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VERBATIM REPORT

THURSDAY, MAY 27, 1971

SPEAKER: THE HONOURABLE GEORGE W. CLARKE

The House met 10:00 A.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order!

HON. E.M. ROBERTS: (MINISTER OF HEALTH): Mr. Speaker, I am very pleased indeed to be able to announce to the House that the Government have now taken the action necessary to provide the people of Newfoundland with a significant new Health Care Programme at less direct cost to the people.

Beginning on June 1st. all basic dental care in this Province will be made available free of charge to all children up to and including those aged ten years. This is only phase one of our programme, Sir, As we have already announced, our programme is aimed at providing dental care free of charge to all children up to and including age twelve. We are implementing phase one immediately. The cost will be met out of public funds. Until now, Mr. Speaker, the House is aware that the Government's free dental care programme for children has been limited to three age groups, children age five, children age six, children age seven. All children, from birth until they finish their tenth year, until they turn eleven, all children up to and including age ten, Mr. Speaker, are now covered under our programme.

Mr. Speaker, time and time again dentists have diligently worked to help young children build up strong and cavity-free teeth, only to find that once these children become eight years of age, the children disappear from a dentist office. Too often when they do return^{it} is with teeth that have cavities in them. In this way, Sir, much of the value of the dental care that the children have been receiving at public expense, at Government expense, during their first school years, has been lost.

The new expansion of our Children's Dental Care Programme will ensure that children continue to benefit from good dental hygiene, good dental treatment for a much longer time. Speak of the Government itself and received the advice of the Newfoundland Dental Association on the implementation of this programme, their council has proven to be of very great value indeed, not only to help us implement this expanded scheme but in determining

MR. ROBERTS: the other directions in which the Government should move to enable our people to have better dental care.

The Government as part of the plan, Sir, will reimburse dentists in private practice for this basic dental work performed on children up to and including the age of ten, will reimburse the dentist at ninety percent of the fee set forth in the Dental Associations, 1971, Fee Schedule. The dentists who practice part-time privately and part-time in Government service will continue to be reimbursed for the time they spend treating children, under the Children's Dental Care Programme.

However, the rate of reimbursement will be increased, with effect from June 1st. Formerly we paid dentists at the rate of \$15 to \$18 an hour, Sir, depending on their length of service. I am sorry, we will pay them at a rate of \$15 to \$18, formerly we paid them at a rate of \$11 to \$14. Mr. Speaker, in all now there are sixty-five dentists in this Province, forty-three of them in full-time private practice, seventeen others in part-time Government service, part-time private practice, and five with the International Grenfell Association in Northern Newfoundland and in the Labrador.

Mr. Speaker, the Government do not propose to limit our programme to children who have reached their eleventh birthday. We intend to expand this programme eventually so that every child in Newfoundland and Labrador will receive free dental care until he reaches his thirteenth birthday. That is our long range policy which I outlined at the Development Conference held in February.

Mr. Speaker, the provision of basic dental care, free of charge to children, is not in itself a cure-it-all for the very real dental problems which people of all ages have throughout this Province. Our programme is only one part of the answer and we realize this. There is another; public education about dental hygiene and, even more importantly still, the recruitment of more dentists to work in all parts of Newfoundland.

MR. ROBERTS: I have asked the Dental Association and they have agreed, quite willingly and eagerly, to work with my officials, to determine the proper solutions to these problems. My colleagues and I hope and expect that shortly we will be in a position to make further announcements on that.

Mr. Speaker, I may also say that the success of this new programme will depend upon the degree of co-operation which we receive and the dentists receive from the parents of children who will benefit from it. I think all of us appreciate the willingness of parents, the eagerness of parents to ensure that their children have the full benefits to which they are entitled.

However, I think, the dentists will encounter some trying moments as the expanded programme comes into effect. I urge parents to adopt restraint in dealing with the dentists during this time, Dentists in turn have promised to make extra efforts to bring the programme into effect.

I, for one, Sir, and my colleagues are quite confident that the people of Newfoundland will co-operate with the dentists to ensure that this Children's Dental Care Programme, on this new expanded bases, will be a very great benefit to the children of our Province.

MR. J. C. CROSBIE: Mr. Speaker, has the minister got copies of that? Is he going to supply us with copies?

MR. ROBERTS: Yes, of course, Mr. Speaker, if they are not in the Clerk's hands, I will have them their shortly.

PRESENTING PETITIONS

MR. R. BARBOUR: Mr. Speaker, I have the honour to present a petition from the residents who live in the following communities; Kings Cove, Plate Cove East, Plate Cove West, Open Hall, Red Cliff, Tickle's Cove, Duntara, Keel's, Stock Cove and Knight's Cove.

Mr. Speaker, the prayer of the petition, which is signed by several hundred people, and I only received this a couple of seconds ago, is

MR. BARBOUR: petitioning the Government to provide them with medical facilities. Now, Sir, I know something about what is going to happen this year concerning medical facilities for the communities I have referred to in the petition. I am sure the hon. Minister of Health, perhaps, will in supporting this petition give us more facts concerning this.

I am very happy, Sir, to present the petition, I ask that it be received and referred to the department to which it relates.

On motion petition received.

MR. CROSBIE: Mr. Speaker, it is voted on. The hon. member for Bonavista South did not read the petition. I do not know why he did not read it, whether there was something there he did not want to read.

MR. BARBOUR: I have my reasons.

MR. CROSBIE: Oh, well, ah, that is not good enough. A petition, Mr. Speaker,

MR. SPEAKER: Order, please.

MR. CROSBIE: A petition, Mr. Speaker,

MR. BARBOUR: Inaudible.

MR. SPEAKER: Order, please.

MR. BARBOUR: I have good reasons, Mr. Speaker.

MR. CROSBIE: I have the floor, Mr. Speaker.

MR. SPEAKER: Order, please.

MR. CROSBIE: I have the floor, Mr. Speaker,

MR. SPEAKER: One person at a time.

MR. CROSBIE: Exactly. I have the floor. Here is a petition being presented to the House, Mr. Speaker; the member presenting the petition does not read the petition. The hon. the member for Bonavista South, all he said is that he has a petition from this area, to do with medical facilities. Now if the petition is going to be presented to this House, surely the prayer of the petition should be read. The hon. gentleman may have his reasons, Presumably there is something in the wording of the petition that he does not want to read to the House. It is a disgraceful exhibition.

MR. CROSBIE: If this petition deals with medical facilities in the King's Cove area, King's Cove and the Duntara and the rest of that area, I would like to support the petition.

MR. BARBOUR: I am getting bored, I am getting bored with the chief's remarks.

MR. SPEAKER: Order, please.

MR. CROSBIE: It is difficult, Mr. Speaker, to support a petition when the person presenting the petition has not had the decency and courtesy and honesty to read the petition.

MR. BARBOUR: He cannot get any votes in Bonavista South.

MR. CROSBIE: We will see.

MR. SPEAKER: Will the hon. member please -

MR. CROSBIE: sit down and stop clowning around.

MR. BARBOUR: I will not sit down, because you tell me -

MR. SPEAKER: Order, please.

MR. CROSBIE: Mr. Speaker, it is difficulty to support a petition, when you have not heard the prayer read. But if the petition is for the improvement of medical and health facilities in that area, I certainly support it, because the area certainly needs improved medical - listen, we know the dictator is on the radio now, shouting closure.

MR. SPEAKER: Order, please. Will we keep to the point of the petition.

MR. CROSBIE: If we are to keep to the point of the petition, Mr. Speaker, the hon. the Premier better keep "the conversation with the Premier" where he cannot be contradicted. If it is for the improvement of the medical facilities of the King's Cove, Duntara area, Mr. Speaker,

MR. BARBOUR: On a point of order, Mr. Speaker, on a point of order.

Mr. Speaker, I only received the petition about a minute ago, I know what is going to happen in the district so far as medical facilities for this area is concerned. I have already conferred with the Minister of Health on it. I have been after him, God knows, for many, many days. He had no

MR. BARBOUR: rest, but he had given me this kind of satisfaction. Now the reason why I did not read the petition, because I did not think so -

MR. CROSBIE: Mr. Speaker that is not a point of order.

MR. BARBOUR: I have the floor.

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

MR. SMALLWOOD: Sit down. Sit down.

MR. CROSBIE: Shut up!

MR. SPEAKER: Order, please. The hon. member will please explain his point of the petition.

MR. SPEAKER: Order, please!

MR. CROSBIE: Now can I resume my remarks, Mr. Speaker?

MR. SPEAKER: Order! I will ask the hon. member for Bonavista South to explain his point of order.

MR. BARBOUR: Mr. Speaker, what I am trying to explain is this, I am pretty sure I know what is going to happen in this area.

MR. SPEAKER: This is not explaining the point of order.

MR. BARBOUR: I am trying to follow up, Sir, I know, I am pretty sure -

MR. CROSBIE: Mr. Speaker, I have the floor now. This is not a point of order.

MR. SPEAKER: Will the hon. member sit down, please? The hon. member is not explaining his point of order; he is explaining why he did not read the petition. This matter can be cleared up quite easily. Will the hon. member resume his seat?

MR. CROSBIE: Mr. Speaker, the petition apparently is for the improvement of a medical and health facility in the King's Cove area and, although I do not know exactly what the petition states, I gather that is the general import of the petition, We would certainly support it, because the medical and health facilities in that area are backward and have been backward for years, despite the fact that the hon. the member opposite has been the member there for ten or twelve years. When a petition is presented to this House that the person presenting the petition does not

MR. CROSBIE: even read, then there is something very, very wrong. I presume, Mr. Speaker, we are going to hear now from the Minister of Health that there will be a clinic down there, to be called the "Barbour Medical Clinic."

MR. SMALLWOOD: Why not?

MR. CROSBIE: There is going to be a bridge named the, "Barbour Bridge." What childness? Why not? "Why not," he says, the hon. Premier says, why not, is quite correct. Let us have a Barbour Medical Clinic down there.

MR. SMALLWOOD: A Crosbie Clinic.

MR. CROSBIE: No, no, I do not want my name down there. I do not want my name put down there, nor put anywhere.

MR. SMALLWOOD: That is right.

MR. CROSBIE: I am satisfied to be able to be in this House and to speak here, despite the dictatorship of the Premier. That does me. I do not need my name on a bridge nor a clinic.

MR. SPEAKER: There have been remarks made by any hon. member relative to the petition that is being presented by the hon. member for Bonavista South.

MR. CROSBIE: Definitely, Mr. Speaker, and therefore, Mr. Speaker, I support this petition which is to overcome the years of neglect that area has suffered. I hope that the Minister of Health will be announcing improvements there, not just for this year, Election Year, but for the years to come.

MR. W. MARSHALL: Mr. Speaker, I would like to speak in support of this petition, by way of explanation as well. The hon. the member for Bonavista South receives a petition, which contains some 731 signatures, a few moments ago, well he did not have an opportunity to count the names, apparently, a few moment ago, because this petition had been presented to us as well, and we did the courtesy to the hon. member of giving him the petition, since he represents the district, for him to present it.

However, the petition is as follows, Mr. Speaker; Whereas the residents of King's Cove, Plate Cove East, Plate Cove West, Open Hall, Red Cliff,

MR. MARSHALL: Tickle Cove, Duntara, Keel's, Stock Cove, and Knight's Cove, in the District of Bonavista South, are without the services of a medical doctor, and encounter great difficulty and considerable expense in being required to pay transportation costs of up to \$25 per doctors visits. And whereas when such a home visit is necessary have to either secure the aid of an ordained minister or priest or welfare office to certify the patient's condition, and even then incur considerable mental and physical anguish, if a doctor from Bonavista or Catalina is too busy to manage such a visit. And whereas the following eligible voters of the aforementioned settlements humbly petitioned the Speaker of the House of Assembly for Newfoundland and Labrador and its elected representatives to grant the prayer of this petition. Whereas we the below signed eligible voters petition that a medical doctor be resident in the community of King's Cove to serve the people of King's Cove, Plate Cove East, Plate Cove West, Open Hall, Red Cliff, Tickle Cove, Duntara, Keel's, Stock Cove and Knight Cove to safeguard the public health and protect our children and elderly citizens from the hardships of inadequate medical care.

Now this is the prayer of the petition, Mr. Speaker, that has been presented by the hon. the member for Bonavista South, I might state that amongst the names of the people who signed this petition are the Rev. James A. Beresford, the parish priest of King's Cove, and the Rev. M. R. Hynes of Plate Cove. There is also the fact that the people in Bonavista South, and this is what all this petition is about, the people in Bonavista South were promised in 1966, as so many of the people in Newfoundland were made promises in every district by the Liberal Party, a special nursing clinic to be placed in King's Cove, and this has not been done. As a result of this, many people who are out of work in the area, all throughout the area of Bonavista South and indeed this petition could pertain to other areas as well, even though we have medicare, they find themselves having to pay large amounts of money, up

MR. MARSHALL: to \$25 per visit, to get a doctor there, for transportation costs. The Government has failed miserably have not carried out its promise in 1966, and the net result of this is; we have 731 people from Bonavista South petitioning this House and asking in effect that the Government at least carry through the promises it made some four or five years ago.

So with these remarks, Mr. Speaker, I heartedly support the petition presented by the hon. member for Bonavista South, at our behest, we asked that it be referred to him first, as a matter of courtesy, and I heartedly support the petition and I know that the member for Bonavista South will bring great pressure to bear on the Government to at least, in his district anyway, have this Government comply with the many problems that it made, not only in this area. but other areas for the District of Bonavista South.

It is a disgraceful situation that has arisen down there and I say a dangerous situation with respect of the health and well-being and welfare of the people of King's Cove, Plate Cove East, etc. down in this area.

MR. EARLE: Mr. Speaker, now that the petition has been properly presented and explained by a member on this side, we have no hesitation whatsoever in supporting this petition because it is so similar to petitions from many other parts of the Province. In spite of all the wonderful progress we hear, which has been made in medical services in recent years, there are still many parts of the Province, including the one ^{from} which the petition comes and which is presented by our friend from Bonavista South, there are still many sections of the country which do not have the rudimentary and necessary medical services, and we have no hesitation whatsoever in supporting a petition of this kind.

The fact is, of course, Mr. Speaker, that the Government is very quick to announce programmes such as it has done this morning, which are great vote getters. But when it comes to providing the absolutely, the

MR. EARLE: elementary and rudimentary medical services, they very often fall down on the job. Now there is considerable money provided for this service, we hear this morning. But, at the same time, they cannot obtain the necessary doctors to take care of the people in other needs of medicine.

While we support a programme like this, I think we should, at the same time, urge upon the hon. Minister of Health that he redouble his effort to secure doctors and medical help and nurses and clinics for so many of the areas of the country where they are so sadly lacking. It is a question, Mr. Speaker, whether or not the first requirement of medicine should

not take precedence over a dental programme. This is a matter for debate. But a dental programme obviously aimed at the children, or the parents, is a much better vote getter than is an ordinary sensible follow up of a regular medical programme. This is why we get this sort of an announcement.

In spite of that, Mr. Speaker, I have no hesitation whatsoever, because I am very familiar with similar circumstances in many other parts of the Province, I support the hon. member's petition. I wish that he had presented it in the proper manner but, nevertheless, now that we have heard the proper explanation of it, I have no hesitation in supporting it.

MR. E. M. ROBERTS: Mr. Speaker, in speaking in support of the petition, let me say I had hoped the hon. gentleman opposite will be willing to treat medical services other than in a partisan and quite contemptible and politically way -

AN HON. MEMBER: Inaudible.

MR. ROBERTS: Let me, Mr. Speaker, in supporting the petition, say one or two things. First of all, my friend and colleague the member from Bonavista South, for a good reason, did not want to read it. This petition has been read, I will not have to read it. I was prepared to, except my friend, the "jack-jumps," from St. John's East, was on his feet and has read

MR. ROBERTS: it to the House.

He did not bother pointing out, Mr. Speaker, the letter which accompanied the petition, which I suggest was typed in an office in this building, on the ninth floor. I find it very interesting that Mr. Austin Maddocks is associated with a political party, a gentleman who took up the petition.

MR. CROSBIE: There is no law against that.

MR. ROBERTS: I am not saying there is a law against it, Mr. Speaker. Mr. Speaker in supporting the petition, I am pointing out also copies went to the hon. the Leader of the Opposition and, believe it or not, the member for Bonavista/Trinity Conception. Now, Mr. Speaker, I find this most interesting, that the mealy mouthed members opposite all of a sudden become interested in medical services. The hon. member for St. John's West was Minister of Health for eight months, I know what he did for the people of King's Cove, nothing. I know exactly what he did for the people of King's Cove -

MR. CROSBIE: Inaudible.

MR. ROBERTS: The hon. member might as well keep quite, I have listen and suffered and challenged him, let him listen and if he must suffer, let him suffer now. I know what the hon. gentleman did for the people of King's Cove and the people of Duntara, Mr. Speaker. I know that the hon. gentleman opposite, the member for St. John's East, when the Government announced in February we were going to expand the district medical practices, all of a sudden, all of a sudden he wraps himself in his cloak of sanctimoniousness and he becomes concerned, He is the one

MR. CROSBIE: Hurrah, hurrah!

MR. ROBERTS: Ah! look, saddle the unbraying ass, Mr. Speaker, and take him away.

But Mr. Speaker, in speaking in support of this petition, let me say, as I announced in February -

MR. CROSBIE: Inaudible.

MR. ROBERTS: Mr. Speaker, do I have to listen to this inane, nattering chatter? Mr. Speaker, I let him speak in peace. Now, Mr. Speaker, whether the man is demented or not I do not know, but, Mr. Speaker, let him at least show some decency and common courtesy. I realize it may be an effort for him.

MR. CROSBIE: Inaudible.

MR. SPEAKER: Order, please! Let us continue the rest of this debate uninterrupted. No matter who the person is speaking, for the balance of this day, let us make a little special effort to keep the debate within balance and within the bounds of reasonableness and, I would say, even decency. Let us keep it that way for the balance of this day, and if somebody wishes to interrupt, let him ask the Speaker, who will ask the person who is speaking, if he will permit a question and he will indicate whether he wishes to do so or not by either remaining on his feet or resuming his seat. Now let us keep it like this for the balance of this day and try and keep some dignity and semblance of order in this the people's House.

MR. ROBERTS: Thank you, Mr. Speaker.

MR. CROSBIE: On a point of order, I assume that the Speaker is going to apply that rule to both sides of the House?

MR. SPEAKER: Oh, yes.

MR. CROSBIE: Even to the Premier?

MR. SPEAKER: What is the point of order?

MR. CROSBIE: The point of order is that the Speaker's ruling should be made applicable to both sides of the House....

MR. SPEAKER: Is the hon. member insinuating that the Speaker's ruling is not applicable to both sides of the House? Is that the insinuation? Because, if it is the insinuation, and I see it as it is, I will ask him to retract it right now or let the House deal with it.

MR. ROBERTS: Take it back.

MR. SMALLWOOD: Retract it. Take it back. He refused to take it back. Will Your Honour now suggest to the House what action we take?

MR. SPEAKER: I have asked the hon. member, it is plain to me that the imputation made by the hon. the member for St. John's West is that the Speaker's ruling applies to one side of the House alone. I said, let the House refrain from breaking the rules and try and keep some semblance of order of decency in this the people's House. I then, according to the hon. member's remarks, for St. John's West, his inference was that the ruling that I was going to make or I had made did not apply to both sides of the House. I am asking him - the privilege of the House is being breached, when a person makes such a remark - I will ask him to retract it now or make his explanation.

MR. CROSBIE: Mr. Speaker, if you want an explanation, I will make an explanation, I say that I hope this will apply to both sides of the House. Now I have no intention of being kicked out by the hon. the Premier, in any little plot cooked up on the other side.

MR. SPEAKER: Look, this is still out of order. You are still out of order.

MR. CROSBIE: The Speaker asked me to make an explanation, and I am making an explanation.

MR. SPEAKER: I am asking the hon. member now for St. John's West to make an explanation satisfactory to the Chair. Because it

MR. SPEAKER: is a breach of the privilege of the House to insinuate, even by the slightest insinuation, that the rules of this House apply to one side and not the other. I ask for the explanation, to be satisfactory to me and to this House.

MR. CROSBIE: Mr. Speaker, I certainly do hope that all rulings apply to both sides of the House.

MR. SMALLWOOD: That is not satisfactory to the House.

MR. SPEAKER: Order please. This is the very thing that I asked for. Let us have no interruptions and bantering back and forth across this House any more for this Sitting. This is what I am asking.

MR. CROSBIE: Right. Let us see that it happens.

MR. EARLE: May I speak on a point of order, Mr. Speaker?

MR. SPEAKER: Which point of order?

MR. EARLE: The point of order that has been raised. I have a question now for the House.

MR. SPEAKER: I have not heard anybody mention a point of order.

MR. EARLE: Well I make a point of order, Mr. Speaker, an explanation of the hon. member's present position, which I think the House is entitled to feel justly was caused by last night's actions in the House. The feeling of this side of the House was that the rulings made at the closing of ...

MR. SPEAKER: Order please! This is not the point of order, what happened in the House last night is not the matter that is before the House at the present time.

MR. EARLE: Mr. Speaker, may I explain what has led up to this situation?

MR. SPEAKER: No.

MR. CROSBIE: Why not abolish the Opposition?

MR. SPEAKER: The situation in which we find ourselves now is that I have asked the hon. member for St. John's West - he has made the imputation that the Speaker's rulings in this House are for one side and not the other, and it will only apply to one side and not the other. That is the imputation. He has given an explanation, and I said that the explanation must be satisfactory to the House. It is the privilege of the House that has been breached, in my

MR. SPEAKER: opinion. Therefore, there has to be - I have heard the explanation does the House accept it?

MR. SMALLWOOD: No. Name the member Your Honour.

MR. SPEAKER: I will ask the hon. member, if he would, to -

MR. CROSBIE: There is nothing the Premier would like better than to have me expelled from the House so I completely retract any imputation or suggestion whatsoever that the rules do not apply to both sides of the House, completely and irrevocably, without any equivocation at all, say that the rules of the House apply equally to both sides and any imputation of that is not so. I completely withdraw and retract.

MR. SPEAKER: Will the hon. Minister of Health please continue.

MR. ROBERTS: Thank you Mr. Speaker, As I was saying, we announced at the Development Conference that we were going to expand our services. I can assure the House that one of the areas, and I think I announced that at the Conference by name I specified the King's Cove area, that part of Bonavista South District, when Father Beresford came to see me, it must be twelve months ago now, Your Honour, to discuss this, I assured him this was our aim. The Newfoundland and Labrador Housing Corporation, the Government's housing agency, have been ordered to begin construction. These orders were issued three, four, five weeks ago, to begin construction of a doctor's residence at King's Cove. They are now acquiring the necessary land. My own medical officials have been recruiting, (if we do not have any of what we had yesterday, for example, Your Honour.) A doctor we had recruited opened his mail and it was not a letter from any of his friends wishing him well, it was a letter which began: "Greetings, the President of the United States ..." and that gentleman, I gather, is now on his way to Viet Nam or wherever the Armed Forces will be posting doctors they have drafted.

But subject to that sort of problem, Mr. Speaker, there will be a doctor stationed in King's Cove this year. They say it has nothing to do with politics. My friend, the member for Bonavista South, has been after me consistently, for some time. Father Beresford came to see me, about a year ago, and we spent an hour or so discussing this, the need and the course that had to be taken. We have not been able to move before this, Mr. Speaker, because we have to maintain the basic cottage hospital service throughout

MR. ROBERTS: the Province.

In closing, Your Honour, may I again say that I am as willing as any man to engage in political discussion but I do rather resent it when people, for partisan motives, try to drag in, into the mire of partisan politics, matters as important as the health of our people.

We recruit doctors, Your Honour, whatever we can; any doctor who is qualified to practice in this Province, be he black or green or yellow or pink or orange or red or white. There is no limit on the amount of money available for doctors. If we can find a doctor, we will hire him. The House has voted authority to provide the housing that is necessary and so forth. So I do rather resent the cheap, partisan insinuations that all this is politics. It is not, Mr. Speaker. This is a matter of the health of our people. I would have thought that the hon. gentleman, who held the port folio of Minister of Health, would know some of the problems but apparently that seems to have escaped him in the heat of the debate. It is a matter of the health of our people, Your Honour, and I think that is much too important for any of this clap-trap that we have had here.

Anyway I do support the petition and I can assure the House and the hon. members, if it all works out as we expect it to, and we have every reason to expect it to, we will be having a doctor go to the King's Cove area at some point this summer. People need his services and he will be there to help them. Thank you Sir.

MR. COLLINS: After listening to the Minister of Health, one would think that all of us on this side of the House are opposed to medical facilities, wherever they might be in the Province. This petition came to us, I suspect it came to the hon. member for Bonavista South, we had discussions with him, as a courtesy. I repeat; as a courtesy.

We figured that being the member for the district he should have the opportunity to present the petition and, of course, we also indicated that we would support it. To hear the tripe which has been coming from the other side this morning, because we are supporting a petition -

MR. BARBOUR: Mr. Speaker, no hon. member from that side of the House ever did

MR. BARBOUR: confer with me up to this moment, so help me God!

MR. SPEAKER: Order please. This is not a point of order.

MR. BARBOUR: I have to defend myself.

MR. SPEAKER: This is not a point of order. Continue.

MR. COLLINS: However, Mr. Speaker, this is a very valid request from the people of Bonavista South, from King's Cove, Open Hall, Red Cliffe, Duntarra, Knight's Cove and some other places I have marked down but which I cannot remember (that is beside the point) that is the general area.

I would suggest that the medical services available to those people are not too much different from what was available to Indian Islands, where I came from, when I was growing up. Where you had to get a skiff and go to Twillingate. You had to get a punt and haul it through slob ice in the tickle in the winter time, if a woman happened to need to be delivered. This is what we have in Bonavista South, Granted they might not have to go to Bonavista by boat, they might not have to go to Bonavista by boat, they might not have to go to Clarendville by boat, but certainly the roads they have to go over are a disgrace. Can the hon. member stand up and say that the roads are paved into Clarendville, that the roads are paved into Bonavista?

Those people have had enough of this treatment, Mr. Speaker, and out of the desire to improve their lot, they decided to send a petition to this House. What is wrong with members on both sides of the House supporting a petition of this nature? I would suggest; nothing, Sir. I would also suggest that the hon. Minister of Health would have had no statement to make this morning until this petition had been presented. What I have seen coming from that side of the House, accusing us of being partisan and everything else, is a pile of nonsense and the quicker you forget that and get down to business, the better it will be for those people.

On motion petition received.

MR. JONES: Mr. Speaker, I would like to present a petition on behalf of the people of Stag Harbour, Little Seldom, Seldom, on Fogo Island. The petition has been signed, by their own count, by 344 voters of these three communities and it has been forwarded to me by Mr. Dan Roberts, Secretary of the Fogo Island Improvement Committee.

MR. JONES: The prayer of the petition is that the road through Seldom, Little Seldom and Stag Harbour be upgraded during the coming season. They point out that this road is of a low standard to begin with and that the use of the road has increased now with the increased usage of the fish plant at Seldom and Joe Batt's Arm and further by the use of a large school bus which has to go over it.

The people, Mr. Speaker, are a little bit annoyed, in Stag Harbour, with the fact that probably the only good gravel pit on Fogo Island is on the Stag Harbour Road and they see the gravel being taken from this pit and used, as far away, I believe, at one time, as Tilting. Their request is reasonable, Mr. Speaker, I support it and I trust that my colleague, the Minister of Highways, will, in his roads programme for Fogo Island this year, where we are doing some extensive quarrying and crushing for granular material, will be able to spare some to put on Stag Harbour Road.

I beg leave to place this petition on the table of the House and ask that it be referred to the Department to which it relates.

MR. EARLE: Mr. Speaker, I should like to support this petition very strongly. Knowing some of the conditions on Fogo Island, I can well recognize the need of this petition, and the people in the area mentioned are certainly entitled to better road connections.

Undoubtedly Fogo Island has presented many problems to this Government and will continue to present them to other Governments, but the people themselves have been most forward in helping themselves and they deserve the greatest consideration. The people of Fogo Island, I think, have set an example to many other sections of the Province. Certainly to carry on their day-to-day activities they need the most normal communication facilities, which, of course, in this case is roads.

They have been, literally for centuries, without good roads on that Island. We heard quite an expenditure being allocated for other sections of the Island, this year when the Highways road estimates were being discussed, but we did not hear of any particular money for that particular section and, knowing the area and the importance of this particular section of the Island

MR. EARLE: to the whole economy of Fogo Island, they deserve the greatest consideration.

In closing, in supporting this petition I would like to say that while this is of very much importance and should be given priority when considering Fogo Island, the same conditions apply to so many other areas of the Province that it is quite inconceivable that something of this nature be done for Fogo Island and that other parts of the Province be neglected.

So, while I hope that this is carried out by the hon. the Minister of Highways and his Department, I would also draw his attention to other sections which need equally as much attention and should get it.

MR. COLLINS: Mr. Speaker, it gives me great pleasure to rise in support of this petition from the people of Stag Harbour and Little Seldom. Certainly if there is anyone in Newfoundland who have had to meet almost overwhelming problems, overwhelming odds, it is the people of Fogo Island, down through the years, especially this past twelve or fifteen years.

Those people, Mr. Speaker, are not asking for a paved four-lane highway, they are asking for a highway which will permit a school bus to run from Stag Harbour and Little Seldom to the new school which is now under construction, I believe, on the centre part of the Island. They are asking for suitable road conditions so that their trucks can move into the fish plant in Seldom and the fish plant in Joe Batt's Arm and Deep Bay. Those people are asking for the facilities which other people of Newfoundland have been enjoying for years, on the Trans Canada Highway and other roads.

I can appreciate that funds cannot always be found immediately to solve all of the problems but certainly those people have waited long enough, they have endured enough. I hope that the member for the district, who happens to be the Minister of Finance, has been talking with the Minister of Highways, I do not know how sympathetic he is to it but I think that he is. I have also heard that there is a possibility that the Minister of Highways might be seeking election in that district, so certainly I would say that the people in Stag Harbour and Little Seldom have a real good chance, hopefully, of

MR. COLLINS: getting their road work this year.

MR. ROWE (F.W.): Mr. Speaker, I would like to support that petition presented by my colleague, the member for Fogo, I do so not merely for sentimental reasons, although I have very strong sentimental reasons for supporting it. I was not born on that Island but both my father and my mother came from two different settlements on the Island, in one case Joe Batt's Arm and the other case Seldom Come By, probably two of the most famous place names, I think, in our entire Province. To be still more personal, my grandfather was responsible, I believe, for founding one of the communities on that famous Island which is, among other things, the largest Island lying off the coast of Newfoundland.

I would like to support that petition for practical reasons as well. I do not think that an Island so large and so important as that Island has been in our economy in past years, should be written off. That Island, I would judge, is nearly forty miles on the round, it is about ten miles across, I walked across it once, as a boy visiting there, and it is an Island that contributed a great deal in the past, a great deal of wealth to Newfoundland. Of course the wealth has not merely been in the form of fish, because the Island has historic communities of Fogo and Tilting and Joe Batt's Arm and Seldom, historically, have made great contributions to the culture and the economy and indeed to the very life of Newfoundland.

I believe that there is a future for that Island. The population has remained fairly constant there. Not much less today, if any less, than it was twenty-five, thirty years ago, still about 4,500. I do not think the population on the Island itself ever exceeded 5,000. The people have indicated a tenacity and a determination which must arouse the admiration of everybody in this Province. Anything that can be done, and a great deal has been done, let us be fair about this, a great deal has been done. There are now I think thirty-five miles of road, motorable road, on the Island, some of it not very good, of course. That is thirty-five miles more of motorable roads than was there twenty years ago. There are other improvements as well, that I think the House must be aware of. Fogo Island has not been neglected, anymore than any other area with similar problems in Newfoundland has been

MR. ROWE: neglected, but it does have very special problems and anything that this House can do and anything that the Government can do, and anything that the Province generally can do, to improve conditions on that Island, within reason, should be done. They are a fine people. They are a people that the rest of Newfoundland can be very well proud of, and I believe that Island and its people do have a future.

MR. CROSBIE: Mr. Speaker, I would like to support the prayer of the petition. There is no question at all that the roads on Fogo Island should be improved and they leave a lot to be desired now.

Mr. Speaker, it is always very interesting to hear the hon. Minister of Education speak on his family line and descendants. He has more connections with more electoral districts on this Island than one would have thought possible. He claims connection with Lewisporte District, Fogo District, legitimate, as the Minister of Health says...

MR. ROWE: They are all legitimate.

MR. CROSBIE: Well it is always interesting to hear that one of the Minister's forebearers was from Seldom Come By, because last night at the Press Club, the Premier was saying how the Premiership almost came by the hon. gentleman opposite. He blamed the fact that it had not come by on the man who is speaking now, that is what is called re-writing history. This is re-write history that the Premier is engaged on.

In connection with Fogo Island, Mr. Speaker, Fogo Island is surviving and increasing in prosperity now and, with hope, despite acts of omission and acts of commission by the Government. I think anybody that knows what has happened to Fogo Island in the last four or five years realizes that despite the lack of action by the Government, the people there made their own decision, that they were going to stay on Fogo Island and make a viable place of work and living on Fogo Island and that is what they are doing, with their own efforts.

They have not forgotten ADA programme or the promised ARDA programme, they have not forgotten the mini-FRED programme that the Premier went to Fogo Island to announce in 1967, when the Federal by-election was on. They do

MR. CROSBIE: not forget that they were promised the first FRED programme in Canada, which was going to be a mini-FRED, which never materialized. I presume that they are now being promised, of course, even greater things, under the DREE programme.

But despite the fact that they have had these disappointments Mr. Speaker, they have persevered. They have had some assistance and they are coming ahead and I hope that a decent road system will be one of the things that will be commenced on Fogo Island this year. So I fully support the prayer of this petition and hope that the Minister of Highways will use some of the money, that we voted for him earlier in the week, on the road to Fogo Island.

On motion petition received.

ANSWERS TO QUESTIONS

MR. ROWE (W.N.): Mr. Speaker, I have the answer to question no. 552 on the Order Paper of Monday, May 10, 1971, asked by the hon. member for Fortune Bay. It is quite lengthy, Mr. Speaker, I will not even attempt to read it. I have two or three copies for members of the House who are interested.

MR. STARKES: Mr. Speaker, I have the answer to question no. 44, asked by the hon. member for Fortune Bay, on the Order Paper of March 25, 1971, and I also have the answer to question no. 179, and question no. 423. I wish to table these answers.

MR. MARSHALL: Before we get to Orders of the Day, there is a question I would like to ask the hon. Minister of Health; has he yet received a report, to which he referred last week, about the Chamberlains Pond and has any action been taken to date on it?

MR. ROBERTS: Which pond?

MR. MARSHALL: The Chamberlains Pond, Chamberlains Pond, in Conception Bay. The Minister will recall we talked about it during the estimates and he said that a Division of the Department of Health was investigating it and they would be submitting a report to him shortly.

MR. ROBERTS: Mr. Speaker, I have not received that report, as of five of ten this morning, when I left my room at the office. When I get a minute, I will find out where it is.

ORDERS OF THE DAY

MR. CROSBIE: On Orders of the Day, could the hon. the Premier bring the House up to date on the position of the Come By Chance wharf. The Federal Government has announced that the Provincial Crown Corporation have agreed to guarantee repayment of the money to be spent on that wharf and also interest over a twenty-five year period, that is the Provincial Building Company Limited, and Provincial Refining Company Limited. The last time the Premier spoke on the matter in the House, he was denying in effect that this was so. Does the Premier now confirm or deny that the statement made by Mr. Lang, in the House of Commons yesterday, is correct and whether or not the Provincial Crown Corporation are about ready to enter into an agreement with the Federal Government?

MR. SMALLWOOD: I could, of course, ask for notice of the question, but I hereby confirm what I have said right along and what Mr. Lang now confirms correct.

MR. COLLINS: Mr. Speaker, I have a question for the Minister of Community and Social Development, is he now in a position to advise the House when the DREE programme might be signed.

MR. ROWE: On that Mr. Speaker, I can only say at the moment that the Government are presently awaiting some additional material to come from the hon. Jean Marchand, Minister of DREE, in the Department of Regional and Economic Expansion.

Mr. Tom Kent told me on Thursday last that this was in the mail and I am expecting it daily, and this should expedite the signing of that agreement. We expect to sign it very shortly, Mr. Speaker.

MR. CROSBIE: Mr. Speaker, could the Premier let the House know who is correct, whether it is Mr. Davis, the Canadian Minister of Fisheries, or the Premier, Mr. Davis is quoted, in the Canadian Hansard of the House of Commons, as stating that in their telephone conversation several days ago he informed the Premier that the salmon fishing regulations were reasonable and that they would be

MR. CROSBIE: enforced while the hon. the Premier has denied that statement.

Does the Premier still deny what Mr. Davis has said, that he was told this in their conversation? Silence is golden.

MR. HICKMAN: Mr. Speaker, would the hon. Minister of Health, indicate to the House whether he or his officials have received a renewed complaint from the residents of Woodford, Holyrood in

MR. HICKMAN: connection with a nuisance being created by a piggery and hennery in that area.

HON. E.M.ROBERTS (MINISTER OF HEALTH): Mr. Speaker, surely this is a question for the Order Paper. I have received no such notice. To my knowledge, my officials have not or, if they have, they have not told me about it. Surely, it is a question for the Order Paper, as the hon. gentleman knows.

MR. COLLINS: Mr. Speaker, one final question for the acting Minister of Municipal Affairs: Can he advise the committee of the status of the application from the people of Norris Arm with regard to incorporation, and also, from the town of Northern Arm?

MR. ROBERTS: Mr. Speaker, surely that is a question for the Order Paper.

MR. CROSBIE: Mr. Speaker, a question for the hon. the Premier. Has the Government consulted with Bowaters and Price (Nfld.) Ltd. on the close downs, temporary close downs or shut downs, announced by both companies to take place this summer, and has the Government taken any steps to ascertain whether or not the financial position of those companies does dictate this slow-down or lay off during the summer?

MR. SMALLWOOD: Yes.

MR. CROSBIE: What were the results of the consultation?

MR. SMALLWOOD: You will find out.

MR. CROSBIE: When?

MR. SMALLWOOD: In time.

MR. SPEAKER: Order please!

MR. CROSBIE: In due course?

MR. SMALLWOOD: Before the century is over.

COMMITTEE OF SUPPLY:

MR. CHAIRMAN (NOEL): Order! Heading (13), municipal Affairs and Housing, page (59). Shall item 1311-03-10 carry?

MR. CROSBIE: Now, Mr. Chairman, when we were ending up last night, I was discussing this item which is water and sewer systems. The vote

is \$2,350,000. At that time, Mr. Chairman, I was pointing out to the House that the Government's policy in connection with the water and sewerage systems has been or at least was, unless it has been changed recently, that after a municipality constructs a water and sewerage system with the assistance of the Government, (usually it is by means of a guarantee of a bond issue) in most cases, the citizens of that particular municipality cannot afford to pay a sufficiently high water and sewage rate to meet the principal and the interest and the cost of operating the system. So, the Government's policy has been that the Government itself pays a subsidy to the municipality concerned, to make up the difference, between what the citizens can be expected to pay, say, five or six dollars per month, per household, and what the costs are to meet principal and interest and the charges of operating the system. Those costs could be ten or twelve dollars per household, per month.

The policy was Mr. Chairman, that the maximum subsidy that the Government would give was \$75 thousand a year. That maximum subsidy was the amount that the Government would give in the Town of Windsor, the town that is in the district of the Minister of Education; that was the maximum. Then there was a sliding scale of the amount of assistance the Government would give, up to \$75 thousand, depending on the population of the town and so on.

As I pointed out last night, Mr. Chairman, that in answer to a question tabled in the House this year, question no. (253), it was shown that in the financial year, 1969 - '70, that ended March 31, 1970, the Town of Happy Valley was paid, in connection with its water and sewerage system, an amount of \$147,832.52. The question I asked was whether or not this was an annual subsidy being paid to the Town of Happy Valley or whether this was an amount that had to be paid in that year because of some emergency that will not occur again. In other words, if \$147 thousand has to be paid each and every year, to the Town of Happy Valley, to help subsidize the water and sewerage system then that is twice the amount that is paid to all the other municipalities in Newfoundland. 4729

Windsor, for example, is \$75 thousand. I think I gave some other figures from 1969 - '70, as to the subsidies paid certain other systems. One was Bishops Falls, which, for example, in 1970, received a total amount of \$71 thousand approximately, as a subsidy in its water and sewerage system. So, the question is, is this amount of money that was given to Happy Valley in 1969 - '70, an annual amount? Did it have to be paid in 1970 - '71, and on this amount of \$2,350,000, will \$147 thousand have to be spent this year, given to the Town of Happy Valley?

Now Mr. Chairman, the Town of Happy Valley had a very unhappy experience in the installation of water and sewage facilities in that community. There was trouble with the design of the water and sewerage system. There was trouble in the construction of it. The cost went up tremendously, due to all these problems. Now, my question is, due to all these increases in costs, does this amount of \$147 thousand have to be paid each year? If not that amount, what amount was paid the Town of Happy Valley last year in connection with its water and sewerage systems?

MR. SMALLWOOD: \$70 thousand on capital account, and the remainder was the ordinary annual amount.

MR. CROSBIE: How much is that?

MR. SMALLWOOD: The difference between seventy and one hundred and thirty seven, or whatever the figure is.

MR. CROSBIE: Apparently then, last year Mr. Chairman, \$137 thousand was paid the Town of Happy Valley in connection with water and sewage systems. The Premier says an amount of \$70 thousand for capital. That must mean that there are extra costs that the Town could not meet, and another amount totalling \$137 thousand. Then, the next question, Mr. Chairman, is; what has to be paid Happy Valley this year? How much is allowed for it in the estimates this year, to be paid to Happy Valley, in connection with the water and sewage systems?

MR. SMALLWOOD: This \$70 thousand is allowed to pay the cost of an extension to their system. There is no extension proposed this year, so there will be no capital grant for this year. Just the ordinary operating grant.

MR. CROSBIE: How much is that?

MR. SMALLWOOD: \$75 thousand.

MR. CROSBIE: Well, then the policy still remains the same. The annual grant is \$75 thousand. Mr. Chairman, if an amount of \$75 thousand was spent from last year's vote, under this vote, for capital purposes in Happy Valley, the vote was wrongly expended. This is a vote that, to me, it is not a capital vote; it is an amount paid to a municipality to help subsidize the cost of operating a water and sewerage system. It is not a vote that normally an amount, a capital expenditure, is spent out of. In other words, this \$75 thousand should not properly have come from this vote last year, for capital purposes in the Town of Happy Valley. Apparently, the maximum subsidy is to be \$75 thousand.

Now in connection with the water and sewer systems generally, Mr. Chairman, the House will remember that in 1966, the Government instituted, against opposition from those who knew better, the Government instituted a water and sewer system subsidy to be paid to municipalities that had to do with the water and sewer rates of each municipality. In other words, if the people of Happy Valley, or Bishops Falls, or Windsor, or whatever the municipality was, were paying water and sewer rates of six dollars per month per household, the Government instituted a scheme, under which the Government was going to pay twenty per cent of those rates. This was widely advertised as the election came on. In fact to all of the municipalities concerned there went a letter from the Premier to the householder, advising them that from then on, from the fall of 1966 on, the Government ~~were~~ were going to pay twenty per cent of what that householder had to pay the Municipal Council. They were going to pay twenty per

cent of their water and sewer rates, directly to the council, so that it would cost the householder twenty per cent less.

In fact, as I remember the letter, (and I am sure that there are lots of them still around, I have one down in the office) it went further than that. It said that it was going to be twenty per cent this year, 1966 - '67, and in the following years it is going to be advanced another twenty per cent; "so that all you lucky people who have water and sewer systems in your municipalities and have to pay water and sewer tax, you are going to have twenty per cent of your tax paid by the Provincial Government, to help you along. In fact, after the first year or two, we are going to increase that to forty per cent."

In 1968 or '69, I am not sure which Budget Speech it was, but it was one of those years '68 or '69, in the Budget Speech of that year it was announced by the Government that the water and sewer subsidy that the Government was paying, in connection with each householder, was eliminated - and the Government has not paid it for the last two years. My question to the Premier now is this: Is the Premier going to reinstitute, or is the Government going to reinstitute this water and sewer subsidy of twenty per cent, or forty per cent, this year, and carry out the programme that was commenced in '66, and carry out the promises that were sent out in individual letters, from the Premier to each householder in these municipalities in 1966? Does the Government plan to reinstitute that subsidy this year or next year? We know that this is the year of increasingly loose money, Mr. Chairman. We know that the tight money period is gone. We know that money is becoming very, very loose, very loose indeed. Could the Premier now tell the House whether the policy that he announced in '66, that was in effect for two years, is going to be reinstated and these solemn promises carried out?

MR. SMALLWOOD: It will not be renewed this year.

MR. HICKMAN: Mr. Chairman, on the details submitted in answer to a question, number (251), asked by the Leader of the Opposition, the Minister of Municipal Affairs indicated there are surveys which have been carried out or are in the process of being carried out in various municipalities throughout the Province to decide whether water and sewer systems should be installed.

I understood yesterday, from a comment by the hon. the Premier that these surveys are in really two categories. There is the preliminary survey, followed by a detailed survey. I would assume, therefore, when a preliminary survey is complete, that preliminary survey will give some indication as to whether the municipality can afford the system, whether the need is there and that it would tie in with the tax base of the municipality.

MR. SMALLWOOD: Awfully warm! Getting warm!

MR. HICKMAN: May I direct the hon. minister's attention to the ...

MR. CROSBIE: To a Point of Order, Mr. Chairman, if the hon. member does not mind.

MR. HICKMAN: I do not mind.

MR. CROSBIE: The hon. Chairman was here when the Speaker, a few minutes ago, directed and laid down that there were to be no interruptions today. I am quite willing to abide by that, if it is abided by on the other side of the House. We have already had interjections, commencing from the Premier now. If he is to be permitted interjections, there will be interjections from this side. That is all I am pointing out.

MR. CHAIRMAN (NOEL): No hon. member shall interject while another member is speaking, as all hon. members know.

MR. HICKMAN: Thank you Mr. Chairman.

May I direct the committees' attention to the answer to the question, as it applies to certain municipalities. (1) We had some debate on this yesterday, the Municipality of Lawn. There it is indicated that

a detailed survey is in progress, yet, at the same time, this Committee was told yesterday that tenders had been called and that the lowest tender was \$387,000. as opposed to an estimate, which was given by the council prior to the survey, of \$200,000.

Surely Mr. Chairman, if tenders were called, the detailed survey must have been completed, otherwise, you could never get a satisfactory tender. Now, I see the hon. former minister nodding his head. I can take it then that the detailed survey for the Town of Lawn has been completed. That being so, will the Premier indicate to the Committee whether or not a water and sewer system will be installed in Lawn, commencing this year?

MR. SMALLWOOD: The Government have not decided. We have a tender of \$387,000., the lowest tender. We have another tender of \$444,000. The amount that was agreed on was \$200,000, and to increase it from \$200,000 to \$387,000 is an increase of \$187,000 on that system. The Cabinet have yet to decide whether to do so or not. When it is decided, the announcement will be made. As it has not been decided, the announcement cannot be made.

MR. HICKMAN: Mr. Chairman, if we may now proceed to Red Harbour. More than a year ago, there was a - at the last session of the House, in answer to a question tabled at that time, the then Minister of Municipal Affairs indicated that a water and sewer system would be installed in Red Harbour. This year, in reply to a question, there was an indication that the cost again had gone beyond expectation. The information, furnished in answer to this same question that I referred to earlier, is that the detailed survey for Red Harbour has been completed by Engineering Services Limited, at a cost of \$7,563.07. Will the minister or the former minister indicate whether a water and sewer system will be installed in Red Harbour this year?

MR. SMALLWOOD: The contract has been let.

MR. HICKMAN: Will the hon. minister indicate the name of the firm to which the contract has been let, and the price.

MR. SMALLWOOD: Yes, M.& M. Construction, at a price of \$175,000.

MR. EARLE: Mr. Chairman, concerning water and sewage, just one question...

MR. SMALLWOOD: That is C.C.M., not M.&M.

MR. EARLE: One question concerning water and sewer works. Last year on April 22nd. when the hon. Minister of Community and Social Development made his statement, containing an announcement that \$82 million was to be spent, approximately \$82 million, under the DREE agreement, he mentioned in these various water and sewer projects "the projects in St. John's and special areas, included serviced industrial park water and sewer works. In Corner Brook the projects include an industrial park, as well as road construction and water and sewer services. In other special areas, the projects are designed to meet, particularly, priority needs for schools and water and sewer services.

This morning I received the answer to a question, and I was just totting up the total of what was spent under the DREE agreement last year, on water and sewer services. According to this, unless my figures are wrong, it is approximately \$1 million out of the \$82 million that was promised. The total expenditure, as indicated by this answer, was only \$13,000,800. anyhow. Actually these figures, there may be some things missing, but this figure here says \$15,380,000 by way of loans and grants. That is correct.

The question which I asked, in the light of the fact that \$82 million was supposed to be spent under this agreement last year.

MR. ROWE (W.N.): There was never any indication that \$82 million was to be spent last year.

MR. EARLE: The statement was made that the \$82 million agreement had been signed.

MR. ROWE (W.N.): \$42 million was the ceiling of expenditures last year. \$82 million was committed by Ottawa.

MR. EARLE: Be that as it may, the fact is that only \$1 million was spent last year on water and sewer projects, with DREE money. This year we hear that \$23 million or more is going to be spent on water and sewer projects. I should like to ask the acting minister what commitments have been made by DREE, for exactly how much money, to be spent this year on water and sewers. Coupled with that, how much will the Provincial Government undertake to spend from its own funds on water and sewerage?

MR. SMALLWOOD: I will be able to tell the hon. gentleman that in a week or two. I cannot tell him today, I do not know.

MR. HICKMAN: While we are still on this item, Mr. Chairman, there are a couple of other places I would like to hear Government plans on. Again, in answer to the question that I referred to earlier, there is an indication that surveys have been undertaken by the Engineering Division of the Department of Municipal Affairs, which is a preliminary water and sewer survey for the areas known as Little Salmonier, Burin Bay Arm, and Salt Pond, Burin. Now, why I refer to that and why it is very relevant and goes to the very essence of this vote, Mr. Chairman, is that from time to time municipalities in this Province extend their boundaries and take in adjoining communities. They do it in close consultation with the Department of Municipal Affairs. I am sure the Department of Municipal Affairs very much encourage this. They have to approve it before the actual - the minister has to approve it or recommend it before the actual extension can take place.

The advantage that accrues to the Government by having boundaries extended, is that the municipality relieves Government of some of the responsibilities for public services. For instance, in the unincorporated areas, it is either the local road board or the

Department of Highways. Now, these services are assumed and the responsibility for it by the new municipality. This is as it should be, and this is how you get the kind of planning and control that is necessary for the orderly development of municipalities in Newfoundland.

At the same time, when a municipality has to make this decision to extend its boundaries, obviously, it must be very conscious of the expenditure that must necessarily fall in order to provide the people in these new areas with water and sewer facilities as well as other municipal services.

In that Little Salmonier, Burin Bay Arm and Salt Pond area, this issue has been a very live one for the past several years. Sometimes it generated a great deal of controversy as to whether or not these people would vote to become part of the Town of Burin, and alternatively, whether the Town of Burin could afford to take them in within the boundaries. Last year a final decision was made and the decision was that they be incorporated within the municipality of Burin, and that has been accomplished. Hand in hand, with that decision, was the understanding that municipal services would be extended to that area. When you realize that that area is really a ribbon development and it is a very expensive ribbon development, in that the houses are scattered along about five or six miles of highway, You can see that the cost of the municipality providing these services on its own is completely beyond its reach.

I am sure that the former minister will agree that at a meeting with a delegation from the Town of Burin that there was an understanding reached, that funds would be made available following a survey to provide water and sewer facilities for what is known as the Burin Inlet Area. The hon. minister shakes his head. If he shakes his head, I might as well tell him that there is no member of the Burin Town Council that has that understanding. I know that representations are still being made, and obviously, the survey was

carried out as a result of these representations to have water and sewer facilities extended to these three communities, which now form part of the municipality of Burin.

This question was answered March 29th. I think, and as the preliminary survey was then completed or under way, I would appreciate the hon. Premier indicating to this Committee, (1) the estimated cost of this project, as a result of the preliminary survey. (2) will water and sewerage facilities be extended to these three communities this year, or work commence this year?

MR. SMALLWOOD: We will tell the hon. gentleman a little later on. We cannot tell him today.

MR. CROSBIE: That is tremendously interesting information, Mr. Chairman. A very full report on that question: "Be able to tell the hon. gentleman later on." There are several other areas that are quite important.

MR. SMALLWOOD: I did not say later on.

MR. CROSBIE: Later on, yes.

MR. SMALLWOOD: I did not say later on, I said "a little later on."

MR. CROSBIE: My lips are sealed to interjections.

MR. CROSBIE: Now, Mr. Chairman, I will not tolerate interjections today. Mr. Chairman, there are several other areas that I would like some information on. One is the Placentia area. The Placentia Town Council has been endeavouring, for at least the last five years, to have improvements made to their water system in the town of Placentia itself. In fact, they were in to see the department when I was the minister and that was in 1966 - 67. The town of Placentia presently has a water supply, but a water supply that cannot be expanded upon. I think the water comes across the harbour from the other side, from Larkin's Pond. Anyway, there is a heavy demand on that water and the town of Placentia badly needs a water supply.

There have been quite a few studies done as to an alternate water supply. As far as I know, up to the present time there has not been any work commenced on a new water system for the town of Placentia. I remember reading several weeks ago that in the committee at Ottawa, discussing the future of the Placentia area, it was said that one of the reasons why it was very difficult to attract industrial or economic development to the Placentia - Argentia area was the fact that there was not a good supply of water in that area for industrial or other purposes, and that this was one of the main impediments to this Federal Committee (I have forgotten the name of the committee now they have set up for...)

MR. HICKMAN: The Task Force.

MR. CROSBIE: The Task force for the Argentia area. Dr. Page, Anyway this was one of the impediments. We understand, at least I understand that the Government are trying to attract, as one would expect, business or industry to the area. In fact, the Premier said the other day there was a ship from Israel, an oil drilling ship, going in there, which one assumes is going in there for some purpose, to have some work done or to use it as a base of operation. It is very important that the water system, I suppose not only of Placentia, but of the whole area, be improved, if at all possible, for these reasons. I wonder if the Premier could bring us up to date as to what the situation is at Placentia, on their need there for a water system, and whether any money is to be spent this year and the possible cost of same?

Hon. J.R. Smallwood (Premier): This matter is under very active consideration by the Government, under very active action by the Government. In our consultation with DREE, and with the Government of Canada generally, as the committee knows Argentia, Freshwater, Jersey Side, Dunville, Fox Harbour, Point Verde, all that area has not as yet been designated a special area under the DREE plan and is, therefore, not entitled as a special/would be entitled to receive infrastructure grants or loans. The job that is to be done, will cost a minimum of \$1 million to do. Obviously, while we have an active hope and an active expectation that that area will be designated a special area under DREE, which if it happened would entitle it to special financial considerations by DREE, the Government are not hurrying to announce the calling of tenders or any other overt action of that kind.

We hope to be in a position and we hope more than anyone in the world except for the people who live there, except for them, we hope more than anyone hopes that we will be in a position to do so.

MR. COLLINS: Mr. Chairman, with regard to water and sewer programmes in DREE areas, in the area of Central Newfoundland; the town of Botwood has made a submission requesting water and sewer extensions in the town, which are badly needed. There are sections of the town, even older sections, without sewer, other sections without water and sewer. The town of Bishop's falls has made similar requests for the completion of servicing to the households in the community.

The town of Gander has made a submission for an entirely new water system. They are presently purchasing water from the Department of Transport, at a cost of \$90 thousand per year. They have the idea that with a new system they could possibly sell to the D.O.T. and they have made a submission for an entirely new water system for the town. There is a submission in here from the town of Glenwood, for an extension to water and sewer systems. There has been an indication, I was going to say a promise, maybe I can say a promise made to me, that a survey will be carried out in the town of Appleton, for a new water and sewer system.

There is a need for an extension in Peterview, and a submission has been made on that.

All of that area falls within the DREE areas and they have designated it area no. (1) of Newfoundland. Can the acting minister tell me if those plans have been approved and submitted to DREE? What the status of it is with DREE? If there is no chance of DREE acknowledging that those are dire needs and that they will finance them, is the Province considering financing those projects?

MR. SMALLWOOD: Mr. Chairman, the work at Bishops Falls is proceeding.

MR. COLLINS: That is the water supply, that is not the sewerage.

MR. SMALLWOOD: The construction is going ahead now in Botwood. The position is as follows; Botwood is in a DREE area, DREE area no. (3), and is therefore eligible, in principle, to financial help from the Government of Canada. They need about \$300 thousand to do what has to be done in Botwood. The Government have put that to DREE. We have not as yet received an undertaking by DREE to provide money nor any money nor any part of that money for that purpose for Botwood. We have not as yet received any assurance from DREE. The position at Botwood is that DREE or no DREE, even if DREE had never been heard of, Botwood is in a position to perform this work, with the normal help that the Government of Newfoundland gives anyway. Even without DREE, If this must be done it will be done. If the only way they can get their service in Botwood is to do it in the normal way, with the normal Newfoundland Government help, we will give that help and the job will be done as a result. If it can be done through DREE, that is even better, because it releases that much money of the Newfoundland Government to be spent elsewhere. We do not propose, wherever we can get DREE. (I apologize to the House for my strained voice. I have been told that there are a lot of colds going around hitting the throat. I never had a cold in my throat before. I hope it is not cancer, I am sure the Opposition also hope that it is not cancer. I hope they join with me in great sympathy, hoping that I do not have the beginning of cancer of the throat. So, I apologize for the strange sound that is coming out through)

We obviously, very obviously, I do not think it is a matter for argument nor disagreement. We obviously want to get from DREE all that we can get to spend in this Province, whether it be for roads and water and sewer systems, schools, paving or parks or anything else. We want to get all that can be had from DREE, to be spent in this Province. The more that can be had from DREE, in DREE areas or special areas, the more money we will not have to spend in those areas and, therefore, money we will have left to spend in the non-special areas. We would prefer to get this money for Botwood from DREE but, if not, then we will back Botwood ourselves.

That should be good for at least six speeches more.

AN HON. MEMBER: (Inaudible)

MR. SMALLWOOD: Yes, and what I just said should be good for at least six speeches, and I answer and then six more speeches in reply.

MR. CROSBIE: Who has the floor here?

MR. EARLE: Mr. Chairman, I am not going to try to buck that in any way, I just want to ask a question. In light of the answer which I received from the acting Minister of Supply, which was most unsatisfactory, because it indicated that he did not know what the future commitments would be for expenditure this year, which would automatically indicate that the amounts we are voting may be completely wrong. This House may well be asked for supplementary supply of very substantial amounts, later on, because these amounts may not be included.

Actually, if DREE supplies money, so much of it is by loan and so much by grants; so the Provincial Government will have to find a certain proportion. Quite apart from that, last year, when this announcement was made, there were included in it, for water and sewage systems, projects totalling \$8,000,473.00. It is true, as the hon. Minister of Community Services announced, that this agreement has until June 30, 1972 to be completed. I would like to ask the hon. acting Minister of Supply - of Municipal affairs - just what projects have been approved by Ottawa and what do they total at this stage. If he cannot give the answer as to what

we may expect in the future; what is the present commitment in total? Because I see a list here of a number of places such as Arnold's Cove, Port au Choix, industrial park sewer, and a number of others. I would like to know which of these are being approved and when we can expect them to be completed?

MR. SMALLWOOD: If the hon. member is asking me to give him the names of the water and sewer projects that have been approved in the sense that they have been approved publicly, I can only say that this has already been announced. All of these names have been announced and they are well known to the House, to the Committee. If he is asking me to give him the names of the projects that are to be in the new DREE agreement, I fear I cannot do it. I could do it but it would not be proper until that agreement is signed and Ottawa has the privilege of making the announcement at the same time that we make it. What is to be done in the new DREE agreement will be announced in due course and will be announced by my hon. colleague, the Minister of Community and Social Development.

MR. EARLE: Pardon me, may I ask which one of last year's lists have been accepted by Ottawa? The \$8 million, which I mentioned, which ones have been accepted and approved by DREE?

MR. SMALLWOOD: Which ones? I do not understand the question. Is he asking me, of those that have been accepted, how many have been accepted? Of those that have been accepted, the number that has been accepted is all.

MR. EARLE: What are the places?

MR. SMALLWOOD: I do not understand his question, I am sincere. If he would make the question a little clearer perhaps, you know, stunned and stupid, as I am, then perhaps I may understand it.

MR. EARLE: I am quite sincere also, Mr. Chairman, the projects which have been announced as being included in last year's agreement were trunk sewer, Mount Pearl, water supply, Mount Pearl, trunk sewer, Mount Pearl, these are different amounts, sewer...

MR. SMALLWOOD: The hon. gentleman, if he will allow me, he is not really asking about DREE projects at all, is he? Some are DREE and some are not.

MR. EARLE: These are all included in the DREE projects of last year.

MR. SMALLWOOD: Yes, they are going ahead.

MR. EARLE: These are. Now there is a list of about twenty of them which were announced last year. All I am asking is, which of these have definitely been accepted and approved by Ottawa, by DREE?

MR. SMALLWOOD: All, without exception.

MR. EARLE: I do not think so.

MR. SMALLWOOD: Oh'. Then which one? Same one? What one has not?

MR. EARLE: Can the hon. minister name the places?

MR. SMALLWOOD: No, the hon. gentleman name the place that has not. We have named them all. Name the one that is not.

MR. HICKMAN: Port au Choix.

MR. SMALLWOOD: Port au Choix is agreed, and going ahead, accepted.

SOME HON. MEMBERS: No, no, no, no.

MR. COLLINS: Is Arnold's Cove?

MR. SMALLWOOD: Yes, yes.

MR. EARLE: Bishops Falls?

MR. SMALLWOOD: Name one that is not. We say they all have been, now name one that has not.

AN HON. MEMBER: Port au Choix.

MR. EARLE: I will put it this way, is the trunk sewer for Mount Pearl approved?

MR. HICKMAN: And going ahead?

MR. SMALLWOOD: Look, excuse me! I will not be cross-examined in this way. I will not. I say all have been. Now, name one. If the hon. gentleman knows of one that has not, name it.

MR. EARLE: All right; Port au Choix.

MR. CROSBIE: Port au Choix, Mr. Chairman.

MR. SMALLWOOD: Port au Choix has been. There is a hitch, but it has been. It has been agreed in principle but there is a hitch at the moment.

MR. CROSBIE: Right. This is a question of semantics, Mr. Chairman. It is quite right when the Premier says these are approved in principle, but there

is a big difference between being approved in principle and actually approved to go ahead, because, as the House knows, we have been discussing this for the last several days and it was discussed yesterday in the case of Lawn. Approval in principle means that there has been a preliminary study done and at a certain estimate DREE agrees, the Federal Government agree to the project as well as the Provincial Government.

What happened in Port au Choix was that the prices were found to be too high. It is going to cost considerably more than the original estimate. Now Port au Choix is approved in principle, but it is not approved in fact, because the tenders were called, the prices were too high, now they have cut out the sewer and are only going to put water. They have had to cut back on that. So for the Premier to say that all those projects are approved and so on, is misleading. They are not, there is trouble in the carrying out of some of them.

While I am on my feet Mr. Chairman, on the question of Placentia, the Premier says that the Government hope that Placentia will be declared to be a special area and then DREE will assist in the water supply situation in Placentia. How long can the Government wait, Mr. Chairman, to have the Federal Government declare a special area? We know that the Government of Canada refused last year to declare it a special area. We know that they have refused to declare Placentia a special area, up to now. We know that Placentia and that area needs an expanded water supply system or they will have no industrial development there, no expansion there. How long is the Government going to wait on DREE? In the case of Placentia, their first application for this expanded water system was made at least in 1966 and certainly in 1967. That is four or five years ago. The Premier says that the system will cost \$1 million, but how long can the Province wait on Ottawa? I mean, we know from Mr. Marchand that a special area is an area that they consider has particular economic advantages, that can be developed economically; and they refuse to include Placentia. Has the Premier some indication from the Government of Canada

that the Placentia area may be declared a special area soon? Because, do not forget that the phase out of the American Base in Argentinia, that commenced a year and a-half ago, certainly a year ago, all of a year ago. There is very little happening there since. The special committee, despite the best efforts of Mr. Walter Carter, the Federal Member for the area, This special task force has done very little, so can the Premier indicate - can the Premier say, for example, that if Ottawa does not agree, within the next month, to consider the Placentia area a special area, that the Government will be going ahead with an approved water supply system for the Placentia area?

MR. SMALLWOOD: We are not that stupid.

MR. CROSBIE: How would that be stupid?

MR. SMALLWOOD: I will tell you when the hon. member sits down.

MR. CROSBIE: All right, fine, I will let the hon. the Premier deal with that point.

MR. SMALLWOOD: No, make the speech and I will answer all the

MR. CROSBIE: No, it is not a speech, just an enquiry now, and the Premier is going to tell me all about it.

MR. SMALLWOOD: Mr. Chairman, we have pressed the Government of Canada to designate a number of additional special areas. One of them is the Placentia - Argentinia area. They have not, as the hon. member who just sat down said, refused. The Government of Canada have not refused our request for any of the additional special areas. They have not refused. They have not acceded but they have not refused. They have not said no. They have only failed now to accede.

They have made a very strong point of that, in their talks with us, that they are not refusing. True they are not acceding; yet, not this year, True they are making the point that they would rather see progress within the special areas that have been designated before they designate additional special areas, which is a rather good point, rather practical and rather sensible. In other words, instead of having more

than eight special areas, which is the present number operating, they would rather see the eight operate successfully and conclusively, not finally and not definitively, but conclusively, before they begin designating more.

Now, the reason we would be stupid as a Government to announce that we are going ahead with the water and sewer programme in Placentia or announce that if DREE does not designate that area as a special area we will go ahead, is that this would be a direct invitation to Ottawa, almost an incitement to Ottawa not to designate it. "What need have we to designate it? If the Government are able to do it without us, let them go ahead and do it." This is why it would be unutterably stupid of us and so we do not propose to do that. I think that is the only point the hon. gentleman mentioned.

MR. CROSBIE: Mr. Chairman, to me the Premier's answer is unutterably stupid, not wise. Here is an area of this Province that is depressed because of the close down of the American Base that occurred a year ago. Is that now to be left withering on the vine, when this Government is spending a record amount of money this year? The Government is spending in excess of \$500 million, a record budget. We all remember how we saw the Premier deliver the Budget Speech. It was marvellous, it was magnificent, Tight money had disappeared and \$517 million or whatever it was was going to be spent, and this is so many tens of millions over last year's spending. Where is the spending for the Placentia area? The Premier says that there is a water and sewage programme of \$23 million, most of which is coming from DREE. How can the Placentia - Argentia area wait while the Federal Government sees if the work done in the eight special areas is satisfactory? That might be a year, that might be two years. Those eight special areas were only set up a year ago. The work in those is only commencing now. We will not know for four or five years how successful that work was, nor how much economic activity it generated. Is the Placentia - Argentia area to wait all this year, all next year and all the year after for the Federal Government to designate the area as a

special area? Have we not a Government of our own? Is it not the responsibility of the Government of Newfoundland to look after Newfoundland also, not just the Government of Canada? Why should we have to wait on the largesse of the Government of Canada? Why should the Placentia - Argentia area have to wait on that? Have we no money of our own at all? Must we always be beggars on the doorstep of Ottawa, with our tongues hanging out, asking for special areas and this, that and the rest of it? Is this a Government or is it the beggars' opera? Why does not the Government take some steps - look at the glowing new programmes we heard talked about in this House the day the great dental programme, this programme, that programme.

What I am saying is that the Placentia - Argentia area needs an improved water system or it can have no basis for industrial development or expansion. This Government is like a lap dog, begging Ottawa to declare the Placentia area a special area, when it has a responsibility of its own. We have been a year now. They did not declare it a special area last year. They have not declared it a special area yet this year. And the Government - if the Government started a water and sewage system in Placentia and the area was then declared a special area, the Government could get help from DREE then. What the Premier is saying is that, unless Ottawa listens to my pitiful pleas for the Placentia area to be made a special area, Placentia is never going to get its improved water system.

Why is the \$1 million for the Placentia water system not included in this great programme that we hear about? That is the question. We are like lap dogs, waiting for the great uncle up in Ottawa to drop us down another special area. Well the people in the Placentia - Argentia area are not going to be satisfied with that, you can depend on it. They have waited now a year and a few months, and have seen darn little. They have seen their federal member for the area attacked and vilified by the Premier, because he tries to speak up and point out how unsatisfactory that task force is. It is useless to speak any more on it, because the plea

is falling on deaf ears. If this Government were not so far in the hole - this Government is so far in the hole it cannot see the daylight - we would be spending some of the Government's own money at Placentia now, not waiting around, with our paws out, waiting for Ottawa to declare another special area. The lap-dog Government, the lap dog, right on the lap of Ottawa, hoping that Ottawa will save it, because of the millions that are wasted.

They are beggars on horseback. If they are beggars on horseback they are facing the wrong end of the horse. Now Mr. Chairman, it is no good to say any more about Placentia, it is falling on deaf ears, The ears of deaf ears. There are two other questions I have on this water and sewage and one is the Catalina area and the other is Port Union. Catalina and Port Union, or Catalina, in any event there was a waterline put in I believe to the fish plant there under - it was not a DREE programme but ADB. There have been so many of these ADB's, as I said last night, there is AIDA, ARDA, ADB, DREE, FRED, mini-FRED, maxi-FRED. There are all kinds of those programmes, but anyway this was ADB.

A waterline...

MR. CHAIRMAN: Order please!

MR. CROSBIE: Oh, that is right, no interjections. Anyway, that was a nonperson. In any event, Mr. Chairman, Catalina and Port Union have been trying for three or four years now to get a water and sewerage system for the towns. I am not sure what the status of it is now, but I was speaking to a man from Catalina several days ago, who told me that there is no water and sewer system yet in either Catalina or Port Union. Perhaps there is part of a system. Could the Premier just explain what is the position now in Catalina and Port Union? I think that is a DREE area. I am not sure of that, but in any event could the Premier outline for us what the position is there?

MR. SMALLWOOD: Yes, It is not in a DREE area, it is one of the areas that we have asked the Government of Canada to designate as a special area. The Bonavista Peninsula, the Baie Verte Peninsula, the Southwest

Coast, running from Port aux Basques, Channel to Burgeo, I think it is, the Placentia - Argentia area. We have asked to have these designated as special areas and they have not as yet been so designated.

Catalina, Port Union, and the much larger town that the hon. member did not mention, Bonavista, are three areas that are badly in need

Mr. Smallwood.

very badly in need of water and sewer systems. I would say that the Town of Bonavista, well, more than either of the other two, more than most parts of the Province, is desperately in need of a water and sewer system. However, those towns are in an area which has not yet been designated a special area so we may not look for DREE money for that purpose. We may not, in the sense that we may not legally, that there is no money for it from DREE. We can ask. Anybody can ask and get no for an answer. The Government have under very active consideration this problem of Port Union, Catalina and Bonavista. We hope to make an announcement shortly. We have already made an announcement privately. We hope to make one publicly before long. Do not ask me how long is long or how short is short; "before long."

Now I will not dignify the hon. gentleman's gracious speech, his gracious and impartial, subtle speech, I will not dignify that with a reply except to point out a slight inconsistency in it. He said in the same speech, and this is speech number five so far today, He said in it that the Government, you know, are rolling in money. "Why cannot you give Placentia their million dollars? Why cannot you give somewhere else their million and someone else their half million and someone else their two million? The Government are rolling in money. They are going to spend \$500 million this year." That is in the one breath. In the other breath he says that the Government are so far in the hole that they cannot even see daylight. Well, how can we be spending \$500 million? How can we have the greatest year in the history of this Island in almost 500 years, how can this be the greatest year of all our lives, of all our history, if we are so far down in the hole we cannot even see daylight? I do not think it is even good politics. I think it is just stupid, just stupid.

MR. CROSBIE: Mr. Chairman, I want to clear up that point that the Premier does not understand. He does not understand that point. I think it is very understandable. This is how this can happen. "The Government are spending in excess of \$500 million," the Premier says. "It is going to be the greatest year ever," the Premier says. Then the Premier says that it is inconsistent to

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say that the Government are so far down the hole that they cannot see daylight. Well I will explain how that is. This is "election year" so the Government have to pretend for purposes of the election that it is the biggest year yet. The \$500 million of spending, of course, involves the borrowing of \$154 million - \$56 of which is to repay borrowings which had to be rolled over and \$98 million to balance the budget. So first is the borrowing of \$100 million.

Now how can the Government be doing this and then still be down the bottom of a pit? Because the Government have borrowed in the last few years, since 1966-1971, in excess of \$600 million, directly and indirectly. So that the Government now have a debt, direct and indirect, of over \$1 billion. All the same, the Government are getting further and further down in the hole. This year, election year, it has to pretend that that is not so and that it has all kinds of money to spend. Now if the Government really had all kinds of money to spend, if the Government had the credit rating left to borrow \$200 million this year or \$250 million this year, it would. It has the gall to do it. It has the recklessness to do it. It has the financial irresponsibility to do it. But even the Government cannot get away in one year now, with our credit record, and borrow \$250 million. So the Government have to turn down Placentia. The Government have to turn down Catalina. The Government have to turn down Bonavista. The Government have to get up on its hind legs and plead to Ottawa to create special areas.

MR. CHAIRMAN: Order please!

MR. CROSBIE: I am just answering the Premier's points. I am going to be very humble today, Mr. Chairman. I accept your admonition. I will just end up by saying this, that what the Premier says is that Catalina and Port Union have not gotten anywhere so far in their search for water and sewerage systems nor has Bonavista. They are waiting for special areas to be declared. The Government will have an announcement to make later. As the Government get closer and closer to that election date, it gets

Mr. Crosbie:

more and more desperate. No matter if it has to borrow or try to borrow \$200 million, it is going to include Bonavista, Port Union and Catalina and probably Placentia. That is what the Premier means. He is telling this privately down there. Very good! Very good! The Premier will not be around to have the consequences of his own fiscal irresponsibility tumble in.

MR. SMALLWOOD: Premier Crosbie will be there.

MR. CROSBIE: No! Frankie Baby. Frankie Baby!

MR. SMALLWOOD: Frankie Baby?

MR. EARLE: Mr. Chairman, just one final question. At the risk of being thought extremely stupid, I still have not got a satisfactory answer to my question. I will try to put it as clearly as I can. Take one case alone. We will take, say, Arnold's Cove. Has this project and all the engineering studies been completed?

MR. SMALLWOOD: The work is going ahead. The contract has been awarded and the work is being done.

MR. EARLE : Has the contract been finished and approved by Ottawa?

MR. SMALLWOOD: Yes the work is being done.

MR. EARLE: Does that apply to all others?

MR. SMALLWOOD: Practically all others. May I answer again? Let me answer once more. There are twenty. Eighteen of them are going ahead. Two of them are not in progress because there is a little technicality. One is Holyrood and the other is Port au Choix. The reason for the technicality is the fact that the bids that have been submitted by contractors or would-be contractors are exorbitantly high. Neither we nor Ottawa are prepared to accept such high bids. That is the only technicality. All twenty are approved. Eighteen are going ahead without a hitch. Two have a hitch. I name the two and I have named the nature of the hitch. This hitch will be remedied.

MR. HICKMAN: One more question, Mr. Chairman, and that relates to the water system in Grand Bank; Several years ago, when ADB was functioning, there was very strong representation made to ADB, and I think the representations

Mr. Hickman.

were approved. I know the late Mr. Ross Young was very heavily and actively involved in it as were officials from the Department of Municipal Affairs. The problem that had arisen in that town was that because of the growth in population, the strain on the system just could not take care of all the domestic needs. The town in the meantime had supplied a water line to the fish plant. The proposal was that as we had relieved you of your responsibility, ADB, to provide the water line to the fish plant, will you in turn provide sufficient funds to enable us to install a gravity fed system in the town? We certainly were under the impression that this was going to be done. In the meantime, as a temporary measure and not to replace the gravity fed system, a new water tower had to be erected last year, as a replacement for the one that was in the state of collapse. The question on the Order Paper, 398, where I asked the Minister of Municipal Affairs whether Government had agreed to make the necessary grants or loans, to the Grand Bank Town Council, to permit the installation of a gravity-fed water system at Grand Bank. The answer, given by the then Minister of Municipal Affairs, was; "No, the engineering studies of the gravity-fed system did not prove it was practical."

Now this answer was made public and this brought an immediate public statement by the Mayor of Grand Bank, who took the position and took it based on engineering reports and designs: The engineering studies do indicate that a gravity-fed system for Grand Bank is not only necessary and essential but it is practical and engineeringly possible. The then Minister of Municipal Affairs back-tracked a bit on that later and so far we seem to be in a state of confusion. What I would like to know now is: Will Government make the necessary grants to the Grand Bank Town Council?

MR. SMALLWOOD: Confusion.

MR. HICKMAN: Will Government make the necessary grants to the Grand Bank Town Council to install the gravity-fed system, and when?

MR. SMALLWOOD: Let me put the hon. gentleman out of his confusion, if that is humanly possible. I am not a miracle worker.

MR. HICKMAN: I realize that.

MR. SMALLWOOD: The cost of the project would be about \$385,000. Ottawa made an offer to share half that cost with the Town Council, the Town Council to pay half and Ottawa to pay half. The Town Council hesitated, more or less, and said; no. With this result, and not only did they say no but we, for our part, joined with them heartily in our representations to DREE, to Dr. Garnet Page whose name was mentioned earlier in connection with Placentia, the Placentia Task Force. Dr. Garnet Page is not just a Placentia Task Force man. He is very high in the councils of DREE at Ottawa. It was because he was so high in the councils of DREE at Ottawa that Ottawa appointed him to the Task Force in Placentia. But the Task Force in Placentia is really, relatively speaking, only a small part of his functions and his responsibilities. A large part is in other directions altogether, including the question of the problem at Grand Bank. Dr. Page made the offer to the Town Council of Grand Bank, of sharing fifty/fifty in the cost of doing that project for which cost was estimated at \$385,000. When the Town Council and the Newfoundland Government joined in a demurrer (if that is the word) to Ottawa, Ottawa said; "all right, we will send an engineer down." The engineer is due here shortly to join with an engineer of the Newfoundland Government and the two engineers are to take a new look at it. We are now discussing with Ottawa the possibility of making an eighty/twenty or a seventy-five/twenty-five deal, a deal under which Ottawa would pay eighty per cent or maybe seventy-five per cent of the cost, the Town Council would pay twenty or maybe twenty-five. We hope to have results from that and when we have them, we will be glad to notify all people concerned.

MR. HICKMAN: Before we get off that item, that only answers the financial difficulties and negotiations with Ottawa on the fifty/fifty deal, the other position has not been clarified and that is as to whether or not a gravity-fed system for the Town of Grand Bank is engineeringly possible. It was indicated

Mr. Hickman.

in answer to a question that it was not.

MR. SMALLWOOD: No it is not possible to put in a wholly gravity-fed system. It can be at best only a partially gravity-fed system.

MR. HICKEY: Mr. Chairman, just before we carry it, would the Premier tell us whether or not it is possible for the St. John's Municipal Council to obtain some assistance for the provision of water and sewerage in certain areas of the municipality, City of St. John's? I am thinking particularly of the area ..

MR. SMALLWOOD: Make the question more specific.

MR. HICKEY : I am about to do that, Mr. Chairman, if the Premier will just wait a minute. His throat is bothering him today.

MR. SMALLWOOD: Pardon!

MR. HICKEY: He has gotten what I had yesterday. I am thinking particularly of the area of Quidi Vidi Road. Call it what you like but just give them water and sewerage and I will go along with whatever you say. There are twelve families, Mr. Chairman, without water and sewerage and which, particularly water, they are very, very interested in. They have approached the City Council and they tell those people that it costs approximately \$12,000 per family to get a water line down there. The City Council, Mr. Chairman, of course, do not have any money to put in a water line. They have spent it all on their elaborate City Hall. They are not to interested in such things as water and sewerage. I am wondering, Mr. Chairman, with all the money that is flowing around from the DREE Programme and from the cost-sharing programmes of the Federal and Provincial Government, if there is not some way that those people can be assisted? The City Council have stated that they cannot enter into an arrangement to have this situation corrected. It would cost approximately \$120,000 or somewhere near it. It is a separate area from the general area of Signal Hill and the Battery. It is an area unto itself. I feel, Mr. Chairman, that there is a great need here. The City Council continues to give permits to repair homes, to renovate homes. So they

Mr. Hickey.

certainly are not trying to close out the area and yet they cannot or will not provide water and sewerage.

MR. SMALLWOOD: At \$10,000 a family for water and sewerage.

MR. HICKEY: \$12,000.

MR. SMALLWOOD: At \$12,000 a family for water and sewerage.

I do not know the answer to the hon. gentleman's question. It was not sufficiently specific. St. John's is in a special area. It is special area number one, which extends from St. John's northward, so to speak, to Carbonear, to include Carbonear and southward, so to speak, to Bay Bulls (is it) and including Bay Bulls. That whole area is special area number one. The very heart of it is the City of St. John's. In principle, they are eligible for DREE help of the kind that DREE gives for water and sewer projects. The fact that a place is within a DREE Special Area, the fact alone or that fact alone does not automatically ensure money from DREE. There is no one - yes, there may be one. There might be one of the eight special areas, the one circling, encircling Port au Choix, Hawkes Bay. That is a small DREE area, very small. With that one exception, there is no chance, there is not a hope, for years to come, unlike the hymn, there is not a hope that DREE will take care of every infrastructure need in any one of the seven special areas. The fact that you are in a special area does not mean that automatically your needs will be taken care of for roads, for paving, for water and sewerage, for schools, for parks, for electricity, for all the headings of infrastructure that DREE helps to provide. If all of the money that DREE is going to give Newfoundland, were to be spent in special area number one and not a dollar of DREE money, infrastructure money, be spent in any of the other seven special areas, but all of it in special area number one, it would not be enough. We are not going to spend all of it in special area number one.

We are going to spend it in the other seven special areas. These are: The area surrounding Come-by-Chance, special area number two; Centreal Newfoundland, special area number three; the area encircling Hawkes Bay, special area number four; Humber Arm, of Bay of Islands, special area

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number five; St. George's or Stephenville to Flat Bay, special area number six; the Burin or parts of the Burin Peninsula, special area number seven; a section of Lake Melville, special area number eight. If all the money that DREE is going to give for Newfoundland, for infrastructure, were to be spent in just special area number one, all of it, and not divided among, distributed among eight special areas, it would not be enough money to give special area number one the infrastructure it needs.

So, it is not enough merely to be in a special area. It is a help. You are more likely to get DREE money if you are in a DREE special area, I mean DREE money for infrastructure. You do not have to be in a DREE area to get industrial incentives. You can start an industry anywhere in this Province except Western Labrador. The industrial incentive money is available to help an industry starting anywhere in this Province, provided, of course, it meets the terms and conditions laid down by DREE in the giving of industrial incentives. You do not have to be in a special area to get DREE help for relocation. You can move from any part of this Province and you will get DREE help to move, provided you move to what they call a growth area - an area that is designated as a growth area. So, the chance of twelve families or ten families, is it?

MR. HICKEY: Twelve families.

MR. SMALLWOOD: The chance of twelve families getting \$10,000 each spent on them, to provide water and sewerage, \$120,000, I understood the hon. member to say, you know, their chance of getting that is substantially reduced by the overpowering and overwhelming needs of so many people throughout the eight special areas, and there are other needs of other kinds in the non-special areas. So I would say that my hon. friend should go to those people. He should go to them, if they are in his constituency, doubtless he has already been to them. Well let him go to them again and tell them to band together, get up a delegation, get a deputation and make the application. It has to be done through the City. If they are within

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City boundaries, let them make the application to the City Government, if they are outside the City boundaries but inside the jurisdiction of the metropolitan board, let them go to the metropolitan board.

MR. HICKEY: They have already applied to the City.

MR. SMALLWOOD: Well I do not know the details. The hon. gentleman knows the details. I am telling him in principle and in outline what the situation is. I cannot say whether DREE will put up this money or not. If they do, I cannot say whether they will put it up this year or next year or the year after next. I do know only this, that there is a positive limit. There is an absolute limit; outside limit, a maximum, a ceiling on the money that DREE is going to spend in this Province. It is not an unlimited amount. It is not a bottomless pit. It is not the Bank of Canada to be turned over to the people of Newfoundland. It is to be limited. It is to be restricted each year to a certain sum of money, which might run around \$80 million to \$100 million a year, a year; to be spent in this Province for the next four or five years. Then hopefully there will be a renewal of it before it expires, for another period of another four or five years so that perhaps, with luck, with grace, we might end up in this Province getting from Ottawa, in the next ten years, something between \$500 and \$1,000 million. But how much you will get in any one year is going to be pretty strictly limited, I think.

MR. HICKEY: Mr. Chairman, just before we carry it, I would like to point out just one other thing about this particular problem. The Premier says that the chances may be slim, in view of the small number of people in relation to the needs of other areas.

MR. SMALLWOOD: I did not say that it might be slim.

MR. HICKEY: I realize what the Premier said.

MR. SMALLWOOD: Do not put words in my mouth.

MR. HICKEY: He said that the chances may be slim. This is the way, that I understood it, in relation to the needs of other areas. This is understandable

Mr. Hickey.

Mr. Chairman. However, there is a strong case to be made for this particular project, in as much as both homes are scattered. If this water line were to be installed, it would service about half of that community. Several other homes could be constructed and other homes that have wells, septic tanks and that would be able to hook up. But it is apparent to me that the City Council have not taken the initiative to come to the Province for assistance, and I know that the people have been pressuring City Council. I have. Nothing has been done so far. I will take the Premier's advice and I will have the people go back to the City Council and put the pressure on them.

MR. SMALLWOOD: Does not the hon. gentleman agree that if it is inside the boundaries of the City of St. John's that it is strictly the City of St. John's problem? They have a water and sewerage system in this City. I do not know whether they can afford it or not. Is it not? I do not know. I am not a member of the council. I do not know their affairs very well. Is it not part and parcel or ought to be part and parcel of the City, the municipal water and sewerage system? If there are gaps in that system, these gaps would represent a problem for the jurisdiction of the City. If the citizens in question, in the hon. member's constituency, go to the City Council and ask them if they would please give them the same water and sewerage service that they are giving to the other citizens of St. John's. The City Council says in reply: "Dear citizens, we would love to do it, but we cannot afford to do it. You know, that is not the first time in the history of man that things have not been done because they could not be afforded and I doubt that it will be the last time. You can afford it or you cannot afford it.

Now if the City of St. John's wants to make extensions to their water and sewerage system, they know,

MR. SMALLWOOD: without this committee telling them, without my telling them, they know, the City of St. John's are well aware of the fact that it is open to them to apply to DREE for a loan and a grant, because they give both,

MR. HICKEY: Maybe they do not care.

MR. SMALLWOOD: Well I do not know whether they care or not, I mean, I am not going to defend or attack the City Council. I have my work cut out to carry this Government on to a brilliant success in the future, as in the past. Do not ask me to be answerable for the City Council. I am pointing out only that the hon. gentleman is really wasting the time of this committee with business that does not concern this committee.

MR. HICKEY: Mr. Chairman, to a point of order.

MR. SMALLWOOD: It does not concern us. We have no jurisdiction.

MR. HICKEY: On a point of order, Mr. Chairman. I am wasting the time of the committee, and the Premier is just coming to tell us now what a brilliant success he is going to come to. What item is that under? I got the information Mr. Chairman, that I asked for. The Premier could have sat down ten minutes ago. I will tell him the brilliant success he is going to come to. I got the information I wanted and another government, without a doubt, will assist us. Another one! Another one! Not this one!

MR. SMALLWOOD: If the Conservatives do not die first, while they are waiting.

MR. CROSBIE: Mr. Chairman, before we leave this item - we have only scraped the surface of it actually. It is water and sewerage. There is a lot more to it. We have only been skimming the surface of this vote. Last year in the House (the Premier has been talking about special areas) the Minister of Community and Social Development, in a statement which I read to the House last week, said that there were eight special areas in Newfoundland and three more would be announced very shortly. That is over a year ago, Mr. Chairman. Now we hear the Premier up, with the same rignarole.

MR. CROSBIE: There are eight special areas and nobody outside of those special areas can get anything, until these other three special areas are developed. There is an application in for Placentia to become a special area too. If the Government of Canada refused to declare these special areas last year, and if they have so far this year refused to declare them and certainly they refused to declare the Argenticia-Placentia area a special area, what leads the Premier to think that they are going to announce this year that these are going to be treated as special areas? The House knows that the Premier is frantically trying to get this declared, naturally. Frantically! In fact he is almost out of his collar trying to get these areas declared.

But supposing the Government of Canada does not do that, what hope are the people of the Argenticia-Placentia area going to have, if our Government will not give a firm commitment that it will see the necessary work is carried out there to enable industrial development in that area, even if the Federal Government does not? Because our Government have yet to make that announcement, Mr. Chairman. The Government have yet to say that if the Government of Canada will not do it or if Placentia does not become a special area, within the next few weeks, we will see that you get these necessary public services. Our Government will not do that. It has not done it. It should do it.

Yesterday, the Premier told the House that the road-paving programme was scrapped in 1968 because the Government had decided to concentrate its money on water and sewerage. He said that the Joint Municipal-Provincial Road Paving Programme was being scrapped, had to be scrapped, because there was tight money. Money was not just that freely flowing. The Government thought the water and sewerage was more essential. Here the Premier is today in case after case stating that the water and sewerage systems cannot be proceeded with, because they are not DREE special areas. If money is being saved by refusing to go further with the road-paving area, surely the Province should use its own money to help Placentia-

MR. CROSBIE: Argentia , Catalina, Port Union and Bonavista. What is going to happen if the Federal Government will not declare these special areas? The Premier says that they are waiting to see what is happening and how it works out. What about if that takes two or three years to observe the results? Is the Placentia-Argentia area going to wait two or three years before anything further is done? We already know from the Task Force that one of the reasons they give for their failure to be able to create industry and jobs down there is the lack of a proper water supply.

So, I think, Mr. Chairman, that the Premier should reconsider his somewhat too hasty response there of a few minutes ago and give the necessary assurance to the people of the Placentia-Argentia area that the Government are going to give them priority and spend some of this \$23 million in the Placentia-Argentia area, not just wait with its hand out to Ottawa; that we are going to do it anyway. The Argentia-Placentia people are Newfoundlanders. It is the responsibility of the Government of Newfoundland to help look after them. If the Government of Canada will not help, then for our Government to do it on its own. The people of that area are waiting to hear some announcement from the Government - hard-hearted Government.

On motion item 10 carried.

MR. CROSBIE: 1311-04-01 - Plebiscites. We know that plebiscites \$3,400 is for plebiscites.

MR. SMALLWOOD: It is certainly worth a big long speech or eight or ten speeches.

MR. CROSBIE: We know. We know.

MR. SMALLWOOD: Why not just have five or six speeches?

MR. CROSBIE: Now, Mr. Chairman, are there interjections? Because when I interject when the Premier is speaking, I do not want to be ruled against, because that will show a discrimination, and we all know there is not. Now if there are going to be interjections, all right, both sides of the

MR. CROSBIE: House can interject.

Now we know, Mr. Chairman, that plebiscites, "p-l-e-b-i-s-c-i-t-e-s," means plebiscites, and that a plebiscite usually involves a conducting of a vote to see if people want to do something. In this case we are asking what is the \$3400? What kind of plebiscite? Is it a plebiscite that may be held to decide whether an area wants a council or does not want a council? How many plebiscites does the minister feel that there will be necessary this year? How many plebiscites were there last year? Where did they have plebiscites last year? How much does the average plebiscite cost? I mean this is the kind of information the House is entitled to, particularly if we are going to meet weekends, if we are going to have closure and all that, you know. The Premier was on this morning raving that we are going to meet in the evenings, we are going to meet Saturdays, we are going to meet Sundays, we are going to have closure. Well give us this vital information. How many plebiscites last year? How many votes were cast in each plebiscite? What was the average cost per vote? How many are there likely to be this year?

MR. SMALLWOOD: How long were their noses?

I do not want to waste the committee's time, Others may, but I do not want to. Years ago the Department of Finance, in drafting the estimates of expenditure, adopted the word "plebiscites" and the word is meant to cover not merely the taking of a plebiscite in an area, to find out if the people of the place want to have a Town Council or a Community Council, but it includes also the actual election of the officials after there is a Town Council. The returning officer, the poll clerk, the actual officials who conduct the election of mayors and councillors have to be paid and this is the vote out of which they are paid.

MR. CROSBIE: Is there to be any plebiscite this year in the Wabush, for example, Labrador City area to decide whether they should have an elected Municipal Government or not?

MR. SMALLWOOD: I do not know.

MR. CROSBIE: Well why does the hon. the Premier not know? The hon. the Premier brings forward his estimates, and it has got an estimate of money in it. Are the Government going to encourage some plebiscites in the local improvement areas?

MR. SMALLWOOD: We will encourage by paying the cost, yes.

MR. CROSBIE: He will?

MR. SMALLWOOD: Yes.

MR. CROSBIE: Would the Premier like to see a Democratic Government established in other areas of the Province?

MR. SMALLWOOD: Yes, wherever the people want them.

MR. CROSBIE: Would the Premier like democracy in the House here?

MR. SMALLWOOD: Yes.

MR. CROSBIE: He does?

MR. SMALLWOOD: I do not like bullying though.

On motion item carried.

MR. MARSHALL: 02- Training, Municipal Clerks. Now we heard the Premier yesterday talk about the necessity of upgrading the Municipal Clerks, the Town Clerks and the office of Municipal Affairs

MR. SMALLWOOD: The Tory Caucus. The hon. gentleman is missing the Caucus.

MR. MARSHALL: Mr. Chairman, on a point of order, will you please inform the Premier that I have the floor, if he wishes to get the floor, he can rise on a point of order. Would you kindly, Mr. Chairman?

Well, anyway, Mr. Chairman, on this, this is a matter of training of municipal clerks. Circumstances have been brought about recently and it is quite evident to everybody that there must needs be greater training of municipal clerks, town clerks throughout the Province, in order to foster local government and to have local government carried on in the way it should be. To say it has been a policy of this Government to encourage municipal councils, but unfortunately they exist and they are left there to function

MR. MARSHALL: on their own. When we look at this vote for training of municipal clerks, there is only \$500 provided this year, which is the same amount that was provided for four years previously. This makes the statement by the Premier questionable, yesterday, to the effect that there was going to be a programme, he hopes to see a programme of upgrading town clerks. Now this programme has to be brought into effect and should have been brought into effect long ago. It should certainly be brought into effect immediately. There are all sorts of topics that the town clerks should be versed in, such as municipal accounting, municipal law, municipal administration, land use and proper zoning, expropriation procedures, proceeding to arbitration, methods of tax assessments and generally have an in depth knowledge of the Local Government Act itself and the way in which the Local Government Act should be administered. Because it has got to be remembered that this individual, who is the chief employee of each council, is the one that guides the municipal council along and advises the mayor and the councillors to change from year to year, not from year to year, from election to election, and the town clerk obviously has to be the pivotal point, pivotal person in the local government system in this Province.

Now we hear yesterday and we saw yesterday, we did not even need to see then, there have been evidence of it for a long period of time, that there needs be a very in depth, vigorous programme adopted by the Government for the purpose of training these town clerks. Certainly, we should have provisions here, where the councils are reimbursed their salaries while they are taken in on courses. Municipal Affairs itself should have substitute town clerks, to put in the places of these individuals while they are absent from their post. Generally speaking, there has to be a programme of upgrading the town clerks, plus strengthening the town councils. All of this we are informed is going to be done, yet we see only a paltry vote of \$500, which is the same amount that has been used for the

MR. MARSHALL: past four or five years. Similarly, it is noted that in this whole vote on Local Government Administration, the salaries themselves, of the local officials, here have not increased for this purpose.

So I should like the Premier to give us an indication of (a) exactly the type of training programme that is going to be launched and implemented and (b) what is the cost and how is the cost going to be met? It is certainly not going to be met from the \$500 vote right here.

MR. SMALLWOOD: Mr. Chairman, that is a lot of talk about \$500, but I think this is right. I think we should have speeches from everyone about that \$500. There is a big one coming up, Topographical Surveys, \$100, I would like to see speeches from everybody in depth, speeches, in depth on this \$100. But dealing first with the \$500: The Department brings three or four town clerks into St. John's every year, to spend a week or two in the department, to get some training in the Department of Municipal Affairs. Their expenses are paid primarily and mainly by the town councils that send them in. But this \$500 goes toward the cost of these four or five clerks who come in each year. Apart from these clerks who come in, and part of whose costs are paid out of this \$500, we have in the department quite a number of the personnel who go to the University and elsewhere to take special studies of their own, in an effort to upgrade themselves and improve their own qualifications. But they do that at their own expense.

MR. MARSHALL: Mr. Chairman, the point is, I know this is \$500, and this is why I am talking about it. It should be much more. It is quite evident from the admissions from the Government itself that their previous programme has not succeed and there must needs be a lot more money devoted to this very, very essential project of training municipal clerks. \$500 a year is not enough, it should be much more. The Government itself should be taking the initiative to prevent the situations that have occurred in the past and see that Local Government itself, Municipal Government, Town Councils, are strengthened to the greatest possible extent. It is all very

MR. MARSHALL: well to get up and say; "oh, we pay certain expenses of a couple of town clerks coming in each year and there are provisions made for training classes in the past." But the point I am making is that this has not worked out. Why? The Government should consider increasing this vote and bringing about a proper programme for the training of these essential permanent employees of town councils throughout the Island.

MR. SMALLWOOD: In addition to this \$500 and the few clerks who come in to the Department of Municipal Affairs, to get some familiarization with certain procedures and so on, the Town Councils themselves send in quite a number of their town clerks to the University, some fifty-three came in, in the past year. Fifty-three Town Councils send their town clerks in to the University for two week special and intensive courses. They did this at their own expense. Now it may well be the case, I believe myself it is the case that this whole thing should be stepped up and made more intensive and a larger number than fifty-two or fifty-three town clerks a year come in for a two week course, that it may be made into a longer course and the whole thing to become more vigorous and more adequate and more competent, I think. I said that this should be done. Certainly in the very short time that I have had some immediate personal responsibility for the Department, I have been impressed by that very thought, the thought that the hon. gentleman just expressed. I am in complete agreement with him. But we are only talking at the moment about \$500, of this particular aspect of bringing clerks into the Department of Municipal Affairs, in the office here in this building. That is all that is about. That is not the main programme of training town clerks. That programme has been carried on by the University.

MR. MURPHY: Mr. Chairman that is very nice now we had an explanation of all this. In the past few days discussing Municipal Government and whatnot, great emphasis was laid on training and so on for town clerks and other officials. We are not discussing the \$500. I think, the hon. member for

MR. MURPHY: St. John's East was discussing the importance of training these town clerks so on and so forth. So it was very nice now that the Premier in his second answer told us that there will be fifty or fifty-three taking -

MR. SMALLWOOD: Were, not will.

MR. MURPHY: Were or are or will be or still will, whatever the answer may be. But it is a much better answer than the actual dismissal, with contempt again of discussing \$500 vote. It is not the \$500, it could be \$1, but the important point is the training and assisting town councils to train their town clerks. I think the second part of the answer was satisfactory, as far as I am concerned.

MR. CROSBIE: Mr. Chairman, I have no doubt that, for example, the town clerk of the Town of Bay Roberts came in on these short courses. While it is better to have these one week spells in the department than to have nothing, I think the real need is for some far more ambitious programme than that. The real need is for a six month or a nine month or a year programme, where people who want to become town clerks and municipal officials, go into municipal accounting and you know the Local Government Act and the Legislation, you know, a real one year course. And, of course, most likely the only way that is going to be done is if the Government will give some financial assistance to the people who want to take it. So, if the Government are really serious about attempting to upgrade the training of municipal officials there is going to have to be a considerably greater amount of money spent, certainly more than \$500. I would say that it could cost as much as \$100,000. But it would be money well spent. A one year course, developed at Memorial or it could be at the College of Trade and Technology, (but I would say Memorial would be more suitable) for municipal officials or for people who want to become municipal officials, this would be well worthwhile, but it would have to be a year's course and it would have to teach the fundamentals and teach the rules and

MR. CROSBIE: regulations and teaching accounting procedure and the rest of it, all of which things were found to be missing in the report on the situation at Bell Island. The \$500 is no more than a token vote.

MR. SMALLWOOD: Mr. Chairman, I do not want to delay the committee, there are enough who do that without my help. But I would say that quite a number of clerks, I am glad to hear, had been taken correspondence courses in this work, from Queen's University, in Kingston, Ontario and from Carlton University, in Ottawa. So it would appear to be the case that there is a growing consciousness in municipal circles throughout the Province, a consciousness that the training is necessary, that improved and increased competence is necessary in the permanent officials of the municipal bodies. This seems to be growing, which is a good thing. And if indeed then some of them are taking correspondence courses from Universities on the mainland, I would say it is an encouraging thing.

On motion 02 carried.

MR. CROSBIE: 03, I think is worth an explanation.

MR. SMALLWOOD: No, no, not carried, another two or three speeches.

MR. CROSBIE: Mr. Chairman, these cheap interjections, exhibition of jack-assery, should stop.

MR. CHAIRMAN: Order, please!

MR. CROSBIE: Now this vote last year - the question I want to ask is this, Mr. Chairman, the amount spent last year was \$15,100, on Topographical Surveys, the amount in the estimates this year is \$100. So, I think that the House is due an explanation as to what surveys were carried out last year and where and why the vote this year is only \$100?

MR. SMALLWOOD: The answer is we, Thanks be to God, have uncle Ottawa doing it this year, whereas we did it ourselves last year - so we are saving that few thousand dollars.

MR. CROSBIE: "Where was the work done last year," is another part of the question?

MR. SMALLWOOD: I have not got a list of them here, I can get it.

MR. CHAIRMAN: Shall the item carry?

MR. CROSBIE: Just a minute. I do not see why we should not be told.

MR. SMALLWOOD: Speech number two.

MR. CROSBIE: What general areas - topographical surveys for municipalities. If they do not have the information, all right, but there are all kinds of advisers over there.

MR. SMALLWOOD: Mainly on the Avalon Peninsula I am told.

On motion item carried.

MR. HICKMAN: On 04 - Urban and Renewal Planning Studies, Mr. Chairman:

MR. SMALLWOOD: If the hon. gentleman wants an explanation, I will give it and he will not need to ask. All right go on, a waste of time.

MR. CROSBIE: Everything is a waste, except what the Premier says.

MR. CHAIRMAN: Order, please!

MR. HICKMAN: There were two points I wanted to make, Mr. Chairman, under this vote. One was to refer again to the resolution passed by and contained in the annual brief of the Newfoundland and Labrador Federal of Municipalities; "That the Department of Municipal Affairs investigate the administration on the Urban and Renewal Planning Board in providing efficient planned development for the Province of Newfoundland and Labrador." And in the recital to this resolution it says; "Whereas the ineffectiveness and lack of co-operation of the Urban and Rural Planning Board is causing frustration and unnecessary inconvenience to individuals and incorporated bodies in the development of an area;

"And whereas the long delay in minimum communication from the Urban and Rural Planning Board will no doubt make plans outdated and therefore not be effective for proper development..." Then the resolution was submitted.

Mr. Chairman, I am sure that Your Honour has a great deal of experience in this, of delays were undue and unnecessary hardship is caused to taxpayers while they are waiting to have their case decided or adjudicated on by the Planning Board. I would like for the hon. the Premier to indicate to the committee the make up of the Urban and Rural Development Board or

MR. HICKMAN: Planning Board, and what representatives groups are on the Board? The other thing which comes under the question of Urban Renewal, and more particularly under Planning Studies, is the question of county councils in this Province. There was a very long and informative debate, with a great deal of agreement on both sides of the House, during the last session, on county councils. At that time, it was suggested that we have to move into that area fairly gradually and fairly slowly and we have to be abundantly clear that the people are ready for county councils.

Now what I would like to see, Mr. Chairman, is there now be permissive legislation to enable the creation of county councils in areas where the people or the association of municipalities come to the conclusion that it is viable, that their taxpayers want to see it. Last year, as a result of -

MR. CHAIRMAN: Order, please. Does the hon. member really think that county councils are relevant under the heading of Urban Renewal and Planning Studies?

MR. HICKMAN: More so under planning studies, Mr. Chairman, because

MR. HICKMAN:

because, if I may refer this Committee to the debate on the commitments that were made last year, one of the strong reasons given in support of a county council system in Newfoundland was the fact that regional plans are already in the making and in many areas regional plans have now been completed. I believe that under the heading of planning studies that the first step that has to be taken, if you are going to have a county council system, is to have a regional plan prepared and detailed plans for urban renewal, following the planning studies that are set forth in this plan.

Now, Mr. Chairman, as a result of the policy statement made by the then Minister of Municipal Affairs last year and the obvious concern that we make haste slowly but that if an area was prepared and ready and the necessary planning and studies had been carried out that then Government would look upon it with a great deal of favour, as a result of that statement last year the giant councils of the Burin Peninsula prepared and adopted a new constitution which envisages a county council system for that part of the Province. I believe, Mr. Chairman, that the time is now ready for permissive legislation, based on the planning studies that are ongoing and that have been completed, to have a county, to permit county councils in areas where the people and the municipalities and the Minister feel that they are now desirable.

We already have plans completed, regional plans for the Baie Verte Peninsula, the Burin Peninsula, the Bonavista Peninsula, South West Avalon, South East Avalon, Bay de Verde Peninsula and St. John's Peninsula. These planning studies have now been completed, regional plans have been adopted and presumably they are law. At the same time, and maybe some others have now been completed, this time last year planning studies were going on with a view to writing what was referred

MR. HICKMAN:

to as giant plans for the Grand Falls-Windsor area, Catalina, Little Catalina and Port Union area, the Bay Roberts, Spaniards Bay and Brigus area. Last year we were told during the estimates that there would be tabled in this House a paper from the officials of the Department, known as "Project Seventy" and presumably this study would give some indication whether the planning to date and the planning studies envisaged in the future now justify the implementation of county councils. Just slowly but surely unplanned county councils are coming into force anyway. We do not call them county councils, **integrated districts**. It is just another way of saying county councils. Giant councils in various parts of the Province, integrated health services all arising out of the planning and the planning studies that are carried on under this particular vote and, with the improvement in communications, I think we can look forward to and should be able to look forward to county hospitals - county schools we already have -

MR. CHAIRMAN: Order please! I do not think that the Committee can permit a debate, under this item, on the county system in general. The rule is that the debate must be strictly relevant to the item and, under the heading "General Administration", we can have a few remarks but under the various items it should be related strictly to the item. The hon. member now is bringing in a completely new concept and I do not think it should be permitted.

MR. HICKMAN: Very well, Mr. Chairman. Under planning studies, will the hon. Minister indicate whether the results of the planning studies carried out to date and whether the regional plans that have been completed and are now law, as a result of such planning studies, indicate to him that it is in the interest of good planning and that it is vital to urban renewal in these larger unincorporated or separated

MR. HICKMAN:

communities, that a county council system is the only way to implement the results of the planning studies and to see urban renewal on the scale that Project Seventy was supposed to envisage? This is what I would like to hear from the hon. Minister, number one, what has been happening with respect to the resolution of the Federation concerning the Urban and Rural Planning Board? Are there any changes envisaged? Who are the men on the Board? How are they appointed? Who do they represent? Number two, what has happened to Project Seventy? Number three, how many rural development plans have now been completed and are now law and does Project Seventy indicate permissive legislation for county councils, as required?

MR. SMALLWOOD: Mr. Chairman, —

MR. CHAIRMAN: Order please! The last part of that question is out of order.

MR. SMALLWOOD: Well, I will not answer it, Your Honour.

MR. CHAIRMAN: You can continue the debate on it when we come to county laws.

MR. SMALLWOOD: Well, Your Honour, I will only answer those that are pertinent and in order. The vote for urban renewal and planning studies (is this the one we are talking about, of \$55,000?) is offset by a grant of \$35,000 from Central Mortgage and Housing Corporation. So it will be an actual cost to this Government of \$20,000. This is to pay the cost of continuing studies in the Come by Chance area and on the Burin Peninsula this year, this present year. The continuation of studies that have been going on in those two areas will be made this year, the continuation will be made this year and in addition there will be a few special studies that we think may be required. We do not know that they will but we think they may.

Then there is a very large study going on in Conception Bay in

MR. SMALLWOOD:

what we call the Bay de Verde area including Bay Roberts, Spaniards Bay, and Clarkes Beach. This is a study, as the very name itself tells, of urban renewal as distinct from rural. The great pity is that these studies, of course, were not made much more frequently and more of them and on a larger scale in years gone by. If they had it might well have saved a lot of congestion and confusion and pollution and discontent and unhappiness of all kinds. But we are now, with the help of the Central Mortgage and Housing Corporation, pushing on with this thing, maybe not as vigorously as we should but with some vigor.

I do not know if there are any other particular points -

MR. HICKMAN: The other point is on the constitution, makeup of the Urban and Rural Planning Board.

MR. SMALLWOOD: The Planning Board; well that is Colonel Alliston, is it not? Well it is Colonel Alliston I think, is the leader of it and the brains of it, not deprecating the brains of other important men from other departments who are on the Board, but the leader of it is Colonel Alliston, a man that the Newfoundland Government were terribly fortunate to obtain, whose services we were fortunate to obtain for the Government because, in rural and urban planning, he is one of the best, I would think, in the whole of Canada. He is an Englishman, very stern, stubborn man, as many Englishmen are, but a man thoroughly competent and thoroughly honourable and thoroughly honest. He is one of the most difficult men I ever dealt with in my life and I dare say any other Minister as well because he is so completely competent and self-willed being very, very English that you have to get up early to get over his time, I can tell the hon. member that he is a very able man and we are very lucky to have him in the Government and the community of St. John's are lucky to have him as a citizen, as a man in the community of St. John's and

MR. SMALLWOOD:

the community of Newfoundland.

He is the chairman, and the members of it are how many in number?

MR. HICKMAN: Well, that is settled. Colonel Alliston is not the chairman I take it?

MR. SMALLWOOD: Well, he is the boss. I do not know if his title is chairman but he is the boss-man. Yes, there is no chairman actually and if there were he would be the chairman but there is an executive officer in charge. In other words my first word was the correct one, he is the boss of the show as the executive officer of it. I do not know what else there is to answer. That about covers it, does it not?

MR. DAVE: Project Seventy is available now.

MR. SMALLWOOD: Project Seventy.

MR. DAVE: If they want copies of Project Seventy.

MR. SMALLWOOD: If the hon. member wants a copy of it, here it is.

MR. HICKMAN: I would love to have a copy of it.

MR. SMALLWOOD: Well, here is a copy.

AN HON. MEMBER: Do you want it autographed?

MR. HICKMAN: Autographed, yes okay.

MR. SMALLWOOD: I will autograph it if he wants it autographed, yes.

We all have copies here, have we?

MR. DAVE: Yes.

MR. SMALLWOOD: Well, are there enough to distribute to the whole House?

We have and we will see that they are distributed to all hon. members but on the clear understanding that they are to read them.

MR. HICKMAN: And they are to be autographed.

MR. SMALLWOOD: They are to read them and study, ruminate on them, mull them over, then come back and read them again and then come in here and make some sensible speeches.

MR. HICKMAN: I will refer it to the hon. member for St. John's West.

MR. CROSBIE: Mr. Chairman, before it is carried,

MR. SMALLWOOD: No, no third speech.

MR. CROSBIE: Oh dear me!

MR. SMALLWOOD: Is that not awful?

MR. CROSBIE: I should not speak, Mr. Chairman, it annoys the Premier.

MR. SMALLWOOD: Is that not awful?

MR. CROSBIE: It is a terrible thing.

MR. SMALLWOOD: "Offal"

MR. CROSBIE: Now, Mr. Premier, not Mr. Premier, Mr. Chairman. Sometimes

I think that the Chairman is the Premier and sometimes I think the Speaker is the -

MR. CHAIRMAN: Order please!

MR. SMALLWOOD: Real offal that is, garbage.

MR. CROSBIE: Just listen, come on now a few more, we have a few more words of wisdom, come on.

Now, Mr. Chairman, on this vote here for urban renewal, and by the way before I get into that I would like to agree with the Premier in his words of commendation for Colonel Alliston -

MR. SMALLWOOD: You are finished. That is the end of him.

MR. CROSBIE: Who is indeed a very fine official of the Government and not only that, Mr. Chairman, but he lives in a certain district that is very important to me and dear to my heart and I am glad at this time to assure him that I always had his best interest at heart for reasons that we will know later in the year.

MR. SMALLWOOD: He is scared to death to hear that. He is scared stiff.

MR. CROSBIE: Oh yes, that one vote may make all the difference. If the hon. Premier comes and runs -

MR. SMALLWOOD: Will the hon. gentleman promise me that he will never have my best interest at heart? Can I have that from him?

MR. CROSBIE: I had those at heart two years ago and the Premier would not -

MR. CHAIRMAN: Order please! Would the hon. member please continue under (04).

MR. CROSBIE: Right. Now this is urban renewal, I believe. Urban renewal and planning studies. Now, Mr. Chairman, there was a question ask earlier in the session by the hon. member for Bonavista North which asked, "Since April 1, 1970, for which municipalities have urban renewal studies been carried out and the cost of each study, showing the amount paid by the Government of Newfoundland, the Government of Canada and the municipality?" The answer, Mr. Chairman, was that since April 1, 1970, studies for the Mundy Pond urban renewal scheme and the Corner Brook West urban renewal scheme have been completed. The amount paid since that time in respect of each is as follows: Mundy Pond Urban Renewal Scheme - Government of Newfoundland, \$29,831.58, Government of Canada \$29,831.58; Corner Brook West Urban Renewal Scheme - Government of Newfoundland \$43,146.98, Government of Canada the same, municipality neither.

So according to that answer, since April 1, 1970, two studies have been completed, one the Mundy Pond study with which I am sure the Chairman is very interested and the other the Corner Brook West. Now the Premier says that this year studies are going to continue in the Come by Chance area and the Burin Peninsula and Conception Bay. It is all very well to have these studies done, Mr. Chairman, but the question is when these studies are completed what action is going to be taken? I wonder if the Premier could bring us up to date on the study has been completed for Mundy Pond and the study has been completed for Corner Brook West, when I was Minister of the Department in 1966 and at the time of 1966 election -

MR. SMALLWOOD: The hon. member can leave that until we come to it.

MR. CROSBIE: You want to wait for the other heading, does he? That is the one -

MR. CHAIRMAN: (05)(04)

MR. CROSBIE: Yes, 1311. Well, Corner Brook is also mentioned there. All right if the Premier prefers I will wait until we get down there.

On motion, 1311(03), (04), carried.

MR. MURPHY: Mr. Chairman, just a short question on (05) - Regional Appeal Boards. What regions are these boards set up in?

MR. SMALLWOOD: Mr. Chairman, there is one Appeal Board so far under the Urban and Rural Planning Act and that is the one that was set up in St. John's. We are planning to set up others at Corner Brook, Grand Falls and on the Burin Peninsula. The one that we do have set up in St. John's travels and in the course of a year they hear approximately a couple of hundred appeals, averaging about five a day and requiring perhaps roughly forty odd sittings. Now the chairman gets \$4,000. a year and the members -

MR. MURPHY: Could we have the personnel?

MR. SMALLWOOD: Leo Stead. Mr. Leo Stead is the chairman, and the members \$4,000. and then there is mileage and travel for the board, chairman and the members, another \$2,000 a year to cover their travelling and the secretary travelling \$2,000. So it is a total of about \$8,000.

MR. MURPHY: Leo Stead is chairman, could I get the other names?

MR. SMALLWOOD: Who are the other members? Walter Dalton who gets no salary, I mean he gets a salary but under another heading, as he is employed by the Government and he is a full-time employee. So as a member of this Appeal Board he gets no salary.

MR. MURPHY: He does not get it from the Liberal party now anymore. His job is finished, is it?

MR. SMALLWOOD: He does not work for the Liberal party any more except in this sense that anyone who works for Newfoundland, whether he knows it or not, is working for the Liberal party, whether he knows it or not, whether he realizes.

MR. MURPHY: That is a great answer.

MR. SMALLWOOD: He may even vote against the Liberal party, attack it, slander it but if he is working for Newfoundland, whether he knows it or not, he is working for Liberalism and the Liberal party.

MR. MURPHY: What other name beside Mr. Dalton?

MR. SMALLWOOD: Besides Mr. Dalton, Mr. Graham Martin is the secretary and he is a civil servant and gets no salary as a secretary. His travelling, I notice, is paid here up to \$2,000. a year when he travels around. He is not expected to pay his travelling out of his own pocket, only Ministers are supposed to do that. Mr. Richard Murphy, Dick Murphy, the hon. gentleman must know Dick Murphy. I hope it will not be held against him but he is a well known Liberal, ardent Liberal, Mr. Dick Murphy, kind man, splendid citizen, good man, a loyal Liberal and I hope that will not be held against him. Then Mr. Arch Foss, the engineer -

MR. MURPHY: He will pay for his own sins, I cannot inflict any punishment.

MR. SMALLWOOD: Well he could get, not exemption, what is the word?

MR. MURPHY: What is the other name?

MR. SMALLWOOD: What is the other word for exemption? "Absolution" he might get. Well that is the same thing is it not, exemption, absolution, more or less. Not quite the same? In the end it is the same.

MR. MURPHY: Now when we are finished with theology, we will go on with the rest of the questions.

MR. SMALLWOOD: Yes, what else does the hon. gentleman want?

MR. MURPHY: Are there only three members?

MR. SMALLWOOD: There is Arch Foss, the engineer.

MR. MURPHY: Arch Foss.

MR. SMALLWOOD: Is that it?

MR. CROSBIE: Mr. Chairman, the hon. the Premier said that other Boards are contemplated. Will all of these boards have as part of their membership only loyal Liberals and active members of the Liberal party or will anyone be considered for these posts?

MR. SMALLWOOD: Considered, yes.

MR. CROSBIE: Pardon!

MR. SMALLWOOD: Considered, yes.

MR. CROSBIE: Considered but not likely appointed.

MR. SMALLWOOD: Well, that -

MR. MURPHY: They are appointed before the election, the hon. member should know that.

On motion, 1311(04)(05), (07)(01) carried.

MR. CROSBIE: 1311(07)(02), Mr. Chairman. I know the Premier is just hubbbling over with enthusiasm to give us information. If the amount is \$6,300,000 for loans to Newfoundland Municipal Financing Corporation, could the Premier just, we do not want to stop the time of the House by asking, as it is only \$6,300,000.

MR. SMALLWOOD: Oh no, go ahead.

MR. CROSBIE: I wonder if the Premier could just tell us you know who is going to get the loans and all the particulars?

MR. SMALLWOOD: Oh sure. We are very happy, very proud to give this information.

MR. CROSBIE: That is wonderful.

MR. SMALLWOOD: But that is assuming I have it, which I have. The Town of Clarenville \$350,000. from us and \$500,000 from Ottawa, from my rich uncle. The Town of Twillingate \$860,000. from my rich uncle.

MR. CROSBIE: Well, how could that be included in this vote?

MR. SMALLWOOD: All right then we will leave it out, if the hon. gentleman wants it left out. I will account just for this \$8. million.

MR. MURPHY: Well, that is all right. We are not going into Federal business as we do not want to obstruct the House.

MR. SMALLWOOD: All right. Fair enough.

MR. CROSBIE: This is \$6,300,000.

MR. SMALLWOOD: \$350,000., \$179,000., well the total -

MR. MURPHY: We have a list there we could table it possibly.

MR. SMALLWOOD: That is Federal, well of course it does not matter where it comes from as we spend it, and the Committee will find under the Appropriation-in-Aid, so the actual amounts are as follows:

Town of Clarendville \$850,000., Town of Twillingate \$860,000., -

MR. MURPHY: Before the Premier goes any further, there is no appropriations-in-Aid for this and we would just like to get that straight, as far as we can see in the estimates.

MR. CROSBIE: Not a cent. Anyway let us have the figures, it is interesting.

MR. SMALLWOOD: Yes, I can tell the Committee that there are incomes from Ottawa on these matters and I have the amounts here. But the total cost, regardless of where the money comes from to pay it, the total cost is as follows: Town of Clarendville \$850,000., Twillingate \$860,000., Harbour Breton \$70,000., Ramea \$625,000., Whitbourne \$900,000., Roddickton \$743,000. -

MR. CROSBIE: How much is Whitbourne, as we missed that one there?

MR. SMALLWOOD: How much is what?

MR. CROSBIE: Whitbourne.

MR. SMALLWOOD: \$900,000.

MR. CROSBIE: Yes and Roddickton?

MR. SMALLWOOD: Roddickton \$743,000.

MR. MURPHY: We would agree to let the former Minister read it out if

MR. MURPHY:

he wants to, it does not matter.

MR. SMALLWOOD: No, I like reading.

MR. MURPHY: Oh, you like reading.

MR. SMALLWOOD: I like reading. Whitbourne \$900,000., Roddickton \$743,000., Rural District of Musgrave Harbour-Doting Cove \$300,000., Community of Red Harbour \$135,000., there was some questioning about that earlier today, Town of Wesleyville \$200,000., Seal Cove \$400,000., Lumsden \$315,000., Baie Verte \$229,000., Hare Bay \$450,000., Grand Bank \$150,000., Local Improvement District of Cooks Harbour \$350,000., Deer Lake \$300,000., Town of Wabanna \$150,000., Town of Upper Island Cove \$45,000.

MR. HICKMAN: The hon. Premier before he sits down -

MR. SMALLWOOD: Now that comes to a total of \$7,072,000. and of that a total of \$772,000. comes out of original definitive Provincial Funds and if you add \$7. million, that still does not make eight does it? \$7,072,000. plus \$772,000. or do you add six million,three hundred? You get that total by adding two other totals,\$6,300,000. Federal and \$772,000. Provincial,should total \$7,072,000.

MR. CROSBIE: Mr. Chairman, it is one o'clock.

MR. CHAIRMAN: Order please! Before calling it one I would like to draw the attention of members to the fact that we have in the galleries some Grade V students from Vanier Elementary School,under their teacher, Mrs. C. Roache and I am sure all members will bid them welcome.

It being now 1:00 o'clock I now leave the Chair until 3:00 P.M.

The Committee of Supply resumed at 3:00 P.M.

MR. CROSBIE: This item is headed, Mr. Chairman, Newfoundland Municipal Financing Corporation, and the amount is \$6,300,000. Now last year the amount voted was \$100.

Newfoundland Municipal Financing Corporation is a Crown Corporation, that was set up by the Government of Newfoundland to arrange the borrowing of Newfoundland municipalities. The old system was that if a municipality wanted to borrow money, say it was the Town of Windsor, it would have an issue of debentures or bonds and the Newfoundland Government would guarantee them and that issue of bonds would be sold as a guaranteed issue.

Now the Newfoundland Municipal Financing Corporation was set up so that it would do all the borrowing for Newfoundland municipalities, with the exception of the City of St. John's and I think perhaps the City of Corner Brook. Now this amount of \$6,300,000, presumably is an amount of money that the House has now been asked to vote so the Government can advance it to Newfoundland Municipal Financing Corporation and so the Newfoundland Municipal Financing Corporation can loan it to the Newfoundland municipalities. Rather than they selling their bonds guaranteed by the Government, they can borrow it from Newfoundland Municipal Financing Corporation and then have to pay back Newfoundland Municipal Financing Corporation over a period of twenty years. That is what has been done in the past.

Now when we adjourned for lunch, the Premier listed the amounts. He said, Clarenville - \$850,000, Twillingate - \$800,000, and so on, different places that were going to get money out of this vote. The Premier said that of all of this money, the \$6,300,000, only \$772,000 was going to come from the Province. Now there is something that needs to be further explained here, Mr. Chairman. There is no appropriation in aid listed in the estimates for this \$6,300,000. It is an amount being voted by the House.

The estimates does not show any revenue to go against that, unless there has been a mistake made in the estimates.

MR. SMALLWOOD: This money is to be paid to the Municipal Financing Corporation out of the proceeds of a loan we are getting from the Government of Canada.

MR. SMALLWOOD: The Committee may remember that the Government of Canada, as one of a number of aids in the programme of reducing unemployment, agreed to lend to the provinces for a period of I think it was ten years, a sum of I think it was \$60,000,000. Subsequently the \$60,000,000 was not increased, that remains the total amount. The term, however, was increased to twenty years.

Newfoundland's share was at first I think something of the order of \$5,000,000, but the Province of Ontario decided they would not avail themselves of the opportunity to borrow their share. The result of that was that there was more money to distribute. If Ontario were not going to take theirs, then the total would be distributed among nine provinces rather than ten and this raised the amount to which Newfoundland was entitled.

Subsequently, however, the Province of Ontario changed its mind and decided that they would take some of the amount available to them. This reduced the amount to which we were entitled. So we began at \$5,000,000, it went to something over or close to \$7,000,000 and then was revised to \$6.3 million which is where it stands at this moment, except for this fact that the Province of Saskatchewan now has decided not to accept their share and this, the amount to which they were entitled, will now be distributed among the remaining eight provinces. All the provinces except Saskatchewan and Ontario.

This means that where we know we are going to get \$6,300,000, we believe that we will get closer to \$7,500,000.

This is not a gift. This is a loan by the Government of Canada, made available on per capita basis to the ten provinces, one of which, Saskatchewan, says they do not want it, another of which, Ontario, say they want only part of it, so that our share will come to about \$7,500,000.

The money is a loan. It is for twenty years and it is required to be spent on projects that have to be submitted to the Government of Canada for their approval. They have to be projects which but for this money would not go ahead. In other words it has to be spent on projects that would create jobs that would not have been created but for the fact of this money. That is what this vote is here today.

MR. CROSBIE: Well Mr. Chairman that explains how the money is come by. In other words, the Province has a loan from the Government of Canada for \$6,300,000 which the Province is going to advance to Newfoundland through a financing corporation, which in turn is going to advance it to the communities that the Premier listed this morning. I assume, Mr. Chairman, that these communities are going to borrow the money from Newfoundland Municipal Financing Corporation and will have to pay it back to the Newfoundland Municipal Financing Corporation, would that be correct? The \$6,300,000 is going to be loaned out is it, by Newfoundland Municipal Financing Corporation to these municipalities or are they getting grants?

MR. SMALLWOOD: Grants.

MR. CROSBIE: They do not have to pay these back at all.

MR. SMALLWOOD: They are lending to us and we are lending to them. Ottawa is lending it to us and we are lending it to the municipalities.

MR. CROSBIE: Now this morning the Premier read certain names of communities and certain amounts of money, for example, Clarendville would have a loan of \$50 thousand, Ramea - \$625 thousand, Roddickton - \$743 thousand, Musgrave Harbour - \$300 thousand. Are all of these loans being made for water and sewer projects, or what is the purpose of them?

MR. SMALLWOOD: Yes, all of them.

MR. CROSBIE: Well in that case it is money well spent, Mr. Chairman.

MR. SMALLWOOD: I am blushing. The hon. gentleman makes me blush. He is starting to praise me.

MR. CROSBIE: As we are not allowed to interject I will not say anything about the Premier's blushing, but some of the things I heard the Premier say would make anybody blush, even the late Papa Doc in Haiti. Some people call it "Ha-ti", I call it "Hi-ti."

MR. SMALLWOOD: "In-fa-lably," "Hi-ti."

MR. CROSBIE: I do not want to be accused of lowering the dignity of the House. There was a day, Mr. Chairman, when this House had a lot of dignity and there was never any information given out, and everything went smoothly and calmly. The House was lousy with dignity. This last year or two the dignity is disappearing but the public is getting a lot more information from this House.

MR. CROSBIE: That is a far better way for the House to be. So then, Mr. Chairman, this money is going to be well spent on water and sewerage in these areas but they will have to pay the amounts back. They are not grants as the Premier inferred this morning. These are loans that Twillingate, Withbourne, Roddickton, Musgrave Harbour will have to pay back to the Newfoundland Municipal Financing Corporation.

Be that as it may, however, these are all worthwhile projects and they have nothing to do with special areas. I am also glad to see Cook's Harbour included. I am sure the member for St. Barbe North is also, and Wesleyville, Seal Cove. I am glad we have that information. That solves the problem.

MR. EARLE: Mr. Chairman, a question on this \$6,300 thousand. I take it from what has been said that this is for new projects to be done in the present year. There was always a case, as I remember, the Newfoundland Municipal Financing Corporation, that various municipalities spent money which they obtained by way of bank loans or other means, and then at some period the Government had to float a loan, through the Municipal Financing Corporation, to pay off these or help out the municipalities.

First I want to ask, is this money, \$6,300,000 to pay for work that has already been done or for work that is to be done this year.

MR. SMALLWOOD: I did not hear the hon. gentleman, my mind was engaged in something I thought was somewhat more interesting, but I am informed that it is done and being done or going to be done. I do not know what it is he was talking about.

MR. EARLE: Some has been done.

MR. SMALLWOOD: Already under construction.

MR. MURPHY: Mr. Chairman, I do not want to take the Premier away from reading his paper but I have a few questions on this and the first one is, who are the members of the Board? I have another matter, has the Minister of Finance received from the Corporation, a copy of the report of the business and transactions for the year ending the 31st. of December, as required under the regulations? They must be tabled in fifteen days of the opening of the Legislature, showing the amounts, who borrowed and so on and so forth.

MR. MURPHY: This is Section 11, Act 34, 1964. This money is borrowed from the Canada Pension Plan, at what rate of interest, and when we reloan it, is it at the same rate, a lesser rate or a higher rate?

MR. SMALLWOOD: Say that again.

MR. MURPHY: We borrow this from the Canada Pension Plan, at what rate of interest do we borrow it, and when we reloan it, do we charge a higher rate of interest, do we charge no interest or the same interest?

MR. SMALLWOOD: We do not borrow it from the Canada Pension Plan, we borrow it from the Government of Canada and whatever the rate is - This is the technically accurate fact and we lend it at the same rate.

MR. MURPHY: The same rate of interest.

MR. SMALLWOOD: Yes.

MR. MURPHY: Is it a uniform rate to all municipalities?

MR. SMALLWOOD: No.

MR. DAWE: This amount is all the same -

MR. MURPHY: I get three nodding their heads "yes," and one says "no."

MR. SMALLWOOD: The rate is the same as we pay. We charge what we pay. If the rate there is the rate that we pay, there is the rate that we charge, we will vary with it.

MR. MURPHY: This is what I want to find out. It is not a uniform rate. You might borrow at eight from the Federal Government and charge six because you have established a uniform rate. This is not so, you charge the same rate that you pay.

MR. SMALLWOOD: Whatever we pay is what we charge.

MR. JONES: The Canada Pension Plan may vary from time to time and the agreement says that we are borrowing from the Canada Pension Plan, that may vary in the next twenty years, upwards.

MR. MURPHY: We charge them the same rate that we borrow at.

Now seeing the Minister of Finance answered that one, is there anything with reference to the report, that according to law should be tabled here within fifteen days of the opening of the Legislature, and that is tabling the amounts that have been loaned out and the progress payments and so on

MR. MURPHY: and so forth. That is in Act 34, 1964, required under the law of the House.

MR. JONES: I thank the hon. Leader of the Opposition for bringing this to my attention. I was not aware that the Minister of Finance was responsible for tabling a report from the Municipal Financing Corporation, but I will certainly look into it.

MR. MURPHY: Act 34, section 11.

MR. CROSBIE: There is a smaller point on this, the Newfoundland Municipal Financing Corporation. According to an answer filed to a question here this year, March 1, 1971, Newfoundland municipalities owed the Newfoundland Municipal Financing Corporation \$16,981,403 and the Government had guaranteed debenture debt of municipalities to a total amount of \$22,108,000 so the municipalities owed the Financing Corporation approximately \$17 million. The Government has guaranteed \$22,108,000 debentures and there have been other loans from the Department of Municipal Affairs to Newfoundland municipalities, of \$975 thousand. ~~Would~~ the Premier tell the House, as Acting Minister of Municipal Affairs, whether all of these loans to the various municipalities, whether there have been defaults on any of them, whether the Newfoundland Government has had to pay in connection with guarantees on any of these debentures or has there been any default in municipalities failing to repay, on the date due, loans or interest in connection with loans?

MR. SMALLWOOD: No defaults. Everything up to date.

MR. CROSBIE: The municipalities are not in arrears at all to Newfoundland Municipal Financing Corporation, is that what the Premier means?

MR. SMALLWOOD: I just gave the answer. No defaults, payments up to date.

MR. CROSBIE: In connection with debentures guaranteed by the Government, there are no defaults either by municipalities. Has the Government had to advance to municipalities any money which they had to use to meet debentures which they could not otherwise have met?

MR. SMALLWOOD: No default.

MR. CROSBIE: Well no default means that, on the legal date, the holder of the debenture received his money but has the Newfoundland Government had to advance these monies to municipalities so that they would not default?

MR. SMALLWOOD: No.

MR. CROSBIE: I think the Premier better check that with his Deputy Minister.

MR. SMALLWOOD: We have paid the ordinary subsidies but we have not had to give them money to enable them to avoid default.

MR. CROSBIE: I know we paid the ordinary subsidies, for example on water and sewerage and the rest of it, but has the Government had to advance monies, specifically, to municipalities so that they can meet the debenture payments?

MR. SMALLWOOD: Still no, remains no.

MR. CROSBIE: It is a no-no.

MR. NOEL: Mr. Chairman, on behalf of the members I would like to welcome to the Committee seventy-eight students from St. Mark's School at Shearstown, who are accompanied by their teachers, Mr. John Barrett and Mr. Phillip Bishop. I am sure the Committee bids them welcome.

MR. MURPHY: With regard to 08 Sir, just a question on this Great Disarmament Conference where we had the announcement about the fire buses. Twenty-five places were named, the total cost of \$300 thousand. Now this \$500 thousand this includes incinerators and fire fighting equipment.

MR. SMALLWOOD: Both.

MR. MURPHY: Both included, incinerators and all. I am just wondering how many actually. There was a list of names given, I think there were some twenty-five places named at the Disarmament Conference at the Great Arts and Culture Centre, I was wondering how many had taken up this offer of being supplied with a fire engine. Would they be all the same type and size and what arrangements have been made for housing, like fire hall or up keep or maintenance, does the Government take any responsibility for that or is it just a matter of giving the fire truck or fire bus to the municipality?

MR. SMALLWOOD: The number of incinerators is thirty-two. They are presently under construction at Marystown, in the mechanical department of the ship yard. I was talking on the telephone only yesterday to Mr. Kenneth Clarke, the Manager of the shipyard and he was telling me the welcomed order they

MR. SMALLWOOD: had received from the Government for the manufacture of these incinerators. They vary in size, depending on the size of the community. Some communities being smaller, do not have as much garbage and waste matter to be destroyed, therefore need incinerators of a certain size. Other communities being larger and having more wastes to make away with, require larger incinerators.

We are at the moment getting thirty-two of them built, to be delivered to as many communities. We give these without charging the communities but we ask the communities to operate them, of course. We manufacture them and carry them out and put them in place and then the municipality takes over the incinerator and operates it and collects the garbage and ordains that people put out the garbage and prevents people from dumping garbage around. It is all collected neatly and cleanly and taken out and destroyed in the incinerator.

In the case of the fire wagons, we pay half the cost. It is \$300 thousand for incinerators and \$200 thousand for fire wagons. We hope to be able to repeat this for a number of years until we get an adequate number of incinerators operating throughout the Province and an adequate number of fire wagons.

If the hon. Leader of the Opposition wants the names of the places where they are going, I can undertake to get them. Were they published in the "Bulletin?" It shows what a magnificent publication "The Newfoundland Bulletin" is, to allow the people of Newfoundland to know what is happening. So the Leader of the Opposition does not need to waste the time of the Committee to ask me for the list nor do I need to waste its time giving him the list. It is all in "The Newfoundland Bulletin."

MR. MURPHY: I wanted to know how many had taken advantage of it up to date. There was a great list here where they were going; but every place in Newfoundland is mentioned in this paper somewhere, either for paved roads or something else.

MR. SMALLWOOD: Not for incinerators, I think the number would be thirty-two. Has the hon. Leader of the Opposition counted the number? It should add up

MR. SMALLWOOD: to thirty-two. That is the number we are making.

MR. MURPHY: How many have taken advantage of the offer for fire buses? My question is still there.

MR. SMALLWOOD: The number of places for fire buses? \$200 thousand worth of fire buses representing \$400 thousand because \$200 thousand is only fifty per cent that we find, leaving the municipalities to find the other \$200 thousand. So that is a total of \$400 thousand. How many that is I will endeavour to discover?

They run from \$4 thousand for a fire wagon in a small place, up to \$20 thousand for one in a large place and the total number I believe is something of the order of twenty-five.

MR. MURPHY: All I want to ask is how many have applied for these fire buses? There is the question I asked. How many municipalities have taken advantage of this offer?

MR. SMALLWOOD: I would say every municipality in Newfoundland that has not got one. That is only a guess, that is not a count. Twenty so far have applied and there are five we are still waiting on. But after today I would imagine that there will be one hundred and five that will be applying. Twenty have applied, five to apply yet, which will be multiplied at least tenfold before this time tomorrow, I would guess.

MR. MURPHY: What about the other four? There are twenty-nine.

MR. SMALLWOOD: That gentleman is a stickler for accuracy. We are going to have a speech from the Leader of the Liberal Reform Party.

MR. MURPHY: Some sense for a change.

MR. CROSBIE: Mr. Chairman, I do not want to make a speech on this item; I just do not want to, but I do want to point out that it is a good thing to have that programme for incinerators together with a programme for supplying fire engines, because then the fire engines can be used to put out the fires that the incinerators start.

Would the hon. the Premier explain to the House, we do not want to tax him too much, we know he cannot be on top of everything, would he explain to the House how these incinerators work? What kind of incinerator is this? Can you burn motor vehicles in it? Can you burn tin cans or is it just -

Mr. Crosbie.

I do not want the Premier to jump too quickly. I do not want to make a speech, I just want more facts on the incinerators. How do they operate? What does the municipality do with garbage that cannot be burned? I know that the Premier has a solution, of course. He is going to use that for scrap in the scrap metal plant or the steel mill or something of that nature. Could you give us just an explanation as to how this works?

MR. SMALLWOOD: Well I will say that we are sternly resisting the temptation to take truck loads of Tories out there to the incinerators to be destroyed. I do not know what will happen. We find that when we take ten truck loads of garbage to an incinerator and put the garbage to the incinerator what is left is one truck load of tin cans and things that did not burn, including a few Tories because they are too green to burn as the hon. gentleman says, which amazes me to hear him say that, because he is about to join the Tories as soon as the House closes. Does he admit that he is too green to burn?

MR. CROSBIE: I have always been.

MR. SMALLWOOD: That is why he is over where he is today instead of carrying on some important work as one of the Queen's Ministers. He is one of the Queen's something or other but he is not one of the Queen's ministers. He is one of the Queen's jesters perhaps. Was there anything else the hon. gentleman wanted to know about this garbage and this offal?

MR. CROSBIE: What do you do with the one truck load that you cannot incinerate.

MR. SMALLWOOD: We deliver that to the headquarters of the Tory Party.

MR. CROSBIE: Mr. Chairman, I would say that these incinerators—

MR. SMALLWOOD: Yes we dump it in the...

MR. CROSBIE: Mr. Chairman, I would say that these incinerators might be used to burn up the old Liberal Platform in 1966, that was delivered to every household and most of which has not been carried out yet. I think the

Mr. Crosbie,

Premier should send out a message to everybody stating: "Send them to the incinerators." What is left, the truck load that is left out of ten sounds like the Liberal Platform?

MR. HIKCEY: Before it carries, Mr. Chairman, after that enlightening information, might I ask the Premier if a community without a municipality can qualify to receive one of those incinerators?

MR. SMALLWOOD: Who can?

MR. HICKEY: If a community without a municipality...?

MR. SMALLWOOD: No. I say no, though I think we would be prepared to say yes in the case of a community that will organize itself for that one purpose. If it is not prepared to organize itself for the general purposes of municipal government into a community council or a town council or a city council but is prepared to organize itself for the specific purpose of handling the incinerator, the answer I think would be yes.

Now organizing itself for the specific purpose of an incinerator means that they are a continuing body, that they will undertake the cost of operating the incinerator, that they undertake the cost of collecting the garbage from the citizens within their area and that they generally act as though they were either a community council or a town council insofar as garbage is concerned. I would not say that that was the most romantic job for a group of citizens to undertake but perhaps it is not as unromantic as it may appear, Cleaning up a community, either morally, politically, garbagewise, cleaning up a community, you know could be regarded as a very admirable exercise. If there is any community that prefers not to have a community council or a town council but wants to do away with the garbage, human and inanimate, animate and inanimate, wants to do away with the garbage, the Government will be delighted to help, provided that community will organize for the purpose and undertake to carry on an on-going programme of doing away with all garbage.

MR. HICKEY: Mr. Chairman, in view of the fact that the Premier would like to make away with a few Tories, might I have four of those incinerators for my district?

MR. SMALLWOOD: Why, are there that many Tories down there?

MR. HICKEY: Oh! there are quite a number. The Premier will find out shortly. I am quite serious, Mr. Chairman.

MR. SMALLWOOD: By the way, may I ask the hon. gentleman if he has four communities?

MR. HICKEY: Four communities?

MR. SMALLWOOD: If the hon. gentleman will allow me, we do not necessarily provide an incinerator for one community. Maybe one incinerator would do the four communities. We frequently have cases where one incinerator will serve several fairly large towns. In each town they collect their garbage and it is brought to that one incinerator, and I would imagine that in that case the town councils of the communities involved share the cost of doing it. I would imagine that each community bears its own costs of collecting its own garbage but then shares the cost of the operation of the incinerator itself.

MR. COLLINS: Mr. Chairman, on that point, I was going to raise that question: One only has to drive across the Province to find that in almost every municipality that there is their own individual dump. Very often these are eye-sores. Can we assume now that we have the assurance of the Acting Minister that this effort is going to be consolidated so that if there is to be an incinerator it will serve different municipalities, probably three, four, five or six? The same would apply to fire engines; instead of having one here and there and all over the place we might be able to consolidate the effort and get more for our money and better service.

MR. SMALLWOOD: Well that is not only an idea that is projected for the future; that is an idea that has been put into effect at this moment. We have incinerators in operation, serving two, three or even four different communities. Obviously, Newfoundland just cannot afford it. I do not know

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that the Bank of Canada would afford to put an incinerator in every one of the 900 individual communities in this Province. There are communities say such as Corner Brook, such as St. John's that might need more than one incinerator all to themselves, even one large one. But there are other communities that would not need the exclusive use of an incinerator and so a number of them can be banded together for that purpose.

On motion item carried.

MR. CROSBIE: Mr. Chairman, I think this is the place to discuss planning and development control. The hon. member for Burin this morning spoke on the need for a county system of Government in Newfoundland, the regional system of government. I will not repeat what he said. At that time the Chairman thought it was not in order to discuss it on that vote. What he suggested was that he felt that the Government should proceed with legislation that would enable the Government to establish a regional or county system of Government in certain areas. We do not have to start with a system immediately that covers the whole Province, but in certain areas, the ones that most need it and ..

MR. SMALLWOOD: Are you still talking about rubbish?

MR. CROSBIE: Pardon.

MR. SMALLWOOD: Are we still talking about rubbish? Have we gone on to another item?

MR. CROSBIE: We are on county government now, municipal engineering, planning, etc.

MR. SMALLWOOD: Is that the Tory Party gone on to the Liberal Reformers?

MR. CROSBIE: Here is the minister conducting his estimates and he does not know what item we are on. In any event, Mr. Chairman, the certain areas that need regional government now are: One, the St. John's Metropolitan Area, another possibly is the area of Conception Bay South and there are supposed to be underway certain plans in connection with Conception Bay South. There is a need for a water and sewerage system up

Mr. Crosbie,

through Conception Bay, from Topsail to Seal Cove. There is supposed to be a survey underway; the requirements for water and sewerage there. I think that was done quite a while ago. It has been financed by DREE. I believe there is another study underway to recommend to the Government what form of municipal government there should be in that area. I wonder if the Premier could bring us up to date on the progress of those studies when he replies, as I am sure he will in a few minutes. That is one area of planning;

The Premier mentioned earlier this morning the planning for the Come-by-Chance area. He said that there is an Urban Renewal Study being done there for some reason. I cannot understand that. I understood, Mr. Chairman, that years ago there was a plan developed, by the Urban and Renewal or the Urban and Rural Planning Division of the Department of Municipal Affairs and by consultants, to set up or to do the planning for the Come-by-Chance/ Sunnyside area, on the Isthmus of Avalon; in fact I think the area is known as the Isthmus of Avalon. It was the Isthmus of Avalon Study. So possibly the Premier could bring us up to date on what has happened to that study. If there is one underway now, under urban renewal, for that area, what happened to these previous studies and all the planning that was done with reference to Come-by-Chance? Earlier in the session, Mr. Chairman, it was mentioned that the Government had not decided where to put a regional hospital in the Clarenville/Come-by-Chance area. I think the Minister of Health or the Premier said that that was not decided. There had not been any decision made yet because the Government..

MR. SMALLWOOD: Decision on what?

MR. CROSBIE: On where the hospital should go in that area. Planning had not advanced far enough to decide where the housing was going to be in the Come-by-Chance area, whether there would be a new town needed and so on. Could the Premier now tell us what stage the planning is in with regard to the Isthmus of Avalon area. Surely by now it is decided whether Clarenville would be extended or whether it will be a new town

Mr. Crosbie.

at Sunnyside, or where the regional hospital should go? These matters must have been decided now. They have been studied for four or five years. There are two points there on planning: (1) the Come-by-Chance area (2) Conception Bay South.

MR. SMALLWOOD: Mr. Chairman, no definitive decision has been taken on that for fairly obvious reasons. It was only a few months ago that the final agreements were signed for the building of the great oil refinery at Come-by-Chance and the final agreements have not yet been signed for the building of the big new paper mill at Come-by-Chance and the building of the big new subbleached-sulphate pulp mill at Come-by-Chance. It is not even yet signed, the definitive agreement on the building of the great wharf, three-quarters of a mile long, half a mile long, the biggest wharf in the whole of the Eastern Seaboard of Canada. Agreements have not been signed for certain other industries that we hope and expect to see established at Come-by-Chance. The only thing that is definitive at this moment is that there shall be a great oil refinery.

Now how many industrial workers there will be employed at Come-by-Chance, we do not know yet, we cannot know until the final signing of a number of agreements yet to come to us. We will then know, after they have been signed and until we do know it is entirely impossible to determine how many people will reside, will have their residence in Come-by-Chance. The workers who are not yet employed to work in the oil refinery, the workers who are not yet employed to work in the paper mill or in any other industrial establishments that there may be in Come-by-Chance, do not know, as they are not even employed yet - some of them do not even suspect that they will be employed. There are paper makers working today in a paper mill at Grand Falls who do not even have a suspicion that two or three years from now they will be working in the new paper mill or the new pulp mill at Come-by-Chance. There are people in Canada, across Canada, down in the U. S., out in Holyrood who do not know at this moment that they will be working in the oil refinery. As they do not know, they cannot decide that they will live either in Come-by-Chance or somewhere else. Until they do know and until the Government know where the workers in Come-by-Chance

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will live, where they will have their homes, it is quite impossible. It is quite impossible! Admittedly, it must be admitted that it is impossible to determine what housing will be needed and what other infrastructure, what other conveniences of modern urban living will be required. You do not know that until you know how many people there are going to be there. Where will the workers in Come-by-Chance live? I suggest that some of them will live in Carbonear and some will live in Placentia, some will live in Harbour Grace. some will live in Jersey Side, some will live in Spaniard's Bay and some will live in Dunville, some will live in Bay Robert's, some will live in Fox Harbour. So you draw nearer and nearer all the time until you reach Come-by-Chance. They will be drawn into Come-by-Chance from both directions. Many of them, I suggest, will commute back and forth to work in their own cars or in a jitney or in buses. Men will go to work on shift work every day, just as they have done for years and did do for years in Placentia.

There were people who went to work daily, by car to Placentia, from distances of fifty, sixty, seventy to eighty miles away. There are people who work in St. John's today (I am not the only one. I am not even the nearest one. I come forty-five miles a day to work and the same back at night) who come from Bay Robert's, from Clarke's Beach, from Spaniard's Bay, from Harbour Grace and from Carbonear and from Whitbourne, come to work every day. When you get roads, get paving, it comes relatively easy to go to work and to go home every night. Now to what extent will this be the case in Come-by-Chance, we do not know. All we can do, so far as rural and urban planning are concerned in those areas, is to continue the study, speeding it up, if the need to speed it up should appear, slowing it down when there does not seem to be very urgent need to speed it. This is what is going on in that area. The other big area is here. It is what we call the St. John's area but which in fact extends right out around to include not only the municipality of St. John's, the City of St. John's but the metropolitan area as well. This study

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is continuing all the time. I do not know if that answers the hon. gentleman because he has just a deep-seated curiosity about everything. He is so eager to know everything, always in the hope, I sometimes think, that he will bring out an answer that will make him very happy, because it would be an answer that would make the Government very disreputable. He will keep trying to get these answers and we will keep trying not to have that kind of answer for him. We will hope that everything is being done sensibly, logically in the Government, by very imperfect men; unlike the great leader of the Liberal Reform Party now consisting only of himself and soon to disappear, be merged into the Tory Party. Unlike that great leader, we are not perfect, we are not infalible nor impeccable, we are just very human sinners who are prone to make errors and mistakes; we are not perfect like the hon. gentleman.

MR. CROSBIE: Yes, Mr. Chairman, that is all very interesting. The Premier says that we are attempting to get an answer that will make the Government look disreputable. We do not need answers like that, the Government look disreputable now.

MR. SMALLWOOD: In the hon. gentleman's eyes - the minute he crossed the floor.

MR. CROSBIE: It is disreputable. It will not be in office after the end of 1971.

MR. SMALLWOOD: In 1981. I do not intend to stay here until 1981. I refuse, I will not stay here as Premier until 1981.

MR. CHAIRMAN: Order please! Could we just get back now to the item?

MR. SMALLWOOD: Back to what year, Your Honour?

MR. CROSBIE: To get back to 1971. In 1971 the hon. the Premier disappears from the scene. We all wish him bon voyage to his condominium.

MR. SMALLWOOD: "In-fa-lably" so.

MR. CROSBIE: I will get my history out before he does. He has already attempted to rewrite history, yesterday. To get back to the question that I asked the Premier. The Premier is an expert at appearing to be answering something.

Mr. Crosbie.

He does not answer what has been asked him. I asked a question, Mr. Chairman, with regard to Come-by-Chance. This would almost make you weep and cry to hear the Premier getting on with this clap-trap about Come-by-Chance. Five years ago, in 1966, there was supposed to be the third mill there. Five years before that, there was supposed to be the third mill there. In 1967 and from then on there was going to be an oil refinery in Come-by-Chance. For the last five years planning has been done on the Isthmus of Avalon Area. For five years the people of Come-by-Chance have been told that that hospital is going to be replaced. You cannot call it a hospital, what is down there now. It was to be replaced. But politically the Premier is afraid to announce where the hospital is going to be. He does not want to offend Clarendville, that is Trinity North. He does not want to offend Come-by-Chance that is Placentia East. He does not want to offend any one in Trinity North, so he pretends that there has been no planning done, that you cannot decide these matters until after the great oil refinery is on the great site and on the great isthmus. But that is all nonsense; there is an oil refinery going there because construction has started, at least it is probably going there Mr. Chairman. The planning has been done long, long ago. There are men now down at the site working or pretending to be working; they are not working too vigorously yet. There are others, 3,500 with applications at the Procon Offices, wanting to get jobs down there that they cannot get because the 400 or 500 for this year are already employed. The people who are going down there to work at the moment are having a job to find anywhere to stay. Now there are plans and there must be plans..

MR. SMALLWOOD: Would the hon. gentleman allow me to ask a question?

MR. CROSBIE: No, the hon. Premier can speak when I am through.

MR. SMALLWOOD: It is just a little question.

MR. CROSBIE: Just a little question?

MR. SMALLWOOD: Yes.

MR. CROSBIE: All right!

MR. SMALLWOOD: Would the hon. gentleman be willing to inform the hon. member for Gander that there is an oil refinery at Come-by-Chance? Will you let him know that there is one there.

MR. CROSBIE: Mr. Chairman, there is no oil refinery at Come-by-Chance. Remember when Victoria wrote the letter, she said, "Is there a Santa Clause?" You know that is like saying that there is no oil refinery at Come-by-Chance yet. It is not there yet. There are 300 or 400 men down there stirring up the site.

MR. SMALLWOOD: There are 100 or 200 men?

MR. CROSBIE: There are only 100 or 200.

MR. SMALLWOOD: Well perhaps 50 or 60, 8 or 10 men are there? Are there 3 or 4 men there?

MR. CROSBIE: Anybody that did not know the hon. the Premier would think that he flipped his wig. Really he is like that all the time, Mr. Chairman.

Now this has been going to go ahead for the last four or five years. We all know that every time we look in the newspaper the project was going ahead. The refinery is up, the refinery is half way up. Now the Premier says that they do not know yet because the planners have not decided where the hospital is going to be, where the housing is going to be. In fact in the Budget Speech of 1969, low and behold a vision was described, a great new city would spring up on the Isthmus of Avalon, having a population within twenty years of 45,000 people. Has the Premier forgotten that he wrote that in the Budget Speech in 1969? Now the Premier tell us that the planning cannot be done because they are not sure that there is going to be an oil refinery there? He is not sure that there is going to be a third mill there?

MR. SMALLWOOD: I did not say that! I did not say that!

MR. CROSBIE: It is all waiting for the agreements to be signed, for certain agreements to be signed, with certain other great industries. Well did you ever hear - I would not describe what that is in this House.

Mr. Crosbie,

That is Come-by-Chance. The Premier has not answered that question. Come back to Conception Bay South, the area, Mr. Chairman, from Topsail to Holyrood; the junior and senior member for Harbour Main are very interested in that area as are we all. Every one knows that the whole area is a menace from the point of view of water and sewerage, complete pollution everywhere throughout the area.

Now there is a study going on and I do not mind asking the Premier to tell us about it, if it is financed by DREE or if it were financed by DREE, on the water and sewerage, what would be the cost to put water and sewerage right through that area?

Now, Mr. Chairman, DREE is financing a study in connection with water and sewerage right through that area; in fact, the study should be over. Could the Premier tell us what the results of that study were and what it looks like that the cost might be of putting water and sewerage from Topsail to Seal Cove? There is another study going on also financed by DREE. The House knows that plebiscites were held in the area and I think it was Foxtrap who voted against becoming incorporated. There is now a study being done to determine what kind of county or municipal government should go in the area. Would the Premier tell us how far these two studies have advanced?

MR. SMALLWOOD: The study of the problem of water and sewerage on the south side of Conception Bay has proceeded and continues. It has so far produced a substantial amount of data not enough for the substantial amount. The indication at the moment, this is just an indication, is that to provide water and sewerage for the area between Topsail and Seal Cove would cost something of the order of \$20 millions. That is almost as much as we are going to spend this year on water and sewerage projects for the entire Province. It will take something of the order of \$20 million. I was greatly

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surprised when I was given that figure because I had figured that it would be close to \$40 million. I adhere to that opinion. I believe, survey or no survey, that to supply water and sewerage to the area of the south side of Conception Bay will require much more, well above \$20 million

MR. SMALLWOOD: now what they have been doing in fact is to survey the sources of water and if you drive across the Trans-Canada Highway from St. John's say to Roaches Line, hardly as far as to Roaches Line, what you will be doing is to drive between two systems of ponds and lakes, some to your right and some to your left, those to your right lying between the Trans-Canada Highway and the shoreline of Conception, those to your left lying between the Trans-Canada Highway and the shoreline of the Southern Shore of the District of Trepassy. The Trans-Canada splits these two systems of lakes. It seems to me that we have got to do two things; (1) we have got to stop people from building country homes on that vast watershed, call it all one great watershed, containing maybe fifty or sixty lakes and ponds and brooks and streams and gullies, a great watershed. We have got to stop people building residences of any kind on that watershed, except under the most rigid control. In other words what we have got to do is make completely sure that that watershed that system of lakes and ponds is kept pure, prevented from pollution, protected from pollution. Then secondly, it seems to me that we have got to regard that whole system as the future supply of clean wholesome water, not only for the people in the communities on the South Shore of Conception, from say Topsail to Seal Cove or Topsail to Holyrood or Topsail to Conception Harbour, what is the last place before you hit Brigus?

AN HON. MEMBER: Colliers.

MR. SMALLWOOD: Colliers! Conception Harbour, Colliers, Marysvale, not only as a source of pure clean water for that stretch of coast, which is a very thickly populated part of our Province, but for the City of St. John's. I look upon that great watershed as the future source of supply for this City because the City now, Metropolitan St. John's, has gone I believe over 100,000 souls; 100,000 more, if the trend that you see up and down the Continent of North America and the Continent of Europe is duplicated here, then I think we may expect to see in the next

MR. SMALLWOOD: twenty, thirty, forty years St. John's becoming a city of 200,000, a quarter of a million people. They will need a far larger source of fresh water than they have at the present time in Windsor Lake and the other one or two sources that we are tapping nearby.

MR. CROSBIE: What about Bay Bulls, Big Pond?

MR. SMALLWOOD: Well that is nearby, but that would be one of them. Because what we have to remember is not only the purely domestic drain or the domestic use that will be made of water but the industrial as well. We have to be terribly careful about this future supply and this is why we were so happy that we were able to persuade DREE to put up the money for the survey which began last year, continuous through this year and should be completed, I hope, hopefully I expect before the present year is over. It is likely I am told to happen that it will be completed in the present year. What glorious, glorious thing that is!

Mr. Chairman, I heard the senior member for Harbour Main, my colleague in the Cabinet, who is not present at the moment, I heard him talk about this. I heard him talk about it in this Chamber, the population, when you leave St. John's and drive out the Topsail Road and go around the Bay, as we say, say to Brigus, the population is becoming fantastic in number and the congestion is becoming unbelievable, what you are getting in a rural area is an urban area. You are getting a great continuous settlement from Topsail to Marysvale. It is unbroken, it is one town, it is one community stretching, what? Forty miles.

It reminds me of the incredible sight you see from the aircraft, when you fly down to Florida, the coast of Florida, and for a distance of sixty, seventy, eighty miles it is one town, it is one city, flying over it at night. The way it is lit for sixty or seventy miles, it is incredible. You know that you have got that now, not sixty miles, but forty miles, forty-five miles from Topsail Hill, going down Topsail Hill to Marysvale, one unbroken stretch of housing and, every time you drive, you will see

MR. SMALLWOOD: new houses going up. I would venture to say -

AN HON. MEMBER: Practically to Georgestown.

MR. SMALLWOOD: Practically to Georgestown, which is a bit beyond Marysvale.
I would say -

MR. DAWE: To Carbonear.

MR. SMALLWOOD: And, of course, when you get to Brigus and go beyond right down Conception Bay to Carbonear and then when you get to Carbonear and go beyond to Old Perlican, it is the same thing, the number of homes built is incredible. It is staggering. But the great congestion is from Topsail Hill to Marysvale. The number of homes built, you know, they must number thousands. Now what has happened? What is happening is that a young fellow gets married or a girl in a family, and they have a bit of land and the parents give them a corner down there by the garden. "You can take that corner down there," and they build a house. They put down a well. They dig a well. They make a septic tank. Then another member of the family get married, they get in the other corner down there, or one up in the field, just up behind, and where there was one house all through our lives, go along and you see two and three and four houses, where there was one. Now what has that done to the purity of the water supply? What pollution is there? On a warm sultry day, as you drive around the South Shore of Conception Bay, what is that smell you get? Do hon. members know? Do they recognize that smell?

MR. CROSBIE: It comes from Russwood.

MR. NEARY: Tories, I guess.

MR. SMALLWOOD: Well it is even worse than Tories, if that were possible, it smells even worse than Tories do.

AN HON. MEMBER: Caplin?

MR. SMALLWOOD: No it is not the caplin. It is not the squid.

MR. CROSBIE: How close is it to Russwood? Does it get stronger as you get to Roaches Line?

MR. SMALLWOOD: As you go toward Roaches Line? Yes, in the nostrils of an hon. gentleman who decided that he would make a better Premier than Joey, the principle resident of Roaches Line, in the nostrils of such an hon. gentleman the smell of Roaches Line is unendurable. Look, even the distance here - look, I stink to high heaven in his nostrils. He cannot stand it. It brings the tears to his eyes.

MR. CROSBIE: They are rolling down.

MR. SMALLWOOD: Yes. Yes. Ah, Mr. Chairman, he will never recover, not while I live. If I were to die conveniently or be killed, you know, he would breath a sigh of relief, at last he may have a chance.

However, Mr. Chairman, I was talking about pollution and the problem so far as water and sewerage are concerned and so far as pollution is concerned, I would say the greatest single problem we have lies between Topsail Hill and Marysvale. It will cost, I think, far more than \$20 million to solve it. I think it will cost twice as much as that. This is what the survey has been about and I am very proud of it and very happy that we are able to get Ottawa to pay the cost of making the survey.

Carried?

MR. CROSBIE: No.

MR. SMALLWOOD: More speeches?

MR. CROSBIE: There is one point the Premier did not answer, if he just will not make a long speech, if he will not obstruct, if he will just give the information, because the public are tired of the Premier's obstruction. We have been here all of two months you know. All of eight weeks. What is going to happen with respect to municipal organization in the area? The Premier has not said a word about that. There were plebiscites held out there and all but one area, possibly two, have agreed to become incorporated. Can the Premier tell us now whether it is going to be incorporated or it is incorporated? How many municipalities?

MR. SMALLWOOD: Mr. Chairman, there has been a recommendation that one local improvement district was formed, and that is a very tentative even primitive beginning, but it is at any rate a beginning in an area that most desperately needs municipal government of some degree, of some quality. There is at least that faith; timid, tentative beginning at it. That is all so far.

MR. CROSBIE: Have the Government made a firm decision that it will establish a local improvement district?

MR. SMALLWOOD: Of course, we are charmed. We are delighted beyond words.

MR. CROSBIE: The Government have made that decision?

MR. SMALLWOOD: Of course.

MR. CROSBIE: And will hold to it courageously in the face of any opposition that may pop up?

MR. SMALLWOOD: We may lack money, but we do not lack courage.

MR. CROSBIE: You lack brains.

MR. SMALLWOOD: We may lack brains. We may lack money. We may even, there are three things we do not lack, one is courage, one is patriotism and one is ability to lick the hon. gentleman anytime he gets up against us. That is three.

MR. CROSBIE: Only number two is correct.

MR. SMALLWOOD: Three. We have done it everytime.

MR. EARLE: Mr. Chairman, I was looking at the estimates of this particular division and I see that there are ~~ten~~ engineers, under Planning, and four engineers in the Engineering Division. It seems to me from what we have heard this afternoon, we ought to create one more engineer. The hon. the Premier has many degrees, honorary degrees, perhaps, we will give him an honorary degree of engineering, but I think this one should be called a very special degree, an engineering degree in distraction, because we have had more distraction engineered here this afternoon than anything I know. Well if the hon. the Premier would retire and do his engineering at

MR. EARLE: a distance rather than flying up and down the Waterford Bridge in a helicopter and then deciding where a road should go, not having the faintest idea of what it will cost or what it may not cost -

MR. SMALLWOOD: Who decided that?

MR. EARLE: The hon. the Premier flew up and down and decided to -

MR. SMALLWOOD: Who decided as a result what should be done?

MR. EARLE: The people who were in the galleries the other day, they got the impression that the road was promised to go somewhere else , everybody cheered. It was a great reception.

MR. SMALLWOOD: They clapped.

MR. EARLE: No one at this stage, including the Premier, has any idea what that sort of thing will cost, and if that is the type of engineering we get, the less of it the better.

Now, Mr. Chairman, what the Premier said about various areas is very true. We are all aware of the sort of congestion and pollution and so on that is going on. But the most serious thing that has happened comes under the or should come under the control of the Metropolitan Planning Board which we discussed this morning, and I am wondering how close the engineers of this division worked with the Metropolitan Planning Board. Because you go anywhere near St. John's, particularly going out, say, the Paradise area, the Horse Cove Line and all down through St. Philips and that area, I had a country shack out there one time, about ten years ago, I had to give it up because it was broken into and smashed up so much that it could not stay there. But I drove out there the other day, the first time for many, many years and all down through Paradise, all down through Horse Cove Line and that area, there is a ribbon of houses, some good, some bad, and some indifferent and some very good going, all the way down there,

You see this sort of thing wherever you drive around the City of St. John's you see these ribbons of houses going down the different roads and it is going to create inestimable problems for the future. Talk about pollution, we have now or over-crowding, when this is allowed to carry on, if the Metropolitan Board allows this sort of thing to carry on, the remedy

MR. EARLE: for it will cost tens upon tens of millions. Oh! this is not only happening right close to St. John's, Any large centre in the Province you will see the same sort of things happening, As you approach the place, there are all these ribbon developments going up and the Bank of England will not have enough money in years to come to correct the situation that is developing in all these areas.

The question I wanted to ask about this engineering and planning division; just how closely do they work with the Metropolitan Planning Board; who has the last say in this? Who exerts the necessary control? Because to the average person, the public today, there seems to be very little control exerted; certainly what is going on indicates that there is no control at all.

MR. SMALLWOOD: Well the answer is that the survey people are in the closest possible touch with the Board, even to the extent that they sit in at meeting of the Board. The last word of course is in the hands of the Board, naturally. They are the superior continuing body. They must have the last word. They have the authority. They have the jurisdiction.

MR. CROSBIE: Mr. Chairman, could I just direct the Premier's attention to a problem I mentioned yesterday? Yesterday the Premier was very irascible and so on and he just would not comment on the problem. That is in connection with the area from Topsail to Seal Cove, and the new town that is being built in the area near Mount Pearl. I assume the Premier is going to expand on that, when we come to housing, that new town area, because I think it comes under the Newfoundland and Labrador Housing Corporation.

MR. SMALLWOOD: That was one of the times I cast pearls before swine, when I took someone in a helicopter.

MR. CROSBIE: The Premier and I were in a helicopter together, two of us together.

MR. SMALLWOOD: I brought the other hon. gentleman along as an office boy with me. What else was I, the office boy?

MR. CROSBIE: I do not know, you were extra super-cargo. That is what they call a useless supernumerary.

MR. SMALLWOOD: A super what?

MR. CROSBIE: Super-cargo. So the Premier wanted to come along to get publicity, as I remember in 1966, when we flew around looking for the site for the new town.

Now to get back to the new town, I am not going to be diverted by the Premier today. He is diverted of course, if he is amusing. I am glad to see that he is showing the amusing side of his character. But to get back; we have a new town going up in the Mount Pearl area that is suppose to provide housing space for 10,000 to 15,000 people, if I remember. We have the area from Topsail right up to Seal Cove. Now when that gets water and sewerage, which it will in the next three or four years, if there is a change of Government, Mr. Moores gets in, I am sure -

MR. SMALLWOOD: Three or four decades.

MR. CROSBIE: He will implement the water and sewerage up through Conception Bay South.

MR. SMALLWOOD: I hope people will not have to go without water until then.

MR. CROSBIE: They have gone without water for 400 years now and twenty-two of them since the hon. the Premier became Premier, twenty-two years of neglect: Twenty-two years of neglect in that area.

Now to get back to the area, when the water and sewerage does go there it will be good conservative water and sewerage pipes, When that is done, there is going to be room for another 20,000 to 25,000 people who will be able to in fill in that area from Topsail right to Seal Cove anyway.

Now does the Government plan to continue to permit the Metropolitan Area Board and other authorities to allow building to go on all over the countryside, small sub-divisions with sewerage treatment plants and the rest of it? Are we going to have a firm land-use policy? What is the good for the Housing Czar, Mr. Vivan, the Housing Commissioner, the housing boss of Newfoundland, what is the purpose of his creating facilities for 15,000 people to live out by Mount Pearl or for 5,000 or 6,000 house, if the demand for housing or people's demand for housing is going to be allowed

MR. CROSBIE: to spread all over the Metropolitan area? If that new town is ever going to be a success, if there is going to be uncontrolled building elsewhere, and the same with the area from Topsail Road to Seal Cove, so could the Premier give us the Government's policy on that? Does it plan to - there is no point of the Government having this new town and giving water and sewerage to the Conception Bay South area, if it is not going to try to have those areas built up. So will the Premier now give us a few words today on that? Are the Government going to implement a stricter land-use policy?

MR. SMALLWOOD: Again I am having the questions repeated to me by my colleague, so far it revealed four questions. Would the hon. gentleman just ask me one and I will try to answer it and then another. But please ask without speeches, just ask a simple question. What is the question?

MR. CROSBIE: You cannot ask this question without an explanation.

MR. SMALLWOOD: Why not?

MR. CROSBIE: Why does not the Premier listen the first time?

I say there is going to be a new town by Mount Pearl. There is going to be room for 25,000 people to live and to built from Topsail to Seal Cove, within the next five years, when the water and sewerage goes there. A new town is underway now that is going to have room for 20,000. Are the Government going to implement a strict land-use policy and prevent the present ribbon development that is going on along the highways out of St. John's?

MR. SMALLWOOD: The answer is yes.

MR. CROSBIE: Well, it is a simple answer to say yes. So, when is there going to be some sign of it? Every highway you travel on, from St. John's out, now there is ribbon development, Thorburn Road, The Logy Bay Road, the Torbay Road, the Topsail Road every road people are being allowed to build in a ribbon development. When you go by a pond, they are being allowed to build, Hogan's Pond, the Metropolitan Board are giving a permit for a man to put twenty homes there, with a sewerage treatment plant at the end

MR. CROSBIE: of the pond, that is eventually going to ruin the pond. Is that a land-use policy? The Premier says, yes. But, when are the Government going to see that policy is implemented?

MR. SMALLWOOD: The gentleman's question was, "are we going to?" And my answer was "yes."

MR. CROSBIE: Well, when then?

MR. SMALLWOOD: Soon.

MR. CROSBIE: How soon?

MR. SMALLWOOD: Quarter past nine, P.M., tomorrow night. How soon?

MR. CROSBIE: We cannot get serious then, all right.

MR. SMALLWOOD: How foolish!

MR. CROSBIE: There is no good talking serious.

MR. SMALLWOOD: No not that kind of nonsense.

MR. HICKEY: I asked a couple of questions in the House yesterday with relation to the Metropolitan Board. I did not get any answers. Possibly I will get some today. I will ask the same question. Why is it that we have established at last that the St. John's Metropolitan Area Board does not have any control in certain communities? Why is it that Provincial Planning adopts the same attitude and they have no control in those communities? They refused permits for people to build homes in the wide open spaces, so to speak, where there is plenty of land. They insist on large lots before they grant permits for the building of homes. When they get to a community, Mr. Chairman, which has a real pollution problem, they do not have any control at all, they skip that community and go on beyond the boundaries of that community and then -

MR. SMALLWOOD: Would the hon. gentleman allow me to interject, would he please keep talking until I come back, I want to go out for a moment.

MR. HICKEY: Will he be back, Mr. Chairman, before we adjourn at six?

I am not sure whether I can go on until after six.

MR. SMALLWOOD: The hon. gentleman can go on like Tennyson's Brook, if he wanted to.

MR. HICKEY: Really, really having an effect, the Premier has to leave the Chamber.

Anyway, Mr. Chairman, this matter has been brought before the House upon numerous occasions, we have never gotten an answer. It seems that Government do not seem to care. At least they do not give any answers. The pollution problem in those communities is really something to behold. Homes are being built, as I pointed out yesterday, in areas where anyone at all can identify a pollution problem, where a septic tank is within a very short distance of the new home, on higher ground, and right beside that home a well is dug. Now, Mr. Chairman, Government might well say that those communities are ready for town councils. It is fine to say that in terms of population they are ready for town councils. In terms of the feelings of the people and the expressions of the people with

MR. HICKEY: relation to town councils, they do not want them. My question is; is Government going to continue to ignore this problem? Are they just going to leave it there and hope that it goes away? Just on the premise that the community is large enough to support a town council? The areas do not want town councils. Surely, Mr. Chairman, someone should step in and establish some kind of controls. For it makes little sense, for us to get all excited over a pollution problem over a highway, when in fact we get to the boundaries of a community where a real pollution problem exists, we let it go on and we let it increase. Surely this does not make any sense.

The other matter, Mr. Chairman, is that I wonder what Provincial Planning was thinking about when they permitted the dump to be established in Robin Hood Bay. Again they are conscious of pollution, they enforce rigid measures to prevent pollution along various highways, along the Logy Bay Road they are involved in checking aspects with the Metropolitan Board, yet those two bodies, Mr. Chairman, both creatures of the Government, permit the establishment of a dump in an area which is not only of concern to home owners, which is polluting a pond, which is polluting a pond which is near the Marine Laboratory and where there are very good chances that the Laboratory wishes to use the water of the pond. No concern for that, little regard for that. Mr. Chairman, one begins to wonder: Why the necessity? Why the stringent measures against people who want to build their homes on fairly large track of land?

MR. SMALLWOOD: You have emptied the House.

MR. HICKEY: Good! Good! I am going to keep going until I empty it on that side.

MR. SMALLWOOD: That is an awful ambition.

MR. HICKEY: Mr. Chairman, it is a funny thing, you know, every time a matter is raised here that makes any sense, every time that someone expresses concern because of a problem, at least so far as I am concerned, the Premier takes it very lightly and makes a joke of it.

MR. SMALLWOOD: What is this, Robin Hood Day?

MR. HICKEY: Like he did two weeks ago when I raised the salmon fishing topic. That was a joke too. But one week later it was no joke. One week later the people were told to break the law. Far better, Mr. Chairman, for the Premier and all the others concerned to take heed and listen and give some answers and concern themselves when the matter is being brought to their attention, such as now, such as yesterday, and such as many other occasions, instead of just putting it lightly, instead of just making a joke out of it. It is no joke.

MR. SMALLWOOD: Are you talking about Robin Hood Bay?

MR. HICKEY: I am talking about Robin Hood Bay. I am talking about Torbay. I am talking about Logy Bay. I am talking about a number of areas. The Premier should have sat in his seat and listened.

MR. SMALLWOOD: I have stopped listening now. It is all right, the gentleman has said it. He has gone past the end.

MR. HICKEY: Has the Premier got an answer for me?

MR. SMALLWOOD: Yes. The hon. gentleman went way past the end. He finished ten minutes ago. He just kept on going when he was finished.

I agree completely with him. I am in absolute agreement with him about Robin Hood Bay, absolute agreement. I think that it is a shame that that beautiful area along side the oldest city, the oldest sea port in the Western Hemisphere, should be turned into a dump. I think it is scandalous. I think it is shameful. I agree with him. Completely I agree with him.

I have enquired as to where the blame lay and I find that it was started before there was any particular governmental authority constituted to deal with it. It was started the year before the Metropolitan Commission was formed. Now the answer to that might very well be, "all right, so it was formed before the Metropolitan Commission was appointed, but once they were appointed, if they had been using it for only a year, why did they not stop it then?" Of course I think the answer to that is that in the first year and in the second year, and maybe the third and fourth and the fifth years that it was used as a dump, it was almost unnoticed. There was no protest, no one

MR. SMALLWOOD: wrote letters in the papers. No one did or said anything about it and too bad they did not. Too bad the hon.gentleman did not. Too bad that I did not get disgusted about it.

MR. HICKEY: I was not here.

MR. SMALLWOOD: Well all right, all right, I am not blaming the hon. gentleman I am only saying that it is too bad that it is only in the last six, or eight or ten months that we have started to hear indignant protests. It is a pity it was not five or eight years ago. It is a pity it was not the minute the Metropolitan Commission was established.

But is it too late now? I say no, it is not. It is an awful mess, at least it was when I was out there. I have only been out there twice in my life and the first time I went out, which must be about five years ago, frankly there were only one or two spots where there was stuff being dumped. Before that, they were dumping it on the Burma Road, it comes up from Quidi Vidi Village, they built it during the war. It comes up from Quid Vidi Village, up the back way to Signal Hill.

I was amazed to see there on that road that they were dumping garbage over the side of the road and down a steep bank, I think into the ocean.

MR. HICKEY: That was not the City.

MR. SMALLWOOD: I do not know. I am talking about garbage. I do not know who dumped it. I did not see it dumped. I do not know who did it but as you drive along you see that garbage. I thought to myself it looked terribly dangerous. A truck backs up and empties down, it must be eighty or ninety feet down to the water, and steep, almost as steep as the wall, a very precipitous spot. I thought to myself I would hate to be driving a truck and backing up to the edge of that and dumping the garbage down over the side of it. What struck me at the time was the dangerous look of the thing.

But now out in Robin Hood Bay, when I went out there it was not at all bad. I do not know how bad it is now, I understand it is a mess.

MR. HICKEY: It is ridiculous, Mr. Chairman.

MR. SMALLWOOD: Is it bad? Really quite bad?

MR. HICKEY: Rats that size.

MR. SMALLWOOD: Well I am not talking about that. I am used to rats. I have

MR. SMALLWOOD: been dealing with rats, really I have been dealing with rats, both kinds, but I was talking about the garbage. I suppose it is the garbage that brings the rats.

MR. HICKEY: At least the garbage does not move but the rats do, right now they are next to the Janeway Hospital.

MR. SMALLWOOD: Are they? Look I will, as a result of the hon. gentleman, I am not trying to help him now, I am trying to help Robin Hood Bay and ourselves and all of us the Town, the City of St. John's in Newfoundland,

As such I am going to find out who is responsible. Is it the Metropolitan Board? Have they got power under the Act? I do not know. We will find out. If they have, I will make it a point of asking them to do something about it and stop it being used as a dump.

It is a magnificent cove. These lovely coves near the City here, are not so numerous that we can afford to turn even one of them into a dump. Now I do not know how big a job it is to clean it up. The first thing is to stop it being used, I expect.

MR. HICKEY: It will take a number of years, Mr. Chairman.

MR. SMALLWOOD: To clean it up, even if you stopped using it?

MR. HICKEY: Even at that. The people would be quite pleased to go along with that.

MR. SMALLWOOD: To stop using it?

MR. HICKEY: Sure.

MR. SMALLWOOD: All right the hon. gentleman has a convert, convert number one, right? I will follow the hon. gentleman through fire and water to try to stop Robin Hood Bay from being used as a dump.

MR. HICKEY: We can have a few fires down there.

MR. SMALLWOOD: Rats? I will not face the rats, not the four legged ones. The ones I am used to facing have only two legs. I usually trim them but not the four-legged ones, I do not like, I do not like the look of a rat. Will the hon. gentleman accept me as a recruit and a convert?

MR. HICKEY: Guaranteed.

MR. SMALLWOOD: Guaranteed! O.K! It is a deal!

MR. HICKEY: What time, Mr. Chairman, when can we say the dump will be out of existence in terms of it being used.

MR. SMALLWOOD: It is by me twenty-seven minutes past four.

MR. CROSBIE: It is agreed.

MR. SMALLWOOD: I do not want the hon. gentleman's agreement. I do not want his agreement about anything except to get this House closed. Vote the money to the Government so we can go start spending it and doing these fine things that we want to do for the people of Newfoundland. Vote the money so we can spend it. That is all I want from the hon. gentleman, nothing else.

MR. EARLE: Have you spent \$100 million yet?

MR. SMALLWOOD: Most of it, yes.

MR. HICKEY: Can we get back on the dump now, Mr. Chairman?

MR. SMALLWOOD: Can we get back to the rats?

MR. HICKEY: Back to the dump, yes.

MR. SMALLWOOD: Back to the dump, yes. It is now twenty-three minutes past four, I undertake that if we can find them on the phone, I do not even know who the Chairman is, I gave his name here this morning. It is Mr. Philpott, if I can get him on the phone, I will ask someone to go out, maybe the Clerk can go out and get him on the phone for me, and I will ask him, if he has the authority, under the law, will he please issue an order, either today or tomorrow, or maybe he has to call his Board together, I assume he has. Maybe when he does that he has to bring it to the Minister of Municipal Affairs.

AN HON. MEMBER: Are they meeting this afternoon?

MR. SMALLWOOD: Does the Minister of Municipal Affairs have to O.K. it or are they autonomous? We will find out. As fast as they can do it, I will ask them to do it, to ask them to stop. Now I do not know where they are going to put the garbage. They might deliver down to Tory headquarters. Would that be all right?

MR. HICKEY: When that dump is closed we will deal with the new location.

MR. SMALLWOOD: We have to find an alternate site, I am reminded. I do not think it would be right, the Tory Headquarters are not big enough. So we will not use them we will find some alternative site or get someone to find an alternative site, but we will try to recover Robin Hood Bay and if knighthood comes back, I will recommend the hon. gentleman for a knighthood so he will then become "Sir Thomas."

Men have been knighted for less. Men have been honoured for less.

MR. HICKEY: Mr. Chairman, I would be delighted to forego that and let the Premier have it. Just close that dump.

MR. SMALLWOOD: I have it now, I am a knight of the Order of Henry the Navigator.

MR. HICKEY: Sir Joseph.

MR. SMALLWOOD: Sir Joseph, that is when I am in Portugal, when I am here I am just Joey.

MR. HICKEY: I am glad to hear it. We will have to get you another one.

MR. SMALLWOOD: "Joey Sir," but in Portugal I am "Sir Joey."

MR. ROWE (F.W.): Mr. Chairman, the hon. gentleman across the way, the member for St. John's East Extern, is completely wrong if he assumes that none of us on this side regard the matter that he has referred to seriously. If I may correct a mild inference, which I drew from the Premier's statement, it is not just a year or so ago that this matter was raised in this House, I spoke at some length on it, eighteen years ago this month, here in this House, I do not think there has been a Session go by and even in years that I have not spoken, on this matter that my hon. friend has referred to. I am going to take another two or three minutes because it is important enough to do just that.

I suggest to you, Mr. Chairman, that it is not enough for us to think of solving this problem over here in Robin Hood Bay, and that is a bad problem. It is not enough to think of that. We have to stop and when I say we I mean the Government of Canada, the Government of Newfoundland, every municipal government in Newfoundland and the people of Newfoundland, have to stop turning Newfoundland into a garbage dump. That is what we are doing.

MR. ROWE: We are not turning Robin Hood Bay into a garbage dump, we are not turning a beautiful spot a mile in back of Kelligrews into a garbage dump, we are turning all Newfoundland into a garbage dump.

There is not a beach in Newfoundland, not a salt water beach, accessible to the public at this moment, that is not a garbage dump, some of the best sandy beaches in Newfoundland. I have been on most of them.

You go there, apart from any other risk you run, and there must be other risks, you go there at risk to your life, from the standpoint of pollution alone, ordinary pollution, not to mention the cans and the bottles, mostly broken bottles, of course, because for some reason that I have never understood, we Newfoundlanders are not satisfied to see a bottle.

I was at Bellevue Beach when I saw a group of people there on a party, Bellevue Beach is one of the two or three best beaches, most glorious beaches in all Canada, and I was on Bellevue Beach when I saw a party of seven there who were having a party and at the end of the party they thought up an excellent way to use up the empty rum bottles and the empty coke bottles, that way was to stick the rum bottles on the rock get back about forty or fifty paces and collect together five or six dozen coke bottles, empty coke bottles, and see who could hit the rum bottles, Of course most of them were half drunk, and eventually some of them did hit the rum bottle and the coke bottles as well were scattered. That, without any doubt, since then has cost some parent worry and anxiety and some times for the youngsters in hospital who had to get stitches put in the youngsters' feet because they were running along Bellevue sands and cut their feet. This of course can be duplicated and duplicated over and over.

I want to say this, Mr. Chairman, it is not enough for us to think of finding another site for Robin Hood Bay or for Kelligrews dump or for Glovertown dump or for Lewisporte dump or any other dump. It is not enough for us to go and find some other cove and dump the garbage and filth in the salt water around Newfoundland. It is not enough for us to go and find some

MR. ROWE: other spot that is presently inaccessible. This is what they are doing right now in Conception Bay South, because that dump in the back of Kelligrews, I happen to know something about this first hand because I live in that area for at least a portion of the year. Every now and again attempts have been made to put a fire in that dump and all that does is to cause (and I am using my words deliberately, correctly) all that does is to cause thousands of rats to depart from the dump and to invade every home within two miles of that dump. This again is being duplicated all around Newfoundland.

I would say now, I said it here a few weeks ago, I repeat it, that I would guess that for the population of Newfoundland, human population, that we have the biggest rat population on the face of the earth and that is a big statement. Half a million people, I would say there are more rats per human beings in Newfoundland than you would find anywhere else.

I do not pretend to be a world traveller. I have been in a good many countries and a good many other areas of the world. I do not know what they do, all I know is that they do not show evidence of filth and dirt that you find in Newfoundland. I do not know what they do with filth, they must do something with it.

We, in Newfoundland, there are two things we have to be prepared to do. We have to go to the trouble, if we are going to use garbage dumps, we have to go to the trouble of finding areas where you can excavate and throw the filth and the garbage in there and fill it in again. This can be done. It was done right in the City of St. John's. It can be done and it has to be done. The other thing is, and I am thinking particularly now of areas like my own District of Grand Falls. and towns like Grand Falls and Windsor and Buchans, we have to think in terms not of burying the garbage but of destroying the garbage, of converting that garbage into something else. Much of that garbage, as of course is common knowledge, is valuable. It could be valuable, potentially valuable, but as it is it is all being lost now.

I think we have to be prepared in Newfoundland to spend more money, and a lot of money, on solving this problem, and this is the sacrifice that

MR. ROWE: everybody in Newfoundland has to be prepared to incur, a sacrifice to try to meet this problem of increasing pollution, being brought about because we are throwing our garbage in Robin Hood Bay and in back of Kelligrews and in back of all the places big and small in Newfoundland.

MR. MYRDEN: Mr. Chairman, now we are going to get away from the Avalon Peninsula; we have a few problems over on the West Coast too.

The Control Officer is stationed in Corner Brook. He has the strangest job I think that I have ever heard because he has to control all the Northern Peninsula, all the Trans Canada, and yet in the Premier's own district, on both sides of Bay of Islands, he has no control, right from the City of Corner Brook limits on both sides of the Bay.

MR. SMALLWOOD: Why not?

MR. MYRDEN: This is what I am going to ask right now Sir; why not?

He has done a good job going down the coast because we have had many situations down in St. Barbe North especially, very few problems in St. Barbe South, and most of his problems actually are on the Trans Canada

I think, for the Premier's own information he will also state this; that both sides of Bay of Islands, next to Bonne Bay I suppose this is the prettiest Bay over on the West Coast. Over the last few years there has been a tremendous amount of building, right from Lark Harbour right into Corner Brook and on the other side from Cox's Cove in, but there are an awful lot of shacks and there has been no control. I would like to ask the Committee Sir, to have the Minister reply to this because it has been asked many times over there lately, why it is not controlled.

MR. EARLE: Mr. Chairman, it was rather interesting and quite significant that the hon. Minister of Education came into talk about garbage. He seems to come into the Chamber and blow out again. This is about the third time in this Session that he has talked about garbage. There is no more appropriate gentleman to talk about it, than the hon. Minister of Education, for this reason that in other countries, which he mentioned, tidiness and cleanliness and proper disposition of waste materials is a matter of education right from

MR. EARLE: the time the toddler can walk, it is imbued in the children from their school days and their homes all the way up. A lot of the sort of disfiguration and destruction that he speaks of on our beaches is caused by children and grown up children and adults.

The point is that youngsters today and teenagers and so on, going out on parties and the type of older ones that have a party, such as the Minister described, seem to have complete disregard for any appearance of cleanliness at all, just dump stuff anywhere and leave it there - chip boxes, chicken boxes, wrappers, bottles, beer cans, what have you, they leave them there for somebody else to tidy up. This is the sort of thing that starts spreading from the places it is supplied in St. John's and it spreads all across the country.

Now part of that, it is going to be a long process, but part of that could well be controlled over the years through a proper education programme, and this falls right in the hon. Minister's lap. It is his Department that should take a real interest in this. They should have been at it years ago, but they are not. They are trying to get into the schools the essence of tidiness and cleanliness and caring for other people's property and this sort of thing.

But that is only one aspect of it. The incinerators may turn out to be a help, but twenty-five of these are not going to clean up the country. There is going to have to be five hundred of them, if there are five hundred of them eventually, this will have to be coupled with regulations to see that people use them on all occasions.

There is no cure for this except regulations and penalties and if people will not have sense to keep their own areas tidy, it must be done by Government. It must be done by regulations because, as the hon. Minister said, Newfoundland is developing altogether too quickly into a huge garbage dump and somewhere along the line, very stringent measures have to be taken to see that all this unholy mess is cleared up.

MR. EARLE: Apart from everthing else, it will eventually ruin our tourist industry. People are not coming down here to visit a garbage dump, they are coming down to see beautiful scenery, an attractíve place.

I might say that I am glad the Minister spoke about it because on this, if nothing else, we see eye to eye, Certainly he should set the example in the Department which he controls, the Department of Education. It is the first place to start and he should have an intensive programme of cleanliness, hygiene, care of other people's property and general citizenship responsibility in the school and drive this home at every opportunity. This is one point where I think the Minister could show a very good example.

MR. MARSHALL: Mr. Chairman, there is just one point with reference to this Municipal Planning, with reference to the comments that have been made concerning the area Conception Bay South, the biggest problem that is identified by the hon. the Premier in this area.

MR. MARSHALL:

is the fact that housing is placed far too close together and the Premier related instances of fathers giving plots of land to their sons to build houses too close to their own. Now this just has not happened just in Conception Bay South, this has happened all over the Island, all over Newfoundland yet the position in Conception Bay South is much more chronic and is, as has already been stated a few days ago, a very, very serious problem. Now the question is why? The main reason is that houses have been put down on fifty foot lots, sixty and seventy foot lots where, when you have a house that is served by a septic tank, they should have at least 125 foot frontage.

You have people putting down houses very close to each other which were originally intended to be summer houses years ago and, low and behold, very shortly afterwards become permanent houses that are lived in all year round. They were not built for the purpose of being lived in all year round and they were built too close together. Now that is the situation which has occurred with alarming frequency since 1949 and the situation is not clearing itself. Certainly the DREE plan for water and sewerage is marvellous, if it comes into effect, and the sooner it comes in the better but we have to look for the duration, what is going to happen in between. It is a startling fact that within the past two years there are still an abnormal number of houses in the Manuels area, the Seal Cove area and in the Topsail area that have been built far, far too close together.

The question is this; where there is no municipal body, where there is no local Government it is obviously the problem of the Provincial Government to see that this is regulated and controlled properly, just as obvious, from the results, that the Government has failed miserably in this task because there is a very, very serious and chronic problem in Conception Bay South. This has been stated

MR. MARSHALL:

again and again and particularly during the discussion of the estimates for the Department of Health. The Government has not coped with it in the past and I have doubts whether the Government really can cope with it because we have seen an instance already in this House of what has happened, when the bad situation, the terrible situation in Chamberlains Pond was brought to the attention of the Minister of Health, a few days ago, about last week sometime, there was an exchange between the junior member for Harbour Main and the Minister of Health and there was an indication that they were talking jurisdiction, as to which body had jurisdiction over this body of water, whether it was the Provincial Government or whether it was the Federal Government. I say that unless this Government, the Provincial Government, is prepared to take the bull by the horns to look after these instances of pollution, to see that there is proper building and proper zoning codes, certainly that the minimum codes are abided by and enforced, properly enforced, unless the Government is prepared to take some of its own resources right now to see to this, put money into the Conception Bay South problem and take measures to see that it is adequately and effectively dealt with, that the problem is going to become even more acute on each passing day.

We have a situation now where we talk about pollution, you know; it is terrible to have garbage around and it is terrible to have pollution, we have Manuels River polluted, we have Chamberlains polluted, we are told we have Octagon Pond polluted and heavens knows how many other bodies of water between the Bay and the Trans Canada Highway. But the most important thing about all of this is the net result of pollution, apart from the fact that it is unpleasant, apart from the fact that it is unsightly, we have situations in this area where the health, welfare and well-being, and I am talking about the physical health, welfare and well-being of the citizens in the area, is

MR. MARSHALL:

jeopardized. It is all right for the Government to turn around, hopefully there will be a local Government, a local improvement district council and eventually a town council for the whole area to bring in controls, but in the duration, in the meantime we have a very, very serious situation which Government has not been able to cope with in the past and has shown that it is apparently not willing to act upon immediately to see that the serious problems are alleviated - and it has to be done and it has to be done quickly.

As I say, I could show any of the Government officials many, many buildings, residences that have been constructed in this area within the past two years that have been built on lots of land with fifty foot frontage or sixty foot frontage and where there are problems as between the neighbours now because of the seepage of sewage, pollution of the wells. Now I was told myself, oh about two or three years ago, by a biologist who was in around the Manuels area at the time, that the whole bed underneath that area, in Cherrv Lane, Manuels, I am speaking of particularly, where it is very, very acute. The whole bed underneath the bedrock is polluted. This is where you drill an ordinary well, so that in order to be sure of really getting pure water now from a well one is almost forced to drill an artesian well which costs quite a bit of money.

The point is, it is all very well to talk about studies and we are all for them and it is all very well to look to Uncle Ottawa for money that is going to come in the future and it is all very well to look at some distant council that is going to be incorporated and come into being but the fact of the matter remains the responsibility at this point and time, as it has for the past twenty-two years, lies with the Provincial Government and it is time that the Provincial Government got going and did something about this problem. We are

MR. MARSHALL:

seeing, as I said, the net results of pollution out there now and what has been described by some hon. members as an unsightly mess and an unpleasant situation is rapidly becoming even more than that, is becoming a danger to the health, welfare and physical well-being of the inhabitants of the area.

On motion, 1312(02)(01), (02), (03), (04) carried.

MR. CROSBIE: On (06), Mr. Chairman, Engineering Surveys - \$100,000.

The information that we got in reply to a question earlier in the session showed that from April 1, 1970 there had been a total of fifty-seven engineering studies carried out for municipalities and twenty-five of those were paid for by the Government out of this vote here, this particular vote, there were another nine carried out under DREE, sixteen carried out by municipalities which apparently they paid for themselves or the costs were not available, I guess the studies must still be underway, and there were seven carried out by the Engineering Division of the Department of Municipal Affairs.

I wonder could the Premier give the House some information on how many engineering surveys are now underway in the Department of Municipal Affairs? Would it be anywhere near fifty-seven?

MR. SMALLWOOD: Yes, underway now or completed, completed or still underway: Bellburns, Daniel's Harbour, Flower's Cove, Fogo, Happy Adventure, Parsons Pond, Port au Port East, Rocky Harbour, Rushoon, Sandy Cove in Bonavista Bay, Sandy Cove in St. Barbe North, St. Anthony, St. Lunaire, Griquett, St. Mary's and Trout River.

MR. CROSBIE: Seventeen. So there are only seventeen underway at the moment. Could the Premier give us any information on what were the results of all the studies that were done between April 1, 1970 and March 31, 1971?

MR. SMALLWOOD: No, I guess not.

MR. CROSBIE: There were fifty-seven studies, have they all been acted on or any of them been acted on?

MR. SMALLWOOD: No, I cannot, quite frankly no.

MR. CROSBIE: You will get us the information later, right.

MR. SMALLWOOD: I can get it, yes.

On motion, 1312(02)(06),(07): carried.

MR. CROSBIE: 1313(01), Mr. Chairman, Municipal Assessment is rather important and I do not think it should be passed over without some attention being paid to it. I would be unfair to the officials of that Department to let it be thought that the Department was not important. Municipal Assessment is a matter of great importance to municipalities of Newfoundland because the only real source of municipal funds is the municipal real property tax and I do not believe that the Government are going to do anything to eliminate the municipal property tax. The Premier says there will not be any Provincial property tax for education purposes but there is one for municipal real property tax, and that division, I would suggest, Mr. Chairman, needs strengthening. I notice that the vote this year is up \$22,000. for salaries, so I assume that this means that the Government are going to hire more assessors. I wonder if the Premier could give us some information on that.

In this area also, Mr. Chairman, it would be very important I think for the Government now to adopt a policy that was mentioned by the hon. member for Burin yesterday and that is that all Government property or all property of crown corporations and municipal areas should be assessed and the Government should start to pay a grant and move municipal taxes in those areas, in particular Government Crown Corporations which are operating businesses and that includes such corporations as Newfoundland Hardwoods down in Clarenville, Holiday Inns in Clarenville, Holiday Inn in St. John's, the Hotel in Port aux

MR. CROSBIE:

Basques, the Holiday Inn in Corner Brook, these commercial operations which are technically Crown Corporations should pay either municipal taxes in those communities or they should pay a grant in lieu of taxes to those communities.

Now the Premier has long had a policy of his own, which is the Government's of course, that the Government will not permit Crown Corporation property to be taxed by municipalities. But it is irrational and it is unfair, Mr. Chairman, it is wrong that the Town of Clarenville should lose, I think the revenue is around several thousand dollars a years, from Newfoundland Hardwoods, after they had paid taxes for ten or twelve twelve. because they brought this to the attention of the Government, for Corner Brook to lose thousands of dollars from Holiday Inns and St. John's to lose the same and Clarenville and Gander. it just makes no sense.

Here is the hotel, for example, in Gander, the Hotel Gander which was there before the Holiday Inns went in there and Hotel Gander has to pay the Town of Gander thousands of dollars each year in municipal taxes and Holiday Inn is not paying a cent and does not have to pay a cent. The same situation pertains in Clarenville. exactly the same here in St. John's. The Newfoundland Hotel, which is a Federal Crown Corporation, pays the City of St. John's or the Federal Government does a grant in lieu of taxes. It does not pay, I do not believe, municipal taxes, as such, to the City Council but the Federal Government pays the City of St. John's a grant in lieu of taxes for all Federal property, the CNR and the Hotel Newfoundland. Then why will not the Provincial Government agree that at least these commercial operations do the same? The Battery Motel or other motels within the city limits have to pay city taxes and it is the same in Clarenville, Gander, Corner Brook.

MR. CROSBIE -

The hotel in Corner Brook is operated by Mr. Bill Hann. the Hotel Holdings Limited I think it is, and that has to pay taxes to the City of Corner Brook yet it competes with the Holiday Inn owned by the Government, which the Government already favoured by laying down the rule that civil servants should stay in Government hotels, and Mr. Hann has to pay municipal taxes to the council in Corner Brook and the Holiday Inn does not. So the Government is discriminating against the privately owned hotels and businesses in this direction, The municipalities need these monies as they are supplying services to all those crown corporations, United Cotton Mills I think would be another. The Premier knows the list, he has the list.

It is now time for the Government to rectify this situation and to be more equitable and to give the municipalities more support. I wonder would the Premier indicate whether he has changed his mind on this point now or not?

MR. SMALLWOOD: No, there will be no change in that. I had a visit yesterday, I think it was from the Mayor, Deputy Mayor and Councillors of Corner Brook and they raised the matter and I said no, that I could not imagine the Crown permitting itself to be taxed, the property itself that belongs to the Crown not to be taxed. I could not imagine this being permitted. We had no thought of it, no intention whatsoever. The operation that goes on there is taxed by the Government of Canada and the Government of Newfoundland, taxing the operations, but the property itself is not taxable and we do not propose that it should become taxable.

MR. CROSBIE: Mr. Chairman, before the item carries, it is not an answer to say that the Government is not going to allow its property to be taxed. I mean that is not an answer. That is just a statement with nothing to back it up. Is the Government of Newfoundland such

MR. CROSBIE:

a superior part of the Crown that the Government of Newfoundland cannot be taxed or any Crown Corporation cannot be taxed? Is the Government of Newfoundland superior to the Government of Canada? I mean the Government of Canada does not permit itself to be taxed but it pays municipalities a grant in lieu of municipal taxes and there is no reason why the Government of Newfoundland cannot do the same and not only no reason why it cannot do the same but there are all kinds of reasons why it should do it.

These Crown Corporations that I am discussing are not Newfoundland Government property. Newfoundland Hardwoods Limited has a plant in Clarenville to manufacture asphalt and that is only technically a Crown Corporation. There are private individuals that have an option to buy the shares of Newfoundland Hardwoods Limited, once they have paid off the money it owes the Government. Once they do that they become the owners of Newfoundland Hardwoods and they are getting the profits of Newfoundland Hardwoods now apart from what they pay to the Government. They are getting salaries out of Newfoundland Hardwoods yet they do not pay one cent of municipal taxes to the Town of Clarenville. Now up to 1967 they were paying, Newfoundland Hardwoods Limited used to pay the Town of Clarenville every year, I forget the amount but it was several thousand dollars and in Clarenville that was a large amount.

They apparently complained to the Premier and there is provision under the Legislation that exempts Crown Corporations from paying these taxes, that says they do not have to pay the taxes, if the Government cannot decide they should pay it. That was done and three or four months later had to be reversed because the Premier lost his wig about it and was not going to have the Crown taxed. So as a result, for the last three or four years the Town of Clarenville has collected

MR. CROSBIE:

no revenue from Newfoundland Hardwoods Limited. But that is not property of the Newfoundland Government. Technically it is, as the shares are owned by the Crown until the private individuals, Newfoundland Hardwoods, pay back to the Government the money it has in it. But only technically could it be called Crown property and Holiday Inns is Crown property but it is a commercial operation. It is competing with other operations, it is consuming water of the City of St. John's, it is using the streets of the City of St. John's, it is using parking areas, street lighting, all city services and it is not paying a cent to the coffers of the City of St. John's.

MR. SMALLWOOD: This building is not either.

MR. CROSBIE: No, this building is owned by the Newfoundland Government.

MR. SMALLWOOD: Yes and so are the others.

MR. CROSBIE: This building here is not in the business operation and no one has an option on it to buy it, no one has the shares of it that they are going to become owners of it in the next ten or fifteen years. So that is not comparable. The Newfoundland Government already is helping the City of St. John's by paying for the police force and the fire department, otherwise the Government of Newfoundland should pay the City of St. John's a grant in lieu of taxes on all the property the city has and that the Province has. In the City of St. John's there is a tremendous amount of property that pays no taxes. There is this building here, all Government property, Memorial University, then there is all kinds of property owned by the religious denominations and none of it paying taxes.

MR. SMALLWOOD: Is every university throughout Canada paying taxes?

MR. CROSBIE: I do not know. There are some places they do and some they do not. The point I am making is that in those situations Governments pay grants in lieu of taxes. Now I do not argue that for

MR. CROSBIE:

the City of St. John's because they are getting the police force paid for by the Government and the fire department but if they were not they should have a grant in lieu of taxes. They would have to have it because it is costing them thousands of dollars to provide services here to this building, all the water that is consumed here and the rest of it.

So, Mr. Chairman, to say that because it is property of the Crown -

AN HON. MEMBER: We pay something towards water.'

MR. CROSBIE: You pay water, something towards water. Anyway until we get a change of Government this iniquity apparently will continue. It will be changed next year.

MR. SMALLWOOD: Will that be in your platform?

MR. CROSBIE: Definitely in my platform.

MR. EARLE: Before this item is passed, Mr. Chairman, on the question of taxes, I should like to ask what the situation is or is going to be at Stephenville. I know that the Linerboard Mill and the new industries that are being developed in that area are being exempt from SSA tax on new equipment installed in the mill. Now there are a lot of developments going out there in the way of the Linerboard Mill, the brewery which may or may not be reactivated, the two building contracts which we understand are going to be turned into a hotel, all of this do they come under exemptions from municipal taxes in Stephenville or are they exempt from all taxes of all types or is it just the SSA tax? Will they be taxed municipal taxes?

MR. SMALLWOOD: Well, the practise of the Government for a good many years when inviting new industries to establish in the Province has been to exempt them from more than a certain amount of municipal taxation. All the industries in a town, all the new industries that

MR. SMALLWOOD:

may be established are not required in the aggregate to pay more than, I think it is, forty per-cent of the municipal taxation imposed in that area. This is to prevent a municipality from just whacking on the taxes on any new industry that starts and every year or every second year increasing the rate and just squeezing them till the pips squeak, as they say. All the industries combined in an industry - Another caucus going on. Am I interrupting the caucus? No. All of them in the aggregate are not required to pay more than forty per-cent, I think the figure is.

The same thing applies to the industries at Come by Chance, the iron mines at Labrador City and at the City of Wabush, the power plant at Churchill Falls, the industries at Lake Melville, quite a number of industries that have started in various parts of the Province. This is the practise with regard to municipal taxation. Now with regard to the payment of social security, I do not know if this has anything to do with the item, - What item are we talking about? What is it? What heading?

MR. MURPHY: Municipal Assessment.

MR. SMALLWOOD: Municipal Assessment. Yes, well we can talk about municipal taxation. With regard to the SSA, I do not think that is municipal, that is Provincial and I do not think it is in order to talk about that. But the fact of the matter is that so far as municipal assessment is concerned our practise in the establishment of new industries is to exempt them municipal taxation more than forty per-cent of the total revenue that the municipality collects. If there should be two industries or three or five in the aggregate they are not to pay more than forty per-cent of the whole revenue of that municipality. This has been our practise right along. I think it is sound and I think it is very, very good. You have to try to get

MR. SMALLWOOD:

industries into the Province and you have to do that by enticing them and offering concessions of various kinds.

Every Province of Canada is doing it, every city in Canada is doing it, every state in the United States is doing it, every city in the United States is doing it and it is being done all over the Continent of Europe, the competition to attract industry is what you might almost call ferocious, it is incredible. In Ireland the competition between North Ireland and South Ireland, if there were not such sad things happening over there, would be one of the funniest things in the world. North Ireland offers so many things then South Ireland outbids them and offers more than North Ireland, outbids them. Soon they will just be paving firms to come in, those two countries, to establish industries. They will give them the land free, they will build the buildings for them free, they will equip the buildings with machinery free, they will lend them working capital at no interest.

So all you have to do is have the energy to get in there, of course, you have to be approved, you have to be someone who knows how to establish an industry and run it and convince the Government that you can do that. But the enticements that are offered are staggering and we cannot even begin to compete but -

Mr. Smallwood.

controlling municipal taxes on them is something within our power. We would be stupid if we did not do it.

MR. HICKMAN: On the question of housing, Mr. Chairman. When the debate opened on these estimates, there was some reference to the housing programme for this year and the various categories in which that programme falls. My concern is that industry in this Province is being seriously handicapped and that in turn means the earning capacity of Newfoundlanders, by the lack of housing in the designated growth areas. The hon. member for St. John's East raised a question here recently as to the housing requirements of the Town of Fermeuse. Last week I was speaking to a plant worker in Fermeuse. He told me that because of lack of housing that instead of having four draggers landing in Fermeuse regularly, as the plant is capable of handling them and because of the inability to recruit the labour force which is tied in completely with housing that they have to put only three draggers into that port. They need housing, I believe, in Fermeuse, according to the hon. member for St. John's East, to accommodate thirty, forty, fifty families all told.

Now these labour-intensive industries, as they are going to be promoted and I suggest to this committee that labour intensive-industries have a great deal going for them and a great deal to commend them, The first call has to be for housing. I suggest that there is a greater need for additional housing in areas where we have fish plants than in places like Come-by-Chance and Stepehenville, because there, too, you have a construction programme going on now, but when once the industry is completed and is operational, they, by no stretch of the imagination, can fall into the category of labour-intensive industries. Wherever you go, you go into Fortune or Harbour Breton or Rose Blanche or Grand Bank or Burin or Marystown, not so much Marystown because there was a surplus of housing until recently, this is the cry you get from both labour and management. Labour says and with

Mr. Hickman.

a great deal of justification, our people are not getting the maximum return from their employment. These plants will work, say, a shift, until 6 o'clock and they have two hours work from 8 o'clock until 10 o'clock. But if you are living ten or fifteen miles away, it is not worth your while to come in and pick up the extra few dollars nor is it worth your while to stay over for a couple of hours. But if you are living in the community, apart from all the social amenities that go with it, then the plant gets maximum production from the labour force and at the same time the labour force, which is probably more important, gets the maximum return from their efforts and from the employment opportunities available. In these seaport towns, Mr. Chairman, where I believe the housing crisis is more severe, we do not hear about it to the same extent as you hear about it in Corner Brook or St. John's, where people talk about urban renewal and slum clearing and all that sort of thing. This is to relieve some of the hardship and the overcrowding that takes place in an area that is already settled. There is supposed to be a great crisis and undoubtedly there is in these larger communities.

But there is another crisis which in my opinion does not get the same publicity but which is far more serious, the crisis that is holding up the orderly development of established towns with established industries at this time, because they cannot accommodate the full potential of the labour force and the service industries that would move in there. It is only since 1967 really that the concept of providing public housing or public land development in areas outside of Grand Falls, Corner Brook and St. John's, maybe Gander, took root. I still remember when the hon. member for St. John's West (he was then the Minister of Housing) stood in this House and made an announcement that was revolutionary. For the first time towns like Fortune and Grand Bank and Burin and Marystown and other fishing industrial towns were now going to be able to participate in this.

Mr. Hickman;

The officials (I see the President and General Manager of the Newfoundland and Labrador Housing here) had done a great deal with the amount of money that they had at their disposal. They have been great innovators in coming up with new housing schemes, but I think that they would be the first to admit that they are not able to come close to meeting the demands for adequate housing that exists (I will not call it rural Newfoundland) in the area in between rural and urban Newfoundland, areas that are truly industrial centres throughout this Province but are not being treated as such. I would like to hear from the hon. the Premier as to plans for housing development in several of these municipalities this year, I know, for instance, that there was an indication to the Grand Bank Town Council that there would be ten shell houses this year. But that does not come anywhere close to the need, not only for shell housing but the ordinary subsidized rental units and the other standard type of housing that you will find in the Cities of St. John's and Corner Brook. The same applies to Fortune , Grand Bank Fermeuse, Trepassey, Harbour Breton, all these places in my opinion, where you have labour intensive industries that they progress and development, are being retarded because of lack of housing and accomodation. We are on the verge now of a major breakthrough, if DREE funds are channelled in the right direction, in having the processing of our fish products carried on in these towns and extensions to these plants, t is an absolute waste of time to do that unless you can finding housing accommodation.

Fishery Products, in Burin, only two months ago; without any announcement, you read nothing in the press about it, it is a company which for some reason shuns that type of publicity; went on a third shift in Burin. It was seventy new jobs. They cannot be filled, because it does not have the housing. People come down or a great many of them come from the Catalina, Green's Pond area. They stayed for two or three weeks, which is

Mr. Hickman.

understandable. Eventually their families say, "we want you to come back." But they want to live where the social services are available and where there is job opportunity and I say they are being prevented from doing that.

The other programme that was discussed very briefly in this committee on Monday was the idea of lending \$5,000 to \$6,000 to enable a person to build his own home . We heard the list of applications from various communities throughout the Province, something in excess of 100 I think.

But, Mr. Chairman, I suggest that we have to be fairly realistic when we look at that programme too. There are not nearly as many Newfoundlanders today who can grab a hammer and a saw and go and build a house, if they have the money, as you would find here even five years ago. Are you going to say to a deep sea fisherman, who can only afford or who wants to buy a modest home and when he wants to build it and extend it or improve it gradually, are you going to say to him; "take four months ashore. We will lend you \$5,000 to build your own house?" (1) He cannot afford to stay ashore. (2) He may not be as versatile as his father was. He may not be able to do all the work that used to be done and could be done ten years ago. Now no matter where the house is built, you do have to bring in the plumbers, you do have to bring in electricians, you do have to bring in the skilled trades. What I would like to see - when I raised this programme, the other day, I was fully conscious of the fact that money is available to enable people to build their own homes in non-growth centres and in non-incorporated areas. That is good - there is nothing wrong with it, but that presupposes a man building his own home . The number of employed people who have the time to do that, is very, very limited. I would like to see that programme extended to the position where the man can borrow the \$5,000 or \$6,000 to build a partially - in other words extend the shell housing programme to the non-incorporated areas. Let him do it gradually but do not place a restriction upon him, where he has to build his own house, because there are

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not that many Newfoundlanders who will avail or will be able to avail of it.

The other thing, Mr. Chairman, is the question of housing in the growth centres. We can talk from now until this House adjourns, sometime close to Christmas, about the policy that people do not have to resettle unless they really want to. The fact is that there are a great many inducements and carrots dangled in front of people's noses in the hope that they will resettle. We could have a great philosophical argument and economic argument and everything else as to whether it is right or wrong and whether the welfare of the children supersedes the welfare of the parents, but the fact is that a lot of people are moving into designated growth areas. When they move in, they expect to be able to take advantage of social amenities that they have been told exist in these areas. But when they get into places such as Harbour Breton or St. Lawrence or any of these places, they find that they cannot get housing accommodation or, alternatively, they are faced with assuming a whopping, big mortgage, which turns them off the minute they arrive there.

Now there was a report tabled in this House about three years ago, the Kostaszek Report. The Kostaszek Commission dealt very extensively with the excessive cost of land development in this Province. I realize that we had certain CMHC regulations that had to be complied with. It seems to me that in many areas in this Province our land development costs (I was going to say as cheap as dirt.) are not very expensive in these areas when you buy it in large lots.

Surely, somewhere along the line there has to be a compromise between the rigid requirements of CMHC and the requirements to meet the policies and the needs of the various municipalities throughout this Province. Many of them, people coming in, when they get their resettlement grant, they find that they just do not have the kind of money to build a home comparable to the

Mr. Hickman.

one they left. They are not talking about shell homes. They are talking about three or four bedroom homes that may not have had access to water and sewerage facilities before they moved in but, other than that, were pretty comfortable houses. They want something comparable, and this is escaping.

If the hon. minister would indicate what, over and above ten shell houses for Grand Bank and the ten for Fortune or whatever the number is also in Burin, is going to be done in the way of land assembly and housing development in these growth areas, including Fermeuse, this year?

MR. NOLAN: The hon. member for Burin utters, "are you going to tell me?" I am not sure what it is that he would like me to tell him.

MR. HICKMAN: I would like to know - we had a list here tabled say for instance Grand Bank, ten units this year, presumably shell housing, \$8,000 each. Is that the total housing programme for Grand Bank this year?

MR. NOLAN: We are hoping to get another ten more of the same variety, Mr. Chairman, for that area. As a matter of fact it is being worked on right now by the Newfoundland and Labrador Housing Corporation and also in conjunction with CMHC, is it not?

MR. HICKMAN: Another ten shell houses.

MR. NOLAN: That is the way I understand it.

MR. HICKMAN: How about Fortune? There are to be five units or five units were shown on the answer to the question tabled recently by the Minister of Municipal Affairs?

MR. NOLAN: We have a land problem, I understand, in Fortune, Mr. Chairman. We have ten being built right now. I think there are ten built already.

MR. HICKMAN: A contract has been let for ten.

MR. NOLAN: Yes, there are twenty-five built already.

There are thirty built already. Also we are planning to build ten more. There are ten under construction right now. There are ten under construction or about to start. We are hopeful that perhaps we can get another ten, I am not saying that this in fact will happen.

Mr. Nolan.

That is our aim at the moment, Mr. Chairman.

MR. HICKMAN: Again, shell housing?

MR. NOLAN: Shell housing for the most part. The last ten I referred to would be shell housing. Those that are under construction now are subsidized rentals.

MR. HICKMAN: That is thirty since the programme was started in 1967.

MR. NOLAN: No it is forty.

MR. HICKMAN: Well forty, including the ten under construction now.

MR. NOLAN: Yes, that is right.

MR. HICKMAN: How about Burin?

MR. NOLAN: Burin got thirty-two I believe, subsidized rentals. There are ten in the works, according to the present planning.

MR. HICKMAN: Has the contract been let for Burin yet?

MR. NOLAN: I do not think the contract has been let yet. No, not yet.

MR. HICKMAN: Is it subsidized or shell?

MR. NOLAN: Subsidized.

MR. HICKMAN: How about St. Lawrence?

MR. CROSBIE: Let us all move down to the Burin Peninsula.

MR. HICKMAN: The same philosophy prevails on both sides of the House. Tell me about St. Lawrence, Fermeuse.

MR. NOLAN: Well I will attempt, Mr. Chairman to give the hon. member as much information as I possibly can on the St. Lawrence situation. There has been some discussions with the council down there. There are ten shell units, I think it is, under construction or about to go under construction. That is being done with the co-operation of CMHC. As a matter of fact it is being done through them. What the Newfoundland and Labrador Housing Corporation in effect does is send out their people to examine the area and work out the details, work in close collaboration with CMHC.

MR. HICKMAN: How about Fermeuse?

MR. NOLAN: Fermeuse - the land assembly is the thing we are looking at there now.

MR. HICKMAN: Any prospects of that starting this year?

MR. NOLAN: Yes we are hopeful that we can get something going there this year in Fermeuse.

MR. HICKMAN: How about Trepassey?

MR. NOLAN: We had some people down there last week. I know, from the corporation, there are forty-two subsidized rental units there now. There are eighty lots there at the moment. We had some more people down there yesterday. We are waiting on a report now on some shell housing there. I wonder if I could just run over some figures here, for the information of the committee, Mr. Chairman. It if it irrelevant. in the minds of some of the members, they can let me know and I will just stop. Some of the plans we have for this year involve land banking. That is to acquire and hold the land for future residential and other uses. It is our hope to spend about \$167,500, that is Provincial expenditure, this year, for land banking. For the land assemblies, the servicing of lots for homes and schools, commercial buildings, etc, 1,510. The anticipated number of new building lots there we will have about \$931,000. That is the Provincial outlay, Mr. Chairman. The total expenditure for this will be \$5,140,000. Loans to municipalities, I think have been dealt with a little earlier. I can skip that. Subsidized rental housing units, 176; that is the anticipated number. The Provincial expenditure there is \$380,500.

MR. CROSBIE: Are they for outside St. John's? They are all outside St. John's.

MR. NOLAN: For the most part if not entirely, they are outside St. John's, to the best of my knowledge. There are more units coming up for Mundy Pond. I do not want to give the impression that there is no allowance for housing there.

MR. CROSBIE: Mr. Chairman, this is the first vote on housing, so I guess it is just as well to discuss housing here. I have a couple of points here. I would like to ascertain first whether the hon. minister mentioned

Mr. Crosbie.

subsidized rental housing. Negotiations were going on with the Federal authorities in connection with revising the scale of rental paid on subsidized rental housing. There were two questions answered this session which were a bit contradictory. There was a new rental scale suggested by the Government of Canada, last year I think. Last year the Government said that they were considering this new rental scale for subsidized rental housing. It had not been entered into yet. My question at the moment is: Is the new subsidized rental scale, proposed by the Government of Canada, and agreed to now by the Government of Newfoundland, is it in effect now?

MR. NOLAN: I know the item referred to. There was quite a bit of controversy in the last year or so concerning the amount of money paid by residents in subsidized housing. As a matter of fact, I believe it was the hon. the Premier who arranged to send a resident or residents from St. John's, from the Province, at least, to meet with Mr. Andras, in Ottawa, the minister responsible for Housing, to discuss this matter. I believe there are two questions from the hon. member: (1) Has any decision been arrived at? The only fair answer I can give to that (I have some knowledge of it) is that they are really crossing the "t's" on it. It is just about worked out. No release has been made as yet as to any new rates that might apply. As you know the rates were frozen and that, to the best of my knowledge, is the way they have remained as of this moment.

MR. CROSBIE: Well there was a Question No. 404 answered. It was asked by the hon. Leader of the Opposition. It said that a new rental scale had been adopted by the Government of Newfoundland. There was tabled a rental scale. Is this the new rental scale that the Government of Canada proposed last year? Is this now in effect in the subsidized rental units in St. John's or in the Province of Newfoundland?

MR. NOLAN: Yes with some minor modifications, the hon. member is correct.

MR. CROSBIE: The point I wanted to make on this scale is this: The answer to the question says that the maximum percentage of rent to income is twenty-five per cent. In other words the maximum rent you pay is twenty-five per cent of your income. There is no maximum income. Of course, a person who is

making a lot of money is not going to go in, because if he started paying twenty-five per cent, say of \$10,000, you would not want to stay there. Now the scale still permits increases and decreases in salary. It still results in increases and decreases in rent, depending on the amount of the increase or decrease. Overtime is still included in this subsidized rental scale, as income. I believe that one of the major points that the tenants make of these subsidized rental units is that they feel, overtime and I feel that overtime should not be included in income when determining the amount of rent they are going to pay.

Now the scale is tabled here. It is in effect for Newfoundland. It says that a person's total gross income is included in income and it excludes certain things: earnings of children in the regular attendance of schools, earnings of a working spouse, up to \$900 a year and only to \$900 a year, certain capital gains and so on, but it does include any overtime income and so on. This is one of the features that has been annoying a lot of tenants of the subsidized rental housing. You see, rhetorically, if they receive some overtime, they are supposed to go in the following month to the rental office and pay twenty-five per cent of that in additional rent. Well they do not do it. Naturally, no one is going to think of doing that.

At the end of the year the authorities check with their employer to see what their income was last year and they discover that they made \$900 or \$600 in overtime or perhaps \$800, and then they get stuck with a bill for increased rent - they do not have the income then to pay it. Now the Government of Canada have always refused to permit this to be changed. But is there any thought or have the Provincial Government given any thought to changing it anyway and absorbing the loss themselves? The way it seems to me, Mr. Chairman (I know the theory of subsidized rental) you pay rent based on all your income. That sounds fine. It tends to discriminate against the people living in subsidized rent units who work harder and who want to get ahead. If they are the type that work overtime and make extra money or several members of the family are out working and so on, their income goes up and twenty-five per cent, of course, they have to pay out for increased rent.

Mr. Crosbie.

I have come across several cases, for instance: A fireman who got an increase in salary, between the rent going up (They lived in a subsidized rental) and the greater pension contribution and the greater income tax, they ended up behind where they had been before they got the increase. This tends to discourage persons from living in public housing, who are the ones who most want to get ahead. A lot of our public housing accommodations are occupied by people who are receiving some social assistance. Of course, they do not have that problem. It seems to be that balancing all those factors, the Government should deduct from income the twenty-five per cent that is charged, they should deduct, from the total gross income of people in subsidized rental housing, any overtime earnings they earn during the year. If the Government of Canada

will not agree to it, I do not believe it would cost the Government of Newfoundland very much to absorb it. Perhaps the Commissioner on Housing would know? But I would not think it would cost at most more than ten or twelve thousand dollars a year, if it would cost that. I suggest very strongly to the provincial government that this be done. If it goes ahead and they do not agree, then say: 'All right, we will absorb whatever income is lost, not including overtime.' There are, I believe, Mr. Chairman, 610 subsidized rental units in the District of St. John's West, Buckmasters Field, Empire Avenue, Livingston Street, Cashin Avenue; then there is the other area, Anderson Avenue. So, if the Minister can answer that question, I have another question on the same subject for him.

Could the minister tell me what work is planned this year on those housing units for the upgrading of the public housing areas? Cashin Avenue I believe was improved in 1969-70. I think there was some work done last year on Empire Avenue West. Could the minister say how much in the housing vote is going to be used this year to improve the existing subsidized rental housing in the Empire Avenue Area and Cashin Avenue, Livingstone Street that general area. As the minister knows, a lot of that accommodation is badly or was badly in need of repair and renovation? So, could he tell me what work is going to be done this year?

MR. NOLAN: Well there are a number of questions that the hon. member proposed in Mr. Chairman. One is, in connection with the subsidized housing units: Even on that I suppose I could reply, as I believe the hon. member did yesterday in reference to housing programmes, that there are no simple answers. Even the proposal of the hon. member for St. John's West, that the Provincial Government subsidize the extra amount involved, in itself could be discriminatory. The fact is that when we are talking about subsidized housing units we are talking nationally, really. It is not just something that applies to Newfoundland, since the Federal Government is involved, they do not have a special programme or special rates here at the moment and another one for say Toronto. But, I do agree that it certainly kills initiative to some extent to have people who

do go out and have the get up and go to work overtime, thereby make extra money extra money and, of course, as a result be tabbed. If I am not mistaken the agreement for the tenants is a yearly one. Supposing that, if I may use this example, you make an agreement, say with the St. John's Housing Authority, on a subsidized rental unit, they arrive at a certain fixed amount per month. If after doing so, you do in fact get involved in working overtime, you make extra money, you go through the whole year. They do not backtrack, as the hon. member may or may not know. In fact what happens is, they look at and reappraise the situation at the beginning of the new contract year, if I could use that term. We have certainly expressed our own feelings on the matter to the Federal Government, insofar as the overtime is concerned. I must be frank though, we have no indication as yet that they will change their minds on this, because again it is a national one. There has been no suggestion, I have no figures as to what it would cost provincially to do that. There is a danger, if it were to be done provincially, that in itself, while it would remove one area of discrimination would certainly cause others, I believe.

MR. CROSBIE: We cannot change it without your consent.

MR. NOLAN: Correct. Yes. Another question that the hon. member asked was in connection with certain areas. I believe he mentioned Cashin Avenue, Empire Avenue, Anderson Avenue, what would be done this year? The information I have is for completion of cladding and site works. This is a three year programme. We have \$170,000 that is for the Cashin Avenue Area, which I believe is in the hon. member's district, if I am not mistaken. For Empire Avenue site works, we have \$150,000 this year. I believe that is correct, is it not? For Anderson Avenue, again site works, we have \$35,000. That is a total I think of \$355,000 for this year or if not for this year for the next two years, is it? Just for this year. I believe that is the information the hon. member requested, Mr. Chairman.

MR. CROSBIE: When the minister said "site work," you mean this is improvement of the buildings on those sites, is it? Not work on landscaping and so on?

MR. NOLAN: It is both, Mr. Chairman.

MR.CROSBIE: Is it both? What kind of renovations are these? Not just repainting, but repairing?

MR.NOLAN: Like I said, it is completion of the cladding and site works. There are any number of things involved. I do not have, unfortunately, all the details here, as much as I would like to have, frankly. But this is not just something to be done this year then cut off. I understand this is about a three year programme, if I am not mistaken.

MR.MURPHY: Mr. Chairman, just one question that I would like to ask on this: That is with reference to all this housing. There are so many authorities now it is difficult to know just where you go. St. John's Housing Authority is I understand controls the subsidized apartments. That is here on Elizabeth Avenue, am I right on this? St. John's Housing Authority, if you apply for a subsidized apartment you must apply to these people.

MR.NOLAN: They are the administrative body.

MR.MURPHY: Are they a provincial or a federal or a combination of both?

MR.NOLAN: Provincial.

MR.MURPHY: I am just wondering, how do people get to live in these subsidized houses? I must have put in, I am sure, the past three years, at least two hundred and fifty applications to get one of these apartments.

MR.NOLAN: So have I.

MR.MURPHY: How do you go about getting - they say there is a grade that you use, you start at ten and work down to eight or nine. You know, People have spoken to me, they are living in rattraps and dogtraps and mousetraps, still they do not seem to qualify for one. There was one time there were two vacant in Buckmaster's Field I remember, about four years ago. Usually when there is one vacant you get a call from somebody; this is vacant. I went to the authority, I questioned Mr. Hillyard actually it was at the time. There was nothing. I said; "well there were two." "Well, we are keeping these for emergencies." So the next day there were three families burnt out on Brazil's Square. Now that was an emergency. It is an emergency, they sat on the

sidewalk outside the burnt out house, on a chair. So I said; two apartments in Buckmasters kept for emergency? I still could not get it. What constitutes, how do you get these apartments? I do not know if any other members have the same trouble with apartments. I would like to know. I certainly would, because you know people - you can only do your best here- you tell them to see Mr. Hickey or write a letter - are they immigrants or something from across the Atlantic that are going in there? You know. Honestly I am non-plussed. I do not think, in the three or four years, there is one family phoned me that was successful in getting a house. Now perhaps I should tell them to go to someone else. Now if the minister can tell me how to get one, I will recommend them all to him.

MR. NOLAN: Well, it is very good of you. I sympathize with the hon. Leader of the Opposition because I go through the same thing myself. I am sure he can appreciate that I probably get as many requests perhaps as he does. I know the position he is in. Like the hon. Leader of the Opposition, I have often times felt the same way and I have said so. What I consider an emergency case is the one that I am directly associated with, because of the contact with the family concerned or some such thing. The only thing is; I do not know about the others that are already on file or tapping on the door that day.

Perhaps the Leader of the Opposition may be interested to know that when we refer to the St. John's Housing Authority, it is not someone across the big pond. But it is Mr. Paul Johnson, for example, who is the Chairman of the St. John's Housing Authority, has been for some time. I believe he replaces Mr. Cam. Eaton, if I am not mistaken, in that position. There are other members on the Board. They are responsible for allocations. They have a scoring system or a credit system

MR. MURPHY: I know I have gone through them fifty-seven thousand times.

MR. NOLAN: Yes, well I have not gone through -

MR. MURPHY: Even people in the Government did not qualify under -

MR. NOLAN: Well I do not think it is fair to say that, because I mean there are people living in subsidized units, you know, I would be perfectly willing

any time that I could set up a meeting, say, with the Board or Mr. Johnson, for the hon. leader, then he can sit down and talk with him whenever he wants to.

MR. MURPHY: I know Mr. Campbell Eaton, I have written him, I have - I could never get - I just wondered, how do you get in there? The minister promised to tell me how you could get someone in there. I would like to know.

MR. NOLAN: I cannot, I cannot. We know I cannot, because I do not know.

MR. MURPHY: How many applications are on file now? Eight hundred to a thousand, they tell me. Can anybody give me that information?

MR. NOLAN: I believe there are about five or six hundred at the moment. Again, it is a matter of the need for more housing; that is what it all boils down to.

MR. MURPHY: Some of the applications that I put in have since died or passed away through old age, you know; so you can cross some of these off, you know, over the years. It is really a puzzle to me.

MR. NOLAN: I have had a number of examples. I know people, for example, who have gone and applied and have gone say to Montreal or Toronto or something. Then they come back, it so happens in some instances these people have been contacted while they were away.

MR. MURPHY: I will have to send some of my applicants away -

MR. NOLAN: That could be the answer.

MR. MURPHY: Actually they were young married couples with families when they applied, now they are looking to get into one of the old age homes.

MR. CROSBIE: - 03, Mr. Chairman, I believe it is the Rent Control Board, the amount of \$2,000. All members of the House I am sure will agree that the Rent Control Board, the present legislation and Rent Control Board cannot do an effective job any longer, what is needed in this Province is new legislation governing the relationship between landlord and tenant, generally. There is a gentleman in the city who has been advocating this, quite properly, we should now have legislation along the pattern that they have introduced and passed in Ontario, Nova Scotia that sets down a certain conditions, that all landlords

and all tenants had to observe in all leases of residential property. I am not talking now about commercial property, that is quite a different proposition. There has been no suggestion from the Government, despite our suggestions during this session, that the Government is going to introduce such legislation nor that it is even contemplating introducing such legislation. As the members of the Committee know, in a lease; there is no legislation at all that states what a landlord or a tenant must have in a lease, it is just whoever has the greatest bargaining power. Well, in most cases it is the landlord, he has the accommodation, the tenant is - we have a housing shortage here. as everybody knows, particularly decent housing at a reasonable rental. So, a tenant pretty well has to accept whatever the landlord gives him to sign, if they sign anything. If they do not sign anything then his position is not much better, although he has certain defences under the present rent control legislation.

This legislation setting up this Board is all wartime legislation, no longer suiting our conditions and our needs here on this island. So, I wonder if the Minister can, I know it is very unlikely that there is going to be any legislation introduced at this late date. Do the Government agree that this is a desirable thing, that we need legislation governing landlord and tenant rights, vis-a-vis one another? The more satisfactory system of rent control, if we are going to have rent control let us get a system that works that applies to the whole island, that looks after all the different problems that are bound to crop up in it. So, could the minister give us the government's views on that?

MR. NOLAN: If I may, just very briefly. I can sympathize with some of the thoughts expressed by the hon. member for St. John's West, Mr. Chairman, since I too have had the occasion, from time to time to, have been approached by tenants on one matter or another. What we have done recently and he has agreed, as I am sure the Committee probably knows or may be I should say Mr. David Richards the chairman of that rent control board, he has been requested and has agreed to make certain recommendations from his experience as acting as chairman of the Board for sometime, to come back to us with some recommendations.

as a matter of fact we are awaiting them right now. We expect to have them in a very, very short time. There are any number of problems, persons in the legal professions, for example, come and talk to me from time to time about some of the difficulties that they have run into there. I believe the board originally came in during the wartime - it is certainly in need of updating and changing. I would think that Mr. Richard would certainly be qualified now to make the recommendations on changes. He has agreed to do that and, as I said, we expect to have it in very short order. I mean, when I say short order I mean in the next week or two.

MR. MURPHY: I assume, Mr. Chairman, from the remarks of the answer of the hon. minister that this Rent Control Board is also not a Board constituted of officials within his department. This is also an outside group of private citizens.

MR. NOLAN: Could I just quickly give the answer to the hon. member, before he goes on. I give you the names of the members of the Board Mr. Chairman: Mr. Richards is the Chairman. Mr. W.R. Dawe is a member. Mr. Roy Tiller, Mr. James L. Seymour. Now Mr. Seymour, of course, as you know, is employed by the Newfoundland Labrador Housing Corporation. Mr. J.J. Healey is also a member. You do have really, if you are talking about officialdom, you do in fact have two members of the five. I can see why, to have this balance in there in the case of Mr. Seymour, for example, who is very, very knowledgeable in housing matters.

MR. MURPHY: I just want to get it straight in my mind because when I saw remuneration here, \$2,000 I did not think it was a part of your department, of the minister's department. But, how many inspectors as such are employed by this Rent Control Board? For example, you get lots of calls. I was in a house yesterday morning, at nine o'clock. I had to go in to see this lady. It is a fairly nice house, Now this was not a slum area or anything else.

MR. NOLAN: Went in for breakfast, did you?

MR. MURPHY: Just about. I finished my breakfast at seven-fifteen had my usual morning walk, then went into the house to do a bit of study. She was paying

\$145 a month rent. She had a kitchen, bathroom, two bedrooms, dining room. She said the rent was quite high. I said, "have you tried anywhere else?" She tried the apartments. I think what she could get over on Torbay Road, you know, about the same, would cost \$160 a month. She said, "you know the landlord does not worry about me getting out, because I have been here a number of years. He can get another twenty or twenty-five dollars a month for this house." It was a nice house. When she mentioned it was she and her husband, he had been retired four or five years ago - paying \$145 a month. I am just wondering how active is this Rent Control Board? Do they just wait for someone to come up? Are they active as an ongoing committee, like when apartments are built, do they go in and survey what rents are charged and figure if they are reasonable? Whom do they work with? For example, the hon. member for Bell Island, in his department, has a bit of trouble sometimes with welfare homes here. I think he says this is not our problem, this is someone else's problem. You know I described the home here last year, that there were three welfare families and the floor was so bad that the people told me they had to wear snowshoes to walk around the kitchen. This type of thing.

But, there must be some way, for Heaven's Sake, to protect these persons. That is a part of Government in a sense, instead of having to perhaps find Mr. Richards, I do not know if Mr. Seymour is the contact man in the department but I bet you that ninety-nine out of a hundred, if you get that many calls, I am talking about percentagewise. that phone you about rent do not know where to go, whom to contact, in the first instance, do not know where to go. I am just wondering what - Does the Premier want to say something? Does he want to make a speech again or will he get out and let us get on with the business of the House? This is very serious and I think it involves quite a great number of people because, with reference to buying homes today, we know that is a thing of the past for the ordinary wage earner here. The working man that is perhaps getting \$300 or \$350 a month with a family/^{to}try to pay rent. I am very happy to see, I think the hon. member for St. John's West referred to this tenants association. I think they had a

meeting in Ottawa, a national meeting. This tenants' committee I am forming - now I would like to see this committee become very active and be recognized by Government, even given a small office in this building, so they can keep government in touch with what is happening. Apparently this is a voluntary organization when I say voluntary I do not think there are any paid persons on it.

I believe, quite frankly, Sir, that this is a most essential committee. It was about time it was formed. Rents, I do not know how the owners of property feel, if they are being morally right in charging some of the rents, but, where it is very difficult to get apartments of any kind, of course, the rent will be what the trade, you know, demands. That is all you can do about it. So, I am just wondering if there has been any communication from this group, directly to the Department of Housing, or any meetings arranged or anything, because I know, certainly all members of this House should be kept informed of what is happening. Everyone I would say, particularly the St. John's members here are constantly being queried, from very worried people, as to where they are going to find accommodations in the city. It would be marvellous if this committee would be recognized as such, communications set up between the Department of Housing and the Department of Social Services and this tenants committee.

MR. NOLAN: I would like to be able to give the hon. member a little more information on the tenants' rights committee than I can at this time. I can tell him that there is presently, we have discussed it, not I but some officials, on our behalf, of the Government have discussed it with the Federal Government, because there is certain indication that they would be willing to assist financially and otherwise in this matter. We are currently looking at the matter in Cabinet. I could not say any more than that on it, at this moment. As for the inspectors that the hon. Leader of the Opposition asked about; there are two inspectors. They are associated, indeed are working with the planning division, They make the inspections; they go and report meet with the appeal boards. I can certainly sympathize with some of the things mentioned by the hon. leader, I know one case that was brought to me at

one time, which again is difficult to prove, of a tenant who wanted a building or a house or an apartment for his family. He could get it for a certain amount. But the owner of the unit insisted that for him to get it, say it was sixty dollars a month, that he had to give the owner another twenty on the table, which was a scandalous affair. What does the tenant do? They needed the house at the time. If they attempted to do anything, if they had, how could they prove it, because it was a cash transaction, as I understand it? It is a brutal affair. It is not even something you could refer to the Rent Control Board, I would suggest, because the next thing would probably happen, the poor man would be out on the street. They would find some way to get him.

MR. MURPHY: Pardon me, just before the minister sits down, has there been any judgment handed down on the -

MR. HICKMAN: Oh, yes, yes, I was chairman of the Rent Control Board for about fourteen years. Your tenant that you just spoke of does have redress under the Rent Restrictions Act.

MR. NOLAN: How do you prove it?

MR. HICKMAN: No question of proving it. Once he gets in he makes application to the Rent Control Board and has the rent fixed. I recall a case where a tenant went in, signed a lease for, say, \$100 a month. As soon as he got possession he made application to the Rent Control Board and we fixed the rent at something below the amount shown in the lease. I am the first to agree with the member for St. John's West. The present Rent Restrictions Act is fifteen years out of date, but even accepting what we have, which leaves a great deal to be desired, very few people throughout the Province are aware of the existence of the Rent Control Board or the Rent Restrictions Act. In the fifties I would say the Rent Control Board used to meet weekly and deal with five to seven cases, five anyway. That gradually fell away until I do not know what the situation is now but in 1965 the Rent Control Board met five times a year. That was as often as it met, simply because there were no applications. People were totally unaware -

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MR.NOLAN: Well at one meeting this year they had sixty applications there.

MR.HICKMAN: Did they? That is a good sign. That again may be from one development.

MR.NOLAN: No. They have met, just to give an example, since January they have met

MR. CHALKER: Seventeen cases, I think it was, really.

MR. HICKMAN: That still falls short of what we use to deal with in the fifties. Even now accepting the fact that there will be no new legislature this year, tenants are not aware of the few rights they presently have, insofar as the Rents Restriction Act is concerned. (1) I think they should be made aware that the Rent Restrictions Act does not apply to furnished houses and furnished apartments. (2) I think, they should be made aware of the fact that there is a Rent Restrictions Act that applies to the unfurnished dwellings and apartments at this time, that if they feel they are paying more than they should, they simply have to write the Rent Control Board and then an inspection is made. The Board does not go out and crucify landlords or anything like that, there is a formula. Because if you go too far the other way, if you make the rent too low a landlord can sit back and say, "fine, if that is what I am going to get, do not ever ask me to fix the roof or paint the house. I just will not do it." You cannot compel him to do it, if he does not want too.

Some hon. members will recall, back into the fifties there was a very lengthy Bill introduced in this House, amending and updating the Rent Restrictions Act. A great deal of work and time had gone into it, by the Department of the Attorney General, by other interested groups, the Law Society, the Department of Municipal Affairs and it was a pretty good Act at the time. The two members for Humber West, neither of whom now sit in this House, for some reason opposed the Bill. They thought there was a crisis in Corner Brook. I recall it very vividly, because we were all sent to Corner Brook the next week to deal with the crisis and got out there and despite two weeks of pleading, we could not find anybody who wanted to avail of it.

MR. CHALKER: You were there as Chairman.

MR. HICKMAN: Yes. But the Act died on the Order Paper then because of the opposition of these two members. Now that Bill today would not be satisfactory.

MR. MURPHY: That was in the fifties?

MR. HICKMAN: That was in the fifties.

MR. MURPHY: Would the hon. member tell us who they were?

MR. HICKMAN: They were Mr. Forsey and Mr. Ballam. When you compare it with tenant legislation that exist in other provinces, but, even today, this is where I think I commend to the hon. minister, the idea that this year that now tenants be made aware of the fact that if they live in unfurnished houses and unfurnished apartments, if they feel that they are being over charged that they do have the right to apply to the Rent Control Board and there will be an inspection and there will be a hearing. Most tenants in Newfoundland are totally unaware of its existence.

MR. S. NEARY: Mr. Chairman, I would just like to have a word on this matter. One of the most frustrating and time-consuming problems that the field staff of my department have is finding shelter and accommodations for needy people and people earning low incomes. If I wanted to, Mr. Chairman, I could tell this House of cases that would make the hair stand straight on your head. I do not think there is any need to go into great, great detail about that. I think any member of this House can go around this Province and uncover a family living in a substandard house. I do not think, Mr. Chairman, that kind of publicity does the family any good. You would hardly pick up a newspaper or watch/television programme in Newfoundland today, but you do not see attention focused on some family living in substandard houses. None of these people who expose these type of things, Mr. Chairman, have yet come along with answers to the problem. They never provide the answers. They never say they are prepared to give up, these bleeding hearts never say they are prepared to give up an extra ten percent of their income to provide housing for needy people. Mr. Chairman, none of the people in Newfoundland who have a privileged background will come out and provide any of the answers or provide a solution to the housing problem in Newfoundland. Because, Mr. Chairman,

MR. NEARY: Government cannot provide all the homes that are needed in Newfoundland for needy people, people with no income and people with low income. It is not possible for Government to do it all, private enterprise has to play a very major part in it.

I would suggest, Sir, and I said this publicly, recently, that if some of the people who have the privileged background in this Province would come to the assistance of some of these people, in providing housing, I think that the problem would be resolved much faster than leaving everything up to Government.

I want to say this, Sir, and I am told, I do not know who those landlords are in this city, but I am told that some of them are lawyers. They may be all lawyers, as far as I know, Mr. Chairman.

MR. HICKMAN: Why do you not name them?

MR. NEARY: I am not carrying on a hate campaign against lawyers, but they do represent a lot of landlords in this. Especially in St. John's, Mr. Chairman, we do not know who the landlords are because they are represented by lawyers. We have lawyers standing up in this House and telling us -

MR. CROSBIE: Who are the owners of the liquor stores? Who are the owners of the liquor stores.

MR. CHAIRMAN: Order! Order!

MR. NEARY: Mr. Chairman, I thought there were to be no interruptions this afternoon. Now they stand, they have the gall, Mr. Chairman, to stand in this House and say to us; "why do you not let the tenants know what their rights are?" Why do not the lawyers who represent these tenants or landlords let the tenants know what their rights are?

Mr. Chairman, I think this is the lowest form of hypocrisy.

MR. CROSBIE: On a point of order, Mr. Chairman. It is six o'clock, Mr. Chairman.

MR. NEARY: We still have a minute left.

MR. CROSBIE: On a point of order, Mr. Chairman.

MR. HICKMAN: On a point of order.

MR. NEARY: We still have a minute left, Mr. Chairman.

MR. CHAIRMAN: Order, please!

MR. CROSBIE: Last night the Speaker said it was six o'clock when it was five after six. Tonight the clock is reading; there it is six o'clock now.

MR. NEARY: Mr. Chairman, that is not a point of order, that is childness. It will only take me another fifty seconds to finish what I have to say, Sir,

MR. CROSBIE: You have nothing to say.

MR. NEARY: One of the great problems -

MR. CROSBIE: We cannot even hear you.

MR. CHAIRMAN: Order, please!

MR. NEARY: Mr. Chairman, do you want me to name the hon. member.

MR. HICKMAN: Go ahead, name them.

MR. CROSBIE: Go ahead name me. Who am I?

MR. NEARY: That is what the people of this Province would like to know, who are you? Some kind of a nut?

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

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

On motion report received and adopted.

MR. CROSBIE: Mr. Chairman, I move that the House at its rising adjourn until tomorrow; May 28, 1971 at 11:00 A.M.

MR. SPEAKER: Those in favour of the motion please say "aye." Contrary "nay."

I declare the motion lost.

MR. SPEAKER: It now being 6:00 P.M., I do leave the Chair until 8:00 P.M.

The House resumed at 8:00 P.M.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Order! Shall 1321-01 carry?

MR. CROSBIE: Mr. Chairman, this is the vote for the Rent Control Board and before we adjourned at six o'clock there had been quite a sensible discussion on the matter of rent control and landlord and tenant relations, until the Minister for Social Services and Rehabilitation stood up just before we adjourned and started some nonsensical remarks on the problem of rents and lawyers, the usual kind of guff that we expect to hear from that gentleman, that non-person. Unfortunately he is not here at the moment, but, I hope he will be here shortly.

Now, Mr. Chairman, when anyone discusses slum housing in Newfoundland or the renting of below standard housing accommodation in Newfoundland there has to be pointed out that the Minister of Social Services and Rehabilitation is the biggest slum landlord in this Province. The greatest slum landlord in this Province is the Minister of Social Services and Rehabilitation. The Department of Welfare has purchased substandard homes all over this Province for people who are on social assistance to move into, ranging in price from \$400 or \$500 up to one place they purchased last year was \$10,000, but, by and large, the prices paid are from a few hundred dollars up to \$3,000 or \$4,000 for housing accommodation that is abysmal, all across this Province. The Minister of Social Services and Rehabilitation, who talks so grandly about his clients, is also a gentleman who apparently is not prepared to look after his clients interest by having officials of his department inspect housing in the city of St. John's and elsewhere, that the Department of Social Assistance is paying the rent for, for those people who are unfortunate enough to be on social assistance.

There was a delegation in to this building last week, Mrs. Evans, Mother Welfare, and some twenty or twenty-five other people who were in on this very question, who were after the Minister of Social Services and Rehabilitation to do something about the fact that all over St. John's

MR. CROSBIE: and elsewhere people receiving social assistance are living in abject conditions, in abject housing, with the rents paid for by the Department of Social Assistance and Rehabilitation, not checked by his department, nothing done to upgrade those conditions, and the Minister of Social Services and Rehabilitation refuses or cannot or says it is not his responsibility to do anything about it. That very same gentleman has the gall, "gentleman" is too inaccurate a word, has the gall to stand up in this House and talks about lawyers and tries to imply that lawyers, particularly on this side of the House, are the owners of slum housing in this Province and making a profit out of slum housing. A lie! An untruth! Completely untrue, this lying insinuations! The greatest slum landlord in this Province is the Minister of Social Services and Rehabilitation, the Government.

Now about a year ago the job of purchasing housing for people on social assistance was taken over by the Newfoundland and Labrador Housing Corporation. I hope that they are doing a better job of it than the Department of Welfare, it used to be called, is doing. I can say here right now the kind of up statement that that hon. gentleman, I wish he were here, the kind of statement that he made here tonight, between ten minutes to six and six o'clock, is the kind of McCarthyite, cowardly charged that he has made so often, that he made about the member for St. John's East Extern last week, and did not have the decency to withdraw or to back it up.

If I, as a lawyer in this House, and I am being charged by inference, by the Minister of Social Services and Rehabilitation, of being a slum landlord, I am going to defend myself. I will say here right now, I do not own one piece of property in the City of St. John's or elsewhere, except the home I live in. I do not own the one I live in, in St. John's, at the mercy of my wife. In fact she has threaten to have me out of the place, if this House does not close down shortly. I will have to move into Hogan's Pond.

AN HON. MEMBER: Inaudible.

MR. MURPHY: He is doing his best to try and close it.

MR. CROSBIE: I am trying myself to expedite it. But quite seriously, Mr. Chairman, this kind of cheap tactic. If there are lawyers in St. John's that own slum housing or represent clients that own them, it is not the gentleman who is speaking here now. I do not believe it is any other lawyers on this side of the House, whether the same can be said for lawyers on the other side, I do not know. But to sit here session after session and listen to the cheap insinuations and sly innuend^a of the Minister of Social Services and Rehabilitation is enough to make anyone throw up. His performance this afternoon was one of those sick performances. He, the minister of the department that is responsible for purchasing hundreds of substandard homes around this Province, to have his what he calls clients, his clients live in, to get up in this House and insinuate anything about anybody else owning slum properties or substandard housing, it is just incredible.

Now this Rent Control Board, we have had a sensible discussion on that earlier. The member for Burin pointed out what even the present Rent Control Board could do, if people knew more about it, If the Government cared to advertise. The fact that any unfurnished dwelling in Newfoundland, unfurnished apartment rented, a person who rents it can come to this Rent Control Board and have them fix the rent, is not generally known, as the member for Burin pointed out. It is not advertised by the Government. No publicity is given it. Anyone living in the Province of Newfoundland, in an unfurnished apartment or home, can come to this Rent Control Board and if they really understand that and start coming, that Board is going to have to be made a permanent board. It is time that the Department of Social Services and Rehabilitation that the hon. gentleman is the head of, is time they got off their duffs and did something about the housing accommodation they are providing for their "clients" around this Province. They should at least inspect the housing. If it is tremendously substandard, then they should not put people in that accommodation, but the Government

MR. CROSBIE: should do something to house them elsewhere.

But then for this very same minister that has got hundreds of people on social assistance, living in run-down, filthy shacks in this City and around the Province, for him to get up and accuse anyone else, by innuendo, of owning this kind of housing and collecting rent, "ill-gotten gains," he says - they are ill gotten gains. On the radio last week the hon. minister, he says that Mr. Crosbie and Mr. Moores use some of their ill-gotten gains. What ill-gotten gains?

MR. MURPHY: That was in between bites of his doughnut.

MR. CROSBIE: In between bites of his doughnut, when he had the welfare delegation in to see him last Wednesday. "If they would use their ill-gotten gains," he said, "to solve our housing problem." Did anybody ever hear the likes, this Government who are spending \$517 million this year cannot solve the housing problem. This Government got hundreds and thousands of people in substandard housing, who are on social assistance and cannot solve that. For one of the minister's of that Government to say, "if somebody else use their ill-gotten gains on that, the housing problem would be solved." What tripe? How low can you sink, how curlike can you get?

I wish that gentleman was here tonight. He is not here yet. I would wait until he was here, but I have to speak while this item is before the House now.

MR. MARSHALL: Mr. Chairman, there are a few points I want to make about this Rent Control Board as well: First of all, the Rent Control Board is by no means effective and does not operate in a manner that it ought to operate, purely and simply because of the legislation authorizing it. The Rent Control Board was a creature of Government, in the years during the war, to regulate rent and to apply it only to unfurnished apartments. Now the fact of the matter is, what is a furnished apartment? In the St. John's Housing Corporation, in order to avoid, some people say, the operation of this Act, this Rent Control Act, started putting a refrigeration, range and/or refrigerator in an apartment. Consequently then it became taken as

MR. MARSHALL: given that a furnished apartment is one that may have just merely a range in it, so you get out from underneath the operations of the Rent Control Board.

The Rent Control Board is old and it is archaic and it does not do the job that needs to be done at this time, through no fault of the officials concerned with the Board but because of the enabling legislation authorizing it.

Now the hon. the hon. the member for St. John's West has spoken about the welfare homes. I do not think any person who has any experience with the area in St. John's can say, after inspecting some of these homes that the hon. the Minister for Social Services has some of his clients in, can say by any stretch of the imagination that the Rent Control Board is operating properly vis-a-vis the citizens and the Government itself. After all, if the Government are going to pay rent then it should ensure that the bare, basic, minimum requirements or necessities of life are provided.

I can think of incidents now, one in particular, in the centre of St. John's, where there is a young couple and their two children on welfare, who are living in two rooms, just two rooms, if you can call them rooms, for which the department is paying, according to these people, \$80.00 per month. I went down there on a January day, during the cold January days of this year, and the wind was blowing through the place. There were no proper window boxes there. The place was freezing cold. There was not proper sanitation facilities down there. And yet, two rooms were being rented cheerfully, apparently, by the Department of Social Services, for what I consider to be an inordinate amount. These were not the only tenants in the house. It was almost like a rabbit warren, when you went down there. You talk about the Rent Control Board, how the Rent Control Board operates, I do not think that anybody, who has gone around and seen some of the conditions, can by any stretch of the imagination say that it is operating properly.

MR. MARSHALL: There was an emergency in the City during the war, because of lack of facilities available for people to live in, and I say that there is an emergency in the city now with respect to these people. Certainly, with respect to the persons on welfare coming under the jurisdiction of the hon. the member for Bell Island, his department, that certainly more effective measures should be taken to protect these people instead of allowing these landlords to pull in huge amounts of money. They must be pulling in huge amounts of money, You do not rent two rooms, with the wind whistling through it in the middle of the winter, for \$80.00, which is, as I say, the amount reported to be paid. and I know they pay fairly high amounts with respect to these places. Ten dollars a month was too much for this place. As a matter of fact, the two rooms concerned should have been condemned, by the look of the hallway. the whole place should have been condemned, but is chocked-block full of the hon. the Minister of Social Services and Rehabilitation chocked-blocked full of his clients. Here are the Government talking about rent control:

Certainly, the purpose of rent control is to assure that the tenants get adequate value, get reasonable value for their money. The Government is one of the biggest tenants in the Province, with respect to these people, and it does not make the proper enquiries. I mean, certainly housing is one of the vital necessities of our day. I heard the hon. the member for Gander yesterday talk about the terrible situation in the rural areas and I agree that some of the incidents that he quoted were very, very bad. But there is nothing worse in urban poverty, absolutely nothing worse, I can show the hon. member and members of this House conditions right here in the middle of our capital City, in the City of St. John's, which are every bit or worse and in effect are being condoned by the Government, because the Government have not adopted the proper controls to take care of these people.

If you are going to have a welfare state, as we have thank heavens! certainly that presupposes that the Government are going to do something with respect to the welfare of the people. They are ignoring the welfare

MR. MARSHALL: of the people of this Province, the people of the City, particularly when they allow families, young children - that particular family that I visited, there were two small daughters, one aged two and a-half and the other three and a-half. They were crying with the cold. There was nothing the parents could do with respect to it. Eighty dollars a month, a large amount, two rooms, the place should have had been condemned in the first place. They should not have been allowed in there. So what is this Government going to do with respect to controlling the rents, as well with respect to the provision of adequate housing?

Now, I join with the hon. the member for St. John's West in my expression of complete abhorrence at the statements made and the insinuations made by the hon. Minister of Social Services and Rehabilitation, and the hon. the Minister of Labour, acting, and certainly he is acting. But he can act all he wants to, to cast innuenda that, the words he used where to the effect that the lawyers, the lawyers in this House as well, where slum landlords. Now I do not own one single bit of property, except that in which I reside and that is not even mine nor is not my wife's either, it is the finance companies, the Royal Trust Company. So I have no, and I object to the insinuation by the hon. the absent member, and would that he were present, and surely to Heavens! the people on the other side of this House are not going to countenance that kind of comment. Are they going to countenance that kind of comment, this kind of innuendo by the hon. the member for Bell Island, to the effect that lawyers on this side of the House are slum landlords? I do not own any. The hon. the member for St. John's West / ^{does} not own any, neither does the hon. member for Burin own any. I say it is a vicious, vile, contemptible, rotten, dirty type of attack that no Government should be able to sit back and allow any of its members to bring it up.

Now if you want to get in that area, if you want to answer these questions, if you want to get that way, if you are not going to say anything with respect, if you cannot control your members, I will ask the hon. minister

MR. MARSHALL: to refer to the hon. the anti-citizen of the year. In a publication that was put out today, it is reported by the "Alternate Press," it is called, that the hon. the Minister of Justice is named as a slum landlord. Now that is not very nice and I know the hon. the minister would love to welcome the opportunity to reject it. But is that man, the absent man, would that he were absent, going to be allowed to continue on in this House, and continue on in this manner. I am sure the hon. the Chairman of the Committee, the hon. member, the senior member for Harbour Main, as well as the Minister of Justice, would want to get up and refute this type of thing. We saw a member of this House, a member of this House disciplined in accordance with the rules of the House, the other day, unjustly so, I feel, but that is beside the point. Now are we going to take any disciplinary measures? Is the immunity of the House going to be utilized by an individual for this purpose? Is this the type of election campaign we are going to be swinging out into the country with now, to the effect that the members, the members who happen to be in ^{the} law profession are slum landlords?

As I say, if you want to talk about these things, this "Alternate Press," I do not know, this is what is in it anyway. That the hon. the Minister of Justice apparently owns six or seven so-called slum houses. Other lawyers are mentioned there. Senator W. J. Browne is suppose to own, whoever he is, three or four houses, Mrs. H. Browne, Samuel Cooper, etc. Oh, there is one here another one too that is in this paper, this "Alternate Press," that is "Mrs. J. R. Smallwood owns 8 Bully Street, and the rent is paid to the Premier's office." Okay, if you want to pay that game gentlemen, perhaps the hon. the Minister of Justice might like to get up and inform us whether he is a slum landlord. I said, I am not. The member for St. John's West has said he is not. Perhaps, the hon. the Premier would like also to get up and inform us whether or not the office of the Premier is, as according to this allegation, used for the purpose of collecting slum rentals.

MR. MARSHALL: No this type of thing should not be able to go on. Surely to heavens, surely to heavens, there are enough reasonable men on the other side of the House, it is quite obvious, if you have lost control of the affairs of the country and you have lost the confidence of the people, but at least let a certain amount of ordinary common decency bestir in your bones and quill and quench the type of distribe,vile, insinuations that come again and again from this one particular member. To make this type of allegation is completely and absolutely unfair and unfounded.

MR. CHAIRMAN: I wonder now, if you can get back to the Rent Control Board.

MR. MARSHALL: Well, I am on the Rent Control Board, because the Rent Control Board relates, Mr. Chairman, to slum properties in the Province. And the slum properties under the jurisdiction of this Rent Control Board are not being looked after, if you want to call them slum; inferior type of housing. The Rent Control Board is a misnomer, it cannot control the rent and I say it cannot for two reasons; (1) where there is a legitimate

MR. MARSHALL:

unfurnished apartment, where there is not a stick of furniture in it, the Rent Control Board can act but is still powerless for the reason the hon. member for Burin indicated, powerless purely and simply because the tenants do not know the rights they have. But with the advent of the St. John's Housing Corporation, after a while it became interpreted that one little stick of furniture, pretty well, in an apartment took you out from underneath the operation of the Rent Control Board. So consequently, if somebody has a nice little range in their apartment or even in some cases a table and chair, it has been interpreted as being a furnished apartment, the Rent Restrictions Act does not apply to it and consequently we cannot do anything about the rent.

So the first thing we have to do, obviously, is to revise that particular definition, because it is being not utilized in the manner even that it was anticipated in 1943 and when it was enacted. The other area that the Rent Control Board must needs get in and not get in tomorrow or the next day but get in immediately, not next year but immediately, to get in to the situation of the rentals being paid by this Government to so many of the slum landlords around, on behalf of indigent persons. In heavens name, I am sure that many of the members on the other side of this House have seen the conditions to which I refer. But it is a bit much when the Department of Welfare is paying rental, any rental, to a landlord in this Province, in this city, which affords only two rooms and the use, with about four other families, of a bathroom in which the wind blows through, you can see the curtains pretty well up in the air on a windy day, freezing cold, in the middle of winter, the bedroom is shared by the parents and two small children, aged three and a-half and two and a-half who spent, when I was down there in the middle of January, the whole hour I was down there, screeching and crying purely and simply, not because of hungry, as they did have

MR. MARSHALL:

enough to eat, but because of the freezing cold.

Now this Government of the people is going to continue on, is going to allow these types of conditions to exist, this Government is going to allow in the meantime, in the duration, the hon. the Minister of Social Services and Rehabilitation to go along with this vile and ridiculous and unfounded allegations against people on the other side. Well, all right, if that is the situation let us explain (a) why we have the conditions and let the solicitors on the other side of the House get up and speak their opinion with respect to the allegations made by the "hon." Minister of Social Services and Rehabilitation. For heavens sake, there should be at least enough maturity on the other side of this House to be able to control that kind of rotten, vile type of politics, but it is something that I will not put up with, the hon. member for St. John's West and the hon. member for Burin will not put up with and I am darn well sure that the people of Newfoundland are not going to put up with that kind of thing, as well.

MR. CHAIRMAN: Shall the item carry?

MR. SMALLWOOD(M.R.): There is something that I am not going to put up with.

MR. CHAIRMAN: Order! Sergeant-at-Arms. Remove the member please.

MR. SMALLWOOD(PREMIER): "Bill, Bill."

MR. CHAIRMAN: This matter will be reported to the Speaker.

On motion, 1321(04)(02), (03) carried.

MR. CROSBIE: (04)(04), Mr. Chairman. This matter is going to be reported. We want action taken on this, you know. We do not intend to put up with this, not for a minute.

MR. CHAIRMAN: You just carry on.

MR. CROSBIE: Right, okay. 1321(04)(04), is Newfoundland and Labrador Housing Corporation - \$365,000. This is the current account grant to

MR. CROSBIE:

the Newfoundland and Labrador Housing Corporation, and I have a couple of questions on the report for the year ending March 31, 1970, Mr. Chairman, and I would like to know if the Minister could answer. In their financial statement for the year ending the 31st of December 1969, in the statement of surplus for the year ending March 31, 1970 there is deducted from the surplus costs, on abortive projects written off, \$50,245.65, I think it would be interesting to know what abortive projects were written off in that amount, for the year ended March 31, 1970.

I notice, from the statement of revenue and expenditure, that the corporation had a profit from the operation of the corporation, rentals \$318,000. I wonder if we could have an explanation of those rentals, Mr. Chairman. Are these rentals just for subsidized rental housing? Well I know there are subsidized rental housing projects, there are economic rental projects, but would this include rents for houses that are now purchased by the Newfoundland and Labrador Housing Corporation for the Department of Welfare, in which clients of the Department of Welfare live? Would that amount include those rents?

MR. SMALLWOOD: The results, of course, vary. Some make profits, some make loss. The total net result is \$106,000. profit, \$106,200. That is for this year, that is for the year ending March 31 past.

MR. CROSBIE: Well, could the Premier tell us what abortive projects were written off? I am talking now about the year ending March 31, 1970. There was \$50,000. written off for what is called abortive projects that were written off. What were those abortive projects?

MR. SMALLWOOD: We do not have them here for 1970. We have the figures for 1972.

MR. CROSBIE: Well, were there any in 1971; the last year then?

MR. SMALLWOOD: We will find out. We do not know at the moment.

MR. CROSBIE: Well, on this topic generally, Mr. Chairman, at some point and I think this is the point, if the Premier is ready I would like to get some information on how the new town project is proceeding in the area of Mt. Pearl, just what the status of that is now. We know that it is proceeding ahead and I think tenders have been called for interceptor sewers or some work like that in this new town area. When is it anticipated that there will actually be building lots for sale in that area and just how far has the project gone now and how many units are there contemplated that there will be there eventually, and so on - this is the new town in Mt. Pearl?

MR. NOLAN: With the permission of the hon. the Premier and in attempting to pass on some information, since I was involved in this to some extent, as a matter of fact the hon. member who ask the question was involved I think, originally, in for example the expropriation of the necessary land and so on, Mr. Chairman, and I think he is familiar with the trunk sewer for the industrial area and so on. The contract for the construction of this sewer, leading from the area to Mt. Pearl, has been awarded by the Corporation under the DREE programme. That cost incidentally is shared fifty per-cent by the Federal Government and fifty per-cent by the users in the area. I believe the value is something like \$166,000, if I am not mistaken.

The internal development in the industrial area, one hundred acres. The contract for the construction of the internal servicing of the first phase of the area there, that is the industrial area, has now been awarded by the Corporation and work is getting underway. The value there, again I think my figures are correct, is \$1,700,000. or slightly more than that. The trunk sewer for the residential part of the new town, as I mentioned earlier, for the residential area, this

MR. NOLAN:

was awarded last September and substantial work has already been completed. This too was financed, one-third by DREE and the remainder by a loan, the value there is \$373,000.

Now there is another item that perhaps just for the information of the Committee, Mr. Chairman, that I might mention in reference to a treatment plant, because it is all part of the total package there. Plans for the plant are now being prepared and it is planned that tenders be called during this construction season. We have plans in the offing now for about 300 homes for the new town. I am not saying that the 300 will necessarily be built this year. This is the projection that we have but it may be quite necessary, and again I am subject to correction from perhaps the hon. the Premier in this regard, that it may be possible, when we need homes in some other area, to transfer them. I do not really know but that is what we have in mind at the moment, insofar as the housing is concerned.

The water supply is another problem that we are working on. I believe there is a study being done now to utilize the facility at Ray Bulls, Big Pond, which would provide water, not only for the new town (I am sure the hon. member for St. John's West is familiar with this project also) but for the Mt. Pearl area, eventually the Goulds, Kilbride and for that matter for a large part of the city of St. John's. I am not sure if I have answers all of the questions.

MR. CROSBIE: How many units is it envisaged that this whole area is going to have eventually? The Minister says it might be 300 this year.

MR. NOLAN: 5,200., if I can give you a quick answer to that.

MR. CROSBIE: 5,200 units, housing units.

MR. NOLAN: Yes, correct.

MR. CROSBIE: There will be room there when this -

MR. MURPHY: Does that include industrial?

MR. NOLAN: It is industrial, it includes industrial also.

AN HON. MEMBER: (Inaudible).

MR. NOLAN: I am sorry, it is housing.

MR. CROSBIE: There will be 5,200 housing units in addition to an industrial park or an industrial area.

MR. NOLAN: Yes.

MR. CROSBIE: Over what period of time is it expected that the 5,200, that the land is going to be available for 5,200? Is it say five years, ten years time? How long will it take?

MR. NOLAN: The guess is that the 5,200 units may go something over ten years, for the 5,200 units plus the total utilization of the industrial area. This is what was projected, I think, originally when the planners worked on this. I forget their names, Murray Jones Associates from Toronto, and this is the programme as we see it now. Of course, things could change very rapidly, as you know. Once the services are in, the facilities are there, who is to say how fast, for example, the industrial area will be occupied and utilized and will demand even a stepped up programme other than what we envisage at this moment?

MR. CROSBIE: Well, in connection with this project what road work is there to be, is there to be any further road work done? How is it all going to tie in to say Mt. Pearl and the city of St. John's and the metropolitan area? Are there major roads planned and also, in the industrial site, is that going to include, will this have a rails spur or facilities in addition to road facilities?

MR. NOLAN: Yes.

MR. CROSBIE: Can you just give a description of what -?

MR. NOLAN: Yes, if I could just quickly refer to a few notes I have on the road. One, for example, is a sub-arterial road, as they call

MR. NOLAN:

it, which will lead from Commonwealth Avenue, in the Mt. Pearl area, to the Harbour arterial, which is part of a partnership agreement, again through DREE, and the contract for its construction has already been awarded, at no cost to the development, incidentally. \$275,000. is the amount involved there. There are other roads to be developed and also a spur line there. As a matter of fact, I believe the hon. the Premier sometime ago held some discussions with some people who were interested in establishing in the industrial area, and this is one of the matters that was certainly discussed at that time.

MR. CROSBIE: When will the industrial area be ready?

MR. NOLAN: The fall. We are aiming for about October or November.

MR. CROSBIE: Are there any likely prospects now? You say the Government has been talking with several.

MR. NOLAN: Yes, I know of ten that you might call hot prospects, who seem fairly certain that they will establish there. I am sure I know and I am sure the hon. member knows that there are many people who are interested in finding suitable space, with the necessary transportation from such an area, to establish within or close to the city of St. John's. There is no problem envisaged at this moment, to the best of my knowledge, in certainly occupying the space that is allocated up to this moment.

MR. CROSBIE: Could the Minister tell me now when this new town is going to have, say the industrial area will be ready in the fall and possibly 300 building lots or so, this is all to be administered, I assume, by the Newfoundland and Labrador Housing Corporation but at some point some kind of body is going to have to take over operating the town. Is it going to be a separate municipality or a part of Mt. Pearl or would it be a local improvement district? How is it going to be handled?

MR. NOLAN: Well, this as yet has not been clearly defined. Again we get into a matter that I am sure the hon. member for St. John's West, Mr. Chairman, has been very close to, especially when he was Minister of Municipal Affairs, in that there is some concern by those really interested in municipal matters about the proliferation of municipalities. For example in St. John's at the moment you have the St. John's Municipal Council, you have the Metro Board, you have the Local Improvement District of Wedgewood Park, you have the others that are forming all the time within this area and those who are expert in municipal matters certainly do not encourage this and it is one of the things that will be considered in this urban study that we referred to this afternoon. Again, as the hon. member mentioned, with the new town you would therefore have perhaps another municipal body. This has not been settled on as yet, but I can appreciate the reason for his question.

MR. EARLE: Mr. Chairman, on this industrial development in there, that section of it, might I ask the Minister, when he says industrial, is this warehouse type, shopping centres or is it manufacturing? Which type of industry is envisaged? Is it small parts manufacturing or warehousing and shopping centres and all that sort of thing? Which is it?

MR. NOLAN: Actually the hon. member for Fortune Bay touched on it pretty well himself. He has answered his own question, I think. It will involve pretty much everything that -

MR. EARLE: Commercial or industrial?

MR. NOLAN: Commercial and industrial. The industrial is being done now and we have the commercial coming up later. But all of the things that the hon. member referred to -

MR. EARLE: Separate areas or one?

MR. NOLAN: It is pretty close, is it not? It is all adjoining. It

MR. NOLAN:

will all be pretty well in one package there. It is difficult to explain that without a plan, so that we could demonstrate it clearly.

MR. COLLINS: Mr. Chairman, before the item carries, would the acting Minister tell the Committee what the status is of the South East land development area out in Gander, due to the growth which is taking place and the influx of military personnel, with about eighty houses being constructed there now? The 300 building lots, which were first available, rapidly have been used and I wonder has the municipality made representation for an extension to that area or another new sub-development? While I am on my feet, perhaps the Minister might tell us the status of the subsidized and shell houses at Bishops Falls, the subsidized units at Gander and what the prospects are for houses for Botwood, I know a request has been made by the municipality, and also for Glenwood?

MR. NOLAN: Mr. Chairman, in connection with the housing units as referred to by the hon. member for Gander, we are all set to call tenders, I believe, for paving for that particular area, right now. As for the units, I know of no plans right at this moment. We have twenty under construction. If I can move on to the Bishops Falls question, I believe that we are to call tenders tomorrow for a number of housing units for Bishops Falls, is that not correct? One of the delays, for the information of the hon. member, Mr. Chairman, is that the council there has been working quite hard, as I am sure he knows very, very well, to get the land prepared and ready there in Bishops Falls, and tomorrow should be the date for the calling of the tenders for a number of units there. How many? Twenty units.

MR. COLLINS: What about Botwood? Has there been a request received?

MR. NOLAN: Do we have a request from Botwood? Yes, we have a request from Botwood and they are looking into that. When I say "they" I mean

MR. NOLAN:

the officials of the Newfoundland and Labrador Corporation, at this moment.

MR. EARLE: Mr. Chairman, does the Newfoundland and Labrador Housing Corporation now handle the purchase of welfare houses? Does this come under the Newfoundland and Labrador Housing or is it in the Department of Social Services?

MR. NOJAN: Mr. Chairman, I am glad the hon. member ask this question because it is one that I had wanted to answer, given the opportunity. Formerly, as I am sure he well knows, the purchasing homes for welfare people on welfare, was done by the Department of which he was Minister at one time and this is, I believe, what was in vogue at that particular time. Within the last year or so we have changed that in order to try to get some kind of centralization in housing and the Newfoundland and Labrador Housing Corporation are now purchasing homes rather than the Department concerned.

MR. EARLE: Could the Minister explain what criteria is used as far as the amount spent? I have seen welfare houses provided for destitute people, ranging anywhere from a few hundred dollars up to as high as eight thousand dollars. What criteria is used in the purchasing of a house for a welfare family?

MR. NOJAN: There is some difficulty there and it is this: in the city of St. John's, for example, and I would think for that matter in Corner Brook, Grand Falls and so on, we would have say the fire inspector or fire commissioner, health officials, if necessary, and other authorities who are in the best position, with sufficient knowledge to advise us on the purchase of such homes. Many of the homes referred to earlier were purchased, for example, when the Department concerned, in this case Welfare, were purchasing their own homes and at that time they purchased, this has been mentioned,

MR. NOLAN:

some homes that were not in the best of condition, and I would suggest that that was done too while the hon. member was there as Minister. I am not suggesting that he, I do not mention this in any derogatory sense, I am just saying that we have better controls, I believe, now under the housing corporation, than it was possible perhaps for the hon. member to have or for any other Minister for that matter in attempting to deal, as they have to do now in many outports, by having the welfare officer often times give the final say on whether a property should be purchased or not, rather than the experts which are available say in St. John's, Corner Brook, Grand Falls and Gander and so on.

MR. EARLE: I am asking these questions, Mr. Minister, because this was just at the time that I had ceased being Minister of Welfare that being changed over to this system and then, I think it reverted back to the Department of Social Services and then it came back to the Newfoundland Housing Corporation again. There is just a point in that connection: Is the ownership of the house vested in the person occupying it or is it vested in the Newfoundland and Labrador Housing Corporation?

MR. NOLAN: The homes that are purchased now by the Newfoundland and Labrador Housing Corporation are vested in the name of the corporation.

MR. EARLE: They remain there, do they?

MR. NOLAN: They remain until, when I say remain it is a pretty broad statement because how do we know how housing policy is going to change nationally insofar as Federal monies available are concerned. All of us think, I am sure, in terms of home ownership and until we have a definite national policy on this, that applies. It is difficult to say that they will remain.

MR. EARLE: Does the Federal Government contribute fifty-fifty?

MR. NOLAN: Yes, there is a contribution. Is it fifty or more?

MR. NOLAN:

Yes, they pay us rents in paying the house off.

MR. EARLE: The Federal Government pays rents but they do not pay for outright grants for the building of these homes.

MR. NOLAN: No, that is perfectly true. That is correct.

MR. CROSBIE: Mr. Chairman, I wonder if the Minister can tell us, the Newfoundland and Labrador Housing Corporation has also in the last two years been either having erected or purchasing housing to be located around the Province to be used to house Government employees, such as welfare officers, medical doctors and others of

MR. CROSBIE: various places around the Island and a lot of these homes have been factory built houses, built by Atlantic Design Homes of Stephenville, and delivered to various sites around the Province. Could the Minister tell us how many of these homes there are and what the average cost of Atlantic Design Homes has been, including the total cost? For example, in addition to paying for the Atlantic Design home, it has to be transported and it has to be put on a foundation, what do these homes average and do they include furniture?

MR. NOLAN: Thirty-nine homes, I am told, and I had to check for this figure because I really did not know, Mr. Chairman. Thirty-nine homes, at about \$26 thousand, that would include a full basement and would include transportation, and landscaping, and the whole bit.

MR. EARLE: Before purchasing these homes for welfare officers and so on, does the Newfoundland and Labrador Housing check the cost of purchasing a home locally, built in the area to which this home may be moved? In other words, do they check to see if it is cheaper to build a house there before they purchase one of these ready made homes?

MR. NOLAN: Frequently they are not available. That does not sound like a good answer but this is the information I am provided with. Frequently it is not possible to get them built in the area, and quite often, as I am sure my hon. friend knows, many of these homes are called upon very quickly and they have got to be provided for a doctor. I do not know if this applies generally across the Board.

MR. EARLE: No, I asked a question the other day about one of these homes, because if the total cost of it was revealed to be \$25 thousand, I was in that home and immediately next to it was a home which I considered of better quality and just as well finished, which cost about \$15 thousand, built locally. I was wondering if the Newfoundland and Labrador Housing Corporation checks the local situation, because in that particular area there were good carpenters available, out of work, and yet a ready built home was moved in, at a cost of \$25 thousand.

MR. NOLAN: They are doing that in one or two areas right now. As a matter

MR. NOLAN: of fact I had a discussion with some people in housing the other day and it is coincidental perhaps that the hon. member for Fortune Bay mentions it now, looking at just that question. They do look indeed. They are studying a number right now and where possible, of course, we are anxious to not just build the homes, have them home-made, if you like, by the people of the community, but it provides employment and by so doing it provides much more experience, so that if a new housing development were to come up within a community, such as one of the communities in my hon. friend's district, the men would be there with the skills, even further advanced than they are now, and this is the type of thing I think we should be doing more and more of.

MR. CROSBIE: Mr. Chairman, on this point, one of the major disappointments I think, in the housing programme in Newfoundland, has been the cost of these pre-fabricated homes. When I was Minister of Municipal Affairs and Housing, in 1966-67, the Premier and I, and I think the Housing Commissioner, went to Montreal and we visited the Aluminum Company of Canada who had developed these Alcan homes, manufactured homes. They were hoping, I think, to sell them on the Mainland for, I believe this included furniture, for something like \$12 thousand or \$14 thousand. Now Atlantic Design Homes has a building in Stephenville. I think they pay \$1 a year rental on it, and they are manufacturing these homes at Stephenville. The average cost of these homes, as the Minister has pointed out, including putting them on a foundation and on the site and so on, has been \$26 thousand.

Now obviously, Mr. Chairman, this kind of home is not the answer to the housing problem in Newfoundland or anywhere else, if they are going to cost \$26 thousand to have one of these three bedroom houses transported and erected on a site or on various sites around the Island. As far as I know, there have been very few of those homes sold to private owners around the Province. Nearly all of them have been sold to the Government or Agencies of the Government, such as the thirty-nine the Minister mentioned for the use of the Department of Welfare and medical officers.

MR. CROSBIE: Mr. Chairman, it would appear that the manufactured homes, or the pre-fabricated homes are not going to be any answer to the housing problems of Newfoundland. I would like to ask the Minister, there was an answer to a question given here in connection with housing built at Goose Bay, Labrador, the question was no. 222 of this Session, and the question asks how many housing units are presently being constructed at Goose Bay, financed by the Newfoundland and Labrador Housing Commission?

The answer was - no houses are being built at Goose Bay but Newfoundland and Labrador Housing Corporation has let contracts for eighty-four rental units and ten shell housing units at Happy Valley, the question was asked, by the hon. Leader of the Opposition and went on - what is the total financial commitment of the Government of Newfoundland and Government agencies?

The total financial commitment for the units are as follows: 84 rental units - \$1,520,510; in shell units - \$130,730; so the shell units themselves are apparently going to cost \$13 thousand, and the rental units are going to cost about \$19 thousand each.

"To whom have contracts been let for the construction of these units and what is the amount of each contract?" Contracts were let as follows: 84 rental units to Lundrigan's Limited. I assume that this is not Lundrigan's Limited it is Atlantic Design Homes Limited. Perhaps the Minister can say whether that is right or not and 10 shell units - \$112 thousand to H. and S. Construction Limited. "Were tenders called and if not why?" The answer was 84 rental units. Tenders were not called. These units are being constructed under a rental agreement from Canadian Javelin Limited. Lundrigan's Limited had already done substantial planning for housing units and land development for the project, at the point at which this Government decided that it would assist in the provision of housing at Happy Valley, in support of a development of the wood harvesting industry in the area. Because of this and the urgent need for housing, it was decided to invite a proposal from Lundrigan's Limited which proposal was accepted. Had tenders been called, a serious delay would have ensued in the provision of housing and virtually a year would have been

MR. CROSBIE: lost. Then the ten shell housing units, tenders were not called. A standard proposal package was prepared and people were given a chance to bid. Well that is the same. It is quite sensible.

Now could the Minister expand a bit more on this? What are these eighty-four rental units at Happy Valley, are these house manufactured by Atlantic Design Homes or are they conventional houses? Who is going to own them? Is it the Newfoundland and Labrador Housing Corporation or is it Canadian Javelin Limited? Who were they going to be rented to? How was it going to be decided who is going to rent them or are they going to be sold? Could we just have the information on this housing project at Happy Valley?

MR. NOLAN: Well I cannot really remember all the questions, but I will try to do my best and perhaps the hon. member would check along the way and remind me if I miss one.

One - who are the home owners? In this case it would be the Newfoundland and Labrador Housing Corporation. I believe it is a twenty-five year deal, is it not? A rental deal with Javelin for twenty-five years. The homes were, as the hon. member for St. John's West indicated, manufactured and assembled by Atlantic Design Homes. What were the other questions?

MR. CROSBIE: While these are all going to be rented to Canadian Javelin, who are going to use them for their employees -

MR. NOLAN: Correct. Twenty-five year agreement.

MR. HICKMAN: Is this a rental purchase or a straight rental?

MR. NOLAN: No, a straight rental.

MR. HICKMAN: Is the landlord responsible for maintenance, as the ordinary landlord?

MR. NOLAN: Yes. We are only responsible for exterior maintenance. When I say "we" I mean the Newfoundland and Labrador Housing Corporation.

MR. HICKMAN: Better deal than on the liquor stores.

MR. CROSBIE: Could the Minister tell us - these units are going to cost, could he give us what the cost per unit is and tell us, if this is the total cost or does the Newfoundland and Labrador Housing Corporation have to spend

MR. CROSBIE: money on the site up there and on putting in foundations and all the rest of it? In other words, is that the price just for the actual house? And does the price include furniture?

MR. NOLAN: \$17 thousand was the price for the home, and \$18,500, I believe, was the total amount and that includes the landscaping, and financial charges, done by Lundrigan's, and legal charges.

MR. CROSBIE: What rent is Canadian Javelin going to pay the Government for these?

MR. NOLAN: I believe it is \$185 a month, but I will have to check that figure, \$180 a month.

MR. CROSBIE: Now the Corporation is spending \$1,000,500 on this, is the Corporation financing it through C.M.H.C. or where is the Corporation getting the funds? The Corporation is going to have to C.M.H.C. mortgage all the units?

MR. NOLAN: Yes.

MR. CROSBIE: So they will get most of this money from C.M.H.C. and then pay them back out of the rentals.

MR. NOLAN: Right.

MR. CROSBIE: Now this is eighty-four rental units and ten shell units, is the Corporation planning in this year's budget to do other housing work up there because, if there are going to be hundreds and hundreds or even thousands of loggers working up in Happy Valley or in Lake Melville next year, the question is where they are all going to be housed. So what other housing development plans are there for the Happy Valley area for this year?

MR. NOLAN: That matter is under discussion now with certain officials of the Housing Corporation. There is nothing definite that I can give the hon. member. We do have some things on paper but whether it will happen or not I do not know? The hon. member for St. John's West, a moment ago, one of the questions that he asked that I did not answer was in connection with the ten shell housing units. Tenders were not called as such but I do know that people or firms were approached in the immediate area, and all the local contractors. The Council advised us on that matter, Mr. Chairman.

MR. CROSBIE: They were given a proposal and they bid on it?

MR. NOLAN: No I am sorry, I do not mean to mislead. We drew the plans I understand, Mr. Chairman, and we were advised by the Council in the area, if I am not mistaken, and we try as many local people as we can, to benefit from their knowledge of the area and the business community and so on.

MR. CROSBIE: Well could the Minister tell us, if these units at Happy Valley are costing \$18,500, why should the average cost of the thirty-nine homes bought by the Government last year for welfare officers and doctors, why should they have averaged \$26 thousand? There is a considerable difference. Is there much difference in the size?

MR. NOLAN: I understand they are semi-detached. It is a different type home altogether. There are probably some other differences that I am not familiar with, basements partly used and so on. We are talking about apples and oranges I think, really.

MR. CROSBIE: Well then, before we leave this vote, Mr. Chairman, I was glad to be associated with the creation of the Newfoundland and Labrador Housing Corporation. Legislation was passed when I was the Minister and I think that he is doing a very commendable job and has been a very effective housing arm for the Government. Of course, there is a lot more to be done but I have every confidence in the housing branch of the Government and hope that they will continue with their success. I have some doubts about some of the houses that they bought from Atlantic Design Homes, but that is by the by. By and large I think we are being very well served by them.

MR. NOLAN: Mr. Chairman, on behalf of the officials and the Corporation, I would like to thank the hon. member.

MR. COLLINS: Well Mr. Chairman, I extend my good wishes and congratulations to those people as well, but before we go on to another item, I think it is generally accepted that the shell housing programme is not as successful and as attractive as we thought it might have been in the first place, owing to the high cost still. Can the Minister tell us what plans there might be to try and reduce the cost, reduce the cost of land, and reduce the cost to the owner?

MR. NOLAN: We are actually conducting some experiments on this very matter raised by the hon. member for Gander, Mr. Chairman. We have thought of cutting down in areas, such as the basement area, even in some cases, the heating installations and things like that. Again we are simply experimenting, nothing definite has been arrived at. It is a matter of concern. Shell housing, by the very nature of the title, implies that it should be at least a dwelling at a far lower cost -

MR. COLLINS: The idea was to permit ownership for low income groups and it is not working, not that well.

MR. NOLAN: Not as well as we would like. Although we have one hundred and fifty applications right now for units in St. John's and so on. I would suspect we have them for other areas as well.

MR. COLLINS: What is the average price for a shell unit.

MR. NOLAN: In St. John's it would be \$16,800, that is livable, with bathroom, kitchen, heating system, the whole bit.

MR. HICKMAN: Could the hon. Minister indicate the cost of shell housing outside St. John's?

MR. NOLAN: \$11,200 for Happy Valley, \$8,400 for Burin Peninsula, -

MR. COLLINS: It would be much higher for Gander.

MR. NOLAN: Do we have a cost figure for Gander? Corner Brook is fairly high, I think, maybe \$13,000.

MR. HICKMAN: Financing is based on the actual cost of the shell house, is that correct?

MR. NOLAN: Correct, plus money that might be put in to finish off the home.

MR. HICKMAN: My understanding, Mr. Chairman, is that the concept behind shell housing is that you furnish the home owner with sufficient funds to make the house livable. He, depending on his financial resources and the time he has and the skill, will eventually complete the house. He moves in, he may have three rooms to finish. Now if next year he finishes one room and the year after another, and the year after another, he cannot go back for additional financing then, can he?

MR. NOLAN: I am told, there is \$1 thousand left over, is that correct?

It is in the kitty for him to draw on.

MR. HICKMAN: For him to draw on, to go toward finishing it.

MR. NOLAN: Correct.

MR. HICKMAN: But his borrowing from C.M.H.C. concludes when the house becomes livable. He cannot go back to C.M.H.C. and say I now have a \$22 thousand house, can he?

MR. NOLAN: I am told, I am just checking here with the Chairman of the Corporation, that it is an open ended mortgage with that \$1 thousand that I referred to there for the family to draw on. This is the arrangement through C.M.H.C., is it not?

MR. HICKMAN: Open ended in the sense that the additional \$1 thousand is secured under the mortgage.

MR. NOLAN: Yes.

MR. HICKMAN: All members get a fair number of enquiries as to the method of financing, so in Gander, where it costs \$13 thousand to build a house, you borrow eighty or ninety per cent from C.M.H.C. -

MR. NOLAN: Ninety-five per cent.

MR. HICKMAN: The mortgage is for ninety-five per cent of \$13 thousand, plus an addition \$1 thousand, if and when that \$1 thousand is used up. So that makes it in effect a mortgage for ninety-five of \$13 thousand, whatever that is, plus \$1 thousand.

Now the home owner, during the next three or four years, spends in materials and time, labour, an extra \$5 thousand or \$6 thousand or even more and he winds up with a house that hopefully is worth \$24 thousand. His financing is restricted to the original mortgage, and I correct or not?

MR. NOLAN: That is basically correct, as I understand it. But this is also related to income, of course.

MR. EARLE: Mr. Chairman, on another subject. I take it that the Newfoundland and Labrador Housing Corporation handles the houses that were built a few years ago at Marystown, is that correct? Does that come under the plan?

MR. EARLE: Well, I understand that some of these units cost an outrageous amount of money, up to as high as \$50 thousand each. I would like to ask the hon. Minister the rents that are now being derived from the renting of these houses? We are told, in answer to a question, that a number of them are still empty, still vacant, but the rents that are being obtained, as we have heard in answer to questions, are fairly moderate in some cases. What is the subsidy costing the Government per year on these houses at Marystown? How much are they being subsidized?

MR. NOLAN: Subsidies involve primarily, of course, when you have vacancies, as the hon. member referred to. A subsidy is required when there are vacancies. There are no vacancies there now. I believe the hon. member is under the impression -

MR. EARLE: But are the rents paid as part of the investment?

MR. NOLAN: I am attempting to get that information and once I have it I will certainly pass it on.

When all of the houses are occupied, as they are now, they will pay off the mortgages.

MR. EARLE: Over what period?

MR. NOLAN: Twenty-five years.

MR. HICKMAN: Well on that point now, let us take a house in Marystown that cost \$50 thousand, and some there obviously must have cost that amount, land and all, what is the maximum rental being received? What is the top rental being received in Marystown?

MR. NOLAN: \$205 a month.

MR. HICKMAN: \$205 a month, and will \$205 a month amortize it for twenty-five years?

MR. NOLAN: If the hon. member will permit, I would think that rather than looking at one house, they are probably looking at a total package and averaging the works out. In my opinion, it will pay off the mortgage, and the residue value takes care of our equity, according to the Chairman.

MR. HICKMAN: All right, but that is a big equity. That is a big, big equity.

MR. EARLE: Mr. Chairman, it is reported in answer to a question that a number of these houses are occupied by welfare families, families seeking social assistance. Now is the Government paying sufficient rents to the social assistance to these houses to amortize?

MR. NOLAN: The area referred to I believe by the hon. member has 160 units and they are charged the same amount that would be charged anywhere else in the Province on subsidized rental units, \$60 a month. There are about ten families I believe involved.

MR. EARLE: But that cannot pay for the house.

MR. NOLAN: That is subsidized rental.

MR. HICKMAN: Many of the houses that were designed as non-subsidized rental houses were subsequently converted to subsidized rental, were they not?

MR. NOLAN: No, not in Marystown.

MR. HICKMAN: You mean those houses were built as subsidized rental houses.

MR. NOLAN: Yes, one hundred and sixty.

MR. HICKMAN: Subsidized rental?

MR. NOLAN: Subsidized rentals, and one hundred economic.

MR. HICKMAN: Would the hon. Minister indicate the cost per unit of the subsidized rental housing in Marystown?

MR. NOLAN: \$20 thousand to \$21 thousand.

MR. HICKMAN: Including land?

MR. NOLAN: Including the land, including everything.

MR. HICKMAN: On 05-11, would the hon. Minister give the Committee a report on Blackhead Road. Last year there was \$258 thousand spent, this year there is a vote for \$1,707,000, would the hon. Minister indicate to the Committee whether this vote now will complete the urban renewal scheme for the Blackhead Road and if not how much more will be required to complete the project?

MR. NOLAN: Just under 500,000 is required after the end of this year.

MR. HICKMAN: What is the total cost of the project?

MR. NOLAN: The total cost of the project, including the \$500,000 for next year, will be \$5,180,888.

MR. HICKMAN: How many units?

MR. NOLAN: That does not include the building of homes. It is for services provided, roads and so on.

MR. HICKMAN: The \$5.5 million.

MR. NOLAN: The \$5,180,000.

MR. HICKMAN: That is for roads, and services. In addition to that we have the cost of the house.

MR. NOLAN: In addition to that you are going to be in the housing.

MR. HICKMAN: What is the cost of the housing?

MR. NOLAN: That is a very difficult area to discover because you have homes up there, as you know I am sure, Mr. Chairman, that have been demolished. I think slated for demolition you had one hundred and one homes, and then you had some homes were moved, and some improvements made, but the improvements to the homes surely would be included in the amount of money that I just mentioned, improvements to homes. Cost of moving the homes was included in the amount that I have just mentioned.

Slated to be moved or raised, as I believe I mentioned earlier, were seventy-four; public housing units under construction will be forty-six and we got four shell housing units going up there right now. We are in a difficult area. I have always felt and I still do, in urban renewal schemes, insofar as the hon. member for St. John's West and I have discussed this a number of times, where you had the home-for-a-home situation, which does not apply in urban renewal schemes, for example, when you think in terms of the Mundy Pond Development, Corner Brook Development and so on, it is not an easy question to answer.

MR. HICKMAN: That Act was amended a couple of years ago, was it not, to vary that home-for-a-home principle?

MR. NOLAN: Yes but this was, I believe my hon. friend was the Minister at the time, but the reason for that was that you were talking about something

MR. NOLAN: entirely different in Newfoundland, you were talking about urban renewal. The hon. member for St. John's West, of course, was in initially on the planning and so on, or with the planners on the thing. To the best of my knowledge this came about because there is Federal involvement. We can hardly spend a cent on these things, when they have meetings to check all expenditures, unless there is a Federal official there saying, "yes, you can," or "no, you cannot."

MR. CROSBIE: Mr. Chairman, on the Blackhead Road Urban Renewal Scheme; I think the Minister said in a question that was answered here, shows a total cost of \$5,180,000, excluding the housing, now I do not know if the Minister has the figure but

Have all the claims for expropriation of property been settled now on the Blackhead Road or are there still quite a few outstanding? There was a case, an arbitration board there, whose decision on the value of the property was appealed to the Newfoundland Supreme Court. The Newfoundland Supreme Court reduced the award because of the amendment made to the Family Homes Expropriation Act to deal with urban renewal areas. So, have there now been settlements made, has the judgement of the Newfoundland Supreme Court been followed in the valuation of properties?

MR.NOLAN: I am sorry I missed the last part -

MR.CROSBIE: Have the claims now all be settled, has the principle of the findings of the Newfoundland Supreme Court, have those principles of valuation been applied in settling the claims up there?

MR.NOLAN: All amounts paid are done by the appraisers and based upon the market value. Just to try to answer some of the questions, I believe the hon member posed; Mr. Chairman, settlements on acquisition of properties, 123. That amounted to \$191,511. Offers outstanding 205, that is ^{an} approximate figure. Refers to arbitration, offers to be made on receipt of information or appraisal, 36, and lots conveyed back to householders 44, according to the latest information I have.

MR.CROSBIE: In connection with this project, the work presumably will be just about all finished by the end of this year, the housing work. I think it is very important, Mr. Chairman, perhaps the decision has not been made yet but it is very important that the decision be made sometime as to how that community is going to be governed, with all the new facilities that are there now. At the present time it comes under the St. John's Metropolitan Area Board. I do not believe that there is any taxation imposed or charges imposed on the people that live on the Blackhead Road, for the public facilities they have there, water and sewerage, roads and the rest of it. But at some point the cost of maintaining and operating this project, they are going to have to be taken over by somebody, presumably by the people who live there. Or the people who live there, if it is too great a burden for them, the people

that live there the Government will have to subsidize it.

I am pretty sure that the city of St. John's does not want to take over the administration of the Blackhead Area. I do not believe they want the city limits extended to take that over, unless it is recent. Anyway, is the Government going to have a local improvement district appointed up there to govern the community or are they contemplating a Town Council or what form of administration is going to be set up there?

MR. NOLAN: There have been any number of discussions on this, back and forth, over the past year or so, especially since the services have been installed. Many incidentally are still not hooked up to homes, so it would be difficult to go into taxation at this stage of the game, although we should be preparing to look at that. We are, I think it was generally agreed from the meetings that I have attended, the people to the best of my knowledge, at the time at least, were satisfied that it would best be handled by a Metropolitan Board, on an interim basis, until such time as the facilities are installed, services provided actually into homes and so on. When they are, then at that time, as the hon. member of St. John's West points out, a system of Government, whether it is there a part of the city of St. John's or some other form, will certainly have to be looked into. This too is very much a part of the urban study that I referred to earlier.

MR. CROSBIE: In connection with water and sewerage; the minister says that a number of the houses are not yet hooked up. Is it compulsory for the residents of Blackhead Road to join up with the water and sewerage system, that is in there? Do they have to pay any fee for doing that? What has the Government done about the fact that many of the householders are not in a financial position to put in bathroom facilities, pipes and so on? It might cost an average of \$1,000 a house to do that or \$1,100 or \$1,200. What did the Government do in that connection, have those residents receive loans or grants from the project to pay for these installations, what happened there?

MR. NOLAN: We had a bit of a dispute about that, which caused some heartache. I might add, sometime ago, as to where the, how far the water, for example, would

go in relation to the home or homes concerned. We had a meeting, (I say "we," I mean the committee from Blackhead Road) with the Hon. Don Jamieson, who represented Mr. Andras at the meeting. They did agree to extend the laterals to I believe within a few feet, right up to the homes. This was not provided for before. What was provided for was that it would go, say, to the boundary line, there it would stay, it would be the responsibility of the householder concerned to take it from the boundary line to the home plus the other connections and units that are necessary.

We have succeeded in getting the laterals installed at a cost I might add of \$65,500, right up to the premises or to the home. Insofar as the provision of bath units and so on, wherever the Canada Assistance Plan provides, I believe the officials have attempted and I believe with some success, I would hope, to help the people in that regard as well.

MR. MURPHY: Mr. Chairman, I was rather surprised when I heard that this expropriation so on and so forth that took place on the Blackhead Road was not done in accordance with the Act that was proclaimed in 1964. That happened in the District I represent, St. John's Centre, where the deal was that if a house were taken or demolished so on and so forth a house would be given, would be supplied in return, something comparable. Quite frankly, it is only a few months ago that I heard this, I was rather surprised at it. I am wondering just what position it puts a lot of the residents of Blackhead Road in with reference to new houses, this sort of thing, where possibly there might be heavy mortgages on a home, that they did not actually bargain for because they did not want to sell their homes, as far as I know, nor dispose of them. This was something that Government did under this urban renewal scheme. I am just wondering if sometime we could get a list of the homes that have been either condemned or whatever happened to them and the extra cost to the people living on the Blackhead Road?

I know it has been rather a troublesome venture since it started, with the bombings that were taking place earlier, where we had the shower of

stones and so on and so forth, with the excavation up there. But during the past few weeks I received several calls from the area. One particular one, this family was to move into a house. A neighbour of theirs, who had owned land previously, came over. He did not threaten them but he said: 'Look, you cannot move in here, this is my land; I have not been paid for it.'

Are there any cases, I wonder, outstanding at this time, of land that was taken from one person and someone else moved on it? Are there many of these such cases? Naturally, being neighbours, they did not want any bad feelings, so the people who were ready to move into their home decided that they had better not because of perhaps some friction that might develop.

But the whole series of incidents that have taken place, a number of meetings have somewhat projected to the public, who have been outside of the whole negotiation, a rather troublesome area of complaints so on and so forth. I understand that there is a big meeting up there on Sunday afternoon. A certain gentleman is going up I think to attend the meeting. I think he will fix everything up, as far as I can understand. The Great Ombudsman! I presume the hon. member will have to put in an appearance at the meeting, also will be there.

So, I am just wondering just what hardship, when I speak of hardships I do not mean, I feel that the lot of all the people generally will be improved but at what cost? What cost to the individual householder? Will there be many people that will be subject to have to pay off, you know, a lot of money on some type of mortgage or loan or something like this? Because as I say, with my own experience in 1964, which was quite a tragedy in itself, where people were just displaced from their own homes and just offered no alternative, perhaps they were offered a \$1,000 or \$1,200 for their homes, which was a great tragedy, highway robbery in my opinion because these people did not put their homes on the market they were just told they had to move out. I wonder would the hon. minister, Mr. Chairman, give us some idea of just how many families have been affected, to what extent they have become involved in something perhaps they are not prepared to handle?

MR. NOLAN: I thank the Hon. Leader of the Opposition for bringing up a problem and specifying a number of problems and doing so in such a way that he seems to appreciate that it is not as easy as to be just flip about it, to say it is all somebody's fault. He has perhaps had a similar experience or one akin to it certainly, in the St. John's Centre Area.

It has been very, very difficult. When I look back on it in retrospect, I look at the amount of money involved, I could think, as I am sure the former minister of Municipal Affairs, the member for St. John's West may agree, you could have taken an area of land, developed it, put in the services, roads, and even housing perhaps even housing and come out of it less than what it has cost there.

But you must remember or try to remember, Mr. Chairman, what motivated the whole thing in the first place. One was the desire to do something for the people of Blackhead Road. No one had any experience in urban renewal. If anyone knows the history of the whole thing you will know that certain people circulated petitions and so on, I was certainly not involved in it; indicating that the people of Blackhead Road should not be moved.

This was what the Government eventually or the two governments agreed on, to go ahead knowing full well that you could not go ahead with the blasting, and the companies that worked up there ran into the type of rock they had never seen in their lives before.

MR. MURPHY: This was the wish of the people, originally -

MR. NOLAN: This was documented. I have seen the reports, sociologist or something, their studies, up there. I believe I knew the feelings of the clergy who were involved in the area at the time, especially the late Rev. Father Shea, of course also Canon Babb. It was their wish, to the best of my knowledge, I am quite sure of what I am saying. Because also you had a school up there, it is a fairly substantial investment there. But I am told since, again attempting to be reasonable and honest about it, if you look at it in retrospect, Mr. Chairman, you could have probably bought out all the church property and the whole issue, settled in a brand new area, giving the people

the opportunity to move or not to move, come out of it, if not cheaper perhaps with entirely, may be even better facilities including housing, certainly no more or no greater cost than we are presently faced with.

MR.MURPHY: The people themselves, is there any great amount of money that they would have to, you know, to undertake, debts or loans or mortgages on account of the new facilities that have been provided up there?

MR.NOLAN: No, not in so far as the - when you and I talk facilities, of course, I talk of roads, at the moment, lights. I have had some lights installed up there. I mean I am talking about the street lights, the water and sewer facilities and so on. I am hoping to do a little with the playground area up there. There is no debt obligation, so far as the people or the residents of the Blackhead Road are concerned, on that particular matter.

When you get into the home situation - you know I do not want, Mr. Chairman, to give the hon. member a flip answer on that because it is quite troublesome; it depends on who you talk to. What debt obligation, if any, is there at this moment? On behalf of the residents? It is not something that can be applied across the board because it varies from case to case. Could I have a case or two so that I can attempt to provide what is the case? Low cost lots purchased by residents, that some residents purchased, thirteen, at \$500 each, they have done that in that case. Ten more have applied for such lots, new homes being built by residents, six. One of the most heartening things that I think up there is, I happen to know from a firm or two in town a number of different units that have been purchased by people to improve their homes since, you know, the dusty roads have been removed, the lights are up there, it is a new environment. I am not suggesting for a moment now the problems are solved but I do believe we have a good start going there.

MR.MURPHY: 03 Mr. Chairman, this has been a rather complicated matter. I suppose no one is more aware of the fact than the chairman himself. As far as I can understand, everything is just about set to go for the Mundy Pond Development. The sum I think of \$3.5 million was available this year by

Provincial and Federal Government, for this scheme in there. Municipal Government are kicking in something like a million dollars for land assembly. I understand these plans have been passed on this end of it for some five or six weeks now, apparently Ottawa is the one that is hanging up the project. It was indicated that this general job was starting in June, I believe. Last year, I believe it was, or perhaps early this year, the sum of \$14,000 or \$15,000 was alleged by the Provincial Government to cover the cost of full-time local representatives, whose idea it was, of course, to look after the rights of the citizens during the course of the construction.

I wonder has this money been paid over and is this full time representative been set up or representatives? I know they had a bit of trouble with their own committee in there, a bit of disagreement between two factions. But I am just wondering, Sir, if this matter has been carried through, because the idea was that they would be residents of the area and would be in complete touch with the householders and with contractors and be sort of a way the complaints of anything that might be happening of conveying this to the parties concerned. So I am just wondering, Mr. Chairman, if the minister could give us some information on this vote of \$14,000, if this committee was set up or the representatives of the area; when this project was likely to start?

MR. NOLAN: I am sorry, I apologize to the committee because I believe I may have missed a number of questions, as asked by the hon. Leader of the Opposition. Perhaps I can give a little background information, if I have missed anything along the way, fire away! The scheme, as has been indicated, will be carried out by the city but it will be financed, as the hon. member mentioned, by Central Mortgage and Housing and the Province. The total cost, as at this moment as I understand it, is \$3,355,000, approximately, a little more than that actually. Unless I am wrong, it will be more than that before it is finished. Cost sharing under Section 23(b) is the grant from CMHC. That is \$1,677,000; Also, under 23(c) of the section of the Housing Act or CMHC,

\$1,118,000; then there is the provincial grant of \$559,000. The Province will always provide funds, annually, to amortize the municipal debentures issued to cover the Section 23, loan terms yet to be negotiated with CMHC. The scheme has been approved in principle by the Province. The interim, Mr. Chairman, has been arranged to enable the city to proceed with the acquisition of land. Central Mortgage and Housing are now expected to produce a definite agreement. The last I have heard, the last word I had on it was, this should come through within the next couple of weeks. Perhaps I could give a little more information again on housing there, as we see it now: Houses to be acquired for demolition, sixty-seven; unoccupied at present, thirteen; in the Mundy Pond Development. Houses to be moved or raised, forty-four; the estimated cost; property acquisition and relocation, \$485,000 closer to \$486,000, actually. The Municipal Services, \$2,302,000; the administration, \$475,000;

I am just giving round figures. The Asphalt Plant relocation part, cost \$80,000; The improvements to the pond area, \$156,000; recoveries are allocated here, at least the figures I have are about \$2,250.00. That gives us our total of \$3,355,000.

MR. MURPHY: The other question on the full time representative, has any agreement been reached? There was a sum of \$14,000, which the Government allocated to the group to set up a permanent committee of representatives.

MR. NOLAN: This decision I think will be made by the city of St. John's. There is a distinct difference here I believe. In retrospect again, perhaps the Blackhead Road, if it had been within the city area or even in the Metropolitan Area, perhaps the Administration of that should have been done in this way. I do not know, perhaps my hon. friend the member for St. John's West might have had some second thoughts about it, since he has been minister of Municipal Affairs. The city of St. John's will decide on that, to the best of my knowledge.

MR. MURPHY: My understanding was that this money was voted direct to the Mundy Pond Development Association, \$14,000, for representatives, did not say how many.

MR. NOLAN: The funds are in there, as the Hon. Leader of the Opposition indicated, Mr. Chairman. It may possibly be the amount that he mentioned. I see no reason at the moment why this should not be so. But again, the administration is going to be by the city of St. John's. There will be provincial-federal people involved inasmuch as there are provincial-federal funds involved, but the administration is an entirely different situation than the Blackhead Road one.

MR. MURPHY: It is not the idea to fill in the pond completely; there will be some of the pond left and cleaned up?

MR. NOLAN: Yes. I understand that very little of the pond will be filled in, as the Hon. Leader of the Opposition indicates. The plan, as I understand it, is that it will be landscaped and improved, which will be a blessing in a way. I would like to at least have the races up there.

MR. CROSBIE: Mr. Chairman, this Mundy Pond Urban Renewal Scheme, as all members know, no one knows better than the chairman, whose district it is located in, has been on the Planning Board for a long time, since 1966 anyway. I do not know any elections before that but certainly in 1966. The hon. minister says that this is going to be administered by the city of St. John's. Now there is a tremendous amount of buck-passing in the Mundy Pond project, between the city of St. John's, the Government of Newfoundland, the Government of Canada. Not so much the Government of Canada because it is so far away that the people who live in the Mundy Pond area cannot get their hands on them, but, between the Government of Newfoundland and the city of St. John's. The city of St. John's is putting up no money for this plan. The city is not contributing a cent. Let us face it, Mr. Chairman, it is only a legal fiction to say that the city of St. John's is administering this project, The decisions are going to be made by the Provincial Government, certainly by the provincial and federal governments together, not the city of St. John's.

The city of St. John's only gets involved in this to be used as a whipping boy, as I see it. The decisive decisions are going to be made by those people putting up the money; that is the two governments, principally our

government, because a lot of the funds for this are a loan from the Government of Canada, and the Government of Newfoundland, which we have to pay back. I do not know what the exact figures come to but I would assume that at least half the cost of this anyway will have eventually be met by the province, if not more. That being the case whoever pays the piper plays the tune. So, the Provincial Government will be playing the tune. The decisions are going to be made by the Provincial Government. The city of St. John's is going to do what it is told to do by the Newfoundland Government, in connection with this project, and it is silly to pretend anything else.

Now, in connection with the project, it has been cut down considerably, Mr. Chairman, as we all know, from what was envisaged in the first place. The three million dollars, or the three million one hundred and seventy-five dollars that the minister mentioned, I do not believe it includes money for land assemblies, does it? The three million one hundred and seventy-five dollars does not include any money for land assembly in that area.

MR. NOLAN: Does not include money for land assembly -

MR. CROSBIE: Building lots -

MR. NOLAN: Correct.

MR. CROSBIE: It does not include any money for subsidized rental houses nor economic rental housing, so a certain number of people have to be displaced as the project gets underway. The Minister has some figures there. so what is the planning in connection with housing in the area, who is going to carry out land assemblies in the area to provide building lots and who is going to do something about

Mr. Crosbie.

subsidized rental or public housing in this area, because that has to be tied in with the scheme as well? Who is going to meet all of those costs? Is it the City of St. John's for land assembly? What is envisaged there?

MR. NOLAN: I do not have all the information on this, which I think is an important question. I do know that the City of St. John's is preparing an application on this matter, possibly for presentation or negotiation with CMHC. Once some details of it are available, we will then be in the position, I would think, to make some sort of an announcement relating to it or perhaps the City of St. John's would.

MR. CROSBIE: I mean the City of St. John's, let us say, is responsible for land assembly, the building lots, developing building lots. It would have to put up money but it would get the money back when it sells the building lots, presumably.

MR. NOLAN: Yes!

MR. CROSBIE: Of course, I do not know what the cost of the building lots would be. But subsidized rental housing or public housing would be a function of this Government and the Government of Canada. It is planned, I believe, to have public housing here?

MR. NOLAN: I think, if the hon. member will permit, I believe that (I am guessing but I think it is an educated guess) the Newfoundland and Labrador Housing Corporation will, unless there is some radical change I do not know of, end up responsible, I would think, Mr. Chairman, for the subsidized rental units, as they are for the other units we have at the moment, or the St. John's Housing Authority in some cases.

MR. HICKEY: I would just like to say how pleased I am to see such areas as the Blackhead Road, Corner Brook and Mundy Pond vested with various amounts of money allocated. It brings another area to my mind, that I have the honour to represent, namely, "The Battery." It is disappointing to see that it is not listed there, with \$2 million tucked aside for it in this election year.

Mr. Chairman, I would be the last one to object to expenditures in an area such as Mundy Pond or the Blackhead Road or indeed Corner Brook. All of those

Mr. Hickey.

have their problems which are peculiar to the particular area, the same as the Battery has. Certainly, we are all happy to see that something is being done for the areas in question. On numerous occasions, Mr. Chairman, I have put forth a sound argument, in my view, for the people of the Battery. I am well aware that it is a municipal problem, a municipal responsibility. My main purpose in raising it in this House is to implore the Government and the officials connected with the Department of Municipal Affairs to set some kind of fire under the people at City Hall to wake them up a little bit. Apparently, they have been asleep insofar as the Battery is concerned. There is no area, Mr. Chairman, that has been battered around and kicked around, there has been no area, insofar as passing the buck is concerned, that can touch the Battery. No one ever seems to have any responsibility for it every now and then when it comes up. Then that issue is cleared and we find that the municipal people finally accept responsibility for it. One thing is clear, Mr. Chairman, it would be most unfair and I could not in conscience lay the total blame at the feet of the Provincial Government, the City of St. John's is responsible. They have neglected to take the initiative to do anything for this area. They are well aware of the situation. They are well aware of the situation with regards to the Federal Government. The Federal Government will not involve themselves in an urban renewal scheme. This appears to be definite. Yet the City of St. John's, the municipal people, sit idly by and do nothing.

I wonder, Sir, how those gentlemen can sleep at night, tucked away in their elaborate City Hall that cost a few millions. That, too, was tucked away and brought to light all of a sudden. I am not against the City Hall, Mr. Chairman. I am all for progress. I am all for toilets too. It is too bad that the "City Fathers" cannot have a little more pride in their City and realize how stupid it is and how shameful it is to have our tourists visiting our City, visiting Signal Hill, in that very scenic area, and looking down over and seeing what I can only term as the worst section possibly of the whole Province. It is a shame. I lay the total blame on the City Council. I would ask the Premier if he would be good enough to write the people at City Hall, if nothing else, and ask them just what in God's name they are going to do for those people? Are they

Mr. Hickey.

just going to ignore them forever?

MR. COLLINS: Mr. Chairman, before the total is carried, I would like to offer my commendations to the Deputy Minister and Assistant Deputy Minister of Municipal Affairs and the Director of Urban Renewal Planning and also to the Director of Housing. I think I can speak for all hon. members when I say that we get the maximum co-operation from those people and they are doing the best job possible under the circumstances.

On motion Heading XIII, Municipal Affairs and Housing, carried without amendment.

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

MR. NOEL: Mr. Speaker, the Committee of the Whole on Supply have considered the matters to them referred and have passed Estimates of Expenditure under the following headings: Heading XIII, Municipal Affairs and Housing, all items and ask leave to sit again, presently.

On motion report received and adopted.

MR. NOEL: Mr. Speaker, during the committee and during the debate the hon. member for Green Bay left his seat in committee and used violence against the person of the hon. member for St. John's East. Whereupon, the Chairman asked the Sergeant-at-Arms to remove the hon. member for Green Bay. Upon the request of the Sergeant-at-Arms, the hon. member for Green Bay left the committee.

MR. SMALLWOOD (W.R.): Mr. Speaker, may I be heard?

MR. SPEAKER: Before the hon. member is asked to make a statement, I would say this only, that this is a serious breach of privilege of the House and has to be treated as such by the House itself. I would, therefore, ask the hon. member for Green Bay if he has any explanation or statement to make before I proceed further?

MR. SMALLWOOD (W.R.): Mr. Speaker, I attacked the member for St. John's East because he attacked my mother in this House. If he attacks her again in this House, I will attack him, whether it is in the House or outside the House.

MR. SPEAKER: Before we proceed further, I have heard the explanation given by the hon. member for Green Bay, I have to say that this is a serious breach of this House. I heard what he said in explanation. I have no other recourse but to say: "Mr. Smallwood, I would ask you to retire from the Chamber while the House is giving its judgment."

MR. CURTIS: Mr. Speaker, I regret having to make this motion but I move that the hon. member be suspended for one week.

MR. SPEAKER: Is the House ready for the question on the motion by the Leader of the House?

MR. CROSBIE: Before the motion is put, I think it should be pointed out that what the hon. member for Green Bay stated a moment ago in his explanation was not correct in any respect at all. The hon. member for St. John's East made no attack on the mother of the hon. member for Green Bay, not at all, not in any way. The attack was completely unprovoked. The hon. member for St. John's East was dealing with foul innuendos made by the hon. member for Bell Island, the Minister for Social Services and Rehabilitation, at the time when he was attacked irresponsibly, and it was an unprovoked attack on that member.

MR. MARSHALL: Mr. Speaker, if I may beforehand, because the matter involves myself, I wish to make this statement to the effect that I did not attack the mother of the hon. the member for Green Bay. I had no intention of so doing. Any remarks I was making were directed towards the hon. Minister of Social Services and Rehabilitation. The remarks were also directed at the time to the Minister of Justice and towards the hon. the Premier himself. I never did and I would have no intention of doing this. I think that certainly I should be afforded the opportunity of making this particular statement and also to record the fact that the incident is indeed a regrettable one. It is unfortunate that the House has to deal with it, but I unequivocally and unhesitatingly indicate to this House that I had no intention whatsoever of making the attack which was alleged by the hon. member.

MR. SPEAKER: I declare the motion carried.

HEADING XII, NEWFOUNDLAND LIQUOR COMMISSION

MR. MURPHY: I have the opportunity now to speak on the heading: Newfoundland Liquor Commission. As far as we are concerned on this side of the House, we have no intention of passing this department's estimates until we are given the information that we have been trying to obtain in this House this past two or three weeks. As a matter of fact, it was the same thing last year. We are dealing with a matter of leases or rents paid to a ghost company in three areas of this Province which we consider extremely out of line, exorbitant. The terms of the leases were just unbelievable. It is our idea, Sir, that before we proceed to any item below this heading that the information be made available to this House and that is the owners of these buildings in question. We do this, Sir, because we feel that this House should be supplied with full information. We have questioned the Government on it. The inference has been made that these leases were negotiated by the members of the Board of Liquor Commission without (This is the impression I gathered. I do not know what any one else got) the Minister of Finance particularly, whom this department comes under, the Premier and the rest of the Cabinet, without them being aware of what person or persons negotiations were negotiated with.

We have been told, Sir, that originally it was the Royal Trust Company. I think lately it was the Bankers' Trust that built these buildings and rent them to the Board of Liquor Commission at a rate of something like \$1,000 a month. The Board of Liquor Commission or the Newfoundland Liquor Commission are responsible for every item dealing with the maintenance, upkeep, general running of these stores. We feel, Sir, in justice to the people of Newfoundland, that the details of these negotiations should be made known. I think it was a week or so ago that this matter was brought up again in the House. The hon. the Premier intimated to the House that he would go back and consult (I do not know if these are his exact words) with the Chairman of the Commission to try to

Mr. Murphy.

renegotiate more favourable terms. This did not suit us on this side of the House, Sir. We feel this deal was consummated..

MR. CHAIRMAN: Order please! I would like to draw the attention of members to the fact that on the Order Paper of May 5, 1971, there appears a Resolution which was put forward by the hon. member for Burin and which was the occasion of a full debate at that time and on which the House made a decision. I would like to refer hon. members to Beauchesne, Page 126, Paragraph 148: "It is a wholesome restraint upon members that they cannot revive a debate already concluded. It would be of little use in preventing the same question from being offered twice in the same session, if without being offered, its merits might be discussed again and again ." I think that the subject of the leases of the Newfoundland Liquor Commission has been fully debated in this session in the House and that it would be out of order now, for the reasons stated, for the hon. members to continue to debate that issue.

MR. MURPHY: Mr. Chairman, if I may for a moment, with regard to that point, our point is this that we are asked to vote something like \$2 million to the Newfoundland Liquor Commission for the purposes set forth in the estimates this current year. In our opinion, Sir, we cannot in justice to the people of the Province vote any monies to this commission because, in our opinion, monies have been wasted and squandered and until we can get a satisfactory explanation, whether it is pertaining to leases or anything else, we are not prepared, Sir, to vote one cent of this vote until we get a satisfactory explanation, which I think in justice, Sir, this House and the people of this Province are due. That is the only point I make on this Sir. I do not have too much more to add to it. Only the fact that we are refusing to vote any money, not even one dollar to this Liquor Commission until, in our opinion, they justify that they can handle the money or spend the money more wisely than has been the case in instances that have been quoted in this House.

MR. CROSBIE: Mr. Chairman, on this ruling of yours: It was not made on a point of order. It just came out of the thin air. It sprung out of the air.

Mr. Crosbie.

I do not agree with it at all. I see no Parliamentary authority cited that justifies it. We are now in Committee of Supply to discuss the estimates of the Government for the expenditure of monies. We are not proposing to discuss the same question that was discussed here several weeks ago, when there was a Resolution on the Order Paper specifically asking for a Royal Commission to investigate these leases, these exorbitant leases and the misuse of public funds involved with them. We are now going to discuss the Newfoundland Liquor Commission and whether the Newfoundland Liquor Commission, in the light of those leases and the gross mismanagement that is involved in their entering into those leases, should be entrusted with any money to be voted by this House. I fail to see how the Chairman can rule that in the Committee of Supply, when this House is being asked to vote money to the Newfoundland Liquor Commission, we cannot discuss whether or not the Newfoundland Liquor Commission has properly carried out its duties in the past or is fit to carry them out in the present. That is the subject that we wanted to discuss. Are we to be barred from discussing in this House the conduct of the Newfoundland Liquor Commission and misuse of the public funds of the people of the Province?

MR. CHAIRMAN: The ruling that I made was that the question of these leases cannot be now opened up for a fresh debate. The hon. member for St. John's West said, "the same question," but Beauchesne says: (It does not say the same question) "It is a wholesome restraint upon members that they cannot revive a debate already concluded. It would be of little use in preventing the same question from being offered twice in the same session, if without being offered, its merits might be discussed again and again." The only ruling that I have made is that it will not be in order for the committee to go into the whole question of these leases. The hon. member for St. John's Centre, the Leader of the Opposition, accepted that ruling and I see no point in continuing the matter.

MR. CROSBIE: Mr. Chairman, we are now discussing the first vote of the Newfoundland Liquor Commission. As is stated in Beauchesne, Page 201, "the whole management of a department may be discussed in a general way when the Committee of Supply are

Mr. Crosbie

considering the first Resolution of the estimates of that department, which we are now on. What this House has to decide, Mr. Chairman, is whether this house is going to vote as much as one "red" cent to the Newfoundland Liquor Commission, in view of the fact of the evidence produced of the misuse, gross misuse of the public funds of the people of this Province in the rental policy adopted by the Newfoundland Liquor Commission in renting stores at Grand Bank, at St. Lawrence, at Marystown and at Placentia. Now when this House discussed this matter previously, we discussed a Resolution that a Royal Commission should be appointed to investigate the matter. I will not discuss that. I will not discuss whether a Royal Commission should investigate this or not. I will just say this, that we are now considering an independent commission appointed by the Government, responsible to the Government, responsible to the Minister of Finance of the Province and ultimately to the Government of the Province. The Government take the full responsibility for it. There has been evidence produced in this House and speeches made in this House and leases produced in this House that show that the Newfoundland Liquor Commission made it possible for individuals unknown to enter into leases that will give those individuals a profit of at least \$180,000 per building.

MR. CHAIRMAN: Order please!

MR. CROSBIE: Why what is the order?

MR. CHAIRMAN: The point is that what the hon. member for St. John's West has just said is quite correct and one has only to refer to Hansard to see the whole details of that debate and all the particulars. Therefore, the rule is that we cannot have these matters put into the record again. It is just rehashing what has already been said. Now I have said that and that is it.

MR. CROSBIE: Mr. Chairman, you said that and you said that is it. There was no point of order raised when you just made your ruling.

MR. SMALLWOOD: Point of order!

MR. CROSBIE: There was a sigh from the Premier, not a point of order. The Premier does not even have the guts to get on his feet on a point of order. He wants this very much hidden. The Premier knows...

MR. SMALLWOOD: Point of order.

MR. CROSBIE: When is he going to tell us about these leases? When is he going to give us the information?

MR. SMALLWOOD: Is your order enforceable? The ruling you made, Your Honour is it enforceable?

MR. CROSBIE: Why not put us all out so we cannot ask questions?

MR. SMALLWOOD: Is your ruling enforceable?

MR. HICKMAN: On that point of order, Mr. Chairman may I direct Your Honour's attention to the fact that so far the debate and the comments that have been made by hon. members on this side of the House, whilst there may be some similarity to them in the Resolution, it is dealing with a completely different item. This is the item of the general management of the Liquor Commission and in particular as it deals with the vote for rentals which is contained in this heading. Surely this House and this Committee are competent, in fact it would be very derelict in its duty, if it did not place on the Minister of Finance, who is the minister responsible for the administration and the final analysis of the Newfoundland Liquor Commission, the duty to convince this Committee that we should be called upon to vote monies to the Newfoundland Liquor Commission to pay for rentals which in our opinion are exorbitantly high and unconscionable transaction in the first instance. To me there is no conflict at all. It is one issue that has been dealt with, it is out of the way. There was a debate. The resolution was defeated. There was no enquiry ordered into it. No Royal Commission ordered into it. This enquiry here is completely separate, distinct and it has no relevancy at all to the first resolution, but it has a great deal of relevancy to the conduct of the Newfoundland Liquor Commission. I do not see where Beauchesne is at odds with the approach and the statements and positions now being adopted by hon. members on this side of the House.

MR. CHAIRMAN: It is not my prerogative to make the rules, I simply interpret them. The ruling that I have made is that the matters we are discussing; in the resolution, put forward by the hon. the member for Burin, will not be discussed again in committee.

MR. MURPHY: Mr. Chairman, may I ask a question, and we are speaking on the heading, when we get down to item seven, Rentals cleaning, are we to avoid asking this Commission or criticizing them for renting buildings. I mean, are we silenced on this?

MR. CHAIRMAN: The records of the House have already been filled with the item. Beauchesne says quite clearly, "it would be little use in preventing the same question from being offered twice in the same session if without being offered its merits might be discussed again and again." I have made my ruling and that is it.

MR. CROSBIE: Mr. Chairman, I move that this is a vote, I believe, under General Administration Salaries. I move that the vote of \$304,400 provided for salaries be reduced by an amount of \$55,160, which is the amount of the salary of the Chairman of the Board, the Deputy Chairman of the Board and the two members of the Board, seconded by the hon. the Leader of the Opposition.

I make that motion for this reason, Mr. Chairman, that the Chairman of the Board and the members of the Board technically, technically, and I say technically only because in fact they are not responsible, but technically are responsible for the atrocious leases, the atrocious leasing policy of the Newfoundland Liquor Commission, and the creation of unearned profits of about \$180,000 in each case.

MR. CHAIRMAN: Order, please!

MR. CROSBIE: Mr. Chairman, this is quite in order, I am explaining why I am moving that the salaries of the Newfoundland Commission members be reduced, they get no salary. Surely I can give my reasons why they should get no salary.

MR. CHAIRMAN: The hon. member has given his reasons, I think, but the point is-

MR. CROSBIE: We are explaining our reasons now, Is there closure of this committee without it being moved? Well, I am now explaining my reasons. The Board of the Newfoundland Liquor Commission entered into a lease at St.

MR. CROSBIE: Lawrence on February 1, 1969 -

MR. CHAIRMAN: Order, please. I suggest that this business is not going to be permitted to be proceeded with.

MR. CROSBIE: Why?

MR. CHAIRMAN: Because it is contrary to the rules.

MR. CROSBIE: It is not contrary to the rules. Mr. Chairman there is a motion before the House now, Mr. Chairman,

MR. ROBERTS: To a point of order, Mr. Chairman.

MR. CROSBIE: I am on a point of order already. There is a motion before the House -

MR. CHAIRMAN: Order please!

MR. ROBERTS: Mr. Chairman, to a point of order, my understanding is that Your Honour has given a ruling. My understanding further is that there is no discussion permitted on such ruling. A member may appeal the ruling to the House. Your Honour, if this is correct, either an hon. member appeals it or we accept your ruling. I, for one, am prepared to accept it.

MR. CROSBIE: Oh, sure you are. Now on that point of order, Mr. Chairman, we are very surprised; the member is accepting the ruling. Now on that point of order, Mr. Chairman, I have made a motion that the salary of the Chairman and the members of the Newfoundland Liquor Commission be absolutely reduced to zero. I want to explain my reasons for doing that. Now whether there has been a debate in this House before, about liquor leases or about anything, there has been no debate on why the salaries of the Newfoundland Liquor Commission should be cut out altogether. That is what I am now trying to address myself to. It is a serious motion to make and I want to explain why I have made it. I have made it, Mr. Chairman, they are technically and I say technically because in fact they are not responsible, the responsibility lies a lot higher, and it does not lie on the Minister of Finance, it lies in the office of the Premier of the Province. They are

MR. CROSBIE: responsible for these four leases entered into at St. Lawrence on February 1, 1969.

MR. ROBERTS: On a point of order, Mr. Chairman. Did I understand Your Honour to say, with reference to Beausheune, that the subject of these leases had been debated in the House, had been decided, the hon. gentleman like it or not, I mean, those are facts, as I understood Your Honour's ruling. There was accordingly, under the rules, to be no further reference made to them. Is that a correct understanding or is it not? If it is, would the hon. gentleman accept the ruling.

MR. CHAIRMAN: The hon. gentleman is not correct, the Chair did not rule that there would be no reference to it. What the Chair ruled was that there would be no debate on the question of these leases.

MR. ROBERTS: Thank you!

MR. CROSBIE: I am not debating the question of these leases, I am debating the conduct of the members of the Commission in permitting such leases to be entered into. That conduct, Mr. Chairman, is inexcusable or I would not move that their salaries be reduced from what they are to nothing.

The Newfoundland Liquor Commission entered into these four commercial transactions on buildings at St. Lawrence, Grand Bank, Placentia, and Marystown. They entered into twenty year leases -

MR. CHAIRMAN: Order, please. I have listened to the whole point -

MR. CROSBIE: I am explaining why I am moving for the salaries to be reduced, How can that be out of order, Mr. Chairman? It is unheard of under parliamentary annals that when a person moves a motion that someone's salary should be reduced he cannot explain the reasons for it. Am I just to move it and say there is no reason, because we mentioned leases in this House before. That is ridiculous. It is stated as just ridiculous. I am explaining why I have made this motion. I made it because there is gross mismanagement in the administration of the funds of the Board.

MR. CHAIRMAN: It is not for the Chairman to explain to an hon. member how he

MR. CHAIRMAN: should present his argument.

MR. CROSBIE: Well right, I am presenting it.

MR. CHAIRMAN: The hon. member may refer to the fact that there were leases made, but he cannot go into details on these matters.

MR. CROSBIE: All right, I am just referring to the fact that leases are made, entered into for twenty years, at rentals of \$7.22 per square foot. All right leases are entered into that will pay a total rental of \$240,000 over twenty years, for buildings that could not cost in excess of \$30,000; that the Newfoundland Liquor Commission have accepted responsibility for all repairs, for all municipal taxes, for all expenses in connection with those buildings.

Now, Mr. Chairman, that means that the Newfoundland Liquor Commission has made a gift, a gift -

MR. CHAIRMAN: Order, please. Now if the hon. member is not going to proceed according to the rules, I am going to ask him to sit down.

MR. CROSBIE: I am proceeding in accordance with the rules. I am moving that their salaries be reduced because public funds have been given away, Mr. Chairman. That is all I am saying.

MR. CHAIRMAN: The Chairman is having a difficult time in conveying to the hon. the member for St. John's West exactly what the ruling was. The ruling is that the matter which was discussed relating to these leases is not to be discussed now.

MR. CROSBIE: I am not allowed to do it now, Mr. Chairman, I am advancing my reasons for a reduction of \$55,160.

MR. CHAIRMAN: I really do not think the hon. the member for St. John's, I think he understands the ruling that I made.

MR. CROSBIE: I can understand the ruling, but I cannot credit it. I can understand it.

Now, Mr. Chairman, gifts of public funds amount over the next twenty years to some \$600,000 have been made as a result of the actions of the

MR. CROSBIE: Newfoundland Liquor Commission members, technically. In actual fact they had nothing to do with it. They did what they were told. What they were ordered to do. There is only one person in the Government who could order them to do it, that is the hon. the Premier. The names of the people who own these buildings are hidden behind trust companies. We do not even know the names. The Newfoundland Liquor Commission and the Government that is responsible for the Newfoundland Liquor Commission will not give the names.

MR. CHAIRMAN: Order, please! I have already said that if the hon. the member for St. John's is going to continue in that vein, I will have to ask him to be seated.

MR. CROSBIE: Mr. Chairman, I will have to ask for your ruling to be appealed. That is all. I know that the great Government majority will crush this. They do not want it briefed. They do not want a word about this. So I appeal the Chairman's ruling.

MR. CHAIRMAN: The hon. member wishes to appeal the ruling of the Chairman of Committees?

MR. ROBERTS: Inaudible.

MR. CROSBIE: The hon. gentleman knows all about the rules.

MR. ROBERTS: Yes.

MR. CHAIRMAN: Order, please!

MR. CROSBIE: A new kind of closure.

MR. CHAIRMAN: Order, please!

MR. ROBERTS: It is not closure.

MR. CROSBIE: It is closure.

MR. ROBERTS: It happens to be the rule.

On Motion, that the Committee rise and report, that the hon. the member for St. John's West moved to appeal the ruling of the Chairman of Committees, Mr. Speaker returned to the Chair:

MR. SPEAKER: Order, please!

MR. NOEL: Mr. Speaker, during the debate in the Committee of Supply, the hon. the member for St. John's West wished to introduce into the debate particulars relating to certain leases which have been executed by the Newfoundland Liquor Commission, which leases were the subject of a debate which took place in the House on Wednesday, May 5, 1971, on the resolution introduced by the hon. member for Burin.

The Chairman of the Committee rules that since the particulars of these leases have been debated on a previous occasion in the House, they could not be debated again. The hon. member for St. John's West appealed the ruling.

MR. CROSBIE: Before Your Honour does anything about the remarks presented to him by the Chairman, I do not agree that he has correctly presented the matter that is to be appealed. The member for St. John's West, namely; myself, in discussing the first item in the Estimates, under Newfoundland Liquor Commission, General Administration - Salaries, \$304,400, moved that the salary of the Chairman of the Board, the Deputy-Chairman and the members of the Board, salaries totalling \$55,160, that the amount to be voted be reduced by that amount, that is that there be nothing voted for the salaries of the Chairman of the Board and the three members. I was attempting to present my reason for making that motion, which involved mis-management, in our opinion, of the affairs of the Board, in connection with certain leases entered into, by the Newfoundland Liquor Commission, on buildings in St. Lawrence, Marystown, Grand Bank and Placentia. Now in trying to present my reasons for this motion, that their salaries be reduced, the Chairman of the Committee has ruled me out of order in mentioning these leases at all, on the grounds that on May 5, there was debated in this House on a Resolution that a Royal Commission be appointed to investigate these leases, an entirely different subject, in my opinion. So, Mr. Speaker, what is happening is that the Chairman of Committees is attempting to stop a member who has made a motion from explaining his reasons for so making that motion - that is the issue before the House, not the issue presented by the hon. member for St. John's North.

MR. SPEAKER: The Question before the House is that the Chairman's ruling be sustained:

MR. HICKMAN: Which Ruling? On a Point of Order: Which Ruling now are we voting on?

MR. SPEAKER: The Report of the Chairman of Committees, where he did not wish to have the subject matter of the Resolution of May 5 repeated in this debate. That was the Chairman's ruling, as I understand it, and that is the Question that is before the House:

The Motion is that the Chairman's Ruling be sustained: Those in favour "Aye", contrary "Nay". Carried. Call in the members:

DIVISION

Will those in favour of the motion please rise;

MR. CROSBIE: On a Point of Order, Mr. Speaker, is the Chairman who made the ruling going to vote on this very issue? Whose decision is being appealed? Is this impartiality?

MR. SPEAKER: Order, please. All members present will vote when the vote is taken. Continue the count please.

The hon. the Premier, the hon. the President of the Council, the hon. Mr. Lewis, Mr. Dawe, Mr. Noel, the hon. the Minister of Labrador Affairs, Mr. Hodder, Mr. Strickland, the hon. the Minister of Education and Youth, the hon. the Minister of Public Works, the hon. the Minister of Finance, the hon. the Minister of Mines, Agriculture and Resources, the hon. the Minister of Community and Social Development, the hon. the Minister of Social Services and Rehabilitation, Mr. Barbour, the hon. the Minister of Health, the hon. Mr. Hill, the hon. the Minister of Supply and Services, Mr. Saunders, Mr. Wornell.

Against the motion please rise; The hon. the Leader of the Opposition, Mr. Hickey, Mr. Marshall, Mr. Collins, Mr. Earle, Mr. Hickman, Mr. Crosbie, Mr. Myrden.

I declare the motion carried.

COMMITTEE OF THE WHOLE ON SUPPLY

MR. CHAIRMAN: Order, please.

MR. CHAIRMAN: Shall 1201-01 carry?

MR. CROSBIE: Mr. Chairman, the motion before the Committee, I believe, which is that this vote be reduced by amount of \$55,160. Naturally, Mr. Chairman, I know that the appeal which we just had does not stop me from advancing my reasons for that motion. I am sure the Committee will agree, Mr. Chairman, that it is an unusual motion to make, it is one I do not particularly want to make. It is not the members of the Newfoundland Liquor Commission that this motion is directed against, they are puppets in the hands of a puppet master. The puppet master sits opposite us. It is the puppet master that arranges these commercial transactions that this side of the House is incensed about. I intent to mention no leases. I do intent to mention commercial transaction of the Newfoundland Liquor Commission in recent years, the House is quite familiar with, that are resulting in the transfer of public funds over the next eighteen years, because these leases were entered into several years ago or transactions were entered into several years ago, that they are going to place in the hands of parties unknown public funds of the people of this Province to the tune of some \$600,000. That, Mr. Chairman, is mis-management. Mr. Chairman, it is more than mis-management. It is the creation of the special situations for persons to profit from whose names are to be kept hidden from the public gaze. That the public are not to know to whom this bonanza is going, that the miners and the widows of St. Lawrence are not to know who the lucky individual is that has such a favourable commercial transaction in the Town of St. Lawrence.

MR. ROWE, F.W.: Mr. Chairman, on a Point of Order. Mr. Chairman, either the rulings of the Speaker of this House and of the Chairman of Debates are valid rulings or we have complete chaos. I submit, Mr. Chairman, that the hon. gentleman who just sat down, who is just speaking again, is deliberately defying the ruling Your Honour made, a ruling which was upheld by this House in a vote only taken two minutes ago.

MR. CROSBIE: On that Point of Order, Mr. Chairman, the vote taken a few minutes ago was to the effect that Your Honour made a ruling that we were not

MR. CROSBIE: to discuss certain leases that were dealt with in this House on May 5. I am not dealing with them. I am dealing with the reasons for my motion that salaries be reduced. May I proceed?

MR. CHAIRMAN: The hon. member is on the question; is he entitled to make a brief reference to a matter such as he is talking about? Where a reference to the matter ends and where an attempt to avoid a ruling of the Chair begins is sometimes a little difficult to determine. The Chair has to leave a certain amount to the honour of the hon. member for St. John's West.

MR. CROSBIE: It is well left then, Mr. Chairman, well left.

Now, Mr. Chairman, before I was interrupted by the Minister of Education, who is never so diligent as when he is trying to stop information coming out of this House, I think I was mentioning certain commercial transactions. The House knows, Mr. Chairman, that these certain commercial transactions were entered into without the then Minister of Finance of the Government of Newfoundland having any knowledge of them.

MR. CHAIRMAN: Order, please. If the hon. member is not going to get away from that subject, I am going to have to ask him to be seated.

MR. CROSBIE: I am keeping to the subject of why I have made a motion for the reduction of these salaries, Mr. Chairman. That is what I am keeping to. If I am not allowed to discuss the reasons why I made this motion, then what are you allowed to discuss in this Committee? Surely, if a member moves a motion that somebody's salary be reduced, he is allowed to discuss his reasons for it. There was never a more ridiculous, unparliamentary ruling made by any Chairman of any committee as the ruling Your Honour has made.

MR. CHAIRMAN: Order, please. The hon. the member knows that it is not within the rules to refer to that matter now.

MR. CROSBIE: You cannot even refer the ruling.

MR. CHAIRMAN: Of course not.

MR. CROSBIE: I see. We cannot refer to leases. We cannot refer to the ruling. We cannot refer to anything that the Government does not want referred to. If we dare to persist, I suppose we will be assaulted. That will be the

MR. CROSBIE: next thing.

MR. ROBERTS: Inaudible.

MR. CROSBIE: Is that right?

MR. CHAIRMAN: Order, please!

MR. ROBERTS: Inaudible.

MR. CROSBIE: Well we are not afraid of your closure or your assaults or threats or anything else, none of it.

MR. CHAIRMAN: Order, please! It has been a rather trying night, would you please stick to the -

MR. CROSBIE: It has been a rather trying night, Mr. Chairman, and it has been made more trying by this attempt by the Government to stop any discussion on this public matter. Now, we were told, Mr. Chairman,

MR. SMALLWOOD: On a Point or Order, Mr. Chairman. Is Your Honour the Government? I thought it was Your Honour who had given the ruling?

MR. CROSBIE: The majority supported it.

MR. SMALLWOOD: I thought that the majority of this House had supported Your Honour's Ruling. Your Honour made the ruling, not the Government.

MR. MURPHY: The Liberal Party.

MR. SMALLWOOD: Not the Liberal Party.

MR. CROSBIE: Wes, it is the Liberal Party.

MR. SMALLWOOD: The Chairman of this House. The Chairman of the House.

MR. SMALLWOOD: the House.

MR. MURPHY: A different party voted.

MR. SMALLWOOD: We did. We did.

MR. CHAIRMAN (Noel): Order please! Order please!

AN HON. MEMBER: You were elected.

MR. MURPHY: Sure we were elected, what ever will happen the next time.

MR. CROSBIE: Mr. Chairman, we were told some two weeks ago by the hon. the Premier that the matter of the commercial transactions that we are not allowed to mention tonight in the House, when we are discussing this item was going to be investigated by the Chairman of the Newfoundland Liquor Commission. He was going to deal with the matter and would have these rents, which the hon. the Premier admitted were exhorbitant. or appeared to be exhorbitant, he would have these looked into and he would report back. The Premier would report back on whether these rents, conditions and terms could be ameliorated, improved. The hon. the Premier has not reported back on them yet nor has the Chairman of the Newfoundland Liquor Commission.

Could the House be informed Mr. Chairman, whether or not these negotiations have been entered into and whether or not the Chairman of the Newfoundland Liquor Commission has been able to locate the owners of those premises? Also, whether or not the rents have been reduced? Could the Minister of Finance inform us who the owners were, when the Chairman of the Newfoundland Liquor Commission found them? If we can have that information, there might be no need to proceed with this motion. Since the Government does not want us to talk over here perhaps they will explain the situation now.

MR. HICKMAN: If I amy have a few words on the motion, Mr. Chairman, I shall not refer to the -- as I understand Your Honour's ruling, and Your Honour can correct me when I go wrong, we cannot refer to leases

involving the liquor stores at Grand Bank, Placentia and St. Lawrence. These are the three, and three only leases referred to and contained in that resolution. Am I correct?

MR. COLLINS: These are hush-hush leases.

MR. CHAIRMAN (Noel): The hon. member for Burin cannot debate the issues and raise the same points as was raised on the resolution that was introduced by the hon. member from Burin in the House.

MR. HICKMAN: I shall deal with other rental projects and transactions that were not debated on the 5th. of May. I think that this House is entitled to hear from the hon. the Minister of Finance, the rationale that is used by the Newfoundland Liquor Commission in negotiating, and was used in negotiating the lease for the Liquor Commission retail store at Baie Verte, Newfoundland.

The lessor, as shown in a question that was answered and tabled in this House, is the Royal Trust Company. The rent that is being paid is approximately five dollars per square foot. It is a twenty year lease, dated January 14, 1985, that is when it terminates. The annual rental is \$10,200. for the Baie Verte retail store. I would like the hon. the Minister of Finance to indicate to this House the going rental for commercial premises in Baie Verte, **The** rent that is paid for buildings that contain very little. The building in Baie Verte is a standard Newfoundland Liquor Commission retail outlet. The only responsibility for the landlord, in Baie Verte, is to provide a counter and an office and warehouse space.

Again, Mr. Chairman, insofar as the Liquor Commission retail store is concerned, in Baie Verte, this Committee is entitled to know the name of the owner of the building. That is not an unreasonable request to make I submit that in supporting the motion of the hon. the member for St. John's West, that unless and until we are furnished with the information on the Baie Verte lease, we cannot in conscience vote

to continue the salaries for the members of the Newfoundland Liquor Commission.

Obviously, Mr. Chairman, this Committee is entitled to know whether or not five dollars a square foot for a building in Baie Verte is the marketable rent for that area, the type of store that is being rented in Baie Verte, the accommodation that is being required or provided and what the landlords or tenants responsibilities are. We are entitled to know from the hon. the Minister of Finance whether or not, under the lease covering the Baie Verte retail store, the tenant is responsible for all repairs and maintenance. Is the tenant, the Newfoundland Liquor Commission, responsible to pay for all repairs of the Baie Verte liquor store? Is the tenant responsible for all interior maintenance? Is the tenant responsible for paying all taxes that relate to the retail store at Baie Verte, rented from the Royal Trust Company?

This Committee is also entitled to know, Mr. Chairman, the nature of the negotiations that transpired between the Chairman of the Newfoundland Liquor Commission and at least, technically and under the law, must have had the approval of the hon. the Minister of Finance. Who did the negotiations for the Baie Verte store? Was it the Chairman of the Newfoundland Liquor Commission or was it the hon. the Minister of Finance? With whom were these carried out?

MR. CHAIRMAN (Noel): Order please! I think the hon. member for Burin is not remembering the terms of his resolution. "Be it resolved that the Government appoint a Royal Commission of three members with all necessary powers to investigate the purchases by the Government and agencies of the Government of property during the last five years, and the rental of property by the Government and agencies of the Government during the last five years."

The matter which he is now discussing falls completely

within that.

MR. HICKMAN: Mr. Chairman, with respect; to my knowledge, and Hansard would substantiate this, I suggest, there was no debate during that resolution on the Baie Verte liquor store. But none.

MR. BARBOUR: There could have been.

MR. HICKMAN: There could have been, but the simple fact is that hon. members did not avail of the opportunity to debate the retail store rented from the Royal Trust Company at Baie Verte. I submit, Mr....

MR. CHAIRMAN (Noel): I think the hon. member for Burin can...

MR. HICKMAN: No, I can read it, I have the Resolution before me, Mr. Chairman. It is to deal with the rental policies of the Newfoundland Liquor Commission during the past five years. If Your Honour will again read Beauchesne, this rule is designed to prevent repetition or recurrence of the same debate on a particular issue during the same session of the House.

I submit to Your Honour that what I am saying now is something that was not dealt with, was not debated during the debate of May 5th. under Resolution, and the fact that hon. members could have, if they had so desired, participated and raised the question of the Baie Verte retail store, the fact, that they did not and could have, does not, in my opinion, offend against the rule, now that we are referring to the Baie Verte store.

MR. CHAIRMAN: I think the hon. member for Burin is not quite correct. The matter before the House, on the occasion of the Resolution, was the leasing policy of the Newfoundland Liquor Commission. That is exactly what the hon. member wishes to debate again, and it is out of order for him to do so.

MR. HICKMAN: Mr. Chairman, may I refer then to any rental transaction that was ever entered into by the Newfoundland Liquor Commission more than five years ago? Because, the Resolution that was debated and the

Resolution that was defeated in this hon. House dealt with the rental policies of the Newfoundland Liquor Commission during the past five years.

May I draw Your Honour's attention, and direct Your Honour's attention to the fact that the Baie Verte lease was entered into and obviously negotiated, prior to or not later than January 14, 1965, six and one half years ago. Mr. Chairman, this is why I think it is, and I follow Your Honour's ruling very, very closely, and I would not suggest for a moment that there is anything wrong with it, but I do think, if I may repeat, and we do have on the Newfoundland Liquor Commission now members who were there in 1965 and members who were there when the lease was negotiated with the Royal Trust Company on or before January 14, 1965.

The hon. Minister of Finance, and I realize he was not in that portfolio at that time, but he does have to assume the responsibility of reporting to this House the nature of the negotiations, the formula used on January 14, 1965, to pay a rental for what is in effect a warehouse with a counter on the front, and one office, and to indicate to this Committee the name of the owners of the Baie Verte retail store on or before January 14, 1965.

Mr. Chairman, on or about November 14, 1964, a lease was entered into between the Royal Trust Company and the Newfoundland Liquor Commission for a liquor store at Clarenville. Again the rental paid in Clarenville, and agreed to be paid for the next twenty years, is five dollars per square foot - five dollars and ten cents per square foot. I do suggest, Mr. Chairman, that five dollars and ten cents per square foot, in 1964, was a rental that is far out of line and was far out of line with the marketable rentals going in Clarenville in 1964. Again, this Committee is entitled to hear, from the hon. the Minister of Finance, the terms and conditions of the lease entered into between

the Royal Trust Company and the Crown Agency, Newfoundland Liquor Commission, covering the store at Clarenville.

Who is responsible for repairs and maintenance? Who is responsible for paying taxes to the Clarenville Town Council? Is the Clarenville Town Council billing taxes, and this is a very important point, Mr. Chairman, because, assuming that the building is, and we have to accept the fact that the building is not owned by the Crown, it obviously is not or it would not be rented, then the protection that is afforded Crown Agencies does not exist in this case. Presumably therefore, a tax is charged by the Clarenville Town Council to the owner of the building. If the lease contains a provision that the tenants must reimburse the taxes charged to the landlord, then, obviously, the hon. the Minister of Finance must be in a position to tell us what taxes are now being paid to the Clarenville Town Council by the owners of the liquor store in Clarenville.

The same, Mr. Chairman, applies to Deer Lake, which was entered into on November 14, 1964, at a rental of five dollars and ten cents per square foot, which in my opinion was not the going rental for Deer Lake in 1964. It does show, Mr. Chairman, very, very clearly, that in dealing with these public funds ordinary prudence was not used. The negotiations could not have been carried out in the same light that an ordinary individual would negotiations, if he were trying to rent a warehouse with a counter on the front, in Deer Lake, in 1964.

Mr. Chairman, so it goes. There are other leases here that I think fall within the five year limit. At least there are four of them. Maybe the hon. the Minister of Finance can tell us who the owners are. It is not the Royal Trust, that we know. The Royal Trust does not buy and rent buildings. The Royal Trust acts for a principal. The name of the landlord for Baie Verte, Clarenville and for Deer Lake is the Royal Trust Company. When that question was asked, and I am looking at this answer that was given last year, showing the Royal

Trust Company to be the landlord, subsequent developments would convince this Committee, or should convince this Committee that the landlord may be the Bankers Trust Company rather than the Royal Trust Company.

Would the hon. the Minister of Finance indicate to the Committee whether the lease covering the Baie Verte, Clarendville and Deer Lake stores, show Royal Trust Company, or Montreal Trust Company as the landlord, the names of the true owners of the Clarendville, Baie Verte and Deer Lake stores?

MR. CROSBIE: Mr. Chairman, I have some questions also, unless the minister wants to answer the questions about the Baie Verte lease first. I will surrender to the minister if he wishes to speak now on that.

MR. E.S. JONES (MINISTER OF FINANCE): Mr. Chairman, it must be fairly obvious to the Committee that I do not have a copy of the lease that was signed, some five or six years ago, here with me.

MR. HICKMAN: Ask the Chairman. Ask the Chairman.

MR. CROSBIE: Mr. Chairman, there is a lease entered into by the Newfoundland Board of Liquor Control, as it was then called, with the Banker's Trust Company, (we have heard that name quite a bit) on December 1, 1965. (That I believe is somewhat over five years ago. Five years would have been up on December 1, 1970, and therefore has no connection with our recent Resolution) where the Newfoundland Board of Liquor Control rented from the Banker's Trust Company, (we do not know who is behind the Banker's Trust Company. We know that the Banker's Trust Company does not own this property. The property happens to be located at Marystown, in Placentia Bay) that the Newfoundland Board of Liquor Control entered into a lease with the Banker's Trust Company, which is a twenty year lease. It is a term of twenty years, from December 1, 1965.

The annual rental is not a bad sum, Mr. Chairman. The annual rental is \$10,880. annually. It is to be paid to the lessor, the Banker's Trust Company, at its offices in St. John's, in quarterly installments of \$2,720. each, on the first day of March, June, September and December of each year. This is a building called a demised premises. That rental Mr. Chairman, works out I believe to six dollars and eighty-five cents per square foot per year. Now, six dollars and eighty-five cents per square foot per year, I do not believe there is a rental that high in the City of St. John's. That rental for this building at Marystown, is being paid this mysterious Banker's Trust Company for twenty years, for a building that does not compare with the Royal Trust Building, say, on Water Street.

MR. JONES: The hon. gentleman is out in his reckoning. The rent per square foot in Marystown is not something over six dollars. It is four dollars and forty-four cents.

MR. CROSBIE: I disagree with the hon. gentleman. I will have to get - yes, correction, six dollars and fifty-three cents.

According to information given, in answer to a question in this House last year, there are 1,665 square feet of space in the building at Marystown. The yearly rental is \$10,880, and if you divide 1,665 into 10,880, I think you will come out somewhere like six dollars and fifty three cents. So, I was a little too high. I was twenty-two cents too high. The rental comes to six dollars and fifty-three cents per square foot in this little building down at Marystown. That is a building Mr. Chairman, that it would not cost, in the wildest stretch of the imagination, it would not cost ...

MR. JONES: Mr. Chairman, if the hon. gentleman would allow. The figures that have been supplied to me are to the effect that the square footage in Marystown is 2,450 square feet, and the rental is as I said before, four dollars and forty-four cents per square foot.

MR. CROSBIE: Mr. Chairman, that maybe the information supplied to the Minister of Finance. The information supplied me, in answer to the question last year - the question asked last year, was not asked by me, but, was asked by the member for Humber East, question (117) on the Order Paper of March 2, 1970. The question given there, and the answer prepared by Government officials, at a time when these leases were not a matter of controversy, this is what was said about the lease in Marystown: "Lessor, Royal Trust Company. Building, Marystown. Length of lease twenty-years. Expiry date November 30, 1984. 1,665 square feet. Annual rental \$10,880.

Be that as it may. Perhaps there has been an extension put on since, I do not know. That was the information given by the Government last year. In any event, the rental is \$10,880, and a high rental, Mr. Chairman.

In addition, Mr. Chairman, I would like the Minister of Finance, who is responsible, to explain why in addition to that very substantial rent for a building that the Liquor Commission could have put up for \$30 thousand, the rent being paid is \$10,880 a year, (In three years rental payments you could build a building yourself. It would not cost more than \$30 thousand) why in addition to that the Newfoundland Liquor Commission felt that it was good management to enter into this lease which I have in my hand. This lease was tabled in this House this year, and it is dated December 1, 1965.

In addition to that large rent, the Newfoundland Liquor Commission also agreed to repair, maintain and cause to be repaired, and keep or cause to be kept the demised premises (now Mr. Chairman, you might think that this is just interior repairs. No! No! No!) both ^{as} to exterior as well as interior, with the appurtenances in good and substantial repair, and all fixtures and things thereto belonging

which at any time during the term hereof shall be erected and made thereon

when, where and so often as needs shall be. In other words, the Newfoundland Liquor Commission, in addition to paying this rent, and three years rent would build the building, agreed that they were going to keep the interior of the premises repaired at their expense, and the exterior repaired at their expense.

I would like the Minister of Finance to explain to the House and the people of Newfoundland, why, in addition to that, (and one would think you would only enter into a lease like this if you were under tremendous pressure to do it) why in addition the Newfoundland Liquor Commission agreed that they would operate as a liquor store, they would pay in addition (page 3 of the lease, clause (e), clause (2e),) to pay all costs expenses and charges of whatsoever nature arising out of or incidental to the operation of the store, including, but without limiting the generalities of the foregoing, all heating, all electrical, all telephone, and all cleaning charges.

Why would the Newfoundland Liquor Commission do that? They are going to pay \$10,880 rent a year for a building they could build for \$30 thousand. They are going to keep in repair the interior. They are going to keep in repair the exterior. Apparently, they felt that the owner of the building was in bad shape or something or other, or he could not afford this, so they went ahead and agreed to pay the heat, the electrical, the telephone and the cleaning.

Then Mr. Chairman, when you look further through the lease, what else do you discover? One would think, it boggles the imagination to try to think of something else that they could do. What else could they do to help out this poor old owner? This Banker's Trust: The Banker's Trust must be on the verge of cracking up. You would not think they could think of anything else until you look at the next clause. clause (2f)

What else did they think of? To pay all taxes, assessments, fines and impositions imposed on or in respect of the demised premises

or rental premises including but without limiting the generalities of the foregoing, (you would not want to limit that generality or that foregoing; not at all you would not) all taxes, assessments, fines and impositions which but for this lease would be payable by the lessor. By the lessor! By the owner! This is a "Jim Dandy." This is new legal draftmanship. To pay all taxes, assessments, fines and impositions "la-da-da-da--da," which, but ^{for} this lease would be payable by the owner of the building.

A new departure in landlord-tenant relations. Who are the poor tenants in this Province that are complaining? If they could only enter into leases like this—

MR. CROSBIE:

in other words. Mr. Chairman, the Newfoundland Liquor Commission also agreed to pay all municipal taxes. All municipal assessments that ordinarily would be paid by the owner, the Newfoundland Liquor Commission is going to pay instead. Now what do you think?

MR. MURPHY: How much are those payments, including all those things?

MR. CROSBIE: Well, there is \$10,880, plus all these other things, which would amount to another average of \$1,500, or \$2,000, a year anyway. So that does not seem too bad.

MR. CHAIRMAN: Order please! I would like to point out to the hon. gentleman I think the Chair made a ruling that this was not in order.

MR. CROSBIE: No, no, you ruled this as quite in order, Mr. Chairman. This is a lease entered into not in the previous five years, and the Chairman felt this was distinctly in order. Those are the main features of this particular lease with the Banker's Trust. Then it goes on and agrees to indemnify and save harmless the lessor from and against any claims, suites, damages and causes of action or any of them arising from any personal injury, loss of life and damages of property. Now perhaps they figure that there might be personal injury or loss of life with people rushing to the Newfoundland Liquor Commission looking for leases like this.

If it were generally well known that you could put up a building for \$30,000, and get back \$200,000 for it in the next twenty years and not pay a cent for taxes, and not pay a cent for repairs and not pay a cent for heat and not pay a cent for light and not pay a cent for cleaning and not pay a cent for anything, just run to the bank quarterly with the cheques, if that were generally realized, Sir, there would be a lineup from the headquarters of the Newfoundland Liquor Commission down to the Narrows, up to Signal Hill Tower, of people lining up waiting to invest their money in this kind

MR. CROSBIE:

of high risk project. That is what we need in this Province. Mr. Chairman, people who are willing to take risks and invest their money in this Province for the greater glory of the Newfoundland Liquor Commission. That is what we need is more of this.

Then the Commission goes on and agrees to keep the said property on which the demised premises are situated in an ever orderly condition. They agree not to remove any fixtures or chattels, until all rent due or has become due is fully paid, without the consent of the lessor. They agree not to do or permit to be done in the demised premises anything which in the opinion of a lessor may be a nuisance or an annoyance to or in any way interfere with the quiet and comfort of the owners and occupiers of surrounding property, and the rest of the clauses are similar. But, Mr. Chairman, do not despair, as we have a chance to continue this wonderful arrangement after the twenty years are up. We will all rejoice at this. Clause 3(b), "The lessor will on the written request of the lessee made not less than three months before the expiration of the term hereby created and if there shall not at the time of such request be any existing breach or non-observance of any of the covenants or conditions here and before contained and on the part of the lessee to be performed and observed,..." At the expense of whom? naturally the lessee. At the expense of the lessee, do what? The public of Newfoundland will rejoice to hear this, that we have a chance to enter into a further period of twenty years that when this twenty is up the Government of the day, in 1985, the Government of 1985, Mr. Chairman, will have the opportunity to continue this for another twenty years. What a break for the tax payers in this Province, what a break that this could be kept on for forty years.

So this will not carry on for just another fifteen years, it could be another thirty-five.

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

MR. HODDER: Mr. Speaker, the Committee of Supply have considered the matters to them referred made progress and ask leave to sit again.

On motion, report received and adopted.

On motion, Committee ordered to sit again on tomorrow.

MR. SMALLWOOD: Mr. Speaker, I move that the House at its rising do adjourn until tomorrow, Friday, at ten of the clock and that the House do now adjourn.

MR. SPEAKER: Moved and seconded that this House at its rising do adjourn until tomorrow, Friday at ten of the clock and that this House do now adjourn.

MR. MURPHY: Mr. Speaker, I would like to move an amendment that in its rising the House do adjourn until eleven o'clock tomorrow morning, as per agreement.

Those in favour of the amendment please say "I." contrary, "Nay".

I declare the amendment lost.

DIVISION

MR. SPEAKER: Order please! Order please!

Those in favour of the amendment please rise: The hon. the Leader of the Opposition, Mr. Hickey, Mr. Marshall, Mr. Collins, Mr. Earle, Mr. Hickman, Mr. Crosbie, Mr. Myrden.

Those against please rise: The hon. the Premier, the hon. the President of the Council, the hon. Mr. Lewis, the hon. Minister of Highways, Mr. Dawe, the hon. Minister of Labrador Affairs, Mr. Hodder, Mr. Strickland, the hon. Minister of Education and Youth, the hon. Minister of Finance, the hon. Minister of Mines, Agriculture and Resources, the hon. Minister of Community and Social Development, the hon. Minister of Social Services and Rehabilitation, Mr. Barbour, the hon. the Minister of Health, the hon. Mr. Hill, Mr. Saunders, Mr. Mahoney, Mr. Wornell.

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MR. SPEAKER: I declare the amendment lost.

Those in favour of the motion please say, "I," contrary. 'Nay.

I declare the motion carried.

This House stands adjourned until tomorrow, Thursday at 10:00 A.M.