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VERBATIM REPORT

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SPEAKER: THE HONOURABLE GEORGE W. CLARKE

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order.

HON. J. R. SMALLWOOD (PREMIER): Mr. Speaker, following upon the statement that I made in this House yesterday, a Cabinet Committee met at 8 O'Clock this morning with representatives of the Civil Service in general of the public safety employess, police, firemen, penitentiary warders, certain Mental Hospital warders, and of the hospital workers. The Cabinet Committee consisted of the Minister of Labour, as Chairman, together with the hon. minister without portfolio, from Harbour Main District, and the hon. the Minister of Social Services and Rehabilitation, together with Mr. James G. Channing, Secretary of the Cabinet, and Chief of the Civil Service, and Mr. Victor Young, Deputy-secretary of the Treasury Board.

The meeting was conducted in a friendly and thoughtful atmosphere, And they held a candid discussion of the issues involved. The meeting ended in the three ministers agreeing to convey to their colleague in the Cabinet certain proposals that had been thoroughly discussed by all who were present. The representatives of the three classifications of employees, civil servants, public safety employees, and hospital workers undertook to convey these proposals to their respective memberships at the earliest possible opportunity and to report back to the Government.

As soon as I have further information I will be glad to pass it on to the House.

All but the Mental Hospital section of the public safety employees were to meet at 2 O'Clock today, and we have the assurance of their representatives, that they will report to us as quickly as they can. It is thus quite possible that we will have further news before the afternoon is over.

The House will I am sure be pleased to know that the Government have decided that we can meet these salary increase proposals within the limit of the \$6,000,000 that I announced yesterday. Mr. Speaker, it was agreed by

MR. SMALLWOOD: the representatives of the various classifications of employees, representatives of all the employees, that is to say the public safety employees, the civil service in general, and the hospital workers, it was agreed by the representatives of the various classifications of employees and by the three Cabinet Ministers, who formed the Cabinet Committee, it was agreed that the details of the proposals considered this morning, would not be revealed at this time.

It is however, proper for me to say this much, namely; that there was complete agreement among all present at this morning's meeting that the public safety personnel, police, firemen, prison warders, certain custodial employees at the Mental Hospital, would be given special or preferential treatment in rates of pay.

Mr. Speaker, that is the end of the statement I have prepared, but I have something to add to it, and that is, that it has been reported to me by representatives of the public safety employees, that is police, firemen, prison or penitentiary warders, and custodial warders at the Mental Hospital, that they have completed their meeting -

SOME HON. MEMBER: Not the custodial warders of the Mental Hospital.

MR. SMALLWOOD: No, I omit the force of these, that is to say it has been reported to me by representatives of police, firemen, and penitentiary warders but not as yet by representatives of the custodial workers of the Mental Hospital that they have met with their clients, and that these three have accepted the Government's offer, and there is now no further dispute between us.

Mr. Speaker, I am further informed that the representatives of the hospital workers or at any rate some of the hospital workers have announced publicly in Central Newfoundland terms of the proposals made this morning, and I, therefore, feel I am released completely from any obligation preserve secrecy as to these proposals made. And, I am therefore, going to inform the House of the arrangements.

The police, firemen, and penitentiary warders have agreed to accept an increase of \$100,000 month or that is to say \$1200 a year, and the Government have agreed to give this increase. The custodial workers in

MR. SMALLWOOD: the Mental Hospital were to get under these proposals \$50.00 a month, or \$600 a year. And all others, that is to say the entire public service of this Province, except for police, firemen, and penitentiary warders, and except for custodial workers in the Mental Hospital, all other public employees and employees who though not public, receive their salary from the Public Chest, all others \$35.00 a month, and these increases of \$100.00, of \$50.00 and of \$35.00 are across the Board increases, with no variation and there amounts are on top of what all these employees were getting up to, but not including April 1st. In otherwords beginning at April 1st. And then in addition, to these increases, all of which will be within the \$6 million I announced yesterday, in addition they will be beginning next year and going on annually thereafter an minimum salary increase at the rate of five percent a year, starting next year. In the hope and expectation that this five percent will cover the annual increase in the cost of living,

Mr. Speaker, this is my statement with regard to the civil service. We have not as yet of course heard from the representatives of the civil service, because the civil service in general is a very large body and there officers are scattered throughout the Province, presidents, and branches throughout the whole Province. It will take a little longer for them before they can tell us, whether they accept it or not.

Mr. Speaker,

MR. JOHN C. CROSBIE: Mr. Speaker, we are very pleased to hear the announcement, of course, Mr. Speaker. Can the Premier tell us the proposed increase of five percent a year, starting next year, in otherwords everybody next year will get an increase of five percent on his salary, a man saying making \$10,000 will get five percent more next year, five percent of \$10,000 more. I assume that is what it means. And would the Premier tell us, where the classification system fits in, where is the classification scheme now?

MR. SMALLWOOD: Mr. Speaker, I said yesterday that the N.G.E.A. had requested the Government to defer bringing the classification and tied in wage scale system into effect for one year, defer it for one year. I announced

MR. SMALLWOOD:

yesterday that if we could come to agreement on how the \$6 million would be shared, between all the employees concerned, we would consider deferring the new scheme.

This morning, I might have added here, that the very first decision taken at the meeting between the Committee of Cabinet and the representatives of all the employees was that the scheme would be deferred for a year, and it has been deferred for a year. The five percent increase next year will be an increase over and above the rates that they will be receiving this year and the rates they will be receiving this year certainly so far as the public safety employees and perhaps the custodial employees of the Mental Hospital are concerned will be those that I have announced. And if the remainder of the public servants of the Province and those who are not public servants but get their salaries from the Public Chest, agree then the rates will be as I have announced. And over and above these, then on top of them there will be a five percent increase in their pay in the budget of next year, and thereafter each year five percent, certainly so long, and I want this to be clear, certainly so long as the cost of living keeps climbing, as long as inflation lasts, the annual five percent, and that is a minimum, will be paid and it will be paid on next year, on this year's salary over and above the salaries this year.

Mr. Speaker I wish to extend a very cordial word of welcome, two separate groups, I believe of students who are here today, in the first place

twenty-three students from St. Lukes in Port-de-Grave. These twenty-three students from Grade VII and Grade VIII, with their teacher Mr. John R. Barrett, are in one gallery and I am especially happy that they are here with us today, because they are from my district, the district that I live in, not the district that I represent in this House, but the one that I live in. They and I are constituents of the same member, the minister up at the far end, the Minister of Municipal Affairs and Housing. We are his constituents. I vote for him. I do not know, if all these students vote for him yet. If they do, someone should look into the matter and see if they have been voting a little bit prematurely, but anyway we are in the same district and I am very happy to welcome them here today.

Then from Dunn Memorial in St. Mary's, St. Mary's represented by hon. friend, Dunn Memorial in St. Mary's, sixty-five students in Grades X and XI and accompanied by Miss Shirley Cochrane and Mr. Douglas Boland and I want to say to them that we are extremely happy that they are here with us. They are very, very welcome and we are glad to have them with us and we are so happy. This makes eighty-eight students here in the Chamber today. I had a count the other day how many there were up to that time and it was an astonishing figure of how many had visited us, up to the 28th. When was the 28th? What is today?

MR. CURTIS: Today is the 1st May.

MR. SMALLWOOD: This is May 1st. This is May Day. This is May Day. Well up to the 28th and including the 28th. of the month, Monday, we had visiting us here students from city schools in St. John's, 630; out of town schools, 539 for a total of 1169 students. Now since then, we have had others bringing it up to over, well over, 1200 students from schools inside and outside St. John's, and I want to say never were people more welcome in this Chamber than these splendid young Newfoundlanders.

Finally, Sir, I want to extend a very, very special word of welcome to a very, very special group of men, something numbering between ten and twenty who are in the City from Hermitage and Sandyville and Seal Cove in Hermitage Bay. They are in here talking public business with their member and with me, and I hope with other ministers as well, and I had the unique experience: I have been in many places in Newfoundland and sometimes I have been cheered and sometimes I have been jeered and sometimes, I was lucky to get out still alive and other times I came out feeling very happy, but today, Sir, for the first time in my life, a crowd, in my own office, in this building, wanting to giving me a rousing cheer and this is a very cheerful and happy thing to happen to me, and I want to say that these fine Newfoundlanders from Hermitage, Sandyville and Seal Cove are very welcome here in their own House. This is the people's House, and they have every right in this world to be here. I am all the more happy to welcome them, because they were such wonderful, such wonderful confederates. They helped me so much to bring the blessings of Confederation to all the people of Newfoundland and the people of Newfoundland should forever, forever and ever be thankful and grateful to the people of that part of Newfoundland, for the noble part they played in bringing Confederation to this Province.

MR. ANTHONY J. MURPHY (Leader of the Opposition): Mr. Speaker, in rising of to endorse the statements the hon. Premier with reference to our visitors in this House today; I did not speak earlier on his statement, because I had presumed that he would continue his usual into other matters, but there is one or two things I would like to bring forward on his statement, if I am permitted at this time, and that is with reference particularly to the classification the reclassification of Civil Servants. I presume that there will be on-going negotiations between now and next year with the committee.

MR. SMALLWOOD: If my hon. friend would allow me, I can fill him in on that.

It is, as I announced, in the Budget Speech the very firm determination of the Government to set up a completely new system of constant communication, conciliation and collective bargaining and perhaps arbitration, but we intend to set that up without delay.

MR. MURPHY: Thank you, Mr. Speaker. Mr. Speaker, I would just like to join with the other members of this House who were so happy and so pleased to see that this very grave situation; particularly, with our law enforcement officers so on and so forth has been settled, and I am sure, and I was quite pleased today, when I heard an announcement that a representative of the Anglican Church had made it his business to go to the Premier and urge that negotiations be concluded on this matter. I am sure that, that had some affect and with reference to all these things, and I say this now quite frankly that we should not again let these things come to such a pass, and I believe that is pure neglect or disregard for the rights of these workers that this thing was brought to such a head.

Mr. Speaker, I presume, when we go to the Estimates that we will see exactly where the \$6 million came from and perhaps, we..

MR. SPEAKER: Order.

MR. MURPHY: I am just making a statement on the statement, Mr. Speaker, as I pointed out earlier, and as a Leader of another party, I think, Sir, according to Beauchesne, I have a right to make a statement on a ministerial statement, but I am just about finished anyhow, so, Mr. Speaker, do not bother with that.

MR. SPEAKER: Are you finished now?

MR. MURPHY: Finished now? Yes. I would like to join with the hon. Premier in welcoming to this House, twenty-three students from St. Lukes in Port-de-Grave, present residence of the Premier. I do not know how long he is going to be living at Russwood, but he is living there presently, and the home district of the Minister of Municipal Affairs and I, too, would

like to join in welcoming these twenty-three students with their teacher, Mr. John R. Barrett. Coupled, also, are sixty-five from the district of St. Mary's, from Dunn Memorial School and the Dunn Memorial, of course, is a memorial to a very splendid Newfoundland Priest who I had the good fortune to know very well.

MR. SMALLWOOD: Who was that?

MR. MURPHY: Reverend Father Dunn.

MR. SMALLWOOD: It is named after him?

MR. MURPHY: It is named after Father Dunn, and I am sure that these students, too, sixty-five of them with their teachers; Miss Cochrane and Mr. Boland, will have an enjoyable visit here in this House and observe what is happening and receive some education from it. And, particularly, it gives me very great pleasure to welcome these gentlemen who cheered the Premier today, according to all the newscasts, this is gone right across the Province, gave him such a rousing cheer, and I am sure that if the district of Hermitage had ever had reason to cheer, it is at this particular moment. I presume that they have been told that they are going to get a bit of road up there at last, and I am sure that all this House would join in the cheering with them, to see that this district is coming into its own and the Premier mentioned how strong this district was for Confederation and Mr. Speaker, I would say quite sincerely how happy we are on this side to see this district cheer in the benefits that Confederation brought to this Province. At long last, as one of the members said, and I am sure gentleman that, if there is anything else that you need; you have waited twenty-one years for this bit of road, and I can assure you that if there is anything else you need just bring your problems to the P.C.'s and we will put another fifteen miles on there for you.

So, Mr. Speaker, when this great story unfolds today about all these roads and what not we will see, who else is going to get some of the Confederation's blessings? In conclusion, Sir, I would just like again

to say how happy I am to welcome all these people and particularly, we welcome the students from schools every day. I would like to see more representatives such as these fine gentlemen we have from different areas of this Province to come to their own House, this is the people's House. This is where the business is done and observe what is happening. Unfortunately, we cannot put everything on television for you to see. I presume you watch it. I do not know, if you get television down in Hermitage and, Mr. Speaker, as I say, I would like to welcome all these people to the House and would look forward to seeing many, many more hundreds of these people come to the House and see what their representatives are doing for them. Thank you very much.

MR. JAMES McGRATH: Mr. Speaker, I would like to join in welcoming the students from St. Lukes, and I suppose I will not be blamed if I give an exceptionally warm welcome to the students from St. Mary's. I have been very happy in the last few years due to the fact that two young men from St. Mary's have taken up the study and practise of medicine. Both of them have qualified with very high honours. I think that that is the first time that residents from St. Mary's Bay have gone into that profession and, perhaps, today stimulated by what they will see here, some of the young people here may be stimulated to take an interest in politics and perhaps to go on and one of them at least, perhaps, represent St. Mary's Bay. I hope on this side of the House, but in any case I do hope that some of them will take an interest in politics just as ^{they} / have begun to take an interest in the practise of medicine and that some of them, as a result of today's visit, may one day run and represent their residential district. Thank you, Sir.

MR. JOHN C. CROSBIE: Mr. Speaker, first I would like to say that we certainly welcome the Premier's announcement that he made this afternoon of the result of these negotiations. We consider it very unfortunate that all the negotiations did not take place before the Budget was brought down and that communications were not open before the Budget was brought down. We

consider it unfortunate that the Government appears to have to lurch from crisis to crisis to resolve these things..

MR. SPEAKER: Order please.

MR. CROSBIE: Mr. Speaker, not wanting to have any argument over procedure today, I will pass on. I do not know, if we ever have a quiet day in here, Mr. Speaker. It was fairly quiet yesterday.

I would like first to welcome the students from St. Lukes School in Port-de-Grave and Mr. John R. Barrett who I think is an active teacher over there. I think he is active in things other than teaching; If it is the same Mr. Barrett; If it is the same Mr. Barrett that I know and met. We would like to welcome these students from Port-de-Grave, if they were coming on Monday, I think they would see their member in action, outlining a list of some other blessings that Confederation or Uncle Pierre or somebody has given here in Newfoundland, because I think their hon. member is going to make a statement on Monday. We welcome these students and hope that they will find it interesting. We also welcome the students. Mr. Speaker, from the Dunn Memorial School at St. Mary's. We regret that they have not a better road to drive over on the way to St. John's, and we hope that today we will hear the Minister of Highways announce that the road from St. Mary's Bay up will be paved this year, reconstructed and paved. We hope we will not disappoint us in that expectation, and so the next time, next year, when the students from St. Mary's School come to St. John's, they will have a decent, motorable road to drive to St. John's over. After twenty-one years, it is time for them to get that kind of blessing in St. Mary's Bay.

Mr. Speaker, I would also like to welcome Mr. Carew and the rest of the delegation from Seal Cove, Sandyville and Hermitage. We understand that they are going to get some wonderful news this afternoon. We will all be cheering, I hope. We have heard the Minister of Highways again open his magic wand and announce that the road is going to be constructed from ~~Hermitage~~ Hermitage, Sandyville, Seal Cove, over towards Harbour Breton, I think, it

is to join on to the main road system. The Hermitage, Seal Cove, Sandyville area is a most beautiful part of this Province - a lovely part of the Province and once that area is connected up by road to the rest of Newfoundland, Mr. Speaker, they will be inundated down there with visitors, people who will want to see the scenery in that part of the country. It is still a good fishing area and once they are connected up by road, I do not think there will be any temptation for anyone to ever move out of that area, because it is a beautiful area of the Province, where the people are busily engaged and can earn a living and all they want now is modern communications of the outside world, and we certainly hope that that is what is going to be announced this afternoon.

So, Mr. Speaker, we are very glad to welcome all these groups and we hope we will hear them all cheering before the afternoon is out.

HON. ERIC DAWE (Minister of Municipal Affairs and Housing): Mr. Speaker, first I would like to associate myself with the remarks of the other hon. members in welcoming the students from St. Mary's, ~~from~~ ^{from} Dunn Memorial School, accompanied by their teachers; Miss Cochrane and Mr. Boland. I would like to extend a special welcome to Mr. John Barrett and his pupils from St. Lukes School at Port-de-Grave.

The hon. member

MR. DAWE: for Bonavista South as referred here in the House several times that Bonavista is probably the oldest fishing community within the Province of Newfoundland. But I can assure the hon. member Port de Grave would not be too far behind because it is known that ancestors of mine, my family ancestors of my parents, have been at Port de Grave since 1595. And this has been proven by grants of land to the Dawe family, and this would clearly indicate that Port de Grave is one of the oldest communities in Newfoundland. And I can say to the hon. Premier that Port de Grave itself, and Hibb's Cove played a very large part in the battle of Confederation. He did receive strong support from that community during that time, and the district and the community of Port de Grave has supported this Government up until to this very day. And I do not see any change in the foreseeable future that this will not continue.

MR. SMALLWOOD: This Government, and this Leader,

MR. DAWE: This Government, and this Leader, and I do say to Mr. Barrett and his pupils that I do extend to them a most cordial welcome. I think it is their first visit here at the member's House and I do trust that it will not be their last visit, and I do trust their visit will be enjoyable and they learn much here this afternoon.

Thank you, very much.

MR. H.R.V.. EARLE: Mr. Speaker, I would like to express a word of welcome to the ~~members~~ from Hermitage District, they are neighbours of mine, their district is back to back with the District of Fortune Bay. And anticipating the announcement that will be made I know that they will be delighted and so are we in Fortune Bay, because these two districts are inter-communicating, the fact of the road system there, what is good for one, is good for the other. It has taken something like eight years to get the Fortune Bay side connected up, I hope that these gentlemen will not have to wait eight years for what they anticipate today. And I hope sincerely that when this whole network of roads is connected in that area on Connaiger finish lines and into Hermitage District. Because it will not be very long before all the people in that area will be able to join and drive to the Head of Bay d'Espoir and from there to the Trans-Canada. This has been the plan and the objective ever since I

MR. EARLE: have been a member for that area, and I am delighted to think in anticipation that another great step has been taken, and I do hope that it will be completed and brought to completion much quicker than has been the case in the past. But, I am delighted to see them here, and I hope they have very good news indeed.

MR. A. WORNELL: Mr. Speaker, I do not wish to delay the proceedings of the House, but, Sir, I would be very remissed if I did not mention the delegation from my district today, this is a proud moment in my experience in politics, and I am very happy to see these gentlemen sitting here in the Speaker's Gallery today. I am sure that they will enjoy the proceedings, because I believe that the hon. Minister of Highways might have some news of some import to them. I cannot say just what exactly the minister will reveal, but I am certainly hopeful that

MR. SMALLWOOD: The hon. gentleman cannot even guess.

MR. WORNELL: Well, I do not wish to guess, Mr. Speaker. I will say this, that hope springs eternal in the human breast, and hope has been springing eternal perhaps for the past twenty years for these people. But the greater the appetite, the greater the enjoyment. And I am sure, Sir, that when the members of this delegation do hear the good news this evening, they will have further cause for rejoicing and perhaps three rousing cheers when they get home.

Thank you, very much.

MR. T. ALEX HICKMAN: Mr. Speaker, as the only native of the South Coast of Newfoundland presently sitting in the House, I would like to join with the other hon. members in extending a very warm welcome to my friends from Hermitage Bay. I can well imagine the frustration and the torment that these gentleman have had for the last twenty-one years waiting for the rewards of their labour in leading us into Confederation, together with other parts of Newfoundland, and in particular the South Coast.

Back in the 1940's, when I was about sixteen years of age I had the very great pleasure of taking the nurse, a Miss Bishop, Miss Olive Bishop, who I am sure many of these gentlemen recall, taking her around Hermitage Bay by boat, we had a small boat belong to the late Mr. Day of Gaultois, and

MR. HICKMAN: we went and down the Bay from Passe Islands right up to the bottom of the bay with this very noble dedicated lady, who is now in retirement herein St. John's. And, Mr. Speaker let me assure you that for twenty-one years, other than the opening of the fish plant at Gaultois, the people of Hermitage and in particular, that part of Hermitage Bay has been waiting, hoping, and sometimes praying to see some of the fruit that other Newfoundlanders throughout this Province. Today unquestionably, without any doubt at all the Minister of Highways has to whether he likes to or not to announce that a road will be built. But I should warn the hon. the minister that on the South Coast we are great believers in cutting ribbons and not in promising roads, we want to see it, to believe it, we have to see it finished, and when it is finished then there will be a cheered vote from Hermitage, and a loud cheer and a deserving cheer from Hermitage.

Again, gentlemen I am very pleased to see my friends from the South Coast here in this House.

HON. HAROLD STARKES: (MINISTER OF HIGHWAYS) If I may, I have an announcement to make, I wish to announce to the House a road building program recently decided upon by the Government. The Hon. Minister of Community and Social Development has just recently announced a comprehensive program outlining highway construction, water and sewer facilities etc., for certain areas of the Province already approved as special areas under the DREE Plan. It must be obvious to all, that in view of this the Provincial Government should be compensating its efforts in those areas not presently to be serviced by the DREE Program.

The highway program that we are about to outline will be started as soon as possible and will continue at a rapid stage to completion. Quite naturally, Mr. Speaker, I take great pride in this announcement, as one person will deny the fact, that there is a great need for highway construction and improvement in the areas concerned.

There are also some further proposed projects in several other areas not specified in the list. Generally speaking where there are small upgrading and construction jobs in the \$2,000 to \$10,000 bracket, and amounting in all to

MR. STARKES: approximately \$500,000.

I am also, listing several jobs to be carried out this year and that are classed as maintenance. Here too, I have listed only part of the special maintenance project and there will be many other smaller undertakings carried out in the normal manner.

Mr. Speaker, all of these projects will be put into operation in this present year, and they will be pushed ahead vigorously throughout this year's construction season. The projects that are not completed in the present year will be, as I said before, pushed to completion as rapidly as time and availability of equipment will permit with the target date being set for December of next year.

I propose the Provincial roads program to pave the backline from Bay Bulls road; to pave old Petty Harbour road; to upgrade the Goulds road to Trans-Canada Highway, Mr. Speaker this involves some construction and some upgrading; to pave Major's Path, some new construction and some upgrading

MR. MURPHY: I must try and copy some of them down.

MR. STARKES: You better not try and copy it down, I will be reading it a little too fast, and there will be copies available - to pave Major's Path, to pave Old Middle Cove Road; to pave Portugal Cove Road towards St. Philips, a little over one mile of that road; to pave Groves Road; to repave Commonwealth Avenue; to pave Blackmarch Road, this is two miles. And, Mr. Speaker, the road to Hell is paved with good intentions, we do not intend to pave the road to Hell, but we are going to pave the road to Paradise, in the district of Harbour Main; to pave Collier's road, the reconstruction of the eastend road from Delahunty road to Bennett's Corner on Bell Island; the reconstruction of Martin's road; to improve the turn around at the Bottom of Beach Hill on Bell Island; and pave Ship's Cove, Hibb's Cove; Station Road to Clarke's Beach; Springfield road; to pave Country road; a section of the Hodgewater Line; and to pave Northriver, and Bay Roberts East; rebuild and pave the road at Riverhead; rebuild and pave the road at Tilton; rebuild Bishop's Cove Road; and Upper Island

MR. STARKES: Cove main road; pave the Salmon Cove to Perry's Cove Loop; reconstruction and pave Blackhead to Burnt Point; widen the section of the road at Bay de Verde; reconstruction and pave New Harbour to Green's Harbour towards Islington; reconstruction and pave Heart's Content to Carbonear; reconstruction and pave Middle Brook to Travers Brook; and build a new bridge over Middle Brook in Bonavista Bay; to reconstruct and pave Travers Brook to Hare Bay; reconstruct and pave the National Park to Eastport, Happy Adventure and Sandy Cove. I can assure the hon. member for Bonavista South will be very pleased to hear that. Upgrade the Terra Nova to park boundary; upgrade at Charleton Town, and also the road at Port Blandford; complete reconstruction of the Fogo road to Seldom; complete reconstruction to the Shoal Bay road on Fogo Island; to rebuilt and pave Gander towards Gander Bay; to rebuilt the Strait Shore road; rebuilt the road to Elliston; reconstruction and pave Curtis Causeway to Little Indian Cove across New World Islands; also included will be several small jobs on Twillingate Island and New World Island; paving Appleton main road; complete with pavement the last ten miles of the Buchan's road; reconstruct and pave Lewisporte to Michael's Harbour; reconstruct and pave from the Comfort Cove intersection to through Loon Bay towards Birchy Bay; reconstruct Embree to Little Burnt Bay; paving through the Town of Point Leamington

AN HON. MEMBER: What district is that in?

MR. STARKES: Point Leamington,

MR. SMALLWOOD: Point Leamington is in Green Bay.

MR. STARKES: I know it is in Notre Dame Bay,

MR. SMALLWOOD: It is in Green Bay.

MR. STARKES: It was in Green Bay at one time.

MR. SMALLWOOD: It is still in Green Bay.

MR. STARKES: In Green Bay District?

MR. SMALLWOOD: I said it is in Green Bay.

MR. STARKES: The Town of Point Leamington is in New Bay, in Notre Dame Bay.

MR. STARKES:

and it is presently in the district of Lewisporte.

AN HON. MEMBER: Who represents Lewisporte?

MR. STARKES: At one time it was in Green Bay District. Improvements in the local road at Campbellton, improve the road from Lawrenceton to Lewisporte, improve local roads in Norris Arm North and South, the main road of Boyds Cove, construct a new road at Leading Tickles. Mr. Speaker, in relation to that road the causeway was completed to Culls Island in my district. Leading Tickles is on Culls Island and the road was constructed down into the community of Leading Tickles and it will require one mile to complete. A new road from Beaumont to Lushes Bight, a new road from Triton to Brighton, extend the road to Round Harbour and Snooks Arm, paving around the town of LaScie, paving around Seal Cove, improve the road to Jackson's Arm -

AN. HON. MEMBER: Seal Cove where?

MR. STARKES: Seal Cove in White Bay, paving around St. Anthony, rebuild the road from Roddickton to Englee, rebuild Main Brook bridge to Burnt Point, construct a new road to Great Brehat, construct new road to the West side of Brigus, reconstruction of the road to White Cape Harbour, rebuilding of Cooks Harbour road, rebuilding of the Green Island Cove road -

MR. MURPHY: Where is that?

MR. STARKES: I do not know.

MR. MURPHY: Too bad if the hon. minister does not go off the Island now and end up in Nova Scotia.

MR. STARKES: Kellys Mountain. Whenever I think about Nova Scotia I think about Kellys Mountain. You have to bend up your car to get around it, it is on the Trans Canada Highway.

rebuilding the road at Savage Cove, a new section of road in Flowers Cove, rebuild the road at Bear Cove and Plum Point. There will miscellaneous bridge construction, Mr. Speaker, in the district of St. Barbe North. Crossing over into Labrador - complete the Red Bay road, Mr. Speaker, and a new road from Mary's Harbour to Lodge Bay, rebuild Goose Bay to North West River, now this, Mr. Speaker, this involves rebuilding or upgrading with eventual paving

MR. STARKES:

in mind. Miscellaneous bridge construction in St. Barbe South. Now in connection with St. Barbe South, Mr. Speaker, it is the Government's intention to start a program of paving this year in the Bonne Bay area, however, in view of the negotiations now going on between the Government of Canada and the Government of Newfoundland relating to our White Paper proposals I will not be able to give the details for some short time to come.

Repave Nicholsville road in Deer Lake and pave Gatehouse road, reconstruct and pave Coxes Cove towards McIver's. Does anybody know what district that is?

MR. MURPHY: Inaudible.

MR. SMALLWOOD: They vote liberal, powerful, liberal support for Joey there. I got one hundred per-cent from Humber West, one hundred. Neither Crosbie man there. Ah, he was not voted after because the hon. gentleman is worried ever since.

MR. STARKES: Pave Coxes Cove main road and complete the breastwork in the community. Pave York Harbour and Lark Harbour, some upgrading work to do done at Hughes Brook, Serpentine road to, there is an area in Serpentine that requires some upgrading, Mount Moriah -

MR. MURPHY: Do not cross any rivers now when you are on your way.

MR. STARKES: Pave Doyles to Upper Ferry, repave Stephenville Crossing to St. Georges, -

MR. SMALLWOOD: Laugh that you may not weep.

MR. WELLS: I did not hear the last one.

MR. CROSBIE: Laugh and be merry, your days are numbered.

MR. STARKES: Pave Doyles to Upper Ferry, repave Stephenville Crossing to St. Georges, reconstruct and pave from the Trans Canada Highway via Jeffrey's to Station Road to Robinsons to the Trans Canada Highway, a loop. Reconstruct and pave Upper Ferry to Codroy, rebuild Carters Road, rebuild Tompkins to St. Andrews, continue Chips Hill west from Campbells Creek, pave Point au Mal road, rebuilt Lord Cove to Cape St. Georges, rebuild Lords towards Abrahams Cove, rebuild Mainland to Black Duck Brook, construct a new road at Diamond Cove, construct a new road at Big Bottom, improve the road at Harbour Le Cou and extend Crow Cove Road. Construct new road from Harbour Breton, Bay

MR. STARKES:

D'Espoir Highway to Hermitage, construct a new road from Grand Le Pierre to English Harbour East, improve the road at Red Cove, improve the road at Pool Cove, reconstruct and pave Dunville to Fox Harbour, reconstruct and pave the Trans Canada Highway to Long Harbour, improve the Cape Shore road, new diversion Long Cove to Port au Bras, upgrade Rock Harbour, Beau Bois, Baine Harbour, Mortier and Salmonier and reconstruction of the Rushoon Bridge. Rebuild and pave Salmonier Line, five miles, rebuild Admirals Beach to Mall Bay, rebuild Admirals Beach to O'Donnells and Hurley's Bridge, rebuild and pave Cape Broyle to Ferryland.

DR. J. MCGRATH: Could I ask the hon. minister a question. I think he said rebuild the road from Admirals Beach to Mall Bay or did he say build?

MR. STARKES: Rebuild. Typegraphical error.

AN HON. MEMBER: That was one of the unkept promises from the last time around.

MR. SPEAKER: Order please!

MR. STARKES: Do not try to be funny. Reconstruct and pave Trepassey to the fish plant,

MR. SMALLWOOD: When the election is over, that is the time to laugh.

MR. WELLS: Announce it today and see who laughs.

MR. SMALLWOOD: I pick my time, not the hon. gentleman's time.

MR. STARKES: I know, Mr. Speaker, it must be hard for the hon. gentlemen to keep a smile but .

MR. BURGESS: Is the hon. gentleman having a difficult time making himself heard?

MR. STARKES: I am doing the best I can under the circumstances. Mr. Speaker, some progress to be undertaken under maintenance during the coming season, this is a partial list. Servicing with crushed gravel approximately three hundred miles of road, shouldering with crushed gravel the road from Pouch Cove to St. John's, the Bauline Line and two hundred miles of the Trans Canada Highway, upgrading the road from Fortune towards Lawn, graveling the road from Southern Bay towards Kings Cove, graveling several roads on New World Island, improvements and graveling the roads to Point Leamington and Fortune Harbour, upgrade certain areas of the Pleasantview Road, and improvements to the road to

MR. STARKES:

Roberts Arm and the road to Millertown Junction, improvements and graveling roads in the Green Bay area, major maintenance to the road from Red Cove to Belleoram, graveling the road from Baie Verte to La Scie, the Westport road, the Seal Cove road and Wild Cove. Graveling and major improvements to the roads in the St. Anthony, Cooks Harbour area and the continuation of upgrading several roads on Fogo Island.

Now, Mr. Speaker, I hope I have made it clear that these particular thirteen projects I have just outlined for this year are simply some of our maintenance projects. Thank you very much.

MR. MURPHY: I wonder if the hon. minister would permit one question. How much is the total cost estimated for all these projects?

MR. STARKES: It is nice to know, Mr. Speaker, that the hon. Leader of the Opposition desires to know just one question. The job of the Department of Highways is to build roads, to rebuild roads, to reconstruct roads, to pave roads and this question, I think, could probably be addressed to the acting Minister of Finance.

MR. MURPHY: Could the acting Minister of Finance answer that question?

MR. SMALLWOOD: Yes, indeed, I have an answer. The answer is that the hon. gentlemen need lose no sleep, this Government that has accomplished so much will accomplish all this and a lot more and we have the money, we will get the money and we will do the job.

MR. MURPHY: Mr. Speaker, may I redirect the question? The question is what would the cost of these be? I did not want a lecture, I just wanted an answer to the question or as near as we could get to it.

MR. SMALLWOOD: We will tell the hon. gentleman that after they are built then we will know to the very nickel what they will have cost.

MR. CROSBIE: Mr. Speaker, I would like to ask the Minister of Highways several questions and explanations. Before doing so I would just like to say that the hon. Premier's answer was completely contemptable, that this is a duty of this House to ask questions such as what the cost of this program is and not to hear contemptable answers like that. I will get to my question when I am ready to get to the question. -

MR. CROSBIE: Mr. Speaker, I would like to ask the Minister of Highways whether he is going to proceed with the completion of the road from Churchill Falls to Goose Bay, the road that was started several years ago and some \$6 million spent on it. There was nothing done on it last year. Is that to be continued this year, or are there no people living along that road? And I would also like to ask him as far as I could hear from listening to his statement, what is his program in St. Mary's Bay? I heard from Admiral's Beach to Mall Bay mentioned. Is there any program to pave the main road from St. Mary's up to Salmonier Line towards St. John's, is that included in the program? I would also like to ask the minister whether there is any program this year taking up pavement on the Trans Canada highway and replacing it, such as has been in effect for the past several years.

MR. STARKES: Mr. Speaker, regarding the road the hon. member referred to in Labrador, negotiations have gone on to some extent and will continue in the hope that this road may become the responsibility of the Government of Canada and this is all I have to say about it at the present time. Now as far as the other questions are concerned, is so and so here, or is so and so there, or is it not there, I read out the whole list and this list will be available and any hon. member will be able to see just what is in it.

MR. CROSBIE: Will the hon. minister tell the House what does his department estimate the cost of its program is, not what it is going to cost, not what it is going to cost when it is finished to the audited cost, but has his department completed any estimates for the cost of his program, or does his department not bother to estimate the cost of the road building and the road construction?

MR. SMALLWOOD: Mr. Speaker, to a point of order. The hon. gentleman is as well aware as you are yourself Your Honour and all the rest of us that the Estimates are to come before the House and be explained and debated.

Not on a ministerial statement but when the details of the Estimates are under examination in this House, an explanation is the time to deal with that.

MR. WELLS: Will the hon. minister permit a question, Mr. Speaker? Would he tell the House and I am sure they are very concerned, how his department assesses the cost of rebuilding a road that is not yet built? How does he do that?

MR. SPEAKER: Order please! On a ministerial statement the Leader of the Opposition and chiefs of parties or chiefs of groups may ask a questions or make a few remarks.

MR. STARKES: Could I say one word, Sir, in explanation? I think the trouble with the hon. member on the other side is that in that area there are too many chiefs and not enough Indians. Only the chief or the leader is supposed to ^{ask} a question.

MR. BARBOUR: Point of order!

MR. SPEAKER: Presenting Petitions:

MR. BARBOUR: I want to get my point of order. My point of order is that yesterday when I asked the hon. Minister of Mines Agriculture and Resources a question after his ministerial statement, I was not allowed to ask it by the Chair. And why is the hon. member for Fortune allowed to ask? He is not the leader, there is the leader there, the hon. member for St. John's Center.

MR. HICKMAN: Speaking on that point of order, the difference was that the hon. member for Fortune Bay has reason to suspect that the hon. the Minister of Highways being a very courteous gentleman will consent to the question being put, and that is not against the rules.

MR. SPEAKER: Order please! The hon. Minister of Highways cannot consent to a breach of order.

Presenting Petitions:

Answers to Questions:

MR. DAWE: Mr. Speaker, in answer to question No. (483) asked by the hon. member for St. John's West on Thursday's Order Paper April 23.

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The answer to the first part of the question: Newfoundland and Labrador Housing Corporation have purchased fourteen houses for the use of needy persons. Total cost of \$50,169.20. The least amount paid was \$600, and the greatest amount was; \$10,891.65. In answer to the second part of the question, and the third part of the question is; The title to all houses purchases vested in Newfoundland and Labrador Housing Corporation.

MR. ROWE: Before Your Honour calls Orders of the Day, I would like to rise on a point of privilege. Yesterday I introduced here a Bill dealing with School Attendance Officers. I do not normally stand up here and correct any minor error, but in this particular case there is a danger of some serious misunderstanding perhaps- In reporting the Bill, I am quoting from the "Daily News" of today's date, Friday May 1. In reporting the Bill the report states, "Bill (37) would establish a district school attendance officer with the Education Department." This is a wrong interpretation. It would not establish it, I was merely changing the name, or recommending that the name be changed of what is already established. We already have nineteen school attendance officers in the department, and we are not going to establish school attendance officers, they are already established there. I refer to this now, Mr. Speaker, because I would not like for anybody to get the idea that here will be opportunities for employment in the department in that regard. We do have our quota of school attendance officers. The second point on which I rise, Sir, is again the results of a misunderstanding. The report says "the duties before were carried out by the chairman of the particular Board of Education in the area." That was before there were school attendance officers. This is a misunderstanding - chairman of boards have never been school attendance officers. I have never been asked to nor to expected to carry out the duty of school attendant. The confusion arises from the fact that in the same Bill I was referring to District Board Superintendent, professional men who have been appointed as the agents of boards, and are officers of boards. And these men will now take on certain duties which formally had

to be carried out by chairman of the Board because there was no other person to do it. It has nothing in the world to do with school attendance.

ORDERS OF THE DAY:

MR. CROSBIE: Mr. Speaker, could the hon. the President of the Council the leader of the House tell us when some of our questions are going to be answered. I have over 120 questions on the Order Paper not answered yet. Some have been there since the first week in March. Could the hon. the President of the Council expedite the answering of questions?

Bill No. (19):

MR. ROWE: The Bill is No. (19), Mr. Speaker, it is No. 24 on the Order Paper. Mr. Speaker, I mentioned yesterday that on the Order Paper there are three substantial or perhaps we could use the word major education Bills. There are ten altogether, seven of these are not too substantial, they are important, but there in a sense a minor revision and changes. But three are important. They are very substantial and one of these is the Bill that I am now introducing for second reading. "An Act to Consolidate and Amend the Law Relating To the Raising Of Local Taxes For Schools."

Because this Bill is so wideranging and so important to education and to the Province, I am going to state and I might say it is a difficult Bill, difficult from the standpoint of comprehension in dealing with the intricacies of school financing and local financing, that I am going to stay fairly closely to script in developing this for second reading. The first tax legislation in this Province was enacted in the Spring of 1954, and the first school tax authority was appointed in Corner Brook the following year. The establishment of this tax authority was the beginning of a systematic approach to the raising of local funds for educational purposes in this Province. Up until that time, all money raised for education at the local level came from various forms of entertainment and from voluntary contributions. During the first two or three years after its enactment, it was discovered that much of the original legislation had to be revised and amended in the light of practical experience gained from

its implementation. By 1957 it became apparent that drastic divisions had to be made if school tax authorities were to be promoted and encouraged, and if they were to be permitted to operate efficiently. Consequently in 1957, a completely new Act was passed which embodied many of the provisions in the local Government Act, as well as those in the tax legislation existing at that time. Because of this close relationship between the schools tax act, and the Local Government Act, the new tax legislation was administered by the Department of Municipal Affairs, with the Minister of Education sharing some of the responsibility. It is interesting to note that between 1957 and the present time, six amendments to the principal Act, some of them major ones were enacted by this House and subsequently proclaimed.

After the tax legislation of 1957 was passed, the number of school tax areas increased until all of the larger centers of the Province outside the Avalon Peninsula were included. I am going to repeat that statement, Mr. Speaker, because this may not be generally known. After the tax legislation in 1957 was passed the number of school tax areas increased, until all of the larger centers of the Province outside of the Avalon Peninsula were included. There is no large center of population off the Avalon Peninsula today, at this moment, that does not have a school tax authority.

well here again we are in the area of debate on this, when I say large centres of population and I am thinking of large local centres of population. That is true on the Burin Peninsula, as a whole, there is fairly substantial population but there is no one town there which is in, comes in the category of what I am referring to here.

MR.HICKMAN: Thirty - five hundred is not a bad town.

MR. ROWE: No, that is right but I was thinking, I am thinking particularly of Corner Brook and Grand Falls area of Gander and of the Labrador areas and so on. But this is a matter for debate and I do not think it is too consequential anyway. The fact is that school tax authorities are now fairly common all over Newfoundland and they include most of the large areas of population. Today there are twelve tax authorities in operation. I might say there would have been many more but for the consolidation that has taken place in recent years, in last year. There are twelve tax authorities in operation and their contribution to the financing of education at the school board level has been so obvious that our people are expressing strong demands for additional tax areas, or extensions in the physical boundaries of those already in existence. I stress that as well Mr. Speaker, that all over Newfoundland there are demands for the establishment of additional school tax areas or for extensions in the physical boundaries of those already in existence.

During the last two years the entire educational structure in this Province is undergone dramatic change. The Department of Education has been reorganized and this reorganization is continuing. The role of church authorities in education has been redefined. And a new administrative framework has been established in which they can operate. And the more than three hundred school boards scattered all across the Province of Newfoundland and Labrador have been consolidated with one or two consolidations not yet consummated on the South Coast, and this is for geographical reasons. These more than 300 have been consolidated in to about thirty-five large units. These changes, particularly one of consolidation together with the changing outlook on taxation by our Newfoundland people, I do not need to

belabour that point, Mr. Speaker, but certainly until a few years ago, traditionally the Newfoundland people were, and I might say with very good reason, were very much afraid of taxation in any direct form, and opposed it wherever they could. That outlook has changed in recent years and so all of these factors, but particularly the reorganization in education have necessitated major and minor revisions in our tax legislation.

The association of school tax authorities which represents all the school tax authorities in the Province, they have their own associations, because of the need for abate in tax legislation, submitted a brief to Government last year in which it recommended a number of specific changes in the Act and in which they recommended that a committee be set up to examine into all aspects of local school taxation with a view to making recommendations to Government for necessary improvements.

Accordingly the Government set up a committee last June with representatives from the association of school tax authorities from the Department of Municipal Affairs and from the Department of Education. And this committee presented an interim report to the Government in October. The House will be interested I am sure, Mr. Speaker, in knowing the members of that committee, in hearing the names of that committee. They were, representing the association of school tax authorities in Newfoundland, the association for all the Province, Mr. Ron Chafe, a resident of Gander, and he was Chairman of the committee. And his alternate, was another one of Newfoundland's best known tax authorities and chartered accountants Mr. George Rowe, who is I believe domiciled at Corner Brook, at Steady Brook, that is right he is domiciled in the Corner Brook area. These two men I might say, have had probably more experience without being making an invidious comparison perhaps in any other two men in Newfoundland, in this business of school taxation and I might also say that they are two men who are not only experienced but who are probably in their prospective fields among the most highly regarded in the Province.

Representing the Department of Municipal Affairs, were Mr. Peter Withers who had been the responsible officer in that department in administering the

school tax act,,and his alternate was Mr. Ronald Corbett a senior officer in that department. Representing the Department of Education, was Mr. Cecil Roebothan who had formally been superintendent of the Anglican schools in Newfoundland and who is at present the associate deputy minister of Education, and who had also had great experience in school taxation matters and his alternate was Mr. Maxwell Riggs, a senior officer in the Department of Education and at one time the assistant superintendent for the Salvation Army schools of the Province, and who had also had some experience.

So the Government had great confidence in this committee it was a committee of informed and dedicated men who took their jobs very seriously and who subsequently presented their report last October. I want to stress now, Mr. Speaker and for the information of all hon. members because I am sure this question will arise. That the basic recommendations of that committee are now incorporated in this new Bill, Bill No. 19, which consolidates existing legislation, that is, it included the original act and it includes the various amendments of that Act and it amends and revises our legislation with certain aspects of educational reorganization in mind. And it makes a number of significant proposals which were not included in the original legislation.

Mr. Speaker, this Bill may prove to be a difficult Bill to hon. members and so I am now going to take two or three minutes or longer to indicate not what the original Bill was but what the principle new changes and revisions and amendments are, and I would make this without wishing to appear presumptuous I would make this suggestion to hon. members that I know, there will be hon. members who will wish to make some general comments in the course of Second Reading. But I would suggest that before commenting or debating on details of this Bill that they make sure that they are absolutely familiar with the Bill in its entirety and not just with any particular section because that section may very well need to be related to the Bill as a whole in order to be understood, in order to be comprehended.

Now, Mr. Speaker, may I interject at this point that my own suggestion

is that for most of the details of this Bill the proper place for us to debate them would be in committee rather than in Second Reading. In Second Reading I would suggest and of course every hon. member has his own mind to use. I would suggest in Second Reading that we might confine ourselves to the basic principles of the original legislation or of the proposed changes. But that the details, subsections, this and that relating to this procedure or this device or this instrument of implementation that we could profit most by doing that in committee.

The major amendments in this proposed Bill which has been approved by both the general advisory committee and the denominational education committees may be described as follows. Now, Mr. Speaker, I said that very quickly but I think I had better elaborate. I said that the major amendments brought here have been approved by the general advisory committee. What is the general advisory committee? The general advisory committee has on it representatives of the Government, the University, the Newfoundland Teachers' Association, and all the churches concerned with education in Newfoundland. That is the GAC on Education. And in addition each church has its own denominational educational committee. The Roman Catholic has one, the Pentecostal Church has one, and in the case of the other three churches, major churches, the Anglican Church, the Salvation Army and the United Church they have an integrated single unitary denominational committee. But all the churches are represented on those committees. I repeat, Mr. Speaker, then, so that there may be no misunderstanding on this in the course of our debates that the major amendments in this Bill have been approved by both the General Advisory Committee, which includes representatives from the Government, the N.T.A., the University and from all the churches and in addition have been approved by each of the denominational educational committees. And here are the major amendments: First of all this Bill will transfer the responsibility of administering the Act from the Minister of Municipal Affairs to the Minister of Education. It is now felt that the time is come for the Department of Education to assume full responsibility

instead of partial responsibility as was the case in the past.

The New Bill will provide that any proposals to establish a school tax area must meet with the approval of the school board or the school boards representing a clear majority of the school children in the affected area. It is now the practice for a tax authority to be established only when all the school boards involved request it. I would like to repeat that point, that if this amendment is accepted by the House that a majority will be sufficient, a majority expression from the boards representing them majority of the school population will be sufficient in order to establish a school tax area.

Under existing legislation the membership requirement is so much complicated when school boards in a school tax area consolidate into one unit. This proposed Bill will eliminate this complication and will make membership requirements simple and straightforward. More specifically it will provide that each school board in a tax area will have at least one member on the tax authority. However in the case of the Pentecostal School Board/^{whose} jurisdiction covers the entire Province, I shall explain again: The Pentecostal Church has one school board for the entire Province, unlike the other churches. In the case of the Pentecostal school board representatives from local school committees established under the provisions of the school's act will meet the membership requirement. Each school board, I repeat, will have one member on the tax authority and the Pentecostal school board will be able to appoint some local representative.

Furthermore under the present legislation each municipality and this includes community councils. Is required to have one member on the school tax authority which represents its area. Under the proposed legislation compulsory representation from municipalities will apply only to those incorporated under the Local Government Act, under the city of Corner Brook Act, and under the city of St. John's Act. They will have to be represented on school tax authorities because, they have the power to initiate property assessments and again I hope that the "they" is understood. The "they"

applies to those municipalities incorporated under the local Government Act and the city of Corner Brook and the city of St. John's. They will have to be represented on school tax authorities because they have power to initiate property assessments, to levy property taxes and to collect them. And school tax authorities have to use the assessment roles of these municipalities before school taxes can be levied. I appreciate anyone not familiar with the operations of school, of local councils, of town councils, we may find that a little difficult to understand, but I will simplify it by this point, I will simplify it by this point, take for example, the municipality of Gander which is incorporated under the Local Tax Act. In a school that tax authority for that area whatever the area happens to be it may take in a hundred square miles and fifty communities The municipality of Gander will have to have one, at least one representative that on the School Tax Authority.

MR. ROWE:F.W. I do not think that this contingency will arrive, theoretically I suppose it could, well I suppose in here you could have one tax authority for the whole Province, so in which you could have every municipality. But do not think this in practice would become a serious matter. However, we can examine that later in committee.

I should point out, Mr. Speaker, that municipalities incorporated under the provisions of the Community Councils Act do not have the same powers of taxation as do Town Councils, their power is limited to the imposition of a poll tax, or a business tax. So we do not make compulsory membership for community councils requirement in this Act. We do for town councils, town councils must have representatives, we do not make representation from community councils compulsory because they are a different type of local organization, their power is limited to the imposition of a poll tax or a business tax, unlike the town councils.

This Amendment on Membership also provides, as where than one member represents a school board on an authority, the additional representatives are not required to be board members, that is not required to be school board members as they are at the present time.

The new Bill will provide greater flexibility in the imposition of taxes, in that the property tax and the poll tax maybe used. In one portion of the area one tax, in another portion another tax. Again, I do not want to go into too much detail, but what that would amount to is this, at least one implication of it, is that if a school tax area were set up for example, taking in all of St. John's and a number of the outlying communities, if that were made one school tax area, that it would be possible under this Amendment to have one form of taxation in St. John's and a different form of taxation say in Pouch Cove or Petty Harbour. And the reason for this would be obvious to anybody familiar with the Newfoundland way of life.

In effect this Amendment will make it convenient to extend present tax authorities to include communities of the municipalities where there are property assessments, since under existing legislation, if a property tax is imposed in a tax area, all property in that area has to be assessed. And

MR. ROWE: F.W. property assessment in many regions of this Province would be unrealistic and indeed futile. And again I appreciate this, it sounds a little complicated, but when we are studying these clauses in detail, I think the significance will be clear. Again to simplify, this will not provide a bed of procrustes for the whole Province, that is we will not expect, Little Burnt Side for example, to fit into the same bed that the town of Grand Falls has to be fitted into necessarily, it might, but on the other hand it will not be necessary here, because of the flexibility in the different forms of taxation, a flexibility which until now because the nature of the Local Government Act, and because of the nature of the previous school tax legislation, that flexibility has not been present.

The new Bill will provide also a payroll deductions of the school tax by employers, this is an innovation. And I might say there are certain areas in Newfoundland, for example, Bell Island, Buchans, and so on, where the payroll deductions for school assessments has been in force for many, many years, on the voluntary basis. But this will make it possible for such deductions to be made by the employers on a regulatory basis. This is designed to facilitate the collection of taxes, payroll deductions are a fairly common practice in certain parts of this Province, as I have said, and in fact a provision was made in an Amendment to the Local Government Act last year for payroll deduction on account of municipal taxes.

This Bill will provide that a person, and this provision is, if it is accepted, Mr. Speaker, will be one that will have great appeal in certain parts of Newfoundland, and among certain classes of our people. This Bill will provide that a person whose yearly income is less than \$1500, will not be liable for the payment of school taxes. I repeat that, a person whose yearly income is less than \$1500 will not be liable for the payment of school taxes. Under existing legislation every person who earns, whose income is \$600 or more is liable. And this I believe the House will welcome this Amendment here, I cannot anticipate what will be done about it. But I am sure large numbers of our people will welcome it, because any person's whose income is under \$1500 would find the imposition of any tax, any tax onerous that has to be. I suppose it could be argued that anyone with an

MR. ROWE, F.W. Income over that, but at least by moving the ceiling from \$600 up to \$1500, we will be giving welcoming relief to, I would think, hundreds and I dare say in the final analysis when you include all the old age pensioners, and a lot of the widows and a lot of the incapacitated persons in the Province, will be giving relief to thousands of our citizens.

And finally, Mr. Speaker, on this the Bill will speed up the distribution of taxes collected by permitting school boards to submit enrolment figures directly to the tax authority at the end of each period of distribution. And these figures will be the basis on which apportionment will take place. Under existing legislation the minister must forward a certified copy of the appropriate enrolment figures to the authorities concerned. This can only be done after they have first been submitted to him by school principals, thus creating an unnecessary delay.

Again, this sounds a little complicated, under the present legislation I, the Minister, cannot submit figures to the school tax authority of Grand Falls, say, until I have received those figures in from every principal in making up that school tax area. If there is one delinquent principal there, if there is one forgetful one there, or through some accident a principal for some reason or other, I do not get those figures, reasonably quickly the school tax authority in turn cannot get them from me. And this is a clumsy arrangement. It might have been necessary in the past, but under our newly organization, we will have these large boards with competent professional men, superintendents and supervisors and their own, in some cases their own office staff and so on, these matter can be, we do not need to go through these cumbersome and delaying procedures of sending it in to the minister and having him to make an nominal certification, and then send it out again to the school tax authorities. These figures will be transmitted very quickly directly from the school authorities to the tax authorities, and the tax authorities can then take action on the basis of those figures.

This Bill will empower the minister to authorize the use of tax money for purposes other than those stated in the Act, such exceptional circumstances warrant it. This provision will give school boards greater flexibility in the application of tax income, in that some of the money raised for capital purposes maybe applied to some aspects of current account, if necessity dictates it, this is probably the single most important, and I am

MR. ROWE: F.W. using subjective judgement here, but in my view as a former active educator in the field, and as a former Chairman of the Board, as several other hon. gentleman here, I know they will appreciate it, as I do here, this is probably the single most important change that we are recommending here. That is section forty-six, three (46(3)) What it does again, is remove some of the chattels, it loosens some of the chattels, it does not take them all away. School boards at the present time, and under this Act will collect their money for capital purposes, but you could conceive this situation where a school board has money on hand even that if has collected, or it can potentially collect money, it has no capital needs, or no heavy capital needs at this time. I do not know if this would apply to the Town of Buchans, but let us assume that it would, that the town of Buchans where you have everybody gainfully employed, fairly reasonable rates of pay, and it is conceivable, that the boards might be able to collect money for capital purposes which they would not need. Now they might have money on hand, but they might have be in dire extremity on the operational side. Because you have the high rates of pay there, their janitors may leave.

AN HON. MEMBER: Inaudible.

MR. ROWE: F.W. The extra one percent S.S.A. that is right, but when you have a general law, I do not see the relevance of that at this particular point, but where you have a general law, which restricts, this is the point I want to make, so make sure we understand this, Mr. Speaker, where you have a general law, as we do now, and as we will have there, which says that money collected by school tax authorities must be used for capital purposes. There you have everybody restricted, there you have again the bed of procrustess, and it is a good thing, it maybe a good thing to have this general restriction, but you have your exceptional cases coming up, as my hon. friend the member for Fortune well knows, because he has had that experience only within recent years, as a Chairman of a board. Where you have that exceptional case, where for any number of reasons that I do not need to dwell on now, a board maybe relatively well off, capital wise and the indire extremity on the operational side. Now in such a case under this amendment, that board would make application to the Minister of Education for permission to use some of its money for to

MR. ROWE: F.W. meet this emergency need of this special need. And this I think will be acceptable to every board in Newfoundland, and will be acceptable to everybody in education in Newfoundland. But it does not remove the general prohibition, the general application of the rule, what it does do is to make it possible for the Board of Education to receive special consideration in the event that it runs into some emergency or in the event of some unusual circumstance developing where it must have money, it is in dire need of money for operational purposes, or I will not say operational, that is a very wide term for any kind of a thing, apart from strictly capital expenditures.

I am sure that when we come to that in committee, the hon. members will want to discuss that section.

I have now, I think, mentioned all the major ones, there are probably several hundred minor changes, of one kind and another that we will come across as we examine the Bill in detail. Mr. Speaker, these are the major ones, I want again to repeat what I started out with, by saying that this matter will not be acceptable to everybody, it will not meet all the needs of school boards, and of tax authorities, but it is a question of getting consenses, and we have had some of the best and most informed opinions, this Bill does not incorporate my own personal weakness, this Bill incorporates the intelligence, the thinking of practically, in the final analysis of all those concerned with education in Newfoundland. Because one way or another their opinions have been challenged into, either through our committee of which Mr. Chafe, and Mr. George Rowe, or the Chairman, or through the generally advisory committee or through the denominational education committee and in all other ways as well. And all of this has been brought together and this is the result. It is not a perfect document, it is a beginning, and I should mention this as well, this committee that I referred to brought in an Interim Report, these are the things which in their due need to be done immediately. This committee or if not that committee, then another committee will continue. And in the light of experience, and in the light of the operation of the new board, and of the school tax authority under

MR. ROWE, F.W.: the different circumstances that they are operating under today, in the light of that experience, we will come in here, I am quite sure that whoever is Minister of Education one year from now, will be bringing into this House further amendments to this Bill. This is not law of the Medes and Persians, some of this might be even experimental.

One other point, Sir, this will tie in with some of the changes we are recommending in another Bill on the Order Paper, the School Act, because hon. members who have seen that Bill will know that we are asking the House to legalize and make compulsory in fact, the beginning of a process whereby school board members will be elected by popular vote. And

MR. ROWE: And so the two things will tie in together. I will have more to say on that when we come to introduce the amendment to the School's Act. Well this is one of the reasons and perhaps it is not appropriate for me going into it at this time, but I will just say this - that in that Bill when we come to consider it, we are approaching the matter cautiously, and by degrees. I think it would be fatal - you would create complete chaos in Newfoundland if we were to come to this House and say starting on September next, every single board member in Newfoundland will have to be elected by a democratic vote.

MR. HICKMAN: What you are saying is you pretty well have to tie the taxation - if people are paying taxes directly, then they will get out and vote.

MR. ROWE: Precisely. One will compliment the other. The two will tie in together and as we study this we have to be thinking at the same time in terms of some of the amendments which have been proposed in other major piece of legislation that we will be introducing I hope, next week. Mr. Speaker, I know that hon. members will be very much interested in this. I know there will be some points on which they will not be clear. I would suggest that if the detailed point that we reserved at for Committee, where we can go into it exhaustively and I intend at that time, to be fortified with my advisers here at that time in Committee, so that we can understand clearly the implication of every detail in this particular Bill.

Mr. Speaker, I think that this marks a great progressive step forward, and I bring it here with the support of I think of practically all of the leaders of education in this Province, and I have much pleasure in moving second reading of it.

MR. H. COLLINS: Mr. Speaker, let me say that I first of all have no real quarrels of the Bill. Certainly it reflects the recommendations of the Newfoundland Association of the School Tax authorities, I am not sure that is the right name, but it is a pretty good try at it I think. I have

talked with many of the people who have been involved in School Tax authorities for a number of years, and I have talked with a lot of people who have something to do with presenting those recommendations to the Government. I am not sure that all of the recommendations are being reflected in this particular Bill, and as the minister says, probably they are not. I am not sure that all of the items that are reflected are in the same form as they were intended. However, I do not propose to get into the details at the present time, because an opportunity, when they go into Committee stage on the Bill, an opportunity will present itself there for us to deal with each and every, each specific item mentioned.

Certainly Sir, there is a great need for a new look in terms of the educational needs in Newfoundland today. Last year we had a Bill introduced and passed in this hon. House which permitted the establishment of the district school boards, larger units of administration which certainly was a step in the right direction, certainly not as far as we should go in my opinion. Certainly with the great step which we did take in terms of school boards and the responsibilities for educating our young Newfoundlanders.

Coincidence with that must be that in terms of finding the finances to permit those boards to carry on the duties which they have to do. I have always been of the opinion that wherever there is a tax collected, certainly the people who collecting the tax must have some say and some jurisdiction in my mind, into how the monies are to be spent. We have not gone far enough in that direction as far as I am concerned, but then again, hopefully, with this Bill and others to follow, we will be able to come closer to that particular concept. I would suspect and I would hope that the larger district associations will be forming not a school tax authority in Gander, and one in Gambo, and one in Carmanville, and Musgrave Harbour separately, but hopefully to form a district tax authority, and I know that this will entail probably a pretty difficult selling job on the part of a lot of people. It is bound to meet with some objections from some of the people who might be taxed possibly for the first time,

but certainly it is a step we have to take, and I would like to see it go further than that as time progresses, until we eventually reach the stage possibly of having a single provincial tax authority. Certainly there will always be a need for funds for education. The need for funds will increase as time goes on. An argument can be made that the cost of education, the money for education would come from the general revenues of the Province. But we all know that politics being what they are, very often, education might not get the attention, the recognition that it deserves, and as far as I can see now, maybe the alternative to funds coming entirely to the provincial treasury, the alternative to that is for the people of Newfoundland to become involved and make sure that necessary funds are made available to educators in our Province to do the job which they have set out to do.

As I said Mr. Speaker, there are several small, not small items, but several specific items here which I would like to deal with, but I know of many hon. members who want to speak this afternoon, and I will be dealing with those when we get into Committee stage. One thing I would like suggest there to the Minister of Municipal Affairs that possibly he might take into account the provision of Clause (d) in the explanatory notes in terms of tax exemptions for people such old age pensioners and others. We have an exemption here, and I have already proposed one, of \$1500 a year under the Municipal Act there is no provisions for exemptions for old age pensioners and others, who cannot, in my opinion, afford to pay town taxes. I would certainly hope that the Minister of Municipal Affairs will look at this and find it possible to introduce an amendment to the Local Government Act, to take this into account, and relieve many of those people of the heavy burden of taxation. As it stands now there is no provision in the Act for them. They have to apply to their individual town councils. The town councils if they feel that the applicant has a good case might or might not request the authority, permission or approval of the minister, but certainly there is nothing

in the legislation to make it possible for those people to receive tax exemptions, and I would certainly hope that the minister will look into this. As I have said Sir, there are several items that I would like to discuss, probably in Committee of the Whole.

MR. CROSBIE: Mr. Speaker, I only want to comment on two or three points in this legislation, the Act is basically a consolidation, and anyone who was to the Conference that the Government organized in December 1968, I believe it was, the Conference on Finance and Education, will remember from the graphs that were displayed and from the papers given the tremendous amount of money that is needed in this Province for education. And I think that the school tax authorities are one way of helping to raise some of that money. And so certainly I am not against the principle of the Bill. But there are several points I would like to bring to the attention of the House Mr. Speaker. One is in connection with Section (28) of the Bill, which says, "this Bill authorizes the school tax authority to impose either a real property tax or a poll tax." And Section (28) defines property which is exempt from the real property tax, including (a) property belonging to Canada or any Province. Now Mr. Speaker, I think the minister should make it plain whether the exemption, property belonging to Canada or any Province, whether that exemption applies to the real property owned by Crown Corporation who are engaged in business activities in this Province. Because in my, it is my opinion that Crown Corporations who are engaged in commercial business, should not have their real property tax exempt. They should not be tax exempt. And I would like the minister to advise us whether under this legislation, real property owned by Crown Corporations which are owned by the Government of Newfoundland, will be tax exempt. Now Mr. Speaker, in this Province, there are a number of Crown Corporations owned by the Government of Newfoundland. Crown Corporations just means Government owned Corporations. A Corporation in which the Government owns all the shares. There is Newfoundland Hardwoods Limited in Clarenville - is a Crown Corporation, and under the present Government's policy, the municipality of Clarenville

has not been permitted to tax its enterprise which has considerable amount of real estate in Clarenville. I believe the school tax authority has not been permitted to tax its property, and the Government takes a view that property owned by Crown Corporations is tax exempt, and the municipalities and school tax authorities cannot collect revenue from it. And I disagree with that one hundred percent. Why should that be Mr. Speaker? Why should not a Corporation whether it is owned by the Government or owned by private individuals, why should any of them be taxed exempt if they are engaged in commercial business activities? Newfoundland Hardwoods Limited for example is engaged in the business of manufacturing asphalt materials. It is a commercial concern established by the Government. It is being operated by private operators who have an agreement to take over the ownership of the Corporation when the indebtedness the Company owes to the Government be paid. Holiday Inns is another example, Holiday Inns are owned by a Crown Corporation - the Government owns the shares of a company which owns the hotel buildings and equipment at Holiday Inns. Why should the Holiday Inns in Corner Brook or Clarenville, or wherever be exempt from paying the real property tax or the school tax, when other hotels in the same business, the same communities, have to pay the tax. It is unfair in any event. It is unfair to the other hotel operators, and it makes no sense in any event. They should make their contribution to local revenue the same as every other citizen living within the municipality to make a contribution. Whether a company is owned by the Government or not, it has got real property - the company uses the streets of the town. The company's employees use the facilities of the town. The children of the company's employees go to schools in the town. Why then should not these Crown Corporations pay the same tax as the ordinary Corporations in that area. Now the argument has always been advanced by the Government, that the Government is not going to have its property taxed. Now that is nonsensical. It makes no sense at all. These are commercial enterprises. It just so happens the shares of the

company are owned by the Crown instead of private individuals. Now if the Crown Mr. Speaker, is going to maintain its position that it will not allow the real estate of Crown Corporations to be taxed municipally, or by school tax authorities, then the Government should make a grant in lieu of taxes to the municipality, or to the school tax authority. That is what the Government of Canada does. The Government of Canada - is property of the CNR for example - its property is not subject to municipal tax, but the Government of Canada or the Crown Corporation involved makes a grant to the municipality in lieu of taxes. So this is a matter Mr. Speaker, that the minister should clarify when he is speaking to close the debate on second reading. Will the Government permit, or is it now permitted for school tax authorities to levy the school tax on property of Government owned Corporations operating the school tax area.

And two of these examples are Newfoundland Hardwoods in Clarenville, and the Holiday Inns in Corner Brook and Clarenville and Gander, particularly where they are in competition with other concerns that do have to pay and meet their obligations to the local community.

That is one point Mr. Speaker. Another section that seems to be different from any I have seen before is Section (41) where the authority can a discount in respect of school taxes up to a rate not exceeding ten percent of the tax if the tax is paid within thirty days. That seems to be very high Mr. Speaker. I know in St. John's here you are allowed a discount I think of five percent of the real property tax if you pay within thirty days or so many days. I have never seen a provision that allows a discount of ten percent if these taxes paid within thirty days. Now I wonder if the minister would care to explain why that is so. Or why it has been found necessary to make it ten percent.

Now the final matter I would like to draw attention to is Section (46), which the minister has referred to. Mr. Speaker, in the Speech from the Throne in November of 1966, the end of November 1966, the Government

announced that it was going to eliminate the school fee, and the Government is going to take over - eliminate the school fees and would pay to the school Board of this Province, monies to replace the revenue they got from the school fees for operating purposes.

That had to be changed a bit later, when it was realized that school boards would have to be permitted to raise money for capital purposes, certain special purposes. And those purposes were, that they would be permitted to impose school tax, or school fees to finance the construction of new schools, or to enlarge existing schools, or for the equipping of schools. And they were permitted to raise money to provide salaries for special teachers or staff in respect to whom salaries were not provided out of public funds. And I am not sure, and this is Section (46) c - to augment salaries provided out of public funds for any teachers. I am not sure whether that is new or not. But these were the restrictions.

So it was afterwards Government policy to permit school boards to impose tax or school fees for those purposes.

Subsection (3) of Section (46): it would appear that the Government is changing this policy, because the Act is going to permit the minister to authorize an authority or some particular school board to use monies raised by school taxes for other purposes and the minister has mentioned that they may not have sufficient monies for operating purposes.

Well as I understand it, the Government is responsible for providing the monies now for operating purposes for schools and, therefore, how could a school board not have sufficient monies for operating purposes, or how is the minister to exercise this discretion - what are going to be exceptional circumstances? It certainly makes an opening for this policy to be changed, significantly. Are there instances now, for example, that he knows of now - do exceptional circumstances exist now in respect of some school boards that make this discretion necessary? I think the hon. member for Humber East mentioned a bit earlier, when the minister was speaking that there was one per cent increase announced in the S.S.A. when the school fees were abolished and that money was said to be used for the purposes of paying the schools sufficient monies to operate on. It would make the elimination of school fees possible. So, Mr. Speaker, I think the hon. minister needs to expand a bit more on what these exceptional circumstances might be and whether there have been any such cases that have come to his attention; have there been requests; have there been such exceptional circumstances that have caused this Subsection (3) of Section (46) to be put in the Bill? It certainly opens the door that was closed in 1966-67, and I would think that if the minister does grant any particular school board or authority, if he as much as grants one, this exemption, he is going to be hounded by all other school boards all of whom can use more money. Once he makes the exemption, he is going to be under tremendous pressure to allow other school boards to raise monies through school fees or

school taxes for these same purposes.

So I can see, Mr. Speaker, that the minister may find himself in a pretty hot position, if he ever does exercise that discretion that is in the Bill. These are the only three points that I wanted to mention, Mr. Speaker; otherwise I am in favour of the Bill, and I support the principle of local taxation for school purposes. I think it is a necessity. We have no alternative and otherwise this Bill is just a consolidation, but I think that the points that I have mentioned are worth some discussion and debate; particularly the exemption of Crown corporations from meeting their responsibilities.

MR. ABBOTT: Mr. Speaker, I must say that this Bill, which is an Act to consolidate and amend the School Tax Act, is a very timely one. I think the revolution which is taking place within the Department of Education necessitates this consolidation and amendment. And that applies particularly to the - I think the minister said 300 school boards are now consolidated to thirty-five - thirty-five school districts or school boards. One can readily see the difficulty in administering a school tax Act within the school tax area, if it includes, say, the Exploits Valley District School Board where you have palatial schools and also what we would call "the little red schoolhouse." Now the method of taxation, of course, you have two; you have the poll tax and you have the real property tax. The minimum for each has been set at \$5.00 and the salary whereby a person is taxable is that increased to \$1500. That, Mr. Speaker, is a good idea. It is a good thing, because the existing legislation has, indeed, necessitated a great many people applying for exemption from the school tax. People who are earning, say, less than \$1,000 were taxable and many of them would be writing their member or writing the department that administered the School Tax Act asking what could be done in this connection. Many times they were told that they should apply for an exemption. Well that did not seem to register with a great many

people, so I would say that a great deal of hardship is being experienced.

Now the legislation is such that similar to that of the Income Tax Act, an old age pensioner can get an exemption of say \$1500. No doubt, as the minister has intimated, year after year amendments will be brought forward, because I can visualize now where you have different areas where the tax applies, you will have different tax structures and different assessments will have to be made from time to time. By and large I would say, Mr. Speaker, that this Act is a good one. This Bill is a good one and I have much pleasure in supporting it.

MR. SMALLWOOD: Mr. Speaker, I do not intend to use up very much of the House's time in debating this Bill, but there is one point that I would like to deal with quite briefly and that is the question of the Government being taxed by somebody. I hold that the only government can tax another government is the senior government taxing the junior. A higher government, or a government of higher or superior status or wider or higher jurisdiction; such a government higher in that sense may indeed tax a government of a lower status. For example the Government of Newfoundland imports rum and whiskey and gin and vodka and wine and other intoxicants and the Government of Canada taxes it. It is the Government of Newfoundland that imports all alcoholic liquors and no one else, it is the Newfoundland Government, that imports these liquors and these liquors are dutiable. They have to pay Canadian Government import duties and Canadian Government excise duties and Canadian Government excise taxes. Three forms of taxes are levied by the Government of Canada on liquor and the Newfoundland Government pays those taxes to the Government of Canada. That is a junior government paying it to a senior government, but I never heard of a junior government taxing a senior government. I have never heard of a government of a province putting a tax on the Government of Canada. Similarly, I never heard of the government of a

town putting a tax on the government of a province.

The junior government does not tax the senior, though the senior may tax the junior. And by the same token, therefore, town councils, city councils, municipalities, one kind and another just do not tax any superior government, any government superior to them, meaning the government of the province or the government of the nation. No municipality can do that. And when I say government, I mean government in any of its forms. It may be a Department of Highways or a Department of Education or any other department, but it may also be a Crown corporation - a Crown corporation in that sense at any rate, is the government and if the Crown acting through a corporation operates liquor stores throughout the province, if the Crown through an agency of any kind operates ^a hydro-electric system ^{anywhere} in the province; if the Crown, through a corporation operates any kind of an economic activity, then no one may tax those activities but the Government of Canada. No government junior to the Newfoundland Government may do so and there are no such taxes collected.

Now we have the case of the C.N.R., the C.N.R. is a Crown corporation owned by the Queen in right of Canada, and nobody in Canada may tax the C.N.R. and no one in Canada does tax the C.N.R. and thereby many municipalities lose a lot of revenue by not being able to tax the C.N.R.: In other words, not able to tax the Queen in right of Canada and a lot of revenue is lost and so rather than allow themselves to be taxed by municipalities and yet recognizing the need of the municipalities for revenue, the C.N.R. in other words the Queen in right of Canada may, in lieu of taxes, insist you shall not tax us - it is absurd to think that you can tax us. This is the last word in the ridiculous that the creature may tax the creator. Insisting on that fact and yet recognizing the need of revenue on the part of this or that municipality then the Government of Canada, through its Crown agency the C.N.R. may, in lieu of taxes give them some grants. They do not have to. They cannot be forced to. It is a

very voluntary thing. Well now apply that here in Newfoundland. The Government of Newfoundland or the government of any province may wish to help any cause. It may be the cause of municipal government. It may be the cause of education. It may be the cause of recreational facilities. It may be the cause of the drama or of arts and culture. It may be any good cause that the government of any province wishes to help. They will not permit these activities to tax the province, because that is out of the question, but they may in lieu of taxes do what the Government of Canada have done in connection with the C.N.R. ; namely give some gift or contribution in lieu of taxation.

Now the Newfoundland Government have a number of Crown corporations. One of them is a hotel corporation. I think it is called Newfoundland - what is it called? Newfoundland Buildings - what is it called? The hotels, Holiday Inns?

MR. CURTIS: Hotel holdings.

MR. SMALLWOOD: No.

MR. CURTIS: Hotel buildings.

MR. SMALLWOOD: Hotel buildings. There are two or three of them, but the one, the Crown corporation that owns those buildings has pieces of property is the Provincial buildings or some such name as that. Well, Mr. Speaker, the Crown having built those hotels and owning them, having title in them may have entered into an arrangement with someone to manage them which indeed it has done. It has entered into an arrangement with the Holiday Inns chain to operate them, but these are the Crown. Those hotels are just as much the Crown as this building is, just as much as Government House is. They are all the property of the Crown and dare anyone tax them except may be the Government of Canada, who are superior, senior to this Government, but no junior government, no government, no authority, no public authority or private authority junior to this Government dare tax the property of this

Government, no one taxes this building. The City Council does not tax this building. The City Council does not tax any of the hotels that this Government owns in this City. Nobody in Newfoundland taxes any hotel or hospital or any other building, power station, hydro-or thermo no one taxes the Newfoundland Government's property. Why then suddenly start making exceptions? If education needs money, if a municipality needs money, if any good cause needs money from the Government, the way to get it is for the Government to give it, not to allow itself to be taxed. So, of course, this will keep cropping up. It will keep cropping up all the time; all the time cropping up, every time a municipality runs short of money and they see a hotel owned by the Newfoundland Government, they say, let us tax that. They see an economic activity going on, a factory, a mill, anything belonging to the Queen, let us tax that. It is out of the question. Now, it is not to be denied that a municipality may need money. It is not to be denied that a school system may need money, but the way for either of those or any other good cause, any other good deserving cause, any other good deserving cause that is in need to get money from the Government is from the Government, not by taxing the Government. That is so completely clear that you think that there will be no need whatsoever to state the case. You think that it is so completely palpable, so completely obvious. Now, of course, somebody will stand up and say: Oh! fine principles, but we are fed up with these fine principles. For example, Mr. Speaker, there is an example, one of the most

MR. SMALLWOOD:

those basic principles of the whole British Governmental and Parliamentary system, one of the most absolutely basic principles is that the people go in an election and by secret ballot elect a Parliament, or as we call it here a House of Assembly, which means exactly the same thing, precisely the same thing. The people elect a parliament to make the laws of the land and the laws of the land include laws to tax people and no-one else can make those laws within the jurisdiction of Newfoundland. They pass laws, this House passes laws to tax people. This House has absolute control over the money that the Government spends. If this House does not vote the money the Government cannot spend it. If they do, if the House is not in session and the Government must have the money, must spend the money yet the House has not authorized it and the House is not in session, there is a proviso under the Revenue and Audit Act whereby the Governor may be moved to issue his warrant. Now the warrant does not create money, if the money is not in the Treasury to spend all the authority to spend it is useless but the Governor may be moved by the Cabinet to issue his warrant authorizing the spending of a certain amount of money and provided the money is in the Treasury the Government now has the money and has the authority to spend it.

But when next the House meets that Government has to ask the House to indemnify it for the money is spent without the House's authority. This is what supplementary supply means and it is always in respect of the year that is gone by not the year that is coming up. All right, that principle which is as basic to the Parliamentary system of Government as even the secret ballot, it is just as basic to our system of Government as is the secret ballot. The election of members rather than their appointment, the election of members of this House by the people in a secret ballot, that is pretty basic but no more basic than the right of the elected representatives so elected in that secret ballot election their right, their absolute right, their complete and undiminished right to control the purse. Dare you spend a dollar that this House has not authorized except where the Revenue and Audit Act which this House passed gives the Government the authority to do it in a pinch, Dare you do it, the power of the purse is here in this House, not in

MR. SMALLWOOD:

the hands of some trade union, not in the hands of some organization, it is in no hands but the hands of this House. Now that is a pretty basic principle but so is this a basic principle too namely that no-one shall tax the Government, no-one, but no-one. Now someone says, "Ah, these old fashion principles, ah, let us wittle them down, let us make an exception here and an exception there, let us dilute the thing". Yes, where do you stop dilution, where do you stop it, where do you end it? The answer is there is no end to it. You cannot have controlled dilution. Once start diluting these great basic principles of the British system Parliamentary Government, begin dilution and you dilute it out of existence.

So that is why I say that if any municipality needs money and they need it from the Government dare they not try to get it by taxing them, let them get it by asking for it. And if education authorities need money from the Government get it from the Government, not by taxing the Government or its property.

Mr. Speaker, you would think there would be no need to say that in 1970, in a British Parliament such as this, which is based on these British principles. You would think there would be no need of any defence of these principles but we have heard in this House today an attack on these principles, on one of them. It will be just as horrendous to attack the principle of a secret ballot. Secret ballot, power of the purse, the right of no-one to tax the Government, no-one, it is the Government that does the taxing after Parliament has by law authorized it to do, no-one else may authorize that tremendous power which is the most basic power there is after all the power of the dollar, the power of the purse.

Now I am heartily in favour of this Bill that is before the House and I had no intention whatsoever of speaking to it and I am not speaking to the main body of the Bill, though I favour the Bill and its principle, I am replying to a completely, fallacious, an utterly fallacious argument that we have heard here today in this House.

MR. WELLS: There is nothing fallacious about that argument at all. Nobody had suggested for a moment that any of the school tax authorities purposed to be set up under this legislation, be given authority to directly tax this

MR. WELLS:

Government. We are just suggesting that a means be provided to get around the facade that has been created, of the Holiday Inns for example and they were a classic example of it, that is an operating, commercial enterprise and make no mistake about it, it is not the Government that is running Holiday Inns it is whoever is hiding behind the company called Atlific Management Limited. We do not know who that is. We do not know that it is Holiday Inns. We understand and we can gather from the signs that one sees out on the roadside that whoever owns that company has a franchise from the Holiday Inn chain to operate it and call it Holiday Inn. What I would like to know, Mr. Speaker, and what hundreds of thousands of Newfoundlanders whose money is invested in those hotels would like to know is who are the holders of the shares of Atlific Newfoundland Limited, of Atlific Management Limitee, of Atlific Newfoundland North Limited, of Atlific Inns of Canada Limited, who holds and owns those shares. What men get the benefit out of the operations of that hotel, that is what we want to know? We do not know and there is no way to find out. This House has no idea, the members of this House have no idea who they are dealing with in the Holiday Inn operation, none whatsoever.

We go down to the Registry of Companies here, and I know I have gone and looked, and we can see what Atlific Newfoundland Limited is. It is a company that has -

MR. SMALLWOOD: On a point of order, Mr. Speaker. I hold that the hon. gentleman is completely out of order. He is not discussing anything connected with the Bill.

MR. WELLS: Oh, tender toes.

MR. SMALLWOOD: Not tender toes, clown.

MR. WELLS: Tender toes.

MR. SMALLWOOD: No, clown. Mr. Speaker, Mr. Speaker -

MR. WELLS: That is not a parliamentary word.

MR. SMALLWOOD: Mr. Speaker, I myself discuss a great principle, a very great principle but I did not discuss who owns this hotel or this company. I said that the Government owns these hotels. There is no doubt of that we own them, we paid for them, we had them bid with our money, we own them, the Government

MR. SMALLWOOD:

owns them. Someone is managing them, does it matter, does it affect the principle who is managing them?

MR. WELLS: Yes.

MR. SMALLWOOD: What has that got to do with it? If we wanted to have a debate about Holiday Inns, if we want to take the questions on the Order Paper, yes, but we are discussing a Bill, there was a question of the right of people taxing the Crown or the Crown's property and I answered that. Now what are we asked? Are we being told that the Crown does not own those hotels. No we are being asked who is managing them and who are the shareholders and how much capital they got invested? What has that got to do with it? It is not only irrelevant but completely apart from the Bill altogether.

MR. WELLS: I would like to address myself to that point of order, Mr. Speaker. The Premier got up and for ten or fifteen minutes, whatever he wanted, and discussed whether or not Crown Corporations and Holiday Inns specifically, the Hotel Buildings Limited was in particular mentioned, whether or not they should be liable to tax and I am merely making an argument to refute that to show that it is not really a Crown Corporation, that it is really a Commercial Enterprise and in order to do that I have of necessity to refer to these companies and that is quite relevant. I am trying to -

MR. SMALLWOOD: Mr. Speaker -

MR. WELLS: Mr. Speaker, when I am finished the Premier can have his opportunity. Mr. Speaker, I submit, Sir, that what I have said is quite relevant because it makes the difference whether or not these companies that operate this business are liable to the taxes that would be imposed under this Act. And when we are talking about imposing taxation in this House we want to see it fairly imposed and charged against everybody and this is what I am seeking to do, Sir, and it is very relevant, I submit.

MR. SMALLWOOD: Mr. Speaker, is the hon. gentleman saying that the hotels are not Crown Corporation?

MR. WELLS: When I am finished you can have you say.

MR. SMALLWOOD: Now I only dealt with the matter of taxing the Crown, not taxing

MR. SMALLWOOD:

private companies. The company that is managing these hotels is a private company, they are not the Crown but the property is the Crown's property and they dare not be taxed. I hold, Mr. Speaker, the hon. gentleman is completely out of order. He is not speaking to this Bill at all.

MR. SPEAKER (NOEL): The hon. member for St. John's West was talking about the exemptions of Crown Corporations and I think I sent a note down to him to see where the exemptions of Crown Corporations was embodied in this particular Bill which is before the House now and I find that the exemption for Crown Corporation is not embodied in this particular Bill but is embodied in another Bill entirely. I think that the discussion, the debate here should be limited to what is in this particular Bill. Now whether or not the exemptions, of course, set out in this Bill are not exemptions for Crown Corporations, the appropriate clause as I see it is Clause 28 and in there I see no reference to Crown Corporations at all. Crown Corporations are exempted from taxation by another Bill entirely and I am not too sure that whether or not the Crown Corporations are exempt comes under this particular Bill at all because they are exempted by another Bill.

MR. SMALLWOOD: Section 28A, Your Honour.

MR. SPEAKER (NOEL): 28A, yes 28A probably belonging to Canada or any Province. That would be property in the name of Canada, in Her Majesty the Queen and right of Canada or Her Majesty the Queen and right of the Province of Newfoundland. Now what the hon. gentlemen are bringing up is property which is in the name of a corporation, a separate corporation, a body sold under the company's Act and the exemption for those corporations is not contained in this Act. It is contained in another Act entirely and I believe that the hon. Premier is right in making his point of order and the exemption of Crown Corporation has no relationship at all to this particular Act.

MR. WELLS: May I ask Your Honour then if your ruling that everything the Premier has said with respect to taxing these corporations, being taxing the Crown is totally wrong. Everything he said therefore is totally wrong because that is not the Crown. Otherwise Your Honour if the Premier's arguments are correct then he says it is the equivalent to taxees, it is the equivalent of.

MR. WELLS:

taxing the Crown -

MR. SPEAKER (NOEL): The only point I have to deal with is the point before the Chair and the question of Crown Corporations is not before the Chair on this particular Act in Legislation.

MR. CROSBIE: Mr. Speaker, on that point of order. The principle of this Bill is to impose school taxation in Newfoundland on real property by way of real property and poll tax. The school tax in Newfoundland, the law of Newfoundland is that the school tax authorities cannot tax Crown Corporations and that is what my hon. friend is addressing himself to the fact that in our opinion they should be allowed to tax Crown Corporations and that is quite relevant to the principle of this Bill which permits the Government to impose the school tax authority. When else are you going to discuss tax exempt properties if you do not discuss it on the Second Reading of this Bill. So my submission, Your Honour -

Your Honour is that my learned friend here is quite entitled to discuss school tax and any possible exemptions given to it.

MR. WELLS: Your Honour I have to address myself as a member of this House responsible not only to my own constituents but all of the people of this Province, to see not only that the Government spends its money wisely and that it does not squander or waste it but to see if and when it becomes necessary to impose taxes or authorize the imposition of taxes, it is done so fairly and squarely for all and that nobody is treated discriminately. To that end Your Honour I am suggesting that the principle in this Bill is deficient. That this Bill is deficient. On principle I debate this, that this Bill is deficient in that it does not contain what it should contain namely a provision that would allow all property operated by commercial enterprise irrespective of ultimate ownership. All property managed and operated for a profit by commercial enterprises to be taxed, not this building of course not, no but not the public building in Corner Brook or course not, it should not be taxed, Everybody agrees with that. Nobody for a moment would suggest such a thing. Everybody agrees with it. What I am saying Your Honour is that all property that is managed or used in any way in connection with commercial enterprises in this Province should be taxed.

If we allow this to go on -

AN HON. MEMBER: The cafeteria downstairs, C.N.I.B. downstairs is part of this building.

MR. WELLS: That is a charitable purpose do not be silly. Now tell me the Holiday Inns or Atlific Management is a charitable purpose. When you tell me who the shareholders are then I will tell you where there is charitable or not.

AN. HON. MEMBER: Tax Harvey & Co. downstairs.

MR. WELLS: Tax them of course tax them. I would hope they pay a tax, in respect of that property. No, no, of course not be a charge in the building but tax Harvey & Co. by all means and it is discriminatory if we do not tax Harvey & Co, or whatever other commercial enterprise operates anywhere in this

building. They should be paying taxes in respect of the value or based on the value of the space that they occupy. The building is not subject to a lien for it, nobody would suggest that for a moment.

MR.SMALLWOOD: It is a property tax we are talking about. Not a business tax, not an income tax, not a profits tax.

MR.WELLS: I am well aware of what we are talking about, well aware of what we are talking about. And I am suggesting Your Honour that if we allow this to go through in this way we will be allowing discriminatory taxation amongst individuals, not as between the crown on the one side and individuals on the other, but as between individuals, namely people engaged in hotel businesses. And this is wrong, we cannot allow that. Here in the city of St. John's, in the city of Corner Brook, in Port aux Basques, Gander Clarendville, in those places other people other persons who operate hotels must pay this tax. They have no alternative but to pay this tax out of their profits. Whoever is hiding behind the shares of Atlific Management, Limited, I do not know who they are, but whoever is hiding behind those shares are exempt from this tax and this is wrong in principle.

MR.SPEAKER: Order please! The hon., member might have a point, you know these questions of what is relevant and what is not are always difficult. The hon. member might be in order in saying that Crown Corporations generally ought to be taxed when they are carrying on commercial purposes, that may be relevant to this, but then to go farther into the management of Crown Corporations, how far do we go? We have to draw a line somewhere, I think we will draw it there.

MR.WELLS: Thank you. Your Honour, that is where, I quite agree that is where the line should be drawn. But we have to make clear Your Honour that we must not discriminate, we must, that the sole purpose for using it. Somewhere behind the name John Jones Hotel Ltd. is a shareholder who gets the profit. His profit is reduced by the amount of the taxes that John Jones Hotel Ltd. has to pay. I am saying that whoever the shareholders are behind Atlific Management Ltd. there profit, if they are going to be

fair to people must be consequently reduced as well by an amount of taxes equivalent. Nobody is suggesting for a moment that the Crown itself be taxed. Somebody is making a profit out of that and getting away scott free and this is what I object to Your Honour. This is what we should not permit. For example, we have nothing in this Act that would permit it but the city of Corner Brook Act, another Act passed by this House permits taxation of that building, on a property tax basis. It cannot form a lien on the property because it is owned by the Crown. Admit it, no denial of that. Cannot form a lien but it can tax the tenants as though they were the owners and they are liable at law to pay it. And that Your Honour is what I would suggest the hon. minister consider having placed in this Bill. in order to insure fair taxation for all. And that no, whoever they may be friendly or otherwise, are given any discriminatory benefits, by hiding behind the facade. There is as well Your Honour another law enforced in this Province, that I do not challenge in any way, I accept it has been passed by this House and I am not going to debate the principle of it at all but I point out to the House that it does exist and under that Act the Lieutenant Governor in Council may at any time authorize the collecting by a municipality of taxes from a Crown Corporation. That is Chapter 27 of the Acts of Newfoundland of 1960. This is not new or revolutionary as the Premier would have us believe. We are not going to ^{go to} the Queen and say she must pay taxes, we know the difference of that. I would also point out another obvious error I can hardly understand the Premier making it, he did. The Government of Canada is not a superior government to this Province, or a senior government, has no right to tax this Province, may not, I am refuting an argument that was used to point this out just so that nobody will be persuaded by it Your Honour.

MR.SPEAKER: I do not think hon. members are entitled to refute arguments hon. members are entitled to debate the issue before the House.

MR.WELLS: I would not Your Honour want members of this House to draw the wrong conclusion from something that was said, I want to point out quite

clearly that the Government of Canada is not even prima inter pares.

MR.SPEAKER: Order please! It is not the duty or the privilege of the hon. member to educate the members of the House.

MR.CROSBIE: A point of order, Mr. Speaker. On a point of order if one member of this House in debating a Bill is permitted to advance arguments such as the Government of Canada is a superior Government or whatever unchallenged, permitted by the Speaker to do so surely it is only just and proper that other speakers in the debate be allowed to apply themselves to the same argument. If it is sauce for the goose it is sauce for the gander. Now how can Your Honour rule that my learned friend is out of order if there was not ruled that the Hon. the Premier was out of order. Is the Hon. the Premier allowed to make any arguments he likes in this House but nobody can counter it.

MR.SPEAKER: Order please! An hon. member speaking brings up an example or an illustration. Another hon. member feels that there is something factually wrong with the illustration, does the House then get into a debate over whether or not one hon. member is factually wrong or otherwise in the illustration, that is what the hon. gentleman is putting forward. The ruling is that when the hon. member is speaking he must be relevant to the matter before debate and this does not rule that he is permitted to refute illustrations brought up by other parties and so on.

MR.MURPHY: Mr. Speaker, I would just like to have a word on that. I have sat here I have not the legal knowledge of any of these gentlemen. I listened to the Premier at great length describe all this and I took for granted that was right, is it fair that some member with the knowledge has not the same privilege to speak on the same subject. I think we are all equal in the House. The Premier went to great lengths and great exasperation to condemn anybody that thought that we could tax the Government of Canada. Now, as I say I have not the legal knowledge but I would like to hear this thing explained because I think we can all learn from it. That is my opinion.

MR.WELLS: Your Honour on that point of order let me say this since I am attempting to make the argument. An argument was made, albeit, an example was used, but a very effective one, and it persuaded obviously a number of people including the Leader of the Opposition. Now this should not go by unchallenged if it is incorrect. And I submit to Your Honour it is incorrect, and it should go by unchallenged.

MR.SPEAKER: I think the hon. member is about to engage in a right of constitutional law which really has nothing to do with this.

MR.WELLS: I promise Your Honour I will not. It is a fundamental principle as the Premier said, and with this I agree. One government does not tax another, now this he did not say, he suggested the Government of Canada could tax this Government. So a municipality or an authority created as one would be under this Act cannot of course tax the Government of this Province. That we accept and we do not for a moment suggest that they do. They cannot tax the Government of Canada, but the Government of Canada recognizes its responsibilities and through, for example, the Canadian National Railways it pays grants in lieu of taxes, it does not admit legal liabilities to taxation. It pays grants in lieu of taxes. Our Government with the Holiday Inns making an operating profit, I am not to capitalize it, but an operating profit and whoever is hiding behind those shares, taking their profits out of it and getting their benefits under the contract our Government does not see fit to pay to the municipalities in which these are located, taxes, despite the fact or grants in lieu of taxes, despite the fact that these operators, commercial enterprises in competition, in competition with people who have invested their own funds in it. This is grossly unfair, grossly unfair. we are going to, Holiday Inns is just an example, there are numerous others there is Holiday Inns, North Star Cement and there is numerous others. North Star Cement is being operated as a commercial enterprise. Newfoundland Hardwoods is paying profits into the Government, it says so every year in the estimates. We show revenue from it, why should not they pay taxes like the

rest of us. Somebody whoever is operating it is taking a profit out of that, and getting a clap on the profit of that and being exempt from tax by that means. Mr. Speaker it is grossly unfair, and this is the extent to which this Act is deficient. It should make provision for this.

This is the only basis of my argument. I do not want to get into an argument on whether or not Holiday Inns should have been done in the first place or Newfoundland Hardwoods or anywhere else. All I am saying is what we are doing now, let us not make any more mistakes, let us do this thing properly and tax everybody fairly. Let us not bring up any nonsense about the Government of Canada being a senior Government to try and throw us off the right track. They are not, they are equal along with the others. Within our own sphere we are as superior as the Government of Canada is. That is the primary thing that I wanted to answer, but there are a few other things on the principle of this Bill that I would like to address myself to. One is the provision whereby

MR. WELLS: provision whereby the Lieutenant-Governor in Council can at any time declare an area to be a school tax area, and I think this is fundamental to the principle of the thing.

Mr. Speaker, I do not think, that the Lieutenant-Governor in Council should be able to do that because of the nature of the school tax authorities, they are local taxation and they do not go into a Provincial Treasury for redistribution, the taxes stay and go to the schools within the area that is defined. The only qualification that I can see on it is contained in sub-section 3 of Section 5. Where it is the school boards themselves who makes the decisions, the Lieutenant-Governor in Council takes in the consideration what the school boards wants, not what the people of the area want. And I do not recall the details of it, because I was not a resident in Corner Brook when the school tax area was setup there in the first instance, but I am sure there are many members of this House, who recall the great controversy that existed when the school tax area was setup in Corner Brook in the first place, and the vigilante committee. Many people I am sure will recall that. Well anyway it is sufficely to say that there were a divergence of view, there were not certainly unanimity that the people should be further taxed. Sir, what I would suggest, and it is not difficult to do, that instead of consulting the school boards with maybe a half a dozen here, and a half a dozen there, and the provision made for fifty percent, or for the school boards that represent sixty percent of the pupils enrolled in school in the area, this is the way it is done, instead of doing that, within it run a plebiscite in a particular area, this is what should be done. It is their right, they do it everytime when they elected the hon. member, they voted to be taxed. But this is the proper course to follow, Mr. Speaker, when the thing is optional, if it is going to be a general application throughout the Province, then so be it, and the Government stands to fall on what it recommends on that basis. But, if it is not, where it it going to be optional, whether or not it exists within a given area, then it should be by way of plebiscite and not a half a dozen people who in the past have all been appointed to school boards, not elected. Why should they make the decision whether or not to impose further taxes, and that is the net effect of their decision. It should be by way of plebiscite.

MR. WELLS: It is wrong to do it this way.

We have to try and live with it in the circumstances that we find ourselves, but we do have a basic deficiency in the Province that make the application of this kind of legislation very, very difficult. I suggested this before, I believe in this House, through misfortune or otherwise sitting on the other side, that what we need in this Province is a county system. We have no means of area administration in the Province, local area administration. We have the means whereby a given community, a town or any size community can be administered within its boundaries, the municipalities. But what we do need is provision for the administration within certain areas because areas do vary greatly in what they have, and this is why I feel that it is very difficult to administer this kind of legislation without a county system. It would make it so much easier, if this Province were divided into counties. I am not suggesting that we should divide it into counties solely for the purpose of making it easy to administer this legislation, all other things in terms of area administration would follow, judicial matters, you would have county court judges, as they do in other Provinces, where the responsibilities would be within the county. The registration of public documents and so on would be again contained within the county. Certain medical administration within that given area would be again within the county and so on, there are a variety of other purposes for doing it that would vastly simplify local administration. We have no provision for that as yet, and when we encounter a Bill such as this, attempting to do what this Bill attempts to do, it is then that it comes to mind, and everytime we do something of this nature, whether it is in the field of education or justice or public health or whatever it is, we do encounter this problem. A lot of these difficulties would be corrected, if the Government would give some consideration to this. We have now greatly reduced the number of boards of education that exist in this Province, so it is more applicable now to a county area.

The other thing, Mr. Speaker, following along this suggestion why I think it would be more valuable, and it would greatly ease the difficulties of administering the Department of Education. People say in the town of

MR. WELLS: Botwood or in the Botwood area may want to place more emphasis and make more of their income available for education purposes, well so be it, that is their choice. But any money that is taken in should be spent in their area, now this I realize is basically the way it would happen under this Act, with our complicated system of public education or education that the public is ultimately responsible for, although it does not totally administer, this is very difficult to do. I believe, Mr. Speaker, that this Government's responsibility is to provide the basics, beyond that let the local area decide what it wants, local offices let them have it, if the Notre Dame Bay area or county if you want to call it that, wants to place emphasis on music or science, let them do it. And let them do it by means of a local taxation, and somewhere else they will do whatever they want to do, but let it be their choice. Obviously we cannot afford in this Province to have an ideal public system of education, we just cannot do it. We just cannot have all the music teachers we want, wherever we want them, in all of the schools in the Province.

Sir, this again is the desirability of breaking it down into areas, and letting them decide, if they want it, and it is their children who is going to get the benefit, they are the only ones that should be paying for it. It is not a burden that should be imposed on the rest of the Province and come out of the general Public Chest. Sir, the Provincial Government's responsibility should be limited to making sure there is the basic school facilities of providing the funds for the basic school facilities and then the funds for the basic teachers probably on a per capita basis, then it is fair to everybody. Every area or county gets so many dollars per capita, spend it the way you want, it is up to you within reason, the Department of Education I think should have some responsibility to ensure minimums in terms of standards, whatever a local area wants to do beyond that, fine let them go ahead and do it. They pay for it, the taxes are coming out of their pocket, and theirs alone.

So the responsibility for education should be at a county level and probably would be, if we had counties, if we had this Province divided into counties.

AN HON. MEMBER: Inaudible.

MR. WELLS: It is not true, if we pay on a per capita basis, they are paid on a per capita basis, so the minimum, the basics are there. The basic standard is there for whatever and we can ensure that throughout this whole Province, it does not matter whether

AN HON. MEMBER: Inaudible.

MR. WELLS: If the minister would shut up for a minute, I will explain it to him, he is obviously a bit thick headed, and it does not go in very easily. It does not matter whether you live in Point Leamington, Port au Choix, St. John's, Corner Brook, Burgeo, or where, you will get the same minimum standard. Now at the moment, we do not have that. If you happen to have the misfortune to go up in Stephenville Crossing, or Point Leamington you get seventh rate of high school education, because we do not have the means of doing it. That is the way it is at the moment.

What I am suggesting would greatly improve that situation. It may not be perfect, but it would vastly improve that situation.

MR. ROWE: F.W. Would the hon. member permit a question?

MR. WELLS: Yes, a short one.

MR. ROWE: F.W.: Is the hon. member aware of the size of the school in Point Leamington?

MR. WELLS: All right, I will substitute Point Leamington with Matters Point, does that satisfy it? The minister surely knows what I mean, and do not tell me there are 1100 good high schools in this Province, with 1100 communities. That is utter nonsense. All right, I just used Point Leamington, well so what, the same thing applies to Roddickton or Englee or anywhere else he wants to pick, Nipper's Harbour or anywhere he wants to go.

MR. ROWE, F.W. The hon. gentleman is unfamiliar with it.

MR. WELLS: I am not unfamiliar with it, I went through it more recently than the hon. minister did. And I suffered the ill effects of it. So he cannot tell me what it is like, I know. And so do a lot of others who have suffered by it, and are continuing to suffer by it, because of our reluctance to change, our prejudices, and that is the only thing that can explain it, Mr. Speaker.

Look if we do not bring these matters up at this time when we are debating a Bill such as this, particularly a Bill to provide for local area

MR. WELLS: taxation, when else is it going to be brought up. Now is the proper time to discuss it, and get the views of members of the House on it.

MR. CALLAHAN: Well what happens to a local area that has no taxpayers?

MR. WELLS: Well then it has presumably no houses, no people, no nothing, because the tax base is set here.

AN HON. MEMBER: Inaudible.

MR. WELLS: Fine if they are on welfare, the Government pays it indirectly, the board gets it just the same. The Government pays it indirectly, it is taken into consideration in the welfare payment. If they are not on welfare they will pay it out of their earnings.

MR. CALLAHAN: Inaudible.

MR. WELLS: They would pay it out of their earnings, like they do everywhere, everywhere else in Canada and in the United States is wrong, and the minister is right. I do not believe it. I do not believe it.

MR. ROWE, F.W. Inaudible.

MR. WELLS: I am not asking for desparity, I am asking to try and correct it, the desparity that exists at the moment.

MR. ROWE, F.W. Legalized desparity.

MR. WELLS: You tell me how many music teachers there are in Burgeo?

MR. CALLAHAN: I am not talking about music teachers.

MR. WELLS: Well I am talking about music teachers.

MR. ROWE, F.W. Well how many are in Northern Ontario?

MR. WELLS: There are a good man of them available.

MR. ROWE, F.W.: There are none in the small villages in Northern Ontario.

MR. CALLAHAN: The hon. gentleman can consign about 800 teachers to the minimum.

MR. WELLS: There is no member of this House that can tell me that our education system is so perfect, or so good, that this would not improve it.

MR. CALLAHAN: Who said it is perfect. The hon. gentleman is.....

MR. WELLS: I am a lot younger perhaps than the hon. Minister of Education, and I am more familiar with it, than he is. I went through it more recently. Even though he has been sitting in the Chair as Minister of Education for a long time. He is looking at it, I suggest from an ivory tower, and not from the reality of it.

MR. ROWE, F.W. I am more familiar with Buchans Junctions than the hon. gentleman is.

MR. WELLS: Perhaps more so.

MR. ROWE, F.W. That is right.

MR. WELLS: I never went to school in Buchans Junction.

MR. ROWE, F.W. No, my hon. friend

MR. WELLS: I have no such thing, I never mentioned the school in Buchans Junction.

MR. CROSBIE: Buchans Junction, they are paving the road.....

MR. WELLS: Be careful about the way you talk about Buchans Junction, that is where I was born. And I trust you will turn to the west and bow three times.

Mr. Speaker, everybody is enthused about Buchans Junction, I can see that, Mr. Speaker.

MR. HICKMAN: There is going to be a shrine.

MR. WELLS: Yes, that might be justification for being proud I suppose.

MR. HICKMAN: We will make it into a shrine.

MR. WELLS: Mr. Speaker there are a number of other matter that really effect the principle, I am sure we will free to discuss when it comes to committee stage in this Bill. But there was one particular thing that I wanted to mention. I will move the adjournment of the debate, Mr. Speaker.

MR. SPEAKER(NOEL): Those in favour "aye" contrary "nay" carried.

MR. CURTIS: I will move Mr. Speaker, that the remaining orders of the day to stand deferred, that the House at its rising to adjourn until tomorrow, Monday at 3:00 P.M. This House do now adjourn.

MR. SPEAKER: (Noel) The motion is that the House do now adjourn until Monday at 3:00 P.M. Those in favour "aye" contrary "nay" carried.
This House stands adjourned until tomorrow, Monday at 3:00 P.M.