to invest much more heavily in replacing the equipment.

Now, Mr. Speaker, on top of the particulate air pollution there are gases emitted which from time to time can be detected and are bothersome, and what some people believe may actually be injurious to peoples health, especially people with asthma or bronchitis problems.

I mention not only an air pollution problem but a water pollution problem. During the sixty-five years of its operation the Corner Brook Mill has been discharging untreated waste into the Humber arm of the Bay of Islands. I suppose in the early years people thought the bay and the ocean had an infinite capacity to absorb waste, but in recent years the public has realized that the worlds resources are not infinite and that we have to stop depleting and damaging our resources.

The Federal Government is about to enact regulations governing water emissions, or emissions into water by newsprint mills, and those regulations are going to require Corner Brook Pulp and Paper to invest multimillions of dollars in new apparatus to deal with both

dissolved water pollutants and suspended particles.

Mr. Speaker, my understanding is that the basic purpose of this Bill is to have the Government back borrowing of Corner Brook Pulp and Paper beyond the previous maximum of \$30 million up to a new maximum of \$50 million, so that it can carry out the new pollution abatement undertakings to expand on what was undertaken or intended in the original agreement entered into with the Government on taking over the business from Bowater, in light of the discovery that adjusting or repairing the burners and boilers to cut down on air emissions was not sufficient, and that it is going to be necessary to replace that equipment, and also, to comply with the new requirements for water pollution, which are being imposed by the Federal Government.

Mr. Speaker, the whole Canadian newsprint industry has had to go through a similar process. The mill in Corner Brook is by no means the oldest in the country, there are mills in many other parts of the country, the Grand Falls mill in our Province, many in Quebec, many in British Columbia, that are about as old or even older, that have had to similarly invest multimillions of dollars in replacing equipment and adding new apparatus to abate both air and water pollution.

The Corner Brook mill is a little bit behind the times in meeting new environmental standards, and residents of Corner Brook are becoming increasingly impatient because they are having to live with the pollution. As I mentioned, the air pollution has actually gotten worse since Kruger took over the operation and

carried out part of the modernization program. The visible irritant over the last couple of years has been the air emission, the sooty particles that the mill spews, which, on days when there is a low overhang of cloud, or on days when the prevailing wind takes the emission towards the townsite, causes a rain of dirt on that part of Corner Brook.

I see, Mr. Speaker, that the clock is approaching 4:30 and Members opposite are indicating that it is time for me to sit down. Mr. Speaker, I will be glad to adjourn the debate on the understanding that I will be able to continue in the morning, and that in the morning, the Government will be able to provide the information that both the Member for Mount Pearl and I requested. Thank you, Mr. Speaker.

Mr. Speaker: It is 4:30 p.m. and we now move on to the Late Show.

#### Debate on the Adjournment [Late Show]

Mr. Speaker: The hon. the Member for Fogo.

Mr. Winsor: Thank you, Mr. Speaker.

During the past number of days, I have attempted to ascertain from the Minister of Fisheries, the extent of the damage that has been done in last week's storm. The Minister has wanted to play politics with it. I can assure the Minister that is not my intent, I am much more concerned about the welfare and the livelihood of the fishermen and particularly on the northeast

coast and the Province in general.

As a matter of fact, just since I asked the Minister some questions a short while ago, I had a telephone call from the Mayor of Musgrave Harbour, one of the largest fishing communities in my District, population of 1600, where the Mayor indicates that in Musgrave Harbour the damage done is in excess of 75 per cent. Now that is 75 per cent of the lobster traps that were in place along the shore line. In fact, I think, the Mayor even contacted the Minister's office yesterday to indicate the extent of the trouble. I think, he talked to a Mr. Reid in the Minister's office and tried to impress upon the Minister the need to come up with a comprehensive plan to deal with this particular crisis.

The Minister continually insists that the only assistance that the Province can give is to provide traps from a lobster trap bank at a cost of \$7. The fishermen that I have talked to assure me that there is no way in the world, they just started the fishery a couple of weeks ago and there is no way that anyone who lost 200 traps can come up with the \$7. Now the Minister is partially right in suggesting that some people do have a reserve of traps. He is partially right in that but the vast majority, as the media reports, I heard on the Fishermen's Broadcast a fisherman from my District saying that of the 300 traps, I think, they got less than 100 that are capable of being fished even after they have been repaired. But the Minister in all of his statements so far has said nothing about the damage that was done to the other gear in the Province. Reports are now starting to come in from the -

An Hon. Member: (Inaudible).

Mr. Winsor: Yes. I asked the Minister if he wanted the information. I told him I could provide him with the information. The Minister also should be aware that reports are now starting to come in from the Lawn and Lamaline area suggesting that they have had extensive damage. I talked to a fisherman last night who was fishing sixty lump nets and they were able to get twelve. I talked to another fellow who had forty nets out and they were only able to have eight that are operable for fishing. The real problem with lump gear of course is that even if the webs were available, if fishermen could find them, the period of time has now elapsed and they have lost some valuable time in fishing. This is not a resource that you can fish and fish and fish, there is a finite time to the lump season and, I think, by late June that fishery is all but finished.

So I am asking the Minister, the Minister is still investigating the extent of the losses in lump gear, the -

Mr. W. Carter: Did they actually lose them?

Mr. Winsor: Yes, they lost them. Well, no. They were just tore up, there is just nothing left. All they have is head ropes and foot ropes and you cannot fish very well with that. You have to have webs to go between. The Minister of Social Services seems to think that there was no damage.

Some Hon. Members: (Inaudible).

Mr. Speaker: Order, please!

Mr. Winsor: The Minister has just

simply got to get involved. It is just not good enough to say that the Province will offer them traps at \$7. That is a policy that has been in place for a number of years. If it was wrong a number of years ago - it does not make it right today. The Minister can do something to help these people. He has a number of lobster traps that are available. His officials should get out and talk to the fishermen. The Mayor of Musgrave Harbour indicated they have had no reports of Fisheries officials doing a thorough investigation. They do not know who has done the investigation. There is just a blatant need on the Minister's part to get out into the affected communities to ascertain the extent of the damages and to put a package in place to help these people get through a most difficult time.

Mr. Speaker: The hon. the Minister of Fisheries.

Mr. Carter: Mr. Speaker, if ever I saw a Member playing politics or showing a complete disregard for the problems that his constituents are experiencing, then the hon. gentleman is guilty of that. By his own admission he says he has a list of the gear losses. He knows exactly how many lobster pots have been lost and how many lump fish nets and so on. I would strongly suggest then, Mr. Speaker, if he had an interest at all in trying to help his people and not just in getting up in the House and trying to score a few cheap political points at the expense of his constituents, Mr. Speaker, and just trying to embarrass in a silly way the Government and the Minister. Mr. Speaker, he has got a list he says -

Some Hon. Members: (Inaudible).

Mr. Speaker: Order, please!

Mr. Carter: Now then, tell me what would be the better thing to do. To stand up in the House and try to score a political point or to go to my Department and sit down with my field people and say, look so and so in Musgrave Harbour has lost 150 pots, what can we do to help that gentleman? That is what you should be doing, and if I were sitting where you are that is what I would be doing.

Some Hon. Members: Hear, hear!

Mr. Carter: I know the people of Musgrave Harbour pretty well.

An Hon. Member: What have you done for them?

Mr. Carter: I have done a lot more for them than you have done for them. The fish plant was put there through my efforts some years ago. What can you say you have done for them, except to stand up in the House and play politics? What a shameful exhibition for a man. If the hon. gentleman had any interest he would have been in my office on Tuesday morning after the storm and he would have been sitting down with my field staff. While we might not be able to offer him everything he wants, I can tell you now we would certainly be willing to sit down and see what we could do to accommodate him.

An Hon. Member: (Inaudible).

Mr. Carter: We do have a lobster pot bank. Do I want the list? He has been complaining, Mr. Speaker, for the past four days that we do not have the list. I am telling him now if he is interested in helping these people, as I am, and as he should be, he should come to

my Department and sit down with the field people and let us try to find a way around the problem, and not come in the House and bellyache and bemoan the fact. What does he expect me to do, buy a diving outfit and crawl on the seabed of Notre Dame Bay? I know what is happening down there. I have had my field people out and they know pretty well what the losses are, and they are doing all they can to help, bearing in mind that we just cannot snap our fingers or wave a wand and replace so many thousand lobster pots, or lump fish nets. Mr. Speaker, the program that is in place now was put in place by these gentlemen when they were sitting over here.

The price on lobster traps of \$7.00 was established by them and all of a sudden this problem that has been there now for the past, I suppose 300 years in this Province, gear losses, storms, they now expect us to now be able to snap our fingers and within minutes, almost, come up with a program to assist. I say to him again, Mr. Speaker, that if he had any real interest in what is happening to his constituents he would not be standing up here trying to embarrass me and the Government. He would be in my office sitting down with my field staff, the civil servants, trying to find a solution to the problem.

Some Hon. Members: Hear, hear!

Mr. Speaker: Order, please!

The hon. the Member for St. John's East.

Ms Duff: Mr. Speaker, I placed a question on Question Period for May 29, 1990 in relation to the Meech Lake Accord. I was somewhat aborted in my attempt to finish my

questioning by some of the debate we entered into, and I wanted to clarify certain points and perhaps get some further clarification from the Premier.

What I was trying to do was question the Premier on his views of some of the possible consequences of a failure of the Meech Lake Accord, because we are getting very close to the deadline date and I think there is some very real concern about what happens if - and my questions were directed to the future - if the Meech Lake Accord fails and what the consequences would be for the Province of Newfoundland in particular, and for the country. Now in my questioning I used the word 'sabotage', which made the Premier very angry, and consequently what I got was a lecture rather than an answer to my question. I would like to point out, firstly, that the Premier, speaking before me in answer to the Member for Humber East, had used the word 'sabotage' on Page 4 in relation to Premier Peckford and his actual approval of the Meech Lake Accord and I will quote: He said, 'I will not be responsible for that kind of sabotage of the people's future, and the future of the people was sabotaged without a public debate.' So I do not know what the difference is between me using that word in relation to the Premier and the Premier using that word in relation to his predecessor.

When I used the word I was not being as pejorative as perhaps the Premier thought I was, because I did put it in the context of a man who was very committed to a vision of Canada, a federalist vision, and I simply said it appeared to me that, at any cost, he did not

wish the Meech Lake Accord to be passed in its present form. I think that fairly reflects what I see, what the Premier has stated, and what, in fact, could explain the tactics which have been used at almost every critical juncture in this process we are going through. And I do not question the Premier's sincerity; I do not question his right to be strongly committed to a federalist vision of Canada, or his belief that perhaps that vision is far preferable for this Province and for this country than the vision espoused by those who are in favour of Meech Lake, but I would also ask the Premier to acknowledge the right of those who hold the different opinion to be acknowledged as committed, sincere, intelligent and informed people.

I think the Premier's views are, after all, an interpretation. They are not entirely - they may be accepted by a majority of the people in the Province and in the country, and I have no doubt they are, but there are a large number of informed and concerned Canadians who do not agree.

We have been hearing a lot of hypothesis in the Premier's statements about the consequences for Newfoundland and Canada if, in fact, Meech Lake is agreed to in its present form, including the statements that we would be permanently entrenched in economic disparity, including the opting out provisions would certainly jeopardize the future of any national cost-shared programs in Provincial jurisdiction, including the fact that we would be third-class citizens, including the facts that there would be special status, special legislative authority for Quebec,

all of which have led to the support the Premier has received for his view. But these views are, after all, I think, based on an interpretation and, therefore, at least to some extent, hypothetical.

Similarly, we have heard a lot about the Triple "E" Senate, which seems to be the final sticking point. But I cannot see how the Premier can say to the people of Newfoundland, as he constantly has, that the Triple "E" Senate is going to be the only way in which we are going to cure our economic ills, or that it is, in fact, a cure-all for economic ills, as if they were in no way related to economics or history or geography. And I think it is, to some extent, misleading to imply that we will be saved by a Triple "E" Senate. We have had this argument before, but I would have to say that it has not saved some of the states in the United States from the gross economic disparities which still exist in that country.

I think less hypothetical are some of the consequences, including a drifting away of the Province of Quebec and a break-up of this country. Now I will have to say that they are hypothetical, but they are probably more rooted in probability than some of the interpretations on the other side of the issue. And I personally think what has been lacking in some of the discussion in this Province up to now has been an honest and clear look at the other side of this issue. Every time we attempt to raise some of the possible, and I would say just as possible, consequences of a failure of the Meech Lake Accord, we are greeted with a great deal of defensiveness and statements

that only one person in this Province has the honest interest in the future of the Province and the country.

So, I think, at this point in time we have to have a fair and honest examination of the substance, and of both sides of this argument, if we are ever going to have an informed public that will be able to make an informed decision on this issue. We are playing a very high-stakes poker game with the future of Canada and the future of the Province, and we are all playing it, and I think we are all playing it sincerely; we believe what we are saying. But what has been missing is both sides of the issue. I would like to have the right, and it is my duty as a Member of the Opposition, to examine what is being said on one side of the argument and to bring out the other side of the issue, and I would like to be able to do that without being abused, without being accused of things I have no intention of doing. Because I can assure the Premier that myself and other Members on this side of the House are just as concerned about the future of this Province and the future of the country as he is.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Premier.

Premier Wells: Now, Mr. Speaker, anybody who was in this House on Tuesday knows that the planned program of attack Tuesday was you sabotaged. It was used first by the hon. the Member for Humber East. When I addressed the word, it was in response to this question. Here is the question from Ms Verge, it is written in Hansard: 'My final question, Mr. Speaker, is, is the Premier planning as his next act of

sabotage' - as his next act of sabotage - 'having laid a foundation for making the allegation, is he planning as his next act of sabotage this...?' I stood up and I addressed it in that context. Then along comes the Member for Humber East, 'Will the Premier carry out this sabotage?'

We all know what the plan is. We all know that it was followed up here again the next day when the words then used were, the Premier is spreading hatred against Quebec. One after the other they got up and, like minions, said the same thing: spreading hatred against Quebec and destroying our social programs - destroying our social programs.

We all know, Mr. Speaker, that they are simply carrying on the program of trying to discredit the Government. I know that. I know they are trying to discredit this Government in this way. We saw the planned program announced by Ontario officials yesterday - disclosed, not announced - disclosed in a paper by Ontario officials yesterday.

An Hon. Member: (Inaudible)  
Liberals are in in Ontario.

Mr. Tobin: That's your Liberal buddies, in Ontario.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

Premier Wells: We saw that program, and what was intended by the proponents of the Meech Lake Accord. We have seen the Opposition, Mr. Speaker, stand day after day and say similar kinds of things, and now the hon. the Member for St. John's East stands



in the House and says, let's do a fair examination on the basis of the merits. God in heaven, Mr. Speaker, for twelve months I have been preaching across this country, 'Consider Meech Lake on the merits!'

Some Hon. Members: Hear, hear!

Premier Wells: I have spent half of the time that I have been speaking about Meech Lake pleading with people. If Meech Lake is so good, let's do it because it is so good. It surely is not beyond the intellectual capability of the Prime Minister and all others involved to promote Meech Lake in its acceptability on the basis of its inherent merits. What does it matter if I have horns growing out behind my ears? How many times have people heard me say that? Now the hon. the Member for St. John's East, having started and carried on with all the others these words of sabotage, preaching hatred, destroying our social programs, will stand, as the hon. Member for Humber East here today, with pious indignation and talk about how terrible it is to speak in this way. It is a kind of a level of hypocrisy that is difficult to accept, Mr. Speaker.

Now, let us deal with the Meech Lake Accord on the basis of its real merits. Let us deal with it in the context - I only have two minutes. It is a bit difficult to do that - in the context in which the hon. the Member for St. John's East just mentioned, the effect of the Senate. Look at our record. How else can anybody explain why the Federal Government, faced with horrendous unemployment and economic problems in Atlantic Canada, with an earned income in Newfoundland at 58 per cent of the national average, with burgeoning

economic activity in Central Canada - so active over the last two or three years they have to hike up the interest rates to depress the economic activity because they are afraid of the inflation; in the meantime, Atlantic Canada in desperate circumstances, needing help, only being hurt by these hiked-up interest rates, at the same time, Mr. Speaker, at the very same time, spend more money on a per capita basis promoting job creation elsewhere in Canada than in Atlantic Canada? How do you explain that? How could that happen? How could they pass the Department of Industry, Science, and Technology Act to use it to promote economic development in Ontario and Quebec, based on industry, science, trade, commerce, and technology? That is what they did at the same time that we have this problem. And the hon. Member for St. John's East stands and piously talks, bearing in mind what the proponents of the Meech Lake Accord have been doing for the last year, she stands and talks about dealing with it on its merits. That is why we need a reformed Senate, that is why we need it for our economic future, not tomorrow, not next year, not the year after, but for the next decades and centuries that we want to be a full participating Province of this great country. Thank you, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Member for St. John's East Extern.

Mr. Parsons: Mr. Speaker, yesterday I rose in the House during Question Period and asked some questions I felt needed to be asked. I had no intention, nor

was I ever part of a conspiracy. Those questions I did on my own, because I felt there was a need to ask those questions.

Yesterday, during Question Period, Mr. Speaker, the Premier questioned my intellectual ability and integrity. Mr. Speaker, I am a person who has been involved in every community activity named - which has a name on it - all my life, and that, Mr. Speaker, was extremely hard to take. I try now not to lose my cool, but yesterday afternoon, I am sorry to say, that did not prevail and I lost my cool. As a result, I probably said things I should not have said. It was in the heat of debate, and I would feel much better today, and be better off, if I had not said it.

We are dealing with a very, very sensitive issue, one I feel as strongly about, perhaps, as the Premier does. Certainly I had no intention of adding any fuel to that fire. With that said, Mr. Speaker, I rest my case.

Now I will go on to yesterday's Question Period and my reason for saying to the Premier that I was concerned about our social life in Newfoundland. I said yesterday in my preamble, and I want to thank the Speaker for allowing me to preamble in that way, but I lived in the pre-confederation days and I would never want anyone belonging to me, or any of my friends, to go back to those days. I admitted that I was an anti-confederate, and I also said, Mr. Speaker, that I was dead wrong.

Mr. Speaker, I remember my Father telling me about conditions under which he lived, conditions which are unacceptable to me for the next generation, or even my part

of this generation. I hope in my heart that cool heads will prevail, that dialogue will be uppermost in everyone's mind, that a solution to Meech Lake will be found and Quebec, which I feel is a necessity for this country to survive, will be part and parcel of the Canada I love, the Canada I call my country.

I was no way yesterday meaning anything else. I said what I wanted to say, that I feel that if we split, I feel if Canada becomes a fragmented country, then I think your side as well as our side, and people you know and I know, will be adversely affected. Look, in terms that my terminology cannot address, Canada is a great country.

An Hon. Member: (Inaudible).

Mr. Parsons: Yes, leave him alone. Yes, it might be better if you did leave him alone. Because I feel about Canada what a great number of Canadians feel about Canada, but it is getting harder every day to address it.

Mr. Speaker: Order, please!

The hon. Member's time is up.

Mr. Parsons: Just to clue up, Mr. Speaker.

I hope the Premier can address what I have just said, and I hope he understands where I was coming from. Thank you very much, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. Speaker: The hon. the Premier.

Premier Wells: I did not hear any question, but I would like to respond anyway, because I believe what I heard come from the Member

was a sincere apology for allowing depth of concern to let feelings get out of control and words said that are not really intended. I respect the hon. Member for that response.

But what I was responding to, he will know, when I addressed it, was the allegation that my actions and rhetoric were throwing kindling on a smouldering fire. There is always a smouldering fire, as it pertains to Quebec, that is now out of control. Do you think your rhetoric, your actions are causing this hatred?

Mr. Parsons: And there is that hatred, too.

Premier Wells: There is not this hatred, and there is not this hatred in the people of this Province.

Mr. Parsons: No, I (inaudible).

Premier Wells: I reacted strongly because ever since I have been dealing with this Meech Lake issue, I have been pleading with people to deal with it on their merits, deal with the issues on their merits. I have spent, at the very least, half the time I have been addressing the Meech Lake question on that very point, stop talking about me hating Quebec. I do not hate Quebec. Stop talking about me rejecting Quebec. Do not prejudice the democratic right of the people of this Province to express their conscientious concern for our own future by saying that because we do not agree with what others want, we are somehow speaking in a way that is despicable or spreading hatred, or, to quote the hon. gentleman, throwing kindling on a smouldering fire of hatred. That is totally unacceptable.

That is what I meant when I used the words, and here are precise words, 'the Member, about fostering hatred and throwing kindling on a smouldering fire, are a despicable example of the kind of deliberate action to destroy the credibility of people who are dealing with the real issues, because they do not have the intellectual integrity to deal with the issues on the issues.' Now that has nothing to do with capability. The most capable intellectuals in the world frequently lack the integrity to apply their intellect honestly to the issues. What I am saying to the hon. Member is, those who deal

Ms Verge: We were.

Mr. Parsons: (Inaudible) to the issue. I was (inaudible).

Ms Verge: You should apologize. You are calling him stupid and dishonest.

Some Hon. Members: Oh, oh!

Mr. Speaker: Order, please!

Premier Wells: I am answering the question, not the Member for Humber East, and I would ask her to do me the courtesy of letting me respond to what I considered a sincere effort for the hon. Member.

An Hon. Member: He is not man enough to accept an apology. (inaudible).

Ms Verge: He is dealing in insults.

Mr. Speaker: Order, please!

Premier Wells: I explained to the hon. Member and to the House the manner in which I was responding

to those, what I consider to be, irresponsible actions of people who question - who question - the motives of people and accuse people of spreading hatred. It is unacceptable. I listened here a few minutes ago and I heard the hon. Member for St. John's East Extern stand and, I believe, give a sincere explanation for what he did.

Ms Verge: Now you (inaudible) for what you did.

Premier Wells: Well, if the hon. Member would keep her mouth quite for a minute, I might have a chance to say something. That is all I want her to do.

Some Hon. Members: Hear, hear!

Premier Wells: Now, Mr. Speaker, the hon. the Member for St. John's East Extern stood and explained the basis on which he made these statements. I am explaining the basis on which I made the statements. I regret those statements have to be made and are made in the context of this kind of debate. I have been pleading with people to deal with this issue on the merits of the issue and stop accusing people of ill-will and hatred and throwing kindling on smoldering fires. I say to the hon. Member that I will not accuse anybody of lacking in intellectual integrity if I am treated with the same respect.

Some Hon. Members: Hear, hear!

Mr. Speaker: It has been moved and second that this House do now adjourn.

On motion, the House at its rising adjourned until tomorrow, Friday, at 9:00 a.m.