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# **VERBATIM REPORT**

**FRIDAY, MAY 7, 1971**

**SPEAKER: THE HONOURABLE GEORGE W. CLARKE**

The House met at 11:00 A.M.

Mr. Speaker in the Chair,

MR. SPEAKER: Order!

PRESENTING PETITIONS

HON. J. R. CHALKER: (MINISTER OF PUBLIC WORKS): Mr. Speaker, I beg leave to present a petition on behalf of 190 fishermen and members of their family in Cook's Harbour, Wild Bight and Boat Harbour.

They are requesting, Sir, construction of a cold storage building with modern holding facilities. I may say, Sir, in support of this petition, and this particular case, last year in Cook's Harbour they developed a new fish product named "lump fish rolls," and it left there to the fishermen approximately \$20,000. It would have left more but, due to the lack of refrigeration, much of the rolls spoiled, and they could not handle any additional quantity.

Now, Sir, this lump fish rolls just started about a year and a-half ago. Each fish roughly produces three pounds of roll. The fishermen did receive last year ten cents a pound, which is quite a lucrative amount of money to receive for one lump of fish.

Now, Sir, with the addition of this refrigeration plan at Cook's Harbour, it would be quite possible for over \$100,000 to be left there annually in lump fish rolls alone. That coupled with the fresh cod fish, that sometimes go bad when there is a lot of fish down in that area, they are unable to transport it quickly enough to St. Anthony, but with the holding facilities there, they would overcome this matter and deliver the good product to the fish market.

Mr. Speaker, all the hon. members of this House must bear in mind that you can only make a good fish product out of a good fish. I heartedly support this petition and ask that it be tabled and referred to the department to which it relates.

HON. E. M. ROBERTS: (MINISTER OF HEALTH): Mr. Speaker, may I say a word or two in support of this petition, both in defence of my colleagues, the Minister of Education, the Minister of Community and Social Development who always talk about this "cod roll," but leaving that aside, Sir, the people of Cook's Harbour, which, although it is not a part of White Bay North District, it is immediately the next community to the most northerly or north westerly community in my constituency.

The people of Cook's Harbour are noted as being among the best fishermen in Newfoundland. They produce great quantities of fish, and they produce good fish. It is twenty-five or thirty miles by road from Cook's Harbour over to St. Anthony, where the fresh fish must be trucked to be dealt with in the Fishery Products Plant at St. Anthony and often, on a warm day and with the dusty roads, the fish can be something less than the best of quality.

The erection of this fish holding facility that is the subject of the petition would be a considerable advantage to the people of Cook's Harbour and I suppose, Boat Harbour and Wild Bight and the other nearby communities as well. I think, it would be something that would benefit their product, would benefit as well the people by increasing their income. So I, with very much pleasure, support the petition.

HON. W. R. CALLAHAN: (MINISTER OF MINES, AGRICULTURE AND RESOURCES): Mr. Speaker, I, too rise in support of the petition, Sir. I may tell the House that at this very moment the officials of the Division of Agriculture and Food are attempting to find a suitable, the most suitable site on the tip of the great northern peninsula for the location of a multiple-control temperature-holding facility, I think, pretty well along the lines of that to which the petition refers.

The idea is, and we are doing it in a number of places, to have a multiple use facility that could handle fish products, agricultural products, meat products, in a single unit, because the efficiency of cost and of operation engendered thereby seems to us to make a good deal of sense.

I believe our officials are to be in that area the first part of next

MR. CALLAHAN: week to try to locate a suitable site. I can assure the hon. the minister, as the member for St. Barbe North, and through him the petitioners, that the prayer of the petition will be very much before the minds of the officials when they go in that area next week to look at the site for, I think, a facility that might well meet the request and the prayer of the petition.

MR. R. BARBOUR: Mr. Speaker, I would like to concur with the hon. members who spoke in support of the petition, I believe Cook's Harbour was once called "Bandy Harbour." In my days fishing down there and taking salt fish from it in the fall of the year, it was known then as "Bandy Harbour," but later became known, as "Cook's Harbour."

I have a great number of friends down there. And seeing that I am known to be a friend of the fishermen down there, I strongly support the petition.

MR. A. J. MURPHY: (LEADER OF THE OPPOSITION): I wish I had a psychedelic tie.

Mr. Speaker, I, too would like to support this petition. I think it is one of two or three we have heard in recent days. I do not know what the trouble is that we cannot favourably consider these petitions, because, I know, listening to the hon. member there, of the hardships that his constituents are going through. While we have such priority, Sir, the Bulletin and the liquor store leases and what not, it is going to be very difficult to find the money to do these projects. But, I am sure the assurance of the hon. Minister of Mines, Agriculture and Resources will be some relief to the hon. the member for St. Barbe North. I feel perhaps, when we hear these petitions, I think we realize at last the Government are becoming aware of some of the vital things, the things that are vital to the economy of this Province.

I have very much pleasure, Sir, in supporting this petition, as I have supported others for such worthy projects.

On motion petition received.

#### NOTICE OF MOTION

MR. CALLAHAN: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following Bills: A Bill, "An Act Further To Amend The



MR. CALLAHAN:

British Newfoundland Exploration Limited (Petroleum and Natural Gas) Act, 1963." And also, a Bill, "An Act Further To Amend The Agreement Confirmed By And Set Forth In The Schedule To The Frobisher Limited (Confirmation Of Agreement) Act, 1955, And To Make Certain Provisions Relating To That Agreement."

ANSWERS TO QUESTIONS

HON. F.S. JONES: (MINISTER OF FINANCE): Mr. Speaker, in answers to questions:

I have the answer to Question No. 218, asked by the hon. member for Burin, on the Order Paper of 29th. of March. I think that has been answered. I have another that I think has already been answered. Question No. 533, asked by the hon. the member for St. John's West, on the Order Paper of April 22. I am not sure whether that has been answered or not. I can give you the answer verbally, Mr. Speaker, and the answer is this: Although this announcement has been made Federally, concerning the Superannuation pay of former employees of the Government of Newfoundland, we have received no official notification from Mr. Drurey, the President of the Federal Treasury Board. We are aware of it, but we have not been officially notified.

MR. CROSBIE: Mr. Speaker, a supplementary question there, Although the minister has not been officially notified, have Government considered their position on the matter?

MR. JONES: No, we have not officially considered the matter, Mr. Speaker. But, I have no doubt that the Government of Newfoundland will go along with the new proposals. I feel certain, it would.

Question No. 460, on the Order Paper of April 14, in the name of the hon. the member for St. John's West. I am tabling these answers. Question No. 461, on the Order Paper of April 14, by the same hon. gentleman. Question No. 462, on the Order Paper of April 14, by the same hon. gentleman. Question No. 463, on the same Order Paper, by the same hon. member.

ORDERS OF THE DAY

MR. MURPHY: Mr. Speaker, before we get into Orders of the Day, I would like to direct a question to the Minister of Mines, Agriculture and Resources regarding a question I asked earlier in the week with reference to a statement, Mr. Martin Saunders of Baie Verte, with reference to statements made by the hon. minister, with reference to phasing out of mines in Central Newfoundland. Has the minister any statement to make at this time?

MR. CALLAHAN: Mr. Speaker, I do not think I was in the House when the hon. gentleman raised the question. If I was I do not recall it.

MR. MURPHY: Yes, Sir, you were definitely in the House.

MR. CALLAHAN: Well, earlier this week, on introducing three Bills pertaining to the extension of certain exploration agreements, I dealt with this question. I will be glad now to repeat what I said then, and what I in fact said in Grand Falls some weeks ago. Namely; that we are negotiating with the Government of Canada a major mineral resources development agreement. Negotiations for all practical purposes have been concluded. The agreement which is in the amount, in terms of Federal expenditures, is \$2.79 million for the first -

first phase we think is intended to step up the collection of basic information regarding mineral resources in this Province and particularly regarding base metals and regarding glacial deposits such as we have in the Central and North Central area of the island. This I said in Grand Falls and I went on to say that this is the very necessary, the very urgent programme to be undertaken. It is no secret, it has been publicly stated by people involved, whether on the corporate side or on the other side, and it is well known, it is no secret that these deposits, these glacial deposits, particularly of minerals which are being mined and which had been mined, going back into the middle 1800's, are relatively short-lived. What we have to do, Mr. Speaker, and again I am repeating what I said here the other day and what I said in my original statement in Grand Falls, what we have to do is step up the mineral resources investigations programme in the public sector, quite aside from what private companies are doing, in order to insure that we have continuing development that we do not have the phase-out of mining operations that now exist, that we not only do not lose employment that we now have but that we in fact expanded. This is the statement that I made in Grand Falls, this is the statement that I repeated here in the House a few days ago and I repeat it again now. I do not know what Mr. Saunders has said and I do not know what the motivation was behind his statement but I know what the motivation was behind mine. It was simply to say and to assure the people of Central Newfoundland, particularly in the general area of North Central Newfoundland, that we have a programme coming up, starting this year, with \$1 million expenditure, which is designed to further improve and develop the mineral resources industry in that part of the Island.

ORDERS OF THE DAY:

MR. CROSBIE: Before the Orders of the Day Mr. Speaker, I wonder if the Hon. Minister of Fisheries would inform the House what progress has been made by the Select Committee considering collective bargaining for

fishermen in the new price system for fish, what progress has the Committee made, when is it likely to report to the House?

MR. WINSOR: Mr. Speaker, in answer to that question, the Committee has met the different people concerned, trade unions, and we are now compiling all of our hearings and we are making very good progress. I cannot give a definite date. I do not think the hon. member expects me to give a definite date, when we are going to bring in the recommendations.

ORDERS OF THE DAY:

Committee of Supply:

Chairman of Committee, Mr. Hodder:

Education and Youth, 601-01:

MR. CROSBIE: Mr. Chairman, on this subject we heard last night some very interesting remarks. The Premier, I believe spoke for an hour and a-quarter on this subject and the Minister for three-quarters of an hour, and we certainly do not feel that that was obstruction of the business of the House. That is what this House is for, to discuss and debate these issues and principles of Government policy. The speeches were marked by one significant note, I should probably start off by congratulating everybody on this side of the House for anything that they have ever done, because last night we witnessed a love feast. The Premier congratulated the Minister of Education for being such a great Minister. The Minister of Education congratulated the Premier on being such a great Premier. Then, to top that off, the Minister of Education congratulated all the other Cabinet Ministers for agreeing to all these requests for funds for Education, and no doubt -

MR. MURPHY: Mutual-admiration society -

MR. CROSBIE: A mutual-admiration society, and no doubt as each minister gets up, that minister will congratulate the other ministers for supporting their request for funds for their own department. So, it was certainly a congratulatory meeting of this House of Assembly

last night. I would like to congratulate every one on this side of the House for having the patience to listen to it.

The Hon. Minister of Education stated that he was not concerned at all about this censure motion that was passed by the N.T.A. at their recent convention. He said it was a matter of no concern to him. It was a matter of no importance, it was only passed by eighty-two delegates, unanimously, and the minister spent an half hour telling us he was not concerned. The Hon. Premier spoke about it for fifteen or twenty minutes, to show he was not concerned. So, if the hon. gentleman is not concerned about the fact that the official representatives of the Newfoundland Teachers Association have passed a motion of censure on the Minister of Education. It was a poor way to show they were not concerned, by talking about it for at least three-quarters of an hour.

Now, the fact remains Mr. Chairman, the eighty-two delegates to the annual N.T.A. convention at Clarenville -

MR. ROWE: Mr. Chairman, -

MR. CROSBIE: I did not interrupt the hon. the Minister of -

MR. ROWE: On a point of privilege Mr. Chairman. If the hon. gentleman is going to quote me or refer to what I said, he should state the facts. He has already made two misrepresentations this morning here. He said that I got up and congratulated the Premier last night. I have often congratulated the Premier. I did not congratulate him last night. Now that is for the record. I did not say one single complimentary word to the Premier last night. The fact of the matter is, not that I could not have, I did not. The hon. gentleman gets up and says I did. Now that is misrepresentation number one.

The other one, he said that I was not concerned, that I said that I was not concerned with that vote of censure. I said nothing of the kind. I was very much concerned about it and I was concerned with it

because I was censured for the wrong thing. That is why I was concerned, and that is why I have tried to set the record straight. I do not want the history books, for what they are worth, to say that I was censured for something that I could not be censured for, namely a column of which I knew nothing and which was repudiated in my behalf. That is what I said, I was concerned. I said it is no concern of mine, these were my words, if they want to censure me for the stand that I took with regards to the N.T.A., I would not lose any sleep over it I have not and I do not intend to. That is what I said. Now stick to the facts, if you are going to quote me, Mr. Chairman.

MR. CROSBIE: Mr. Chairman, I am not going to quibble with the hon. minister about the facts. If he did not congratulate the Premier directly I am sure that that was an omission of the heart. The Minister did congratulate all of his colleagues in the Cabinet so that included the Premier, but if he wants it on the record that he did not congratulate the Premier last night I accept that. Let us straighten out the record that he did not last night congratulate the Premier. He will do it today the Hon. Minister will, as far as the censure motion, the Minister said it was of no importance or consequence and spent about three-quarters of an hour on it, as he is doing this morning. The fact remains, Mr. Chairman, that the eighty-two delegates to the annual meeting of the N.T.A., which represents six or seven thousand teachers, has passed a motion of censure on the Minister of Education. Now the Minister said they should have censured him for some other thing they should not have censured him for the column in the Daily News but that should have censured him for something else. Well, I agree. they should and they did, and to pretend that these eighty-two, that this is only eighty-two teachers out of the six or seven thousand teachers in Newfoundland is really a bit thick, we are only forty-two people out of the 500,000 in this Province but we certainly claim in this House that we collectively



represent the 500,000 people. The eighty-two teachers who gathered at this convention in Clarendville represented the six or seven thousand teachers in Newfoundland, that is their official, these are their elected delegates and they were certainly representing the views of the people who elected them to go to the convention. There is no way of getting around that.

So, whether there were eighty-two teachers at the convention or 160 or 500 or twenty, that was the official voice of the N.T.A. which unanimously has condemned the Minister and censured him.

We are glad to know that this has not bothered the Minister and we agree he should be censured for something else, perhaps not the "Daily News" column, he has explained that. But the "Daily News" column reflects a feeling that the Government certainly exhibited in those negotiations - Now last night, Mr. Chairman, the Minister said, in connection with collective bargaining, that the Public Service Collective Bargaining Act, passed last year, could, he is advised by his legal advisers, could be applied to the teachers of Newfoundland. Well, that is just not good enough, Mr. Chairman. That Legislation has been found unsatisfactory by every labour body in the Province. At the present time the Newfoundland Federation of Labour is campaigning to have the Government not proclaim the Public Service Bargaining Act passed by this House last year because the Act leaves everything in the complete control and power of the Government. It delegates all power to the Lieutenant-Governor in Council, the Cabinet, who are to decide everything by regulation. The Civil Service, as far as I know, the union, and certainly the Newfoundland Federation of Labour, does not want it proclaimed because it is not true collective bargaining legislation and because it gives the employees no real authority or power. So, for the Minister to say that this can be applied to the N.T.A. is to say nothing, is to say that an obnoxious piece of legislation, enacted by Government through this House, could be applied to the teachers.



That is not what is needed Mr. Chairman. What is needed is special collective bargaining legislation for the teachers of this Province alone. As I suggested last night, that should include - I think the teachers are a special group that should have their own special collective bargaining mechanism. As I suggested last night, Mr. Chairman, there should be, that should include a board, something like the railway relations labour board in the United States, who will be able to give, when there is a dispute, an impartial report to both sides and to the public as to just what the facts are that are at issue, So that we do not have a situation as we did last winter, where the Government is making one kind of statement about the salaries offered and how they compare with the maritimes and the teachers are claiming something entirely different and the public has no way of knowing who is correct.

For example, it is useless just to compare salary levels, As I said yesterday afternoon, what you have to do is compare the salaries of teachers in Newfoundland to other wages and salaries paid in Newfoundland as they relate to the salaries of teachers, say, in the Maritimes, as compared to the rates of the salaries and wages paid in the Maritimes or Ontario or wherever. It is of no value whatsoever just to compare one group of salaries to another. How do they relate to each provincial economy is the important thing. What is the cost of living and what are all the various factors? If you had an impartial board, qualified and equipped to determine these facts, you would have a lot less trouble when the two parties could not agree, because public opinion would be swayed considerably by what such a board reported. So that there is more thought needed, Mr. Chairman, to the whole subject of collective bargaining between Government and the N.T.A.

There is no proper framework now . It is simply a matter at the grace of the Government, no proper procedure set down for it, no proper

conciliation procedure and no provision for the regular conduct of collective bargaining at all. I say now that there will be a lot more trouble in connection with bargaining between the N.T.A and the Government unless some system, as requested by the Newfoundland Teachers Association, is instituted.

The Hon. the Premier, when he was speaking, referred to certain programmes that the Minister of Education, he said, had been responsible for introducing into this Province. He did not mention the fact, the programme of free tuition and allowances for Memorial University students, nor did he announce the introduction, by the Government and the Premier, of a needs test in connection with these free tuition and allowances. He forgot that. The Hon. the Premier forgot to mention that in 1967 a programme was introduced of eliminating school taxes and assessments in this Province, which have not been eliminated. The Minister of the Government - in fact he was Minister of Finance and he was the one, in his Budget Speech, in the Minister's Budget Speech in 1967, he announced that school fees, (now they are called assessments) and school taxes will have to be continued to be permitted to be imposed for capital purposes, and for salaries of specialists teachers and that kind of thing. So that

MR. CROSBIE:

the school taxes and school fees now called assessments are still present in the Province. Now the Minister or the Premier elaborated last night, and it was quite interesting, on the Government's views with respect to taking over all the capital cost of school construction. The Minister, at the conference in January, spoke on that and in subsequent newspaper interviews the Minister has said that what he said was; "The immediate initiation of studies and consultations, with a view to having the Government take over, without prejudice to denominational rights, full and total responsibility for the construction of all schools, thus eliminating school assessments and discriminatory school taxes of all kinds whatsoever."

Now that was only a partial statement, Mr. Chairman, because it obscured the fact which the Premier had mentioned last night and had to mention, that if the Government takes over full and total financial responsibility for the construction of all schools, eliminating school assessments and school taxes, that this would have to be replaced by further taxation. In other words; if the Government take over the full capital cost of schools, if the Government stop school taxes and school assessments, the Government, to get that revenue, will have to impose further Provincial taxes and the Government has not suggested or elaborated at all what kind of taxation this would be replaced with. What will be the nature of the tax? Would it be a property tax throughout the Province, a general property tax? Would it be another increase in the SSA tax or the gasoline tax or the income tax, because this Province has very few tax sources, Mr. Chairman, and they are already being used almost to their limit? The sales tax is seven per-cent, the gasoline tax is twenty-five cents a gallon, the personal income tax in Newfoundland went up last year, imposed by the Province, five per-cent. So what tax is the Government thinking of imposing, if they take over all these responsibilities?

The Minister made a statement that was designed to obscure this issue. His statement was made, it was a political statement made to try to get the

MR. CROSBIE:

public convinced that the Government was going to do away with school taxes and assessments and that it would not be replaced with any other taxation. His news letter, of February 1971, does not mention that problem at all. In fact the problems just are not mentioned. Now I agree with the proposed policy of the Government, as announced by the Premier last night, but if this is what the Government are considering, then we are entitled to know what kind of taxation the Government are considering it is going to replace the school fees and school assessments with. Is it a real property tax as suggested in the Royal Commission Report, the Warren Commission?

Members of the House will remember that in the Warren Commission Report they recommended that this be done, that the Government take over the capital cost of schools and they recommended further that there be a real property tax imposed on the whole Province, by the Government, to collect money for school purposes. If it is the Government's policy, as the Premier has announced, to do this, to take over all the cost of schools, to eliminate school taxes and school assessments at some indefinite time in the future, surely this is the time to tell the people of Newfoundland, before the election of 1971, what taxation the Government are going to impose to do this. Because, Mr. Chairman, the Government have announced this policy. If the Government win the election this year, between 1971 and the next election they will implement this policy and they will have to impose further severe increase of taxation in this Province to carry it out. So that before the election of 1971 is held, the Government should tell this House and tell the people of Newfoundland what taxation the Government are contemplating to impose when they eliminate school taxes and school assessments.

Is it to be an increase of one or two per-cent on the SSA? Is it to be an increase in the personal income tax? Is it to be an increase in the gasoline tax? Is it to be all three of those? Is it to be a province-wide real property tax? Just how are they are going to implement that? It is no

MR. CROSBIE:

good announcing just one-half of the policy, the half that will be popular, the half that involves removing the present school fees and school taxes, and announcing that the Government proposes to take over all capital cost of schools. That sounds wonderful, That sounds terrific until you look a little further and ask; where is the revenue coming from to replace that lost revenue and the extra revenue needed? We know, Mr. Chairman, that this Government has the Province now in a very binding financial position. We know that the Government have to borrow \$98. million this year, to balance the Budget. We know that it had to borrow last year a minimum of \$82. million, and that is not properly explained, but a minimum of \$82. million last year to balance the Budget.

So obviously the Government cannot take over all school construction, cannot eliminate the school tax and school assessments without replacing it with other revenue. Certainly the Government of Canada are not going to come along and say, "We are going to finance it for you." So I believe, Mr. Chairman, that the Government owes the people of this Province and this House an explanation of what taxation it is considering imposing when it does implement the policy of taking over all capital costs of construction of schools. Let not the Government go to the electorate and attempt to be re-elected this year on the basis of this policy, without telling the electorate what is involved in this proposal and without telling the electorate what is the present indebtedness of the churches and school boards of Newfoundland in connection with schools they already have. The figure, Mr. Chairman, would be in the tens of millions of dollars. School boards at the present time owe tens of millions of dollars for the schools that are already constructed in the Province. What is this total if the Government take over this indebtedness? What is the amount of that indebtedness? What is the interest charges being paid each year? What was the total interest paid last year by the churches and school boards of the Province in connection with their capital debt that

MR. CROSBIE:

the Government would have to take over, which would have to be added to the Government's debt with the interest having to be paid by the Government out of the revenue of the Province?

It is not good enough just to announce what appears to be a glamorous sounding policy, without the Government expanding on what the problems involved are. Is it \$20. million or \$30. million of debt to be taken over? How much revenue would have to be found? How will the Government find the revenue? Let us have a few words on that. Last night we heard about the positive side of the policy, so let us hear about the other sides that are involved in such a policy, before this House closes or before the election is called. There is one thing the Newfoundland people can be sure of, if the Government implement that policy, there will be further severe increases in taxation, and we are entitled to know what kind of taxes they may be and how much they may amount to, not as in the last election, in 1966, when no mention of tax increase was made, with the Government increasing taxes for the next three years after that, once the election was over.

So I would like the Minister to be responsible and give us now some indication of what is involved in that proposed new policy. The hon. the Premier, Mr. Chairman, also mentioned the fact that the Government had instituted a checkoff of teachers' dues. There is a checkoff system for the NTA and out of everyone of their pay checks the Government deduct the dues they pay the NTA and pay them over to the NTA. The Premier did not mention, Mr. Chairman, that the Government are also taking six per-cent out of the teachers' salary cheques for pension purposes, and the Premier did not mention that that six per-cent that the Premier is deducting from the teachers' salaries, for pension contributions, is being turned over, not to the teachers, it is being turned over to the general revenue of this Province. It is going in the general revenue to pay for all the operations of the Government.



MR. CROSBIE:

As I mentioned yesterday, and the Premier made, of course, frantic attempts to stop it being mentioned, as I mentioned yesterday, the teachers' pension contributions this year are going to amount to \$1,200,000. and the teachers' pensions to be paid out this year amount to \$760,000. and it is estimated that there will be \$150,000. in refunds. So that is \$910,000., leaving the Government with \$290,000. of the teachers money that the Government is going to just use and spend this year. The Premier forgot to mention this six per-cent that the Premier is deducting.

MR. ROWE(F.W): Would the hon. gentleman permit a correction?

MR. CROSBIE: No.

MR. ROWE: Well, on a point of privilege then, Mr. Chairman.

MR. CROSBIE: No, it is not a point of privilege.

MR. ROWE: On a point of privilege, Mr. Chairman.

MR. CROSBIE: It is a point of obstruction.

MR. ROWE: Mr. Chairman, the hon. gentleman has a dozen times said that the teachers are paying six per-cent, that we are collecting six per-cent. That is incorrect. The actual amount is either three per-cent or four per-cent, depending on which plan they are on, and I want to correct it. I let it go once, as I thought it was a slip of the tongue, but he has used it a dozen times. The figure is three per-cent and/or four per-cent.

MR. CROSBIE: Well, then, Mr. Chairman, three per-cent or four per-cent or whatever per-cent it amounts to \$1,200,000.

MR. ROWE: Well, it is just as well to get it right, is it not? Is it not just as well to get the figure right?

MR. CROSBIE: Well, I am glad the Minister gave the figure. Why did he not do it earlier? In the case of civil servants it is six per-cent. Does the Minister deny that, that six per-cent the Minister is taking from the civil servants and the Minister says, in the case of teachers, three and four per-cent? All right it is three and four per-cent. The total is \$1,200,000, from



MR. CROSBIE:

the salaries of teachers, going to the Government this year of which the Government are only returning \$910,000. They are retaining \$290,000. and, as I said yesterday, the Government are not paying the teachers interest on their money, it is not going into a trust fund, they are receiving no interest on it, it is just going into the general revenue.

So, when the Premier was mentioning, last night, all of the things that the Government was doing for the NTA, that is one thing he neglected to mention, the pension contributions the Government is using. The Premier mentioned last night also the amount the Government were spending on education and how education had to have the first priority. There are not too many would disagree with that. But, Mr. Chairman, the Government can educate the young people of Newfoundland all it likes, if there are no jobs in Newfoundland for them to use their skills on then that is not enough.

AN HON. MEMBER: The hon. gentleman is learning.

MR. CROSBIE: The hon. gentleman did not need to learn that. He knew that long ago and he has expressed it many times. They have to have the jobs. The thing that is interesting about that, Mr. Chairman, is that the kind of jobs the Government are attempting to create in Newfoundland, the kind of industries they are trying to attract to Newfoundland are the capital intensive industries. It is the same point as Mr. Eric Kierans made, Mr. Chairman, when he resigned from the Federal Cabinet last week. His general criticism of the tax and financial policies of the Government of Canada was that the effect of them all is that the Government of Canada is encouraging capital intensive industry in Canada and not labour intensive industry, that because of the tax laws and the rest of it, it encourages large investments of capital and automation and not use of labour and the kind of industries that the Government, with the exception of the Pulp and Paper, Javelin Mill, more labour intensive. Even there it is \$100. million investment to get perhaps, including loggers, 1,500 jobs.

MR. CROSBIE:

The Come by Chance Oil Refinery operation, tremendously capital intensive, between \$160. million to \$200. million including the wharf and customs duties, I would say \$200. million, I have been proven right, to create 350 odd jobs.

MR. SMALLWOOD: Mr. Chairman, are we on economic development, oil refineries?

MR. CROSBIE: Mr. Chairman, last night the Premier spoke on this subject and I am speaking on the same subject, education in relation to jobs. I am making a point that it is useless to educate. We have in the Province at the present moment 3,000 or 4,000 graduates of technical and trade schools and the university who cannot get jobs here. There was a chap who called me yesterday, He is a graduate of the University, with a BA and, I think, a B.Com. He also had some engineering training. He has been looking now for five weeks and cannot find any employment in Newfoundland and says he will have to leave for the mainland in two weeks if he cannot, and that can be repeated over and over.

The point is, Mr. Chairman, that in addition to training people we have to have jobs for them to work at and if we are going to use our resources, huge amounts of our resources, huge amounts of our credit - \$160. to \$200. million to create 350 jobs at Come by Chance, that is a misuse of our credit because we are not getting sufficient benefit from it, but with the same amount of capital employed in other ways and other kinds of industries would produce more jobs.

MR. ROWE: (Inaudible).

MR. CROSBIE: But what is the good, as Mr. Kierans has just said, improving productivity is not enough! If the central issue is unemployment in Canada or in the Western world and it certainly is in Newfoundland, Newfoundland has 15.3 per-cent unemployment now, what does productivity matter if all those people are unemployed? What matter is it to us if the oil refinery at Come by Chance is tremendously productive? It is all automated. It is not going to employ many people here in Newfoundland. Its profits, when they do make

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MR. CROSBIE:

profits,are going to go for the most part to the United States to the people who own the equity in it. That is not the kind of industrial development that is going to create jobs -

MR. CROSBIE So it is not enough, as the Premier agreed, of course he has said many times himself, just to educate people. In fact he mentioned it last night. They have got to have the jobs available to them here in Newfoundland and that is certainly one of the things that are lacking now.

Look at how many graduates there are of our trade and vocational schools, who at the present time cannot get employment. And when are they going to get employment? They cannot afford to wait around very long to get it. So month by month the figures show they are leaving Newfoundland to go elsewhere.

Now I agree with the educational policies. People should be educated to develop their skill, whether they are manual or intellectual, or whatever. Even if they have to leave Newfoundland, we should have this policy anyway. And we all agree that, as far as possible, we want them to remain here and to create jobs for them here. Even if there were no possibility of that, we should still educate everybody who is educatable.

But the point is, Mr. Chairman, that the problem of creating the jobs that are needed for these people in Newfoundland has not even begun to be tackled in a satisfactory way by the Government.

What labour-intensive industry has been created in Newfoundland in the last three or four years? Name one. There is a possibility of one at Stephenville now, RKO, I think that is the name of it, industries that I think will employ two or three hundred for relatively little capital perhaps a million and a half dollars, no Provincial money. Now that is the kind of thing that we do need here, that sounds very sensible, that is the kind of industry we should encourage here. But when you think, Mr. Chairman, that the industry to go in Stephenville, I think it is RKO, (is it not RKO Electronics?) will employ some three hundred people, and the oil refinery at Come By Chance will employ perhaps three hundred and fifty or four hundred, you see a tremendous difference. In one case it needs capital

MR. CROSBIE: and the Government is not guaranteeing it, of a million and a-half dollars and in the other case it has a capitol investment of a minimum of a hundred and sixty and probably two hundred million, all tied up with our capital, out of which we are told there may come other petro-chemical industries which are not large employers of labour either.

They are automative. Are they? Well most of them are capital intensive, automated and do not provide an awful lot of jobs. So the kind of industry I would like to see the Government concentrate on is this type like the RKO Electronic, one that sounds very promising, in Stephenville.

So these are some of the serious issues that are raised by what was said last night, I must say I listened to the Premier's speech with great interest. It was one of his better ones in the House this Session, I would say. And as usual he paints a terrific vision.

MR. SMALLWOOD: Thanks, but I cannot return the compliment, I must say.

MR. CROSBIE: No, I do not want the Premier to return the compliment.

MR. SMALLWOOD: It is almost getting beyond human endurance.

MR. CROSBIE: Oh yes.

MR. SMALLWOOD: The press are gone. The public are gone. The House is empty.

The hon. gentleman's stubbornness is frightening, but go plow right on!

MR. CROSBIE: No one can speak except the Premier.

Mr. Chairman, would you like me to continue or do you think I should stop?

The hon. the Premier does not want any issues discussed in this House, any of the Province discussed, just glorious visions, that have led us where we are now and we are - well down to sink hole now.

MR. SMALLWOOD: There he goes. There is the oratory. The eloquence of the man!

MR. CROSBIE: The Premier got her sunk. That is where we are now. We are sinking fast.

So Mr. Chairman, last night the hon. Premier spoke an hour and fifteen minutes... Now he has not got the courtesy to listen to anyone else for fifteen or twenty minutes. That is the pity of it. Of course the

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MR. CROSBIE: The Premier is not used to listening to people.

MR. ROWE (F.W.): The hon. gentleman already spoke an hour on this very subject.

MR. CROSBIE: The hon. gentleman spoke fifteen minutes yesterday and he is speaking twenty minutes this morning and if he thinks he has more to say he can speak another twenty minutes.

MR. ROWE: Yes, of course.

MR. SMALLWOOD: Even if he has nothing to say he will still do it.

MR. CROSBIE: Unfortunately, Mr. Chairman, I think I have just about covered the subject.

I have raised some issues. I would like to hear the Premier go into the problems

MR. SMALLWOOD: The hon. member wants to know; covered it with what?

MR. CROSBIE: Not with what the Premier covered it with last night. No there was no need of another load of that. This is just some common sense. This is just asking the Government to explain, when they carry out their policy of taking over all capital cost, what taxes does the Premier plan to impose? Might he mention a few words about that? Will he tell the House something about that? That is all we are asking.

We are pointing out some of the problems. We are pointing out the problems of jobs. The Premier does not want jobs discussed. We are pointing out the problem that if school fees and assessments are eliminated, what are they going to be replaced by? These are some of the issues.

The Premier wants to slip into an election, announcing the glorious new policy that eliminates school fees and assessments and taxes and does not say what they are going to be replaced with. He does not want to hear that discussed in the House. Naturally, he does not want that point. That is boring, to point that out. Very boring!

The Premier does not want the pension contributions mentioned. It is definitely poor to mention that. And the Premier does not want to discuss failure of the Government's industrial development



MR. CROSBIE: policy to create jobs.

I asked a question here at the last Session, Mr. Chairman, which I repeat at this Session, how many jobs do the Government consider it has created in the last year, that was 1970 and in 1969, and where were those jobs created? The question was not answered last year, it has not been answered this year.

In the Speech from the Throne last year, it was claimed that the Government would create, last year, fifteen thousand jobs, where were they?

MR. MURPHY: Fifteen thousand to eighteen thousand.

MR. CROSBIE: Yes, fifteen to eighteen thousand. What jobs did the Government create last year? What jobs has it created this year? The Government do not want to give that information. They want to talk about jobs, but it do not want to give much information on them and the people who are looking for jobs are not much interested in the Government's talking about it. They are interested in what is being done about it and there has been very precious little done.

We had a new Minister of Economic Development, there has been a little progress since then. When that portfolio was turned over to the new Minister he started to set about things in the right way.

He is going to reorganize the Department, we saw his plan outlined at the Disarmament Conference. He is going to have a Development Corporation. He is going to have an Advisory Board of Newfoundland businessmen. He is going about it in the right way. These are good solid ideas.

MR. SMALLWOOD (J.R.): How about a little talk now on Fisheries then after that on Finance and ....

MR. CROSBIE: The Minister is going about it in the right way. He has attracted an industry to Stephenville that is labour intensive.



MR. CROSBIE: But the Minister of Economic Development before him was a total failure in the job, because it was a one-man operation run out of a shoe box, or out of the Premier's head. But now, thank Heavens, we have a new Minister who seems to be overcoming some of the problems created by his predecessor.

Last year we had a brilliant Minister of Health, this year we have a brilliant Minister of Economic Development, next year they both will be gone. They are too brilliant. Such brilliance cannot exist in the Cabinet with the hon. the Premier.

HON. MEMBER: Is that why the hon. gentleman is over there?

MR. CROSBIE: That is partly the reason. Yes, like there is only room for one sun king. The moon beams have to vanish when there is a sun king and they will be vanishing from that Cabinet too.

So Mr. Chairman, I do not want to be accused by the Premier of speaking too long, I think I have spoken for perhaps half an hour. I know it is common sense stuff, it is raising some of the problems, some of the issues. Now I am quite prepared to listen to the Premier and Minister of Education outline how they are going to meet some of the issues I have raised.

MR. SMALLWOOD: Three-quarters of an hours, not perhaps half an hour, There is no perhaps about it. It is three-quarters of an hour every day.

All about nothing, bilge!

MR. CROSBIE: Bilge? It is about nothing? It is about the taxes. It is about the taxes the Premier is going to have to impose. It is about collective bargaining of the teachers.

MR. SMALLWOOD: Do you know the short word for foul wind?

MR. CROSBIE: Oh my, listen to it! Just listen to it! The hon. Premier will be put out of his misery when the election comes. He will not be back in the House next year to listen, unless he is listening from

MR. CROSBIE: Florida on a short wave radio.

MR. SMALLWOOD: Or Bermuda.

MR. CROSBIE: Perhaps the Premier is going to buy a place in Bermuda.

I do not know. I do not know where the Premier is going to buy a place next.

MR. SMALLWOOD: And join the hon. gentleman's league.

MR. CROSBIE: So, Mr. Chairman, I will now wait for the Premier to expound on how the Government plans to meet the problems that their new policy will create and on some of the other issues I have raised.

MR. EARLE: Mr. Chairman, just a couple of points that I want to clarify, which arose last night. I was mentioned by the Premier on two points only.

MR. SMALLWOOD: Make a speech. Walk out.

MR. CROSBIE: I am going to get a glass of water because you are too cheap to have a couple of boys here in the morning.

MR. SMALLWOOD: Short of water?

MR. EARLE: Mr. Chairman, if I might have the floor for a moment. The Premier last night apparently thought that only two comments which I made yesterday were worthy of comment so, as these were done in such a way that they reflected upon me, I think I should clarify them.

\* I did not make any pretext of quoting the Premier verbatim when I mentioned that he had praised the hon. Minister of Education, Of course, the Premier then proceeded to do exactly what I had said he was doing. He was really praising the Minister of Education and the Minister of Education later confirmed it by graciously acknowledging it. So this is all good stuff, it is all right.

It reminds me of this boxer, Ali Mohammed, the greatest. He refers to people like this famous boxer, Mohammed Ali, or something of this sort, now only history will give the answer to this question. I do not think anybody in this House today are qualified to say who is or who is not, or who may be the greatest. That will develop as history

MR. EARLE: shows the true effect of the policies which various ministers introduced.

But I had no rank or no ulterior motive in just mentioning this. It was only light banter at the opening of a speech actually and I was glad, as I said yesterday, that it succeeded in bringing forth a bit of an eulogy for the hon. the Minister of Education, because as I said it had been a long time between drinks, and we had not heard too much praise of the Minister lately and I am sure that his constituents of Grand Falls were wondering what happened to him.

So it was nice to bring all this out, and he got a well deserved compliment yesterday.

Just to get down to a couple of more serious points, I shall not be long but the Premier, in his speech, drew a comparison between what was happening in Scotland, the Scottish education system and how it had encouraged people to fight for education over and above all else, even sometimes at sacrifices to themselves, and the result was the dominant role which Scottish people have played throughout the world.

I think that is worthy of comment because Scotland does give us great reason for inspiration in this particular field. But just let me clarify how they go about it, which is so completely different from what we do in Newfoundland that I think the comparison is completely wrong.

In Scotland, and I have seen many of their universities over there, they are old universities and the facilities and the space which the student occupy in many cases, are ancient and rather decrepid and certainly nothing of a very modern nature. There has been building in recent years, but the point which I am making is that students in Scotland go to these places under almost privation conditions. They are very substantially helped by the state but there is none of the ostentation which we see in North America. The money is spent on education and the students do it the hard way, believe me.

MR. EARLE: There is none of this great hoi polloi and all the spit and polish you might call it, that we are so used to in North America.

MR. SMALLWOOD: They are right too, quite right. We are wrong and they are right.

MR. EARLE: They are right. This is the very point, I am glad the Premier agrees with me because over here we are spending tremendous sums of money on education. I mentioned particularly the University yesterday.

The question that often arises in my mind is; how much of it is necessary or how much of it is just window-dressing?

The Scottish people have a very broad form of education which goes into many facets of the after-life of these students

MR. EARLE: Just a couple of illustrations which I think will confirm what I am saying. In the field of recreation there is a great thing in Scotland which I wish could be brought into being in Newfoundland. All of the greatest states and all of the countryside in Newfoundland regardless, in Scotland, regardless of the fact that it may be privately owned, is open, by hiking trails and free access throughout the whole country, you can go through anybody's estates or over anybody's fence and walk through, providing you close the gate after you.

MR. SMALLWOOD: Does the hon. gentleman know why?

MR. EARLE: I do not know why, but I know it is a very good thing.

MR. SMALLWOOD: Foot paths were there before the land became privately owned. Once a year they go and break down the fence to maintain the right. This has gone on for centuries.

MR. EARLE: The point is this that -

MR. SMALLWOOD: It is not that the private owners provided the foot paths.

MR. EARLE: It does give access to a great deal of freedom in a country such as Scotland.

MR. SMALLWOOD: Right.

MR. EARLE: I think, if some way were found to emulate it and copy it in this part of the world, the recreation facilities for people would be doubled, tripled, quadrupled and everything else. I would wish that some way could be found that this type of thing could be found for the benefit of the people. The beautiful rivers and so on in Scotland, wander up the side, then we were through private land and all over the place picnic sites and this sort of thing, there is no restriction at all. The people have been so educated and taught that they respected - you do not see any litter, you do not see any disfiguration of the countryside, you see the whole thing respected. This is one case where freedom of access and so on have brought out in the people the best response, because they themselves look after it tremendously well.

Another point in Scotland, this maybe only remotely related to education, but it is a sort of upbringing that a person has, which is apart of their education. There is a law in Scotland that you cannot even let the weeds grow on your field. If you let the weeds and dandelion and so on grow, you

MR. EARLE:

will get a ticket or a summons to go and appear in court. Because you are blowing it over on some other farmers fields, it is going all over the place and the whole countryside, as it is so frequently happens in Newfoundland, becomes a mess. Now here we do not even have the courage or the stamina to clear up old car wrecks, tin cans, and disfiguration on private property which is a disgrace to the Province. This is the type of training in education and things which need to be embedded in people to make a country attractive. Somewhere along the lines our education system is falling down very badly, because we have not succeed in putting into our people the respect for these things, which I think, make a Province or a country so much better to live in.

Briefly, Mr. Chairman, I would like to refer to two other things only. The fact that when the S.S.A. tax was raised by one percent to cover the cost of doing away with school fees and so on, at the time I was questioned by the hon. the Premier, as to what the cost of that might be.

I just pulled the figure out of my head, because it was a question on the spot, and I said, "\$10 million." I was told that this was completely crazy at the time. Now the figures this year in the grants to schools for operations is something over \$10 million. So it has not taken us very long to reach that.

The return from the S.S.A. cheques this year will be roughly \$4.5 million. So the one percent is not nearly covering the cost which is now costing the Government. My only reason for referring to that is that it indicates, as it has so often indicated in the past, that this loose approach to programmes and what the Government intends to do and its financial policies. Because this could be foreseen, with any careful study of the thing, the ultimate effect would be quite easily realized, what the cost would be to the Province. As I say, I only gave a rough guess, but I was not too far out.

Now so many of the programmes of Government in education, as in everything else, are done on the spur of the moment. Somebody gets an inspiration



MR. EARLE:

somebody thinks it is a good idea, and somebody announces it. The ultimate cost to the Province is not considered at that stage. This is my criticism of a programme of this sort. Not that the programme itself was not a good one or not necessary because, obviously, it is. But, when we consider in education, as in everything else, the Government announce certain steps in certain programmes, it must be prepared for the landslide that comes after and the cost to the Province. This is one of the many reasons why we are now going to spend \$145 million on education this year.

It just depends, when examining these programmes and expenditures of Government, which and what are the right priorities? And are we spending the money in the right way? For instance, the Government have been proud to announce this year that it is now once again stepping into its Vocational School Programme by building additional schools and rooms and so on. To the best of my memory there was \$12 million approximately lying up in Ottawa for years and years, which this Government could not avail of, although the pressure on the Vocational Schools and the space for these schools was in terrific demand. Now at last the Government sees fit to avail of that \$12 million, so that they can extend these schools.

I contend, Mr. Chairman, that had the Government been properly aware of the problems, it would not have wasted money on other shows of ostentation and building up its own public image, the sort of things we see in the Newfoundland Bulletin, in the parades across country and the receptions and the dinners and all this sort of stuff. In other words, trying to depict to the public that the Government a great Crown Prince of everything and that they were a tremendous crowd, they spend so much money on painting their own image that some of these very, very necessary programmes have to be postponed.

This is my quarrel with Government, that the necessary things, the essential things are so often submerged to the things which attract public attention and which build up a false image of what the Government are doing.

So, Mr. Chairman, on this question of education where the total vote is now up to \$145 million, as I said yesterday, it certainly behoves us,



MR. EARLE:

if not in everything else, here the expenditure has to be watched very carefully, and if we on this side of the House questioned each and every item, we are doing it not just for the sake of delaying the work of the House, but we are doing it because there is a genuine and real need of trying to keep the expenses within a limit in this tremendously expensive department of Government.

MR. T. A. HICKMAN: Mr. Chairman, may I have a word?

MR. SMALLWOOD: Stare him down. He is only an out-harbourman. He is only an out-harbourman stare him down.

MR. EARLE: One against the other, two out-harbourmen.

MR. HICKMAN: Mr. Chairman, we think it is a metropolis and the hon. minister does too. There are just two comments that I would like to make, Mr. Chairman, arising out of the comments of the hon. the Premier last night. One, I think, the hon. the Premier was quite right in coming to the defence of his Minister of Education. I would not like for the Minister of Education to be left with the impression that anyone on this side of the House, I can certainly speak for myself with absolute certainty, rejoiced in any difficulties in which the hon. the minister found himself with his profession, of recent weeks.

It may be understandable, but I suggest that when we have the explanation of the dreadful article in the magazine that in the "Daily News" that the hon. minister should not have been linked to it. My concern is, insofar as the hon. minister's operation is irrelevant, is that we have a man who has unquestioned qualifications in the field of education. And the man who, when he returned from the University of Toronto with his doctorate in 1950, could have had gone into University and availed of all the sabbatical leave and today he would be sitting pretty at the University. But he gave up that and obviously, it was a sacrifice and it is something that he is not going to be able ever again to make up.

I believe that the problem that arose with the N.T.A., insofar as the hon. minister is concerned, was not simply an article, it was because his professional confrères fully realized his capabilities and have somehow

MR. HICKMAN: come to the conclusion that his capabilities, the use of them, have been thwarted. I suggest to the hon. minister and to this House that we saw an example of that again last night. I do not mind the hon. the Premier defending and praising one of his ministers; that is his responsibility, as Leader and as Premier. But, in my opinion, Mr. Chairman, that is where it should have stopped. I think it is an absolute insult to any minister of the Crown, and it was an absolute insult to the hon. the Minister of Education that instead of he dealing with the questions and answering the questions and announcing Government's policy, insofar as education is concerned, it came from the Premier. That, in my opinion, is what has unfortunately and regrettably placed the hon. the Minister of Education in a position where he is receiving criticism from his professional confrères, which, when you bear in mind his history and his qualifications, I seriously doubt they are justified.

Many of us, and I have said this before publicly, many of us are very proud of the fact that we had the opportunity of being a pupil of the hon. the Minister of Education. I have no hesitancy in saying that in the years that I went to school at Grand Bank and subsequently in University, I regard the instruction I received from the hon. minister as been comparable, if not better than that I received from anyone else.

AN HON. MEMBER: Where did he go wrong?

MR. HICKMAN: He went wrong because he was not given the opportunity to exercise his Leadership. And I will tell you where the hon. the minister found himself on a collision course with the N.T.A., when all of this unfortunate controversy was going on, it was the hon. the Minister of Education we expect to hear announce Government policy, not the Premier. This is what has turned off his confrères and I would not like the hon. minister to think that in the opinion of his confrères that they are casting a reflection on his educational ability or his ability as an educationalist. But, I think, that they believe that slowly but surely, he is being destroyed and this is not good and this is not right.

MR. CROSBIE: He is destroyed.

MR. HICKMAN: Mr. Chairman, we wanted to hear explanations from the hon. the minister.

There is a point here that I am sure has caused the hon. minister some concern, or it did last night. We were talking about the DREE programme and the lack of activity and the lack of trust that we have seen coming from the DREE programme. The hon. the Premier talked about the great break-through and how jealous provinces have guarded their rights insofar as education is concerned. The only right that the provinces have been guarding is the right to decide how they spend the education money. They are quite ready, willing and able to take any money that the Government of Canada wants to provide for education. There was no great bitter fight on the part of the provinces, with the possible exception of the Lasage Administration, on University Grants, and Mr. Duplessis before him.

There was no great bitter fight, when the Diefenbaker Government came up with one part, of the provinces to resist, their great bitter resistance towards vocational schools. There will never be any bitter fight insofar as any province is concerned when it comes to Federal grants for secondary education. Because, Mr. Speaker, one of the things that we have to realize in 1970 Canada, is that we have a very mobile population, that at least twenty-five percent of the married Canadians, including Newfoundlanders will move from one province to another, once or twice during their lifetime. This is having a very unsalutatory effect on the children of these moving Canadians, or the moving Newfoundlanders, and even from one community to another, but not so much within the Province, as far as education is concerned, but moving from one province to the next.

They find that the standards are different. They find that they either pick up a grade, if they move to Newfoundland, or they lose a grade if they move to Nova Scotia. This goes on. This is in a nation where there is a great call for unity. But why the most diverse factors, insofar as Canadian unity is concerned, is a total lack of any similarity or uniformity

MR. HICKMAN: of instruction or opportunity insofar as education is concerned.

The nurses of Newfoundland, as the hon. the Leader of the Opposition points out, face this very problem. They used to write the American College R.N. examinations. Then they found they got into the Canadian one and they were totally unprepared for it.

But, let me get back to the DREE programme: This is where I would like to get some clarification from the hon. the minister, because, I do not believe that the information we got last night was quite correct. The hon. the Premier in his speech said that the Government of Canada cannot give the money to the churches. Obviously, they cannot. That we do not know whether we are going to give, what we are going to do with it, whether we are going to lease the schools to the churches for \$1 a year or, whether we are going to keep it, or what are we going to do with it. But, this is where I would like clarification from the hon. the minister.

My understanding is that that decision has long since been made. The Law is cleared. If you own a piece of land and somebody comes and puts a building on it, the man who owns the land, owns the building. You cannot separate the two. Property goes with the land.

Mr. Hickman.

Newfoundland. Now one of the restrictions or one of the requirements of the school boards who are to avail of the DREE grant is that: Step 1: They must acquire title to the land upon which the building is erected. I am quite sure of this. I am right now involved in some of these transactions. So that once the school is built on MacDonald Drive or when once the school is built in Salt Pond, that school becomes the property of the school board.

Now there seems to have been some confusion thrown into it last night and there was a suggestion of indecision. I do not think there is any indecision at all. I think everybody is clear, or up until last night they were clear. The title to the schools will vest in the school boards. This has to be the way. How else can the school boards administer the buildings? This is why I think it was unfortunate that the hon. minister was not given an opportunity to deal with the DREE programme which has "unfortunately" and I emphasize unfortunately because there is someone - I know there is someone dragging his heels insofar as DREE is concerned, and I do not believe it is within the Province. I am sure the hon. minister would happen to agree that we have lost a year - unnecessarily lost a year on these DREE schools. Experimentation, the fact that it is the beginning, is not an excuse. We have had so many Federal/Provincial Programmes already that with the right attitude, the right intention and the right sympathy - I am sure that we appreciate Mr. Marchand's problem that he believes his main thrust and he believes that his act emphasizes that the main thrust has to be on the creation of jobs, the creation of industry and that the infrastructure comes second. Because of the fact that we are so far behind in this Province, we, naturally, are trying to place the emphasis on infrastructure. But choices have to be made and now we have had the Province of Quebec coming on the scene with very substantial depressed areas putting extreme pressure on the minister to get that same dollar that we hope would be used in the beginning exclusively for the Atlantic Provinces.

I think the minister owes it to this committee to clarify once and for



Mr. Hickman.

all the ownership of the DREE schools and secondly to give us some indication of what problems he is encountering in getting this fund.

MR. COLLINS: Mr. Chairman, first of all a few words with regard to school financing. We have seen the Government take different positions down through the years whereby each of them have been thrown out and assessments have been brought in and assessments have been thrown out and taxes brought in. Whatever the result of that has been, Mr. Chairman, one thing is very sure and very plain and that is that the school boards across the Province, especially the school boards in the larger communities, are in debt to their ears. This certainly inhibits their work in trying to improve existing facilities and coming up with additional facilities. We all know, Mr. Chairman, that in many of the larger centres across the Province we have what is known as school tax authorities, whereby the citizens, the property owners in places like Gander, Lewisporte, Corner Brook and other areas, have been paying an assessment on their property. In Gander, I believe it is a five mil rate, which is a considerable amount of money, Mr. Chairman. It was made necessary because of the fact that adequate funds from the Government were not available to provide the school facilities which the people needed and which the people had to have. I take great delight in hearing members of this Government say that school boards and others have no right to turn away a kindergarten pupil in September or indeed to turn away a Grade I student or a Grade II student or whatever grade it might be. Ways and means must be found whereby those children can enter a classroom whatever grade it might be.

Very often, Sir, while this responsibility is accepted by everyone, very often the responsibility for finding the funds rest with the people in the communities mentioned. We all know that a couple of years ago, when the new Education Act was brought into this House and was passed, establishing the larger boards, larger units of administration across the Province, I think it was the Government's intention, although they never admitted this, that some of the larger communities would be willing and indeed they were, would be willing to share



Mr. Collins

some of their funds in trying to improve the facilities in some of the smaller places which goes to make up the board. As I said, people in the larger communities did not mind this too much. But, Sir, there comes a time when the load becomes unbearable. I would suggest, Sir, that we have reached the stage in Newfoundland now, in terms of school financing, where the load has become unbearable for the people in the communities who are paying property assessments.

Now we have heard in this session of the House that the Government are considering assuming total responsibility for financing education. I do not know how this is going to be brought about for a Government that has been delinquent, unable to provide the funds which have been needed down through the years, even though that has been subsidized by property assessments in the larger communities. I do not see how they can come up with funds to provide the facilities for all of the smaller areas in Newfoundland, unless the Government have in mind imposing a property tax on all of the people around the coast of Newfoundland. It is all very good for the Government to say in an election year; that we are going to assume full responsibility. But by assuming full responsibility, funds must be found. Unless funds are available from the general revenue fund (I do not see how they are) I would say that the Government plan, as soon as the election is over, to introduce a property tax across Newfoundland, whereby people in places like Musgrave Harbour and Hibb Hole and all other areas of the Province, will be required to pay a tax on their homes and so on and so forth. I would like for the minister to clarify this situation and let us know just how the Government propose to raise the necessary funds.

Mr. Chairman, a word or two about regional colleges. It seems to me that there is a great amount of politics being played with this particular topic. Many of the towns across Newfoundland are of the opinion that community colleges, the concept of community colleges, the introduction of them, the building of buildings, is just around the corner. We find that almost every community

is sending briefs to the University, sending briefs to the minister and to members of this House seeking support for the establishment of a junior college in their town. I would like for the minister to indicate to the committee just what Government policy is? I have never seen or heard any Government policy defined. We do not know where we stand in this particular regard. I would like the minister to tell the committee exactly what Government plans are in terms of regional colleges? We know that the minister announced, during the Economic Conference and I believe it has been announced in this House, that five additional vocational schools are to be constructed this year: Placentia, Bonavista, Baie Verte, St. Anthony and there is one somewhere else. Perhaps the minister might be inclined to tell the committee just what he plans for those schools? How they are going to be operated? Are they going to be all-purpose schools? If facilities are going to be made available for recreation like auditoriums, gymnasiums, if facilities are going to be made available for community work shops. Because, Mr. Chairman, if ever there was a need in Newfoundland for anything, there is a great need for developing community leadership. Much work has been done during the past few years by the people in the rural areas of the Province, in terms of organizing regional development associations and organizing community councils, local improvement districts - not local improvement districts, because those are appointed, town councils. Certainly there is a great need for community leadership programmes and perhaps the minister might indicate to us what he plans for this?

With regard to vocational schools, I would also draw to the minister's attention again the problem, a very serious problem, in my estimation, existing because of what appears to be a lack of co-ordination, a complete lack of co-ordination between the high school system and the vocational school system. I mentioned a little while ago that no school board across the Province dare turn away a kindergarten student or dare turn away a Grade I or Grade II student.

It seems to me, Sir, that when those same children graduate from

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Grade XI, while some of them might be equipped and capable of coming into the University, many of them are destined to the vocational school system. We saw last year where thousands of young Newfoundlanders, young men and women were turned away from that particular system. In my opinion, this is criminal, because, in a great many cases, their educational career stopped. It ceased right there. Many of the young women, possibly ended up in restaurants. They might have gone on to taking courses in the various beauty cultures and so on, home economics and what have you. Many of the young men who could have gone on to diesel mechanics and electronics and so on and so forth found that they had to look for a job in a most competitive labour market. I have no doubt in my mind at all that many of our young people were denied the right to further their education.

Another serious problem, Mr. Chairman, with respect to vocational training is the students who go into those schools under the auspices of the Canada Manpower. I remember that last year, when the school in Gander, and I suspect that the same thing applies to other schools, where students entered a course in aircraft mechanics, sponsored by Canada Manpower. The course was a two-year course, the first year being on aircraft frames and the second year being devoted to mechanics or engines and so on and so forth. After completing the first year, they were told that the manpower grants were available for a fifty-two week period only and that they were sorry that they could not continue the course. Many of those students had to drop out, if their parents could not afford to let them go on. I would presume that, after all the representations being made to the minister, that he has been making representations to the Federal authorities. This is a Federal matter, but certainly it is one where the minister should become interested, concerned, and make his views known and bring pressures to bear on the Federal authorities to ensure that this fifty-two week deadline is increased to a hundred and two weeks and, if necessary, three years. Because once a student decides on a particular course, then he is wasting a year if he cannot continue on the next year in that particular field.

Another very serious problem in our school system, Mr. Chairman, is the lack of guidance counselling in many of the smaller schools - in fact all of

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the smaller schools. It is something which is unheard of in the rural areas of Newfoundland and indeed in most areas of St. John's. I would like to have a response from the minister on what his plans are for guidance counselling, for psychiatric treatment in the schools as well. A few days ago we heard what I thought was a very worthwhile, a very intelligent debate concerning mental health. Certainly, if we are going to cope with that problem, then we must start where the start must be made and that is in the elementary school system.

There are a few other things, Mr. Chairman, which I would want to talk about but I believe I will

leave that until we come to the various headings. But first of all I would like the Minister to respond to the few comments I have made and a few questions I have raised.

MR. MARSHALL: Mr. Chairman, there are a few points that were brought up in the course of this debate to which I would like to make reference, principally with respect to the addresses that went on yesterday by the Hon. the Premier and the Minister of Education. There is no argument whatsoever, Mr. Chairman, that education must be put in the forefront and it must remain in the forefront in order for us to progress further into the twentieth century than we have been able to do so to date. Education must be there for the purpose of keeping the young people, keeping our young people and we heard, nobody is going to quibble with the Premier about his educational dreams. Of course the question comes in, the question in everybody's mind will be which group of people can best implement these dreams. That is a determination for another form which is about to come upon us.

But in any event one of the great justifications that the Hon. the Premier used for furtherance of education was that we must use it to make Newfoundland an exciting place to keep young people in the Province and indeed, to a large extent, he equated the retention of the population, the retention of young people, to educational facilities and again nobody can quibble with that. The sad fact of the matter is, Mr. Chairman, that we are losing many, many young people from this Province. I hear from time to time statements made to the effect that we must keep our young people, our people in this Province itself. These statements were made on the other side last night, I do not think is really the point, this is really too much too insular an attitude. What really matters is a relative growth of population. If we lose a thousand young people a year and they are replaced by a thousand other young people coming in or 1,500 young people coming in from other parts of Canada, the United States and the

World, well as far then as our economic feature is concerned we are in good shape. It is not the - the issue is not the fact that whether we are losing our own sons and daughters to the mainland and to the United States, but, the issue is really the relative growth in population

If education is used as a yardstick for this, despite the large amounts that have been paid out by this Government over the past twenty years, we are failing rather sadly and rather miserably in this endeavour. The Gordon Commission on Economic Prospects for Canada predicted that in June, of 1970, the population of this Province would be between 565,000 and 590,000 people, but in actual fact we have 520,000 people at the most, and this indeed is indicative. The population growth, according to the Dominion Bureau of Statistics, for this Province between years '51 and '69 is forty-nine per cent. We hear an awful lot about the increase in the gross provincial product, and I will grant that that is one, just one significant statistic, but certainly the population growth itself, the rate of growth in comparison with our sister Provinces, in comparison with the other Provinces of Canada, is probably even much more significant than the gross provincial product when you have the elements of inflation etc., coming into consideration on that criterion.

But in all of Canada, for this period from '51 to '69, the population increase has been fifty per cent while in Newfoundland it is only forty-two per cent and the ascendancy in the population has trailed off. I think these figures have gone down even more within recent years, which is even more alarming. So I say, if we are going to use the attraction of young people, and I reject the business of retention of the young people in the Province itself, this is an insular attitude that is not worthy of any of us. But if we are going to talk about the attraction of young people in this Province and use this as a yardstick for the success of our educational policies, there is no doubt about it that we



have failed despite the large amounts of money, proportionate amounts of money that have been pumped into education by the Government. Points brought up by the Hon. Premier really not an issue: Everybody in this Province wants the type of educational attainment as depicted by him in the glowing terms, as he did last night. It is the same manner he has year after year after year, it was almost like the same record that we have heard since, in '49, '50 and '51 and so on.

Nobody can deny that. But as I say, the issue confronting the people of Newfoundland to day is who can best realize the educational attainments? We cannot do this with a government that is going to cause difficulties, as it has caused difficulties from time to time with the operation of our educational facilities. School fees were to have been abolished. We heard a great treatise again for the "nth" plus ten time last night, to the effect that school fees were abolished. But in effect we all know they were not abolished and the net result of that announcement was the grave difficulty to the denominational educational heads and embarrassment, and they were forced to impose school assessments. As far as the people of this Province are concerned, as far as the young parents are concerned, <sup>it</sup> could not matter less whether they collected school fees or school assessment. The fact of the matter is they have to pay out money for the education of their children. Now, we hear that the Government is going to assume all the costs of education. This is a very admirable object, one to which we should strive, but I question again. This is where the Hon. the Minister of Education, deep down, himself, he realizes he got into difficulty at the conference, at the Economic Development Conference. I question the wisdom of making announcements of this nature for political purposes when you are not ready to implement them, because again, it is going to cause pressure and hardship for the people who are

operating our schools. How are we going to do it? We all agree with the spreading of the burden of Education but, does this mean is the Government by the same token announcing to the people of Newfoundland that it is going to increase its taxes? This is the question which the Minister of Education must answer. It is not sufficient to come and give the people of this Province, the people of any country for that matter, the impression that the Government is going to pay for everything and you are not going to have to participate at all. It is obviously going to cost money, and there is going to be an increase in taxes. Now it is incumbent upon the Government to tell us what the taxes, what type of taxes, are they going to be universal, real property taxes, as have been recommended? Certainly if this scheme is brought in, I say this without any hesitation that consideration has to be given to property owners who happen to be pensioners over the age of sixty-five years, retired individuals, who own their own home, that is one of the difficulties while property taxes are, a good mode of collecting taxes.

One of the reasons for using that as a tax base, in recent years, is because of the historical equation - the ownership of property to wealth. This is not necessarily so and this is not the situation in this present day. There are many people in my own district of St. John's East who live in very nice homes, who are pensioners, have very limited income. They are on fixed pensions with a high cost of living. I feel that even though the burden of education will probably have to be shared on a much more equitable basis, that these individuals who have worked hard for years and are not really participating in the affluent society that we have today, comparative to what we had twenty or thirty years ago, that some consideration ought to be given to these people for an exemption from taxes. Let us not have it on the same basis as they do here in the City of St. John's

where, if a person is over a certain age and he cannot afford it and he is retired, he is forced to, in effect, submit himself to a means test, go to the local government or the council office and sign an affidavit to this effect. This is not the way in which social welfare is administered in the western society and should not be. So, I would ask the Government to, first of all, inform us of the tax increase that, as it is projected will be placed on the people of this Province as a result of assuming all of the educational burden and at

MR. MARSHALL:

the same time. If property taxes is going to be the mode of levying the tax, an assurance of some consideration will be given to those homeowners who live in their own homes and are living on fixed pensions. Another point to which I wish to revert, Mr. Speaker, is the situation of the Minister of Education with the Newfoundland Teachers' Association. This is a matter that has been brought up before. Let me say at the outset that the remarks that had been made by other speakers on this side, with respect to it, and that I am going to make now are by no means meant to be personal remarks. Everybody knows that the Minister of Education is a distinguished educator. Everybody knows his great capabilities and that he is indeed one of the authorities on education in this Province. That is not the point. The criticism is directed to the Minister as Minister of the Crown and his effectiveness and his ability to carry out his function as such and only that and solely that.

I have to say that listening last night to the remarks made with respect to his position as Minister of Education right now, these remarks were further fortified. I was appalled, really, to see his rather cavilling attitude at the end of the night. I do not know whether he was getting tired. Certainly we were all getting tired over here listening to what we had to listen to and maybe that is the excuse. But here again he bears the responsibility for his statement, and he rose from his chair and he made the statement that no, sir, he is not going to apologize for anything he said or did to the NTA, to the Newfoundland Teachers' Association. That may well be the way he feels but is there any need to continue to attempt to rub salt on the wounds? This is unworthy, it is very, very unworthy of the Minister.

The fact remains that there is a great smoke screen has been placed over the motion of censure by the NTA against the hon. the Minister, and I use the word "the hon. the Minister" I again underline the fact that I am talking about the Minister in his capacity as Minister of Education. There was an attempt to cover the whole situation with a great smoke screen. The

MR. MARSHALL:

fact of the matter is, the simple fact of the matter is that the Minister was censured by his peers and he was censured by his peers for his hardheaded attitude with respect to the teachers strike and their withdrawal of services.

The matter I am not going to go into in any great detail, but the fact of the matter remains as a result of that unfortunate happening. There were thousands of young children who lost time in school and, heavens knows, we will never know the damage that may or may not have been caused in that situation, and it was a very, very extremely situation. I can think particularly of one school in my own district, St. Bonaventures, where, as a result of lack of facilities at the school and repairs at the first of the year, they had already lost two or three weeks and this was further aggravated by this withdrawal of services. So the point is there is no doubt in anybody's mind that this censure motion, the NTA was depicted, all that bunch of eighty-two people, but the fact is that this is the same teachers' association that this Government, and quite rightly, decided to put in ascendency in this Province by giving them certain rights, by fortifying them, by giving them the right of checkoff that we heard last night and the NTA has been given recognition by the Government in that area that it deserves.

When you have eighty-two of the leading educators in Newfoundland, the leading practitioners of education in Newfoundland, meeting in Clarenville and passing a resolution against the hon. the Minister of Education, that is not exactly to me a laughing matter. It is a very, very serious matter and I say it calls into question very, very sharply the ability and the capability, I am not talking about the ability of the Minister, as we all know he is capable *per se* in himself, but his ability as the result of allowing or being in this situation to continue on in the portfolio as Minister of Education. It is as pure, plain and simple as that. You have to look at the situation that he has to deal with these people, and he is obviously not in a good situation with them. He talks about the fact and he made the comment and quite rightly so.

MR. MARSHALL:

I am not repeating him exactly but the gist of it was, last night, to the effect well these stands that were taken, this hardheaded stand to which I referred to was a stand of the Government. Certainly it was a stand of the Government but then again it is the Minister of Education who assumes, under our system of Government, the responsibility for actions of the Government with respect to education itself. He is the focal point of educational policy in this Province and it is most necessary indeed that he realize that this is the situation.

I do not see, what do we have, Mr. Chairman, now? We have a situation now in the Government, where we have the Minister of Education who has been censured by the NTA. We have a situation where the acting Minister of Labour, a few years ago, was in effect censured by the Newfoundland Federation of Labour. That is great. That is marvellous. We have another unfortunate situation recently, where the late Minister of Municipal Affairs was in effect censured by the Mayor of the city of St. John's, and certainly indeed this is not a very enviable situation. Not nice things to say perhaps, but certainly true and certainly very, very serious situations with these, as I say, three Ministers having been censured by the individuals with whom they are dealing, with their peers. It will not be long now for sure before the Government itself will also meet its peers, and I have no doubt that it would be censured as well and censured quite strongly.

Now indeed, Mr. Chairman, there is no doubt in my mind, and I have heard what the hon. members here on this side of the House have said, and there is no need of me reiterating the many things that have been said particularly by the great orators that we have from the St. John's districts and from Burin and Fortune Bay on this side. There is one point that I would want to make abundantly clear, abundantly clear; that we have now reached the situation where we have three Ministers of the Crown, three Ministers who have been censured by elements of our society with which they have had to deal with



MR. MARSHALL:

and that this is a shocking situation. The Minister of Education will sit there and he will laugh and I know he will get up and he will, if he gets up at all, if he bothers even to answer it, and he will take exactly the same attitude as he took last night, but this is not the type of attitude that we can have and we can afford to have. There is no doubt about it, in my mind, that the Minister of Education, now after hearing, last night I heard the hon. Leader of the Opposition make this statement originally then, after hearing the gross compliments passed between the hon. Premier and the hon. Minister of Education, I wondered whether the salary of the Minister of Education, there was going to be a motion to double it or triple it or quadruple it. It certainly was, before long, the way they were talking, perhaps it ought to have taken the whole vote in education,

But the fact remains, Mr. Chairman, that this is a very, very serious situation and it is a matter to which the Government has to address itself and the Minister can laugh, he can take the cavalier attitude he wants to, but the fact of the matter remains that he is not in the good books, as it were,

MR. MARSHALL:

with the Teachers Association. I cannot see how he can be effective with them over the brief period of time they all have in their respective ministeries. The only people who are going to suffer as a result of this are the children of this Province. I think it is a matter that is regrettable it has to be dealt with because, when a situation like that occurs, I think, steps have been taken to move the minister to another portfolio. But that being the situation, I feel that the vote of censure that was taken by the Newfoundland Teachers Association is a very, very serious one, and not one that can be fobbed off by laughs, jokes and wee little smiles.

MR. CHAIRMAN: Shall Ol carry?

MR. CROSBIE: Mr. Chairman, before Ol carries, I would like the minister to indicate what consideration the Government have given to this tax question in view of their policy announced and annunciated last night by the Premier, the policy that the Government have planned to take over all capital cost to the schools? What taxes are the Government contemplating that it will impose, when that policy is carried out?

MR. ROWE, (F.W.) Mr. Chairman, we started this item on Tuesday night, and the hon. the member for St. John's West spoke to it and again yesterday afternoon, four thirty, I think, it was, and all the members of the Opposition spoke until six o'clock and last night the Premier and I spoke and today we have been on this item as well. I have a purpose in referring to that because, one of the things that have been brought up here is the DREE thing. By the way, the hon. who is not here, the hon. the member for Burin, is wrong when he implies or states or thinks or infers, from anything that I said or has been said, that there has been a decision taken in respect of matters concerning the title of schools built under DREE.

As a matter of fact, I am able to tell him that a meeting is planned for next week with the sub-committee of Cabinet and other educational authorities to discuss all those matters pertaining to title and a host

MR. ROWE, F.W.

of other complications involved there. That is number one.

I was going to suggest to him that the DREE monies themselves are carried not in the education estimates, but in the estimates for the other department. When we come to that, I think probably we will be in a position, the minister will probably be in a position to elaborate on these matters and certainly, by the rate we are going, we will not be reaching that department until sometime in September anyway. That department is the last department in the estimates. So by that time, we should have had formulated something that we will be able to make public.

MR. CROSBIE: Would the minister permit a question on that point about DREE, Mr. Chairman? Is it not a fact that as a requirement under the DREE Agreements that these schools be free access schools, they cannot be restricted? They must be public schools, in a sense, anyone is to have free access? That is a requirement of the Government of Canada,

MR. ROWE, F.W. Mr. Chairman, I am not going to get into a detailed discussion on the DREE thing right now, because, as I have said, they are carried not in my estimates at all, as a matter of fact, it is in the other estimate and they will be discussed at that time. I think, we will be in a better position anyway, the Minister concerned with DREE will certainly, I would hope, be in a better position at that time, than he is right now, to make a statement on that, but he can speak for himself on that.

AN HON. MEMBER: Inaudible.

MR. ROWE, F.W. Well, I have made that statement. I am not trying to avoid anything, evade anything I am merely stating this thing. That there is a subcommittee of Cabinet next week, to meet next week on this, with the educational authority, to discuss those very points. No decisions have been taken on a number of these things, as yet. Can I make that any clearer? No decisions have been made by the Government of Newfoundland nor the Government of Canada nor the educational authorities on the matter of title to these schools. There is a meeting next week.

MR. CROSBIE: But free access.

MR. ROWE, F.W. This is another aspect of the whole thing and that can be discussed at the proper time too.

MR. ROWE, W.N. Could the hon. minister yield for a moment, on that question of free accessibility to schools, which is contained in the DREE Agreements, we have had many discussions in the past on it. We had a meeting with the Premier, we called a meeting, as a matter of fact, and several cabinet ministers, officials of the Government and all the top denominational authorities, to discuss that whole matter. As a result, that took place about six months ago, now I guess. As a result we sought clarification, from DREE from Mr. Marchand, the Minister of Regional Economic Expansion, as to what DREE's interpretation of that clause or phrase of accessibility was. A letter came back from Mr. Marchand in which he said quite categorically that he was not aware of nor was he interpreting that phrase to be any different from the situation which obtains under Newfoundland's own legislation respecting schools.

MR. SMALLWOOD: And further he was not going to butt-in in our

MR. ROWE, W.N. He had no intention whatsoever of butting-in on the administration of schools or the Constitutional set up respecting schools in Newfoundland. So there is no difference between free access, as stated in the Agreement, and our own requirement for access to schools under the Newfoundland House of Assembly Legislation.

MR. CROSBIE: Would that mean for example, say the new school on MacDonald Drive could refuse to accept a pupil who was not United Church, Salvation Army or Anglican? I mean that they would have the same rights in connection with -

MR. SMALLWOOD: It is left entirely to us. They are not going to butt-in.

MR. CROSBIE: Inaudible.

MR. HICKMAN: No, no.

MR. SMALLWOOD: He is not going to butt in on a problem.

MR. CROSBIE: That is all right. It is the Federal Government's money, now can that MacDonald school, for example, refuse to accept a pupil who is not Anglican, Salvation Army or United Church?

MR. ROWE, W.N. If that possibility exists under our legislation, the

MR. ROWE, W.N. possibility exists under the DREE Agreement, there is no difference between the DREE money which goes to school construction and the ordinary Newfoundland Government money which goes into the construction of schools. The same policy follows, Mr. Marchand is no more at liberty to break the Constitution of Canada, than the Newfoundland Government are.

MR. CROSBIE: In other words they could reject.

MR. ROWE, F.W. Mr. Chairman, as appropriate item, I will answer the point raised by my hon. friend from Gander, when we come to it.

MR. CHAIRMAN: Shall I carry? Carried.

MR. CROSBIE: The minister still has not answered this very important point about the tax implications of the Government's new policy on school construction. The minister salary is the whole sphere of education in Newfoundland. Last night the Premier spoke on this new policy of the Government and the question is what is the other part of that policy, where will the money come from that the Government of Newfoundland will now need?

MR. ROWE, F.W. ..... this year.

MR. CROSBIE: That is the trouble we are discussing educational policy.

MR. ROWE, F.W. It has nothing to do with these aspects.

MR. CROSBIE: The minister does not want to say what taxes -

MR. SMALLWOOD: It is not in this year's estimates.

MR. ROWE, F.W. It is not in the estimates.

MR. CROSBIE: Well, the minister agreed -

MR. SMALLWOOD: The policy is not in this year's budget.

MR. CROSBIE: That new tax increases would be required. The minister agreed to carry out that policy.

MR. ROWE, F.W. Mr. Chairman, this is entirely out of order, for the simple reason it is not in these estimates anyway. It is not in these estimates. There is nothing in these estimates referring to that policy of eventual one hundred percent assumption of responsibility when building schools. Nothing whatever, the Premier referred to it incidentally last night and it had been referred to earlier. There is nothing in these estimates.

MR. CROSBIE: No, Mr. Chairman, the Premier did not refer to that incidentally.

MR. CROSBIE:

The Premier annunciated last night, on the estimates of the Department of Education, the Government's new policy on the construction of schools. He has only annunciated part of that policy. The other part of the policy is how the new policy is to be paid for. There is an election coming up in which people are entitled to know the other half of that policy, the consequences of it. Is it to be a real property tax, as the Warren Commission indicates, and so on?

Now, Mr. Chairman, it is one o'clock.

MR. CHAIRMAN: Will the item carry?

MR. CROSBIE: No, I will continue to talk, that is all.

MR. CHAIRMAN: It is now one o'clock, I will leave the Chair until three.





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**VERBATIM REPORT**

**FRIDAY, MAY 7, 1971**

**SPEAKER: THE HONOURABLE GEORGE W. CLARKE**

The House resumed at 3 p.m.

Mr. Speaker in the Chair.

MR. SMALLWOOD: Mr. Speaker, in my remarks about education I told the Committee what was, what is the policy of the Government with regards to the cost of building and equipping schools for the future. I said that our policy was to have the Government take over the full cost of doing that and to relieve the parents, as parents, and the school boards of that burden, and to spread the burden over the shoulders of the whole population, as we spread the burden of school fees over the shoulders of the whole population by putting on a one percentage point increase in the Social Security Assessment, bringing it from six per cent to seven per cent. In the same way, I said we would spread the cost of school construction and equipment over the shoulders of the whole population.

Now, we are asked to say how. We are asked to say what would be the nature of that, spreading of the burden over the whole population, as we did in the case of the school fees. What would be the particular kind of taxation we would use? Now, I have two things to say about that. In the first place we are not doing it this year. In the present financial year which began a month ago, we are not taking over the financial burden of school construction and the equipping of schools. We are not proposing to do it in the current financial year, the year that ends the thirty-first of March 1972. In that year we are not doing it. We are not proposing it, we have no intention of doing it, it is not in this year's estimates. So, we do not have to find that revenue this year, because we are not going to spend it this year. That policy will not come into effect this financial year. That is the first point. I hope I have made that thoroughly clear. I do not know how I can make it any clearer.

The second point is that we hope to do it next year. To be ready to do it in the financial year commencing April 1, 1972 and ending March 31,

1973 in the financial year following immediately after the present financial year. It is our hope, our hope, to be able to do it at that time by agreement of the churches, the denominational authorities of the Province.

Now, if we do succeed in putting that policy of ours, that philosophy of ours into effect in the next ensuing financial year, we will have to pay for it. How? What will be the method of paying for it? There are several possibilities and I will name them as possibilities. There is no decision. These are possibilities. No decision has been made. In the first place all or part of it could be paid out of general revenue, without the imposition of any new forms of taxation, Without the imposition of any increased rates in the existing forms of taxation, Take it out of general revenue. That is one way. In whole or in part all of it or part of it, out of general revenue, without putting on any new taxes, without increasing the rates of taxes, that is one way we could finance it if that proved to be practical, to do it, in whole or in part, out of general revenue.

General revenue, meaning all our income from the Government of Canada, all our income from taxes imposed on our people by this House and all of it through non-tax revenue. The combination of the lot, that is what I call general revenue. Another possibility is to increase the SSA., commonly and correctly known as the sales tax. We did that to take the place of the school fee, the school fee that had been collected by the school boards from the parents of children in school, the school fee that had been collected to pay the cost of operating the schools, of operating them of running them. We might do the same thing, this is a possibility, of increasing the SSA by one percentage point to cover the remaining cost of education. This would spread the cost throughout the whole Province. It would not be an ideal way to do it. It would be a tax on consumption, which is not good taxation.

Well, it could, I am outlining the possible sources of the money that would be needed for the Government to pay the cost of building schools and of constructing and of equipping them. It could be taken out of general revenue without imposing any new taxes or increasing the rates of existing taxes, if there were enough general revenue to do it in whole or in part. Now if there were not, then the general revenue would be increased by putting on another percentage point on the SSA. That would bring in more money into the general revenue of the Province.

Another way, another possibility would be to increase the personal income tax imposed by this House. This House, as you will recall, Mr. Chairman, passed the law some years ago imposing a personal income tax on people in Newfoundland, so you have two governments now collecting income tax, personal income tax, the Government of Canada and the Government of Newfoundland, but the Government of Canada collects Newfoundland's personal income tax and passes it over to us.

Another way to get the money would be to increase the Corporation Income Tax, the tax on the income of Corporations. Another way would be to impose a straight education tax, a flat amount per head or per family, whether they had children in school or not, whether they had children or not, whether their children were too young to go to school or too old. Regardless of any consideration a flat amount per family which would be, in my view, a very wrong and unfair way to do it, because it would fall on the just and the unjust alike unless it were related to income in which case it should be an income tax.

It could be done by a combination of any of these. It would depend on how much money the Government wish to spend to construct schools and equip them. This year we are spending \$20 million, Eight millions of that comes out of the pockets of the Newfoundland Government and \$12 million of it from the Government of Canada, for a total of \$20 million this year. I have no doubt that throughout the life of

DREE there will be substantial amounts coming into the Province, into this Government, from DREE for the purpose of building and equipping schools.. But. how much, I am not able to say at the moment.

When the DREE Agreement is brought down by my hon. friend, the Minister of Community and Social Development, we will have a much better idea of how much money we are going to be getting each year, for some years to come, from DREE, for school purposes, for the purpose of building schools. We do not know at this moment. So, how much money we will be able to spend on school construction and equipping schools when we take over the full responsibility for it, how much we will be able to spend will depend on how much we have, obviously, and how much we have will depend on how much we get from DREE. It will depend on how much our general revenue increases year by year, and will depend on whether we augment the income by increasing existing rates of taxes or put on new taxes altogether.

It is not certain which of these it will be. Whether we will be able to finance it out of general revenue or whether we will have to increase general revenue, by increasing the rate of the SSA. or increasing the rate of the personal income tax or increasing the rate of the corporation income tax or putting on a special education tax or a combination of any two or more of these things, it is not certain which of these it will be. No decision has been taken. There is only one decision that has been taken and there is only one thing that is certain and that is - now this is the one certain thing - we are not going to deal with it until we start getting the budget, a year from now, approximately a year from now, After we have ascertained how much money we will want to spend on school construction and equipping schools, we will then come to determine and make our decisions as to where the money will come from, At that point, we will make the decision. It has not yet been made. There is no need

Mr. Smallwood.

to make it as yet. So it is not certain which of these sources or which combination of them will give us the money. Here is what is certain. There is only one thing certain in this picture, no property tax to be imposed by this House. If anybody introduces it, we will vote against it. If anybody proposes it, we will oppose it and attack it. We will condemn it. We are against it. We are against it flatly. No property tax - this House is not going to be asked to put taxes on people's homes, on their gardens, on their animals, on their boats, on their fishing gear, on their schooners, on their property of any kind. There is to be no property tax. It is nice to hear - if the hon. gentleman had not been so ardent an anti-Confederate, he would have known that the whole policy of the Confederate group (That is us. We are the Confederates), our policy was no property tax. The cartoons that I had prepared spelled it out, one after the other, 'no property tax.'

MR. COLLINS: There is already a property tax.

MR. SMALLWOOD: There is not - not imposed by this Government, not by this House. Oh! no. If municipalities wish to - oh! come on! Come on! Stop this dishonesty! Stop this hypocrisy! I am talking about property taxes imposed by this House. There is none. If municipalities wish to continue doing what they have done, to impose their own local property taxes for their own purely local purpose, this House, I have no doubt, will continue to approve....

MR. COLLINS: Point of Order, Mr. Chairman. Municipalities are not involved in collecting taxes.

MR. SMALLWOOD: This is not a Point of Order, Mr. Chairman.

MR. COLLINS: It is the school tax authorities.

MR. SMALLWOOD: This is no Point of Order. If municipalities ..

MR. COLLINS: (Inaudible).

MR. SMALLWOOD: What is this character grumbling about over there? What is this mumbling?

MR. COLLINS: Municipalities are not involved in school tax collections.



MR. SMALLWOOD: I am well aware of that. I did not say they were. I did not hint that they were. I did not imply that they were. Nothing can be inferred from what I said along that line.

I say this and this is obvious, and I am ashamed that there should arise a need to say it. I am ashamed of it. I am ashamed of this House to have to say it. The fact of the matter is that this House of Assembly has never yet imposed property taxes in Newfoundland. What this House has done is: When town councils want to impose property taxes for their own local purposes, we have passed laws permitting them to do so. But the initiative comes from them. The wish comes from them. The desire comes from them. The decision comes from them. They do it for their own local purposes, not for schools, not for education, not to build schools, not to equip them, not to pay teachers' salaries. So, there have never been property taxes imposed by the House of Assembly, at the request of the Government or at the request of the Opposition or at anyone's request. Never have there been property taxes imposed by this House on the property of Newfoundland.

Now the other one is school taxes. Where, in an area, as for example Corner Brook, where people demand that they have the right to put on a school tax, they demand that they have the right to put on their school tax for their purposes, where that has happened this House has passed laws permitting them to do it. But this House has never imposed a school tax. The most that this House has done is what it has done in connection with property taxes imposed by town councils. We permitted them to do it. You have in Newfoundland today ten or twelve or more areas where the people locally have indicated their desire to put on their own local school tax. This House has permitted them to do it.

I will never - I will give my own personal undertaking. I am pretty certain that whoever succeeds me as Liberal Premier of this Province will take exactly the same position, I will never, while I am Premier of this Province, be that short or long, I will never allow legislation to be put to this House by the Government. I would walk out first. If the Cabinet wanted to do it, they would make their choice between doing it and holding me. They will not hold me as their leader and as Premier of the Province, if they want to do it. I will give them their choice.

Mr. Smallwood.

You can have me or you can have property taxation. They will not have both. That is out. I am under pledge. I am under pledge to the firemen, to the fire brigades of St. John's that never, if I became Premier, never would we force the fire department to be passed over to the City of St. John's. I am under pledge. I am under public pledge. I am under public pledge that when Confederation came, if I became Premier, there would be no property taxes imposed by the House of Assembly or by the Government on the people of Newfoundland. I reiterate that pledge here today publicly. I have no doubt that the Liberal, who succeeds me, as Premier, will take exactly the same steps. This means that that is one source of revenue that is barred to the Government for the financing of school construction. We are going to have to get it out of a general increase, if there should be enough in the revenue. If there is not enough, we can make it enough by increasing some of the existing taxes, such as the sales tax, the personal income tax, the corporation income tax or a combination of them. Any of these is possible. The one thing that is not going to happen is any kind or type or description of property tax - none.

Now let me make one qualification here. It could well happen, and I am inclined to think that it will happen that in our great forest programme, the development of our forests so as to make them yield more fibre, more wood for the paper mills, so that the paper mills can grow, in that or in doing that we will probably put on a tax on forests. Now that would be a property tax. Forests owned by the great paper companies - by the paper companies, I think that takes in just about all the forests of the Province. That would mean Price, Bowaters, Shaheen, Doyle - I say Shaheen and Doyle because they are the short names for the Shaheen Organization and the Canadian Javelin Organization. Doyle is only twenty-three per cent. of Canadian Javelin - the Javelin Empire. I do not know how much Shaheen is of the Shaheen Empire. But these four are the paper mill people. I feel pretty confident that, as part of paying what the Newfoundland Government are going to do to improve those forests, to build a network of road through them, to thin them, to improve them, to increase their growth,

MR. SMALLWOOD

I think we will probably ask this House to put a tax of some sort on those forests. I think, in all probability, we will be doing that to give us the revenue so that the people of Newfoundland, generally, will not be paying to improve the forests owned by those big companies. This would not be right. It would not be fair. It would be far better that the forest themselves should bear the cost of their own improvement. That is logical. I make that exception so that no one will come back a year or so from now and say what a liar that man is. I heard him myself, with my own ears, swear that he would not introduce any legislation into this House providing for property taxes. That would be a property tax on the great corporations, on their forests, on their forest lands. I would not rule out another form of property tax. I would not rule it out and that is the great mining companies operating and to operate in the future in Newfoundland. If oil were found on our undisputed soil, soil that no one can argue about, it is ours, it is admittedly ours, if oil were to be found, I would not rule out some kind of a property tax on those natural resources being developed and exploited by great corporations.

But, Sir, property tax in the normal meaning of the word is out - O-U-T - out, or they will get a new Premier. I do not think that they would be that anxious to put on a property tax, to get rid of me. I think they would prefer me somehow or other to a property tax. I have that feeling. I have the feeling that I will not have to clear out, as Premier, because my colleagues prefer a property tax to me, they will put a property tax ahead of me, their preference will be for a property tax. When they have to make that choice, if ever they do, and I do not think they will, but if they do, they will choose me I think. I think they will choose me. So property tax is out. It is O-U-T - out.

Now I have uttered these remarks here this afternoon only because an attempt was made here this morning - a rather obvious attempt, pretty obvious

Mr. Smallwood

pretty obvious, Mr. Chairman. It was pretty apparent. It was an unmistakable attempt made to raise an issue - to raise an issue, a property tax issue. The Tories of Newfoundland once defeated Confederation on that. In 1869, the Tories went to the Newfoundland people in the Confederate election and they said: "If you vote your country into Confederation with Canada, down will come the tax gatherers from Ottawa. They will tax your house. They will tax your boat. They will tax your garden. They will tax your goat. They will tax your sheep. They will tax your pony. They will tax your schooner. They will tax your fishing gear. They will tax every pane of glass in your house. If you do not have the cash to pay, they will take out so many panes of glass. If you still do not pay, they will take out so many more panes of glass. They will strip you. They will strip you naked, but they will get their money. You are going to pay those taxes on your property. If you do not, they will take your property from you. They did - well now, the Tories do not seem to learn anything.

.. They are like the Bourbons of old. They learn nothing new and forget nothing old. They forget nothing old and they learn nothing new. They are like the Bourbons of old. It is the same Tory spirit. They are still talking property tax. They talked property tax and they are talking property tax today. But they are not going to get away with it. No, Sir, they are not getting away with it, Mr. Chairman. Not while I am around, they are not getting away with it. As a matter of fact, the one sure and certain way to keep property taxes away from the Newfoundland people is to keep "Joey" as Premier. That is the sure way. That is the sure and certain way. But I would not guarantee it if the Tories ever got in office. I would not guarantee it if the Tories got in office. I would not be a bit confident that there would be no property tax, if ever Torism got in the saddle. They seem to have it on their minds. They talk a lot about property tax. The new Tory, the renegade over there, he is talking property taxes, too. The new Tory, the convert, the secret

MR. SMALLWOOD (J.R.): Tory, now the openly admitted convert to Torism. He is talking property tax.

MR. HICKEY: Who is raising the issue now?

MR. SMALLWOOD: I am raising the issue by answering it.

MR. HICKEY: You got a new one.

MR. SMALLWOOD: What is a new one?

MR. HICKEY: The Tories are against Confederation.

MR. SMALLWOOD: Well, were they not?

MR. HICKEY: Well they are not now.

MR. SMALLWOOD: Well I am pleased to hear it. This is good news. It is joyful news. I am so happy I think we should applaud them. They are not against Confederation. At last after twenty-two years I have converted them. While the light holds out to burn, the vilest sinner may return. I am not referring to the two Liberals to the far end of the Chamber. They were both staunch Confederates, they still are, they were staunch Liberals, they still are. And they will not deny it.

MR. MURPHY: That is why they are sitting over here. They are staunch Liberals.

MR. SMALLWOOD: They are staunch Liberals. They are staunch Liberals both of them, they always were and they always will be. They will die Liberals. Live and die, that is what they will. That is what they will. They will live and die staunch Liberals. They will never cast a Tory vote, not in their lives, neither one of them.

MR. MURPHY: Now gentlemen your fortune is being told.

MR. SMALLWOOD: Yes, yes, the hon. gentleman's Party will not get their votes and St. John's West will not get their votes.

MR. MURPHY: Neither one of them lives in St. John's West.

MR. SMALLWOOD: The hon. gentleman knows what I mean. He knows what I mean.

MR. MURPHY: The hon. Premier will not get their votes. I will guarantee him that.

MR. SMALLWOOD: They will vote Liberal.



MR. MURPHY: That is why they are over here.

MR. SMALLWOOD: They will vote Liberal.

MR. MURPHY: I will bet you any money you like they will not vote Liberal.

MR. SMALLWOOD: They will vote Liberal. They will vote Liberal. I would stake my life on it. I would stake my life on it. They will vote Liberal.

MR. HICKMAN: Mr. Chairman, what has this got to do with Education?

MR. SMALLWOOD: I am trying to educate them, that is what it has got to do.

I am trying the hard way to educate them. It has a lot to do with it.

No Sir, I will not hold the House up anymore. We had the Estimates. We are asking the House to give us the money for Education. We started the night before last. We were at it pretty well all day yesterday and last night. We were at it all this morning, we have not passed a single cent yet. Not a dollar have we yet voted for Education, not one single dollar. This is not obstruction?

Are they daring us? Do they want us to bring in Closure? Look, let me tell the House, the Committee, Mr. Chairman, I would not hesitate three seconds if there is very much more.... You do not need to dare me. I do not need to be dared. I would not hesitate three seconds, if there is much obstruction, I would not hesitate three seconds. And the Tory renegade can shake his fist as much as he likes, I would not hesitate. Let there be obstruction in voting money for Education and I would not hesitate three seconds to bring in Closure. I would not hesitate. I would have the people of Newfoundland supporting me for it.

MR. MURPHY: Try it.

MR. SMALLWOOD: If I need to I will.

MR. MURPHY: Try it.

MR. SMALLWOOD: If I need to... We will see if it is needed. Now we are going to have another hour.

MR. CROSBIE: Yes.



MR. SMALLWOOD: And after the hour, he will walk out, while anyone else is speaking. Then he will come back, He will speak another hour, but not obstruction. Not obstruction, this is speech number four he is making now and no money.

MR. CROSBIE: Mr. Chairman, last night the Premier spoke an hour and a-quarter. Last night the Minister of Education spoke an hour. That was not obstruction. No, that was lilies of the valley.

We are entitled to ask questions. We have found out today Mr. Chairman, what the Premier tried to gloss over last night, that the Premier is contemplating an increase of taxation next year. The Premier made a new statement last night. It was not the statement that the Minister of Education made at the Disarmament Conference in January. It was not the statement that was in the newsletter of the Department of Education of February 1971, that statement was that the Government were going to start studies with a view to having the Government take over all costs of construction of schools, initiate studies.

Last night the Premier said something different. He said it is the policy of the Government that they are going to take over one hundred per cent the cost of constructing the schools. And it was said this morning that they will take over the debts of the churches and school boards in connection with past cost of constructing the schools. Now, Mr. Chairman, that raises the question, how the Government is going to pay for it. That is what the Premier slid over last night. That is what he wanted to pass by. That is why he wants the election over before he announces, to the people of Newfoundland, the taxation he is going to impose to carry that out. Is that square enough, in laying the issues before the Newfoundland people? Now what does the Premier say today? He wants us to listen to his statement this afternoon and let it pass on without another word. No Sir, the Premier says we are not going to do it this year, we are not going to do it this year, it is not on this

MR. CROSBIE: year's Budget. We know it is not because there is an election coming this year. You are darn right it is not because the Premier will not increase taxes this year with an election coming. But we found out what he is going to do next year if he is re-elected. He is going to increase taxes.

The Premier says "there are several possibilities and one of them," he says "is this, that the money to meet the capital cost of education and the cost of interest on past borrowings and the rest of it, will come from the general revenue." Will come from the general revenue, what a joke. \$405 million is the total deficit since 1966 to now, in the past five years. That is where the general revenue is, a deficit of \$76 million in 1967, \$102 million in 1968, \$66 million in 1966, \$56 million in 1970 and somewhere between \$82 and \$103 million in the year that just ended. And now Mr. Chairman, the Premier suggested to this House and to the people of Newfoundland, that he is going to undertake another big expenditure of money. Capital cost of education, and that the money for that might come out of the general revenue. With \$154 million borrowing to do this year, with a deficit this year of \$98 million. The Premier suggests....

MR. MURPHY: What about the big scheme to buy back the forests?

MR. CROSBIE: Buy back the forests, they are going to buy back it all. Everything that has been given away they are going to buy back.

The Premier suggests that we could undertake another major expenditure and find it from the general revenue, with a record in the last five years of \$400 million in deficits and in the year that we are entered into now, the deficit is going to be \$98 million.

Does the Premier suggest that he can undertake great expenditures next year without increasing taxes. Even if he has no new programmes next year he will be increasing taxes, So we can forget the

MR. CROSBIE: Premier's first possibility that this will be paid all or part from the general revenue or the possibility that there will be no new taxation or the possibility that there will be no increased tax rates. Even under the Premier's Budget presented to the House this year, what does he forecast as a surplus on current account? \$63,000. Is that \$63,000 going to be enough to pay the millions that would be required to take over all the construction costs of schools and interest payments? Not on your life. We can forget that part of the tripe and come to the real question. If this is the Premier's policy, he is going to take over one hundred per cent the cost of education, he is going to do all of this, that and the other, and take over their debt, then how does he pay for it? He can hardly have an election this year, in 1971, without discussing that issue and it is no good for the Premier to say; "we will decide on our Budget next year, if we are re-elected, how we get the revenue, what taxes we increase, That is what he did in 1967, he whammed on the S.S.A. tax and then in 1968, he put it up again, one per cent and then he put up the personal income tax, he put up the gasoline tax, six cents a gallon.

People want these things discussed before the election of 1971. Now let us get down to the real meat.

Will the Premier increase the S.S.A. tax next year? It will not be by one per cent, because if he increases it by one per cent for education, he will have to increase it another one or two per cent for general purposes. Who is going to lend money to a Government that has a terrific deficit in current accounts? No one - so it will be one per cent for education and one or two per cent for a general revenue, that would put the S.S.A. tax up to eight, nine per cent, at least nine per cent.

Or will he increase the personal income tax? The Premier

MR. CROSBIE: increased it five per cent last year and how much extra revenue is that bringing in? Perhaps \$2 million, perhaps the Premier will put up the gasoline tax. It is already the highest in Canada, twenty-five cents a gallon - all of these, except the income tax, regressive. Perhaps he will put up the corporation tax. How will he then attract industry to this Province?

Of course he attracts them by giving them Crown Corporations to play with. Mr. Shaheen does not have to worry about taxes in this Province, when he conducts business here. No - the Premier will give him a tax saving. He has to pay no corporation tax but the businessmen of Newfoundland, who operate here, have to pay the corporation tax, and if it goes up so it is far higher than it is in other Provinces, they are going to get out, they will not stay here. And then he talks that there might be a straight educational tax, well, Mr. Chairman, if there might be a straight education tax of so much a family, is that not an issue that must be discussed before the election? It is no good for the Government to say, "we have not made up our mind on this point, we do not know what taxes we are going to raise," the people of Newfoundland will want to know, "are we going to pay an education tax next year of ten, twenty, or a hundred dollars per family?" They are going to want to know that and they are going to want to know what the amount of that tax is.

If the Government is going to adopt this new policy, the people of Newfoundland are going to want to pass on it. Never mind saying that this is all going to be decided after the election, that is not good enough. The people of Newfoundland now know that the Premier is now contemplating tax increases for them next year so, before the election comes, he is going to have to tell them what tax increases, what taxes, what rates. They are not going to take this on blind faith. While he is raising taxes for education, he is going to have to raise them for the general revenue. You will not be able to borrow a cent on the

MR. CROSBIE: financial markets of the world. He had a deficit on current account. The Province had a deficit on current account in 1968 and 1969, \$3,103,000. The only reason there was no deficit last year was that exceptional revenues came into the Government. He is going to have a massive deficit on current account this year and next year, increasing every year and when that happens we will be lucky to find anyone to invest in Newfoundland bonds, so to blithly stand in this House, Mr. Chairman, and say we are going to adopt this great new policy and we will decide next year how to finance it, what the taxes will be and where the money will come from, is to attempt to defraud the Newfoundland people.

If there is going to be a bold new policy, let it be bold. Tell the people how the bold new policy is going to be paid for. Imagine the gall of it, to tell this House and the people of Newfoundland that: the Government will not deal with that question until next year's Budget. What a gall! With an election coming up this year to decide who is going to form the Government for the next five years and the Government is going to say to the people of Newfoundland, "Ladies and gentlemen, voters of Newfoundland, never fear, after we are elected we will discuss with you people what your taxes are going to be. We will discuss it with you after we are elected and we are in there for four or five years, what taxes we are going to slam on you now, for our next new bold visionary step."

They are not going to buy that? They want discussed now, while this House meets, what those taxes are going to be and the Premier's grand new policy, Not only the educational taxes, the rest that we are going to have to impose to meet the staggering burden of debt.

Now, Mr. Chairman, the Warren Report considered this whole issue, considered the whole issue and they had Dr. Graham, from Dalhousie University, and an Economist and others study where the money comes from. They recommended that the Government take over the current

MR. CROSBIE: and capital costs of running and building schools.

They looked at the question of where the money would come from and they concluded that the Government just did not have enough leeway in all the ordinary taxes to raise the necessary revenue. They concluded the only thing they could see was a real-property tax.

Now the hon. the Premier says there will never be a real-property tax while he is the Premier and all the rest of it. We had to wonder about that. Here is a Royal Commission that found that the only source that the money could come from, as far as they could tell and their experts could tell, would be a real-property tax. The Premier says in this House there will be no real property tax. I wonder.

How can we know that? The Premier will not say what taxes are going to be. The only way he can satisfy this House and the people of Newfoundland that there will be no real property tax for education is by explaining exactly where the money is going to come from and exactly what it is going to cost. That has to be explained before the election. They are not going to believe that there is not going to be real-property tax, unless the Premier shows how this bold new policy can be financed without the property tax.

Here is a Royal Commission, sat for two and a-half years, fine people on it, led by Dr. Warren, that looked at all our revenue sources and taxes and concluded that they did not see



MR. CROSBIE: how it could be financed without a real-property tax. The Premier expects us just to accept his word that it might come from the general revenue, and everybody knows it cannot, or it might come from increased corporation sales tax and the rest of it. No, if we are to buy that story that there is to be no property tax, then the hon. the Premier is going to have to produce the facts and figures, what taxes are going to be increased, how much they will bring in and what his policy will cost. Because this is far more, Mr. Chairman, than the Minister's of Education little statement, that he was going to have this study for two or three years. The two or three years are gone.

Do you remember, Mr. Chairman, in this House when the Minister of Education said, stood up here and he said; "we are going to have this matter looked into. It is very complicated, very, very complicated, intricate discussions with the denominational authorities." He said, "it would be two or three years before we can decide on policy." Well the two or three years changed into two or three weeks, because last night the hon. the Premier announced the policy. Not that it is being investigated, he announced the policy of the Government was to do this. Today he has said; "we are not doing it this year. We are going to do it next year."

MR. SMALLWOOD: I did not say that.

MR. CROSBIE: You said, "you were going to do it next year," the very words.

MR. SMALLWOOD: I did not.

MR. CROSBIE: Exact words.

MR. SMALLWOOD: I said, "it is our hope,"

MR. CROSBIE: It is our hope, yes.

MR. SMALLWOOD: Yes, so it is.

MR. CROSBIE: Yes, that is the same thing. You are going to do it next year.

MR. SMALLWOOD: It is not the same thing.

MR. CROSBIE: We may be all dead next year. When the Premier says "it is our hope," that is an announcement. The Government's hope. The Government's programme. The Government's policy is to do it next year. That is what he said.

MR. CROSBIE:

not that there is going to be two or three years investigation. He has announced the policies that he hopes to do next year. Here is a report that says; "it should be done." And I agree it should be done. But, there is not enough revenue from our sources, where there are other needs, to do it, and suggests a property tax. The Premier now say, "no, no property tax," but fails to explain how much it is going to cost. Now before this election comes the people of Newfoundland are entitled to know, what is the amount of money, the debt the Government will have to take over from the school boards and the religious denominations; what is the interest on that debt, how much will it cost us a year; how much is it going to cost to construct the schools that are needed, where that money is coming from; the carrying cost; how much will be spent on new construction and equipment; how much it all comes to a year and what taxes he is going to raise to do it.

That is the least the people of this Province can expect before there is any election. Mr. Chairman, remember this, just remember these figures. Here in this Province we are in the lowest personal disposable income in Canada. Here are the figures, January 1, 1970 - Personal Disposable Income per person, it takes the whole Province, it takes a personal disposal income for each person, after taxes and the rest of it. The figures are Newfoundland \$1400 per person, Canada as a whole \$2400, Nova Scotia \$2,000. Even in relation to Nova Scotia we are far behind, \$600 per person behind. The Premier is putting on new taxes on the Province where the people have the lowest personal disposable income per capita, \$600 per person less than Nova Scotia. Where they improved forty-two percent in the last five years, Newfoundland has only improved twenty-nine percent. Where is the economical and industrial base for this great visionary activity? It is not here. When we get any new industry, it is tax exempt. There is Come-by-Chance will pay nothing to the municipalities. There is the plant out at Stephenville, makes only a small contribution. All given tax exemptions. They do not pay S.S.A. tax on their building materials or anything when they are building. Then there is

MR. CROSBIE:

a Crown Corporation use, so they pay no taxes at all. That has been changed, because of our pressure, a bit. Where is the tax base coming from for this Province to carry out all these great plans and schemes of the Premier? It all rests on a base that is not there. When an industry is attracted it is given tax exemptions, it does not help us by paying taxes. Crown Corporations, Holiday Inn, they do not pay the school tax, they do not pay the municipal tax. The Government refused to let Corner Brook tax, then. It refuses to let Clarendville tax the Newfoundland Hardwoods, Limited Plant, because it says it is a Crown Corporation. What is it all resting on?

It is all crazy. It is all going to come tumbling down in the next three or four years, if it is carried on any longer, if it is not too late now. I think that before the people of Newfoundland are taxed any more or before they are asked for any other sacrifices or before they are asked to vote in this election that this Government has got to come clear, has got to give them the information, has got to say what its plans are, and what the taxes are, it is going to increase. Because after this election, forget education, forget what we are discussing today, after this election, if the Government stays in power, there are going to be tremendous tax increases anyway to meet the terrific debt burden, the \$154 million this year, the \$100 million last year and the rest of it.

There are going to be those tax increases anyway. Now if the Government wants to go ahead, at the same time take over all the construction cost of schools and the rest of it, and all the debt of the schools and denominations for school purposes, there have got to be additional taxes too, and before a Government does that, this being an election year, it had better discuss its exact plans and not go and try and tell the people of Newfoundland, we will decide that next year. Has such gall or arrogance ever been heard in any House? The Government is not even re-elected. It is an election year. The life of this House ends in November of this year. Yet the Premier says, "we will decide in our budget next year." If he is re-elected and tries to pass a new policy through this House, which if

MR. CROSBIE:

we had not probed this morning, would not be discussed.

This issue of how he is going to finance the policy, which his Minister of Education only two weeks ago said would be investigated for two or three years, this is suppose to be a waste of the House's time, Mr. Chairman. This is suppose to be obstruction of the House. You are not suppose to raise your voice and ask any questions like this or you are accused of obstruction. Well, if this is obstruction, this is what this House is here for. The Premier can get cracking on closure, because there will be a lot more of this kind of obstruction until we get some information from the Government, if you want to call it obstruction.

Go ahead and bring in closure. Shut our mouths. That is the only way you can do it. Shut the House down. Put on closure. Rap her all up for the next few days, and see what the Newfoundland people think of it. But before you try it, you better start explaining to the Newfoundland people just what you got in store for them. Is it is the same treatment that the Government gave them after 1966? Yes. Only more so besides. Now the Premier says there may be a forest tax, and he says there may be a mining tax, and I say it is about time, twenty-two years of this Government and we still have no mining tax and we still have no forest tax. It took a long time to reach the decision that we are getting relatively nothing out of our mining industry. The figures show that, and next to zero in revenue out of the forestry industry. It is about time those taxes were caught up.

So the Government are not certain which of these tax increases it will be, and even expects the poor innocent people of Newfoundland to believe that the money might come from the general revenue. If the Government are unlucky enough to be re-elected, what a rude awakening the Government and the people of Newfoundland are going to get. I would not like to be one of them. The unluckiest thing that could happen to the Government across the House this year, that it get re-elected, because it is going to be around when the piper has to be paid. If the Government tries to sneak through

MR. CROSBIE:

without telling the people of Newfoundland what it has got in store of it by the way of new taxes and increased revenue, look out afterwards. They will not wait another four or five years, if that is what the Government attempts.

So this is not any waste of the House's time, Mr. Chairman. This is finding out what the Government are trying to keep quiet; what it has in store for the people of Newfoundland.

MR. SMALLWOOD: Mr. Chairman, the churches in Newfoundland at this moment owe about \$20 million on their schools. They are in debt. about \$20 millions. They went and borrowed that money and they had to pay it back. The Newfoundland Government are now paying it back for them. We are giving them \$8 million this year.

MR. CROSBIE: It is not paying it back, it is for the Newfoundland Government.

MR. SMALLWOOD: We are giving them \$8 million this year and we have agreed to give it to them for six years. That is \$48 million we have agreed to give them. With this money they are paying off the \$20 million they owe. This will be \$20 million - (He makes his speech and goes out, everytime, It never fails. He just wants to talk, he does not want to listen) They will pay off their \$20 million and they will have \$28 million in the six years. (I shame him always to come back.)

MR. CROSBIE: On a point of order, Mr. Chairman?

MR. SMALLWOOD: I always shame him back into the Chamber.

MR. CROSBIE: Mr. Chairman, that is a deliberate, untruth, a deliberate lie. The hon. the Premier knows very well I am not going out, I can hear out there and I am getting a glass of water. I am tired, Mr. Chairman, of that constant slander from the Premier, which he knows is a deliberate lie. I am in this Chamber all day. Every minute of the day, either in here or out there listening. And to hear this constant repetition of a dirty, dastardly lie, is too much of it. I am out getting a drink of water.

MR. SMALLWOOD: The hon. gentleman will be certified before he knows it.

MR. CROSBIE: Listen to it. The Premier of the country, what a disgrace.



MR. SMALLWOOD: He is headed towards certification.

MR. EARLE: We discussed mental health yesterday.

MR. SMALLWOOD: Yes. And it needs to be discussed more.

MR. EARLE: There is a lot of it needed around here.

MR. SMALLWOOD: Now let me repeat what I have said. The churches owe \$20 million that they borrowed, that they had to pay back in connection with schools that they built. The Government have agreed to give them \$8 million a year for the next six years. That is \$48 million. \$8 million of it is in the estimates now, if we can get the committee to vote them.

MR. CROSBIE: That is for new construction.

MR. SMALLWOOD: We are giving them \$8 million and they are using part of that money this year and they will for each of the six years. This is an understanding we have with the churches. They are going to pay off their debt in six years. Because they will have the \$20 million from us to do it with and then in addition to that they will have \$28 million from us to spend on school construction.

Now where is the money coming from when we take over the burden of construction? At the present time the people of Newfoundland are contributing most of the money, but not the same people. The people who are contributing the money today are the people in the school tax areas, and the parents of children in school. There are two sources at the moment. The school tax authorities collect about \$1 million from the Newfoundland people, \$1 million a year. The school boards collect about another \$1 million a year from the parents for school construction. That is \$2 million.

Now remember that \$2 million is coming out of the pockets of Newfoundlanders now. This is not something new to be put on, it is on. The school tax authorities are collecting \$1 million a year from a limited number of the Newfoundland people. The school boards are collecting \$1 million a year from a limited number of, but a different crowd now, different Newfoundlanders, because they do not collect both from the same people. They collect \$1 million from some people, and \$1 million from a different lot of people, a total of \$2 million coming out of the pockets of Newfoundland people.



MR. SMALLWOOD:

If we put on a tax of \$2 million, it will be the same amount, the same amount, it is \$2 million now. If we put on a tax of \$2 million it will take the same amount of money out of the people's pockets, but not the same people. The people that are now contributing the \$2 million will contribute part of that \$2 million then, but less than \$2 million, because a lot who are not contributing to it now, will contribute then, if it were a tax of general application.

Mr. Chairman, I wonder if I made that clear? Is that thoroughly clear? At this moment we have school taxes in a number of places in Newfoundland, at the desire of the people in those areas. They are contributing about \$1 million a year to the school tax authorities, that is \$1 million. Now in addition to that, the school boards are collecting \$1 million, a different \$1 million from the parents, as an assessment for school construction and equipment. That is \$2 millions a year now coming each year not from the Newfoundland people but from part of the Newfoundland people. The parents of children in school, that is one part and the people who live in the school tax areas that is the other part of the population. But this leaves perhaps, I do not know whether this is half of the population or what proportion

MR. SMALLWOOD:

of the population who do not pay school taxes now and who do not pay school assessments now but who will then pay a school tax if there is a school tax or any form of school tax such as an increase in the SSA, an increase in the personal income tax or an increase in the corporation income tax. However it is done it will be all of the people paying that \$2. million instead of some of the people. Now does that make sense? Is it right that the cost of school construction should be a burden on just two types of Newfoundlanders: the parents of children in school - one class; the people who live in the school tax areas - the second class; only they should pay? Is it not better to wipe out the school assessment, wipe it out, outlaw it, this House pass a law saying that no school board shall collect any school assessment? They would lose \$1. million if we did that. At the same time we pass a law saying that there should be no school tax and there is \$1. million lost there. That is \$2. million.

Now increase one of the taxes by \$2. million or increase two or three or four of them for a grand total of \$2. million and that \$2. million then will come from the public in general.

MR. MURPHY: Including the some twenty-five per-cent who are on welfare?

MR. SMALLWOOD: From the public in general, the Newfoundland people. Now put it on corporations and it will be taken from the corporations only if it were only \$2. millions. Now I think you will have to have more than \$2. millions. I do not think you are going to build enough schools although remember this, if you spend \$28. millions of Newfoundland Government money in the next six years, \$48. million and \$20. million of it to pay off for the debts for the schools they have now, wipe out those debts, \$20. million leaving \$28. million to build new schools, if you spend that \$28. million and if DREE puts up \$50. or \$60. million, \$60., \$70., \$80. millions in the next six years -

MR. CROSBIE: If!

MR. SMALLWOOD: If, I say if, I am the one who said if.

MR. CROSBIE: If! Underline the "if:"

MR. SMALLWOOD: If the Newfoundland Government gives the churches \$48. million in the next - we are giving them \$8. million this year, if we give them \$8. million this year and the next five after this that is \$48. million and if DREE give us in the next six years anything from \$50. million to \$100. millions for school construction, is that wildly out? Not in the least, right? That would mean the need to impose taxes or to collect additional tax revenue of no more than about \$2. millions a year for the next six years and this might very well be collected by the Government without (a) putting on any new taxes or (b) increasing the present rates.

Now if you did that, if you could get it without doing that you will be relieving the people of \$2. million: \$1. million they are paying now in school taxes and \$1. million they are paying now in school assessments. They could be relieved of that but if they could not be relieved of it that \$2. million could be spread over the whole population and it would be a considerable relief to the people who are paying those \$2. millions today. So then, if the Government does put on \$2. million additional tax revenue either by putting on a new tax or increasing the rates of several existing taxes, if we do that and we collect that \$2. million, we are only collecting what the people are already paying. They are not paying it to the Government. They are paying it to the school boards, in the school assessment, that is \$1. million. They are paying it to the school tax authorities, that is another million but it is Newfoundlanders who are paying it and if we do put on taxes of \$2. million, it only takes the place of what the people are already paying, that is already coming out of their pockets.

Why is it that when the Premier of this Province stands in his place here and announces a new concept, a new philosophy of education, of education expense, of financing education, why does it have to be turned instantly into a rabid, squalid, partisan matter? Why? Look, Mr. Chairman, it is right or

MR. SMALLWOOD:

it is wrong. It is not half right, it is not half wrong, it is wholly right or wholly wrong for the Government of the Province to bring laws into this House for the House to consider and pass making the cost of education the burden of all the people, not just the burden of the parents. Education is everybody's business, everybody ought to pay for it, not just the parents. Now either that is right or it is wrong. Let us assume it is right. Surely to God no-one will stand in his place in this House and denounce that concept, that philosophy of education, no-one will denounce it, everyone will agree with it. They may qualify, they may say, "yes but you are not the one to do it." They may say, "Yes, that is all right but you cannot finance it." They may say, "Yes, we agree with that but you are only going to plunge the Province in debt. Yes, we agree with it but, but, but." But no one is going to disagree with it unqualifiedly. The idea is right, it is true, it is sound, it has to come, it is the right thing to do.

Now that being admitted, the only other question remaining is; how do you finance it? That is all.

MR. CROSBIE: And what will it cost?

MR. SMALLWOOD: What will it cost and how will you finance it? I have already said what it will cost. It will cost \$20. million in the next six years to pay off the existing debts of the churches and in those same six years we will give them \$28. millions, on top of that, with which to build new schools. That is \$28. million now in six years and on top of that there will be some amount from \$50. to \$100. millions, in the six years, from DREE. This latter statement of mine, \$50. to \$100. millions cash from the Government of Canada to the Government in Newfoundland through DREE, that statement, this year DREE are giving us how much to build schools? \$12. millions this year. Now if they gave us \$12. millions a year for the next six years, that is \$72. millions. Something between \$50. millions and \$100. millions we will get from DREE in the next six years and we are going to give the churches, ourselves,

MR. SMALLWOOD:

if the House will pass it, if the House will accede to our request, We are requesting the House to vote this money, We have not voted a nickle of it.

Since the night before last, not a nickle yet voted for education. A lot of talk but no action. It will be interesting to see how long the talk will go on before there is action.

Now I resolve, I will sit back and say nothing and let them talk themselves out, But when they started this morning what I regard as a pretty foul play, foul ball this morning, saying that because I had annunciated this great Liberal philosophy that we must take over the full cost of education and take that burden off the shoulders of the parents, because I annunciated that last night, immediately this morning a chorus, a chorus this morning of accusations that we are going to put on a property tax. Now why do they say that? They say that, Mr. Chairman, because they know that in Newfoundland in general people are apprehensive of property taxes. That cry defeated Confederation when we should have gone in one hundred years ago, and God knows and no-one else what Newfoundland has lost and what the people of Newfoundland lost because we did not go in with Canada in 1869. In that hundred years what we have lost, our people have lost because we have been a Province for only twenty years instead of one hundred, but that was the cry that did it then, that worked the trick, Water Street and the Merchant Mercantile class, they worked it that time. It succeeded, it killed Confederation, and now they hope maybe they can kill the Liberal Government but they will not, they are not going to do it.

We have a little scrap of evidence given here, right out, with great solemnity, the opinion of the Royal Commission that we must turn to property taxes to get money for education. Must we? When was that report written? When was it written? When was it published? What year was the Royal Commission Report on? 1967, going on four years ago. How old is DREE? They could not anticipate DREE. They did not anticipate, when Dr. Warren and

MR. SMALLWOOD:

his colleagues wrote that report, they did not know about DREE. There was no DREE and they did not take it into account because they could not. They could not take DREE into account. They did not know that this year DREE are giving us \$12. millions for school construction, \$12. million. Do you know what the whole vote for school construction was three years ago here in Newfoundland? \$4. million was it? \$4. million is all that Newfoundland could afford to give to the churches. The churches had to go out and borrow up to their necks and they borrowed a total of \$20. million on top of the \$4. million we gave them.

This year DREE alone are giving them \$12. million, so Dr. Warren could not have anticipated that three, going on four years ago. He wanted Ottawa to do it. Everyone across Canada, as I said here last night, all the education authorities of Canada, except perhaps in Quebec, advocated it, said that Ottawa must assume some of the burden of the awesome and the increasing cost of education. Ottawa must assume some of the burden, Dr. Warren said it. He said it in speeches and it was in the report but when that report was written it was only something to advocate, something to plead with Ottawa to do but he did not know and he did not figure on it that Ottawa would do it. And this very year Ottawa is giving us three times as much as the Newfoundland Government were able to give for school construction two, three years ago.

AN HON. MEMBER: Property tax was the alternative.

MR. SMALLWOOD: The only alternative he could see was property tax. I say that we can do it and there be no property tax. Look, Mr. Chairman, the hon. gentleman in St. John's, out of the purity of his motives, can throw doubt on our ability in this Government to finance education. May I remind the Committee, Sir, that this year in these estimates, if ever we can get a vote taken on them, if ever we can get around to that without closure, this year we are asking this Committee and then the House to give us the authority to spend on education \$35. million more than we spent last year. An increase in



MR. SMALLWOOD:

one year of \$35. million, and that over last year and last year was an increase of \$20. million over the year before. That in this present year we are going to spend \$144. million on education and that is three times as much as was spent from John Cabot to the coming of Confederation, three times as much as in those four hundred years. This year we are spending as much on education as we did on everything under the sun eight years ago. We cannot finance education, is that so? Can we not now? Now can we finance this great new step forward of taking on the full cost of school construction which is so fair to do, so right to do, so just, so sensible? Can we finance it?

The first thing we have to do is pay off the churches' debt which is \$20. million. We are doing it. We are paying it off this year, some of it. We are giving them the money to pay it off. We are giving them \$8. million. We are handing \$8. million cash over to the denominations and out of that they are going to pay some of their debts. At the end of the six years they will have all their debts paid off from us, we will give them the money. So at that point they will be out of debt. They have to use a lot of money now every year just to pay off former debts, pay the interest on them, pay the principal back. They have a heavy burden on them that they contracted themselves, that they contracted because this House did not vote enough to them. So they had to have the schools. They went and they built the schools but they had to borrow the money to do it. Now we are giving them the money to pay it back and in six years or less they will not owe a nickle in the world for schools. All the money they then get will be able to be spent not to pay back debts but to build schools with. I tell you here this afternoon, Mr. Chairman, that in five years from now Newfoundland's education system will have schools of a quality that they never dreamed of. The progress that is

Mr. Smallwood.

coming in education is a near miracle. But you would not suspect that from the grinding poverty that we were painted with here this afternoon, would you? We are headed right into disaster, are we not? We are headed into bankruptcy, are we not? We are headed into disaster, are we not? Yes, according to the Tories. But did they ever preach anything else? Were they ever known to preach anything else? They have been preaching it ever since we formed the Government twenty-two years ago. Twenty-two years ago the total expenditure of the Government for the year was \$30 million. This year it is \$500 million. We are going strong. We are improving. We are growing. We are expanding. We are a new Province. We are two Provinces. We are three Provinces today compared with twenty-two years ago. Ah! but, it is such a terrific temptation to try to strike fear into the hearts of our people - strike fear into their hearts; throw doubts into their minds about the way we are financing; the way we are managing the economy; the way we are managing Newfoundland's affairs; throw doubt if you can. Suggest - oh! sure you elect him now and next year either Newfoundland is going to go bankrupt or they are going to pile the taxes high on you. It is a nice line, if you can get away with it.

But I do not believe, Mr. Chairman that they can get away with it. I just do not believe it. I think I know our people better than they do. I think I understand our people better than they understand them. I think I am closer to the heart of the Newfoundland people than they are, ever were, or ever will be. I think I am. I am quite confident that when the people are asked to pronounce, they will pronounce in a way that will not please the hon. gentlemen on the other side of the House.

MR. EARLE: Mr. Chairman, all the oratory and shouting and the discussion we have heard over the last hour, are all very fine. We have been given several

MR. EARLE.

loads of red herring. The ship of state is about to sink because it is overloaded with red herring at this stage. There are just a few things to be asked on a question such as this and a few of the facts of what has happened in the past that must be borne in mind. First of all the policy which was announced at the Economic Conference, of trying to take over the capital costs of schools and which has been reiterated before in the House and again this afternoon, I do not think any one would object to it as being a good policy. If it can be done and I stress, "if it can be done." At the Economic Conference, I objected to it on the basis of, at the time, such as that it was rank, absolute, partisan politics, to bring out a discussion of that sort, which had not even had the rudimentary elements of investigation.

Now had the hon. the Premier or the hon. Minister of Education got up at that conference and even, although, at that time, they were not prepared to disclose some of the arguments that had taken place here this afternoon. I think the public generally would be prepared to say, "at least, they are making a statement, which, although it may be political, they are presenting to the public some arguments which may or may not be valid" - at least there would have been arguments. But there were none at that time and no discussion. It was just something pulled out of a hat to try and impress the people with what this great Government was going to do in an election year.

Now we see, with further announcements of the hon. Minister of Education, that this thing is a matter for study. Perhaps it will take two or three years. Well all right that is as it should be but the study should be before the announcements were made. They should have been able to support their facts and their contentions. Even here this afternoon, there has been too much pulled out of thin air, which does not have any basis at all of proper study or proper consideration. I am willing to bet that even the representative of the Department of Education, who sits next to the Premier, has not heard a lot of this before and many of his department officials, in the same department also. This is brand-new stuff coming out now on this sort of thing.

Mr. Earle.

Never mind what is cheaper. I am stating some facts, because I have known in the past how these programmes have developed. Let me illustrate. I repeat what I said this morning. When this S. S. A. Tax of one per cent was raised, it was supposed to pay for the fees, in-lieu of school fees. I said this morning that at that time it would cost \$10 million. (I was told I was crazy) to replace these school fees and assessments.

MR. SMALLWOOD: The school fees brought in less than \$2 million. We are giving them \$10 million or \$11 million this year.

MR. EARLE: What I am trying to say, Mr. Chairman, is that it would cost this Province, eventually, to support the vote for the schools in this connection, \$10 million. The vote this year is \$10 million. I was not wrong by a ten cent piece. Now the S. S. A. Tax assessment is bringing in \$4,5 million this year. So just to pay this operating expense for the school, not to talk about capital..

MR. SMALLWOOD: Would the hon. gentleman say that again? The what?

MR. EARLE: Just to pay the operating expenses, not to talk about capital or new construction or anything else, that S. S. A. Tax today would mean, to give this extra revenue, to be increased from one and a-half per cent to two per cent right now to get this \$10 million that we need for operating expenses. Now the Government are talking about taking on the capital costs on top of that. It is all very well to say that it is only going to cost \$2 million and tell the people that is what they are paying now and that is what it is going to cost. This has not been examined or studied to any degree to know what it is going to cost. Does the Premier or anybody else think that the cost of education in the next five years, six, eight, ten years is going to stand still?

MR. SMALLWOOD: No! I am the last one to think it.

MR. EARLE: Of course not. His own graphs, when at the Educational Conference, showed this, and we had them here this afternoon to show the speed at which the costs were going to rise.

MR. SMALLWOOD: Right.

MR. EARLE: We talked \$29 million, \$28 million, \$48 million and so on. We are going on with all this money that we are going to get from DREE. We are counting our chickens before they are hatched, Mr. Chairman. Last year there was an announcement made that we were going to spend \$45 million or \$48 million of DREE money. I think we got \$15 million or something of that nature. This year it is going to be even more. We have not got it yet. When Mr. Marchand was down at the Economic Conference, he made no commitment whatsoever of any kind and yet here we are talking about five, six, ten years hence, of money that we are supposed to have in the kitty which we may or may not ever see. We are forming our financial predictions on something which is complete guess work. This is the whole point on which I object to this sort of discussion. The conclusions which the Premier jumps to -- it is habit throughout history. It has been his habit to jump to conclusions on something which has not been properly examined; something which has not been properly looked into; on which I am sure he does not have the full advice of his own officials at this stage. Therefore, in a sense, the whole argument is completely out of order and completely haywire. To present an argument of this type to the House of Assembly and even more so to have presented it at an Economic Conference, it should have been backed by the fullest and most concise and most detailed information on how all of this has been done. But no, in the Economic Conference and again in the House this afternoon, Mr. Chairman, this information was given to this House this afternoon as it was given at the Economic Conference as pure, unadulterated, live, fresh, wriggling political bait.

MR. HICKMAN: Mr. Chairman, while we are on this, we seem to be losing sight of what this committee is all about. As I understand it, this committee is to try and ascertain whether or not the monies that the Minister of Education asked for, to operate his department, to implement his programmes are (1) available and (2) should be voted. It would be much easier to be against motherhood than it would be to be against the votes that are contained in the estimates of the hon. Minister of Education. I do not know why the hon. the



MR. HICKMAN.

Premier gets so up-tight about the amount of time that we are taking debating the estimates of the Department of Education ..

MR. SMALLWOOD: Nobody is going on. We have not looked at one.

MR. HICKMAN: Right. The great emphasis that we are placing on this and the fact that we are availing of the Item (1), which is the one which generates the general debate on the whole educational process in this Province, to debate the most important vote that comes before this House. I suppose it all depends on what the time is or what the convenience is, May I remind this House that in 1969 on a Tuesday at about 3:25, Mr Chairman asked; when we were doing the education estimates, whether we would carry the grant to Memorial University. The then Leader of the Opposition asked a question concerning Memorial University and asked some questions about the budget, the internal budget of the University. At that particular time, the hon. the Premier was on all fours with the Leader of the Opposition as to the philosophy that the committee should look at this budget. That was Tuesday at 3:25. Wednesday was Private Members' Day. We sat Thursday morning, afternoon and night. We sat Friday morning and Friday afternoon. We sat Monday morning and on Monday, at 3:45, we passed that one item of the University Vote. But at that time the great debate and the somewhat embarrassing debate was generated on the opposite side of the House. There was no talk of closure then. There was no talk of wasting the time of the House then. There was no talk of obstruction then.

I say, Mr. Chairman, that if we spend a week on the estimates of the hon. Minister of Education, it will be the best week and the most profitable week that this House will spend during this entire session. There should be no talk of obstruction. There should be no talk of repetition. There should be no talk of delay. There should be no talk of closure, when we are dealing with education. We just had a theory announced. Every hon. member in this House, sometime or other, has said the same thing that somewhere along the line



MR. HICKMAN

a formula has to be devised to allow corporate institutions and other bodies to participate in the direct local cost of education. Many areas in Newfoundland have succeeded and many, many others have not. But now, if you accept that principle as being good - let me remind this committee of the history of the enforcement of this philosophy since it started.

In the Speech from the Throne in 1966, there was an announcement made, and my understanding is that when the Lieutenant-Governor reads the Speech from the Throne - this is Government policy. This was Government policy at that time. School taxes and school assessments were gone out. They were gone, finished once and for all. We were going to have the one per cent S. S. A. Tax. But then we had something that is unprecedented, I submit, in the history of this Assembly. Six weeks later the Minister of Finance brought down his budget and it was in direct contradiction to the Speech from the Throne. It was for a very good reason. The Minister of Finance, in consultation with the officials of education in his department, had come to the inevitable conclusion that there was no way that this could be done. So the name of the game was changed from "fee" to "assessment." The S.S.A went up one per cent. That was the only change. If it could not have been done in 1966, in December of 1966 and in February of 1967, how is it going to be done in 1972 or 1973 without increasing the tax burden on the people of this Province beyond their ability to pay?

Now, Mr. Chairman, this is not Tory talk. This is not talk of people looking forward, with anticipation, to an election - there is no Tory talk or any other kind of talk about trying to suggest that the people of this Province that they cannot afford and have not got the tax base to do it. Let me read from Mr. Marchand's Bible. Let me read from his APEC Report. Do you recall when he was down to Halifax the other day to take delivery of these reports that he left there literally clutching it under his hand and saying, "I hope that this will be my Bible." Listen to what he has to say in his report - APEC Report, page

MR. HICKMAN:

222: "Taxation levels in the Atlantic Region are already relatively high and, as has been pointed out previously, have a generally regressive structure. It is felt that any increase in taxation would yield only a marginal increase in revenue. Not only that, but if low income individuals in the region are faced with additional taxes, they will be forced to endure further hardship as a result of decreases in their already limited after-tax income."

This is not Tory talk. This is not talk made by anyone in anticipation of an election. This is not talk made to try and defeat an argument or to punch holes in policy announcements that have been made here today. It is elementary. It is very factual. It is very frightening. The frightening part about it, is that the people of Newfoundland already carry the heaviest tax burden of any people in the Atlantic Provinces - already

carry the heaviest tax burden of any people in any province in Canada, still, regrettably, have the lowest per capita income in Canada and they cannot take any more. Does anybody really think that the people of Newfoundland, with the highest cost of living in Canada, with a cost of living that is escalating more rapidly than any other province in Canada, can take another half percentage point even in SSA Tax? Of course they cannot. Does anybody really think that industry is going to expand in this Province, labour-intensive industry, if there is even a suggestion of further increase in taxes? Why should they, why would they come here when transportation costs and every other cost that goes into the elevated productivity is higher than it is anywhere else? Why should they?

So if you cannot increase the taxes, if you cannot whop on any taxes, where are you going to get the money?

AN.HON.MEMBER: - the hon. gentleman, does that say that DREE will provide money for educational services in the Province.

MR.HICKMAN: Yes, this is this year, right, but it is the whole concept, right. But, the DREE, - look if everything - just take a look at the estimates in Education, \$8 million for erection and equipment of schools, capital. Now that does not mean there is going to be \$8 million spent on schools this year far from it. Somewhere between three and four million dollars will be used to pay off debts that have been contracted in the past.

AN.HON.MEMBER: (inaudible)

MR.HICKMAN: That is right, not only their boards there is a Bill before this House for the DEC to raise loans over and above the beards. That is \$8 million, forget that for a minute, say the whole \$8 million is going in. Then there is another item, Memorial University Grant of \$4 million, I think it is, yes, \$4 million for construction and alterations, That is \$12 million of capital account. What is the rest of it, what is the total education budget? The total education budget \$111 million. Now these are really maintenance operating expenses, every last cent of the rest,

be it student-aid, bursaries, cost of operating your schools, no matter what it is. Now, if any one would be bold enough to suggest or silly enough to suggest that the quality of education in this Province is anywhere approaching the national level, he would be laughed out of this committee.

MR. COLLINS: Or not equalized within the Province.

MR. HICKMAN: Well, it is obviously not equalized within the Province. We are not even starting to narrow that gap between ourselves and our sister provinces over yonder in the Atlantic. But, yet, our people, very rightly so, are demanding improvements in teaching aids. They are demanding improvements in the quality of teachers and the qualifications. We are only about three years away Mr. Chairman at the most three years away before we are faced with a justifiable demand and a most necessary one, the teachers have to be granted sabbatical leave. They are going to have to, the day is long since past when a boy can come out of Grade 11, at seventeen, take his Masters by the time he is twenty-two and then start teaching and say I never have to see the inside of a University again.

I suggest that before 1975, that boy will be compelled to see University again. It may not increase his salary, as a result of his doing it, but he is going to have to. Now, this simply means that the costs in education, which escalate more rapidly, the ordinary maintenance costs in education, escalate more rapidly than any other government service, with a possible exception of health, will continue. If we are going to discharge our responsibilities, to provide the teaching requirements, the operating requirements (forget capital) that we are now faced with, then this theory of taking \$2 million, that now comes in by way of school taxes and school assessments, and transferring that tax to the entire population does not mean any increase in taxes; that theory goes by the board. That is not a theory at all. That is hogwash, because it is not going to happen.

The simple fact is that this Province is going to be hard put, in

the next few years, to find the taxes to meet the frightening escalating costs in education that are set forth in this budget, without taking on more. So where is it going to come from? Listen to this now, while we are talking about DREE. Mr. Marchand's Bible. "In reference to increases in funds transferred from the Federal Government indications are that the provinces should not expect changes in the equalization formula or increases in conditional grants for some time." This is written, this is since DREE, this is 1970. The Federal Government's present attitude is that the Provinces must further exploit the revenue sources available to them. However, in the case of the Atlantic Provinces these sources are already inadequate.

Now, what is the point of dragging DREE across the horizon and say that because of DREE we are going to be able to take over the full capital cost of constructing schools without increase in taxes? A simple fact is, Mr. Chairman, that our people are taxed into the ground now. They are taxed higher than they should be. There is nothing that is contributing to the cost of living as much in Newfoundland and putting it so far out of whack as the SSA. Tax, and the gasoline tax. So, are you going to tax them any more, are you going to tax industry? The announced policy of government is that any industry wants to come in here gets all the tax rebates and havens that it wants. You cannot even tax the Holiday Inns because they are a Crown Corporation. So where is the money going to come from?

It has to come from one of two sources. It has to come from the further whopping of taxes and this was the pattern after 1966, '67 and '68 increase and '69 the gasoline tax. It is not a question of anybody frightening the people. All you have to do is point to the pattern and point to the facts.

Mr. Chairman, you know nobody has told this Committee, I wish the Hon. Minister of Education were here, because he is the one who knows, should know, about Education and he is the one who should know about the financing problems of Education. But nobody has unfolded any reason to indicate a change or what change has occurred that now makes it possible, in 1972, to do all this, without an increase in taxes, when it had to be cancelled in 1966. The indications are, Mr. Chairman, clear and unmistakeable, that to meet the education cost of the Province to, avoid having, as we did last year, a principal of one of the Christian Brothers coming on the Television and saying, "it is now May and I have run out of chalk." To avoid going into the administrator of the Integrated School Board and being told; "look, there are programmes here that are five years old that should be implemented and my academic staff come into me and, I say, look, when I pay the janitorial service, the caretaker service, the cost of maintenance, I have \$1,000 left for everything else."

If you accept another philosophy, philosophies change from hour to hour. This morning we were told by the Hon. the Premier that the Scottish philosophy was good; that you do not place, the great thrust is not on buildings, the great thrust is on the quality of Education, as the member for Fortune Bay said; it was confirmed by the Hon. the Premier. Now, if that is the thrust, if that is where we have to direct our attention, if we have to avoid what Dr. Philip Warren said, not in 1967 but said in a recent speech last year, six months ago, to Gonzaga High School; if we are going to place this Province in a position where this statement will not be true, then there is going to have to be far more money spent on operational costs. Here is what he said: "We have large numbers of children dropping out of school, the highest in Canada, bright children as well as slower ones. We have a large number of children under-achieving in our schools. We have a critical, (not this Warren Report



of '66 or '67) we have a critical shortage of classrooms and adequate school facilities. Many teachers are vastly under-educated for the job they are called upon to do, and, of course, we have a growing amount of student discontent, student protests etc. I believe, (this is Dr. Warren's words) "if you examine these facts, I believe the term, 'crisis in education' is entirely fitting." Now, this is not a crisis Mr. Speaker, that is peculiar to Newfoundland. This is not a crisis that is going to run away from Newfoundland but it is obviously a crisis that is going to cost Newfoundland more, on a percentage basis, than any other province, on a per capita basis, because we have that much further to go to catch up. So you cannot have both. You cannot have the necessary funds that our educators are now demanding, to improve our services, cannot have that without increasing taxes. You cannot have that and you cannot have this new programme that is now being talked about, one minute stated and the next minute denied, without something having to give.

So the choice is simply this: Either the taxes go up or the quality of education goes down if this last programme as announced, as announced, is implemented.

MR. MARSHALL: Mr. Chairman, I cannot add too much to what has already been said, except to note this fact that out of these estimates, out of the salary of the Minister's Office, and the debate that has been carried on since that time, we have received an intimation from the Government that it intends to take over all of the cost of education, which, as we said, is quite proper. And for the first time, this afternoon the Government is come to grips with the startling reality (startling to this government anyway, but not startling to people who know anything about meeting their obligations) that in order to do this ultimately the taxes of this Province will have to be increased. We were told quite plainly this afternoon, by the Hon. the Premier, that in the first instance it would be paid (a) all out of general revenue. Well this is going to be impossible, unless general revenue is increased. We just

have not got enough general revenue to meet this crushing burden that is going to occur.

So, then the Premier was not dishonest I am glad to say. The Premier then admitted; he said that we were not going to have any property taxes that he had pledged the people of Newfoundland that we would not have property taxes. Well we have property taxes for schools in the school tax authority throughout the Island. In any event he has given us an indication -

AN.HON.MEMBER: Not imposed by this Government.

MR.MARSHALL: Oh, not imposed, authorized - if the Premier hated property taxes so much, he would see that the communities were provided with enough money from the general revenue of the Province, so that it would not be necessary for them to impose these school taxes. So, then we are told that the manner in which these increased costs are going to be met is going to be by an increase in taxes and we can forecast that the SSA is going to be increased next year by one per cent, if this Government stays in power, which is doubtful. The Premier has stated that he hopes to take over all of the cost of education and he has indicated that, in order to do this, there is going to be an increase in taxation. If he is going to realize his hopes there is going to have to be a definite increase in taxation.

Also, there may be an increase in the personal income tax and the personal corporation tax. Now the Hon. the member for Burin has already pointed out something that really does not need to be pointed out, because it is felt by each and every individual in this Province that taxes, both direct taxes from income tax and the SSA tax, <sup>and</sup> other indirect taxes, are as high as this Province, the people of this Province can bear at the moment. As a matter of fact I seem to recall that last year when an increase, I believe it was last year or the year before, but certainly the last time when there was an increase in the rates of taxes, first, of corporation

taxes, that were placed here by the Provincial Government, when  
the member of the Government introducing this measure, at the time,  
I believe it was the Premier went to great pains to point out that  
our taxes then, our corporation taxes then were as high as they could  
possibly be in order to assure, without risking the -

MR. MARSHALL:

vitality of the corporations and deterring their interest in developing this Province. In other words, to put up the rates any more than they presently were would have the effect probably of a detrimental effect on the development of this Province.

There is no doubt about the fact that taxes are as high as they possibly can be. Again, as I say, we had pointed out to us this afternoon that it is the intention of this Government, should it come back to power, should it realize the hopes of the Government as expressed through the Premier, to increase taxes. This is something that has to be. I suppose taxes will have to go up because of the way the country has been managed. It is not right and it is certainly incorrect to announce a programme and to give the people the impression that it is going to cost nothing. It is going to cost plenty, and we have had an intimation today that, after the election, the Government are going to do the same thing it did after the previous election that is increase taxes and increase them heavily.

MR. CHAIRMAN: Shall 601-01 carry?

MR. CROSBIE: Before that carries, Mr. Chairman, just before it carries, I want to make a comment on the comment of the Premier that he may impose closure on the House. Mr. Chairman, this House have met I believe five weeks, so far, this session. Five weeks and five weeks only. It opened in the last week in March, it adjourned for a week at Easter, so we have met now five weeks. There is no reason why the budget could not be brought down earlier, but it was only brought down seven days ago. The Budget Debate has not started yet, that is the Government's choice. We have only discussed the estimates for three or four days. Yet, the hon. the Premier now threatens this House with closure to force the estimates through. Unheard of at all in Parliament to have closure on the estimates. This is the way the Premier wants to avoid issues being discussed.

The issue today is not a policy fact as to whether the Government should take over the capital cost of schools. Most people would agree this is the preferable thing to do. The question at issue is that the Government should explain how it is going to accomplish this, It should present the

MR. CROSBIE:

facts. We heard the Premier this afternoon say that the school boards collect about \$1 million. We have heard him say that the school tax authorities collect about \$1 million. Let us have the facts, not the Premier's expression or opinion on what the facts are. If this matter were going to take the Minister of Education two years to investigate - it was going to take several years of investigation and discussion. Now apparently the whole thing has been decided within the last two weeks. Let us have the facts, that this was decided upon. What is the exact amount collected by school boards in a year, through school assessments and fees and voluntarily donations? What is the actual amount of the school tax collected by school tax authorities in a year? What are the actual amounts owed by school boards and the denominational authorities? What is their debt? The Premier says, \$20 million.

If a committee has investigated this and has come up with the facts, let us have the report presented to the House, so we will know what we are talking about. It is just a bit too simple to pretend that this would be a question of eliminating \$2 million in school assessments and tax and replacing it with \$2 million. The former Minister of Education well knows that that is not the case. That \$2 million will have to be replaced with \$5 million or \$10 million. What we want are some facts and some outline by the Government on how it is going to come up with this revenue, not just the suggestion of adoption of a policy and then no discussion until after the election is over.

We would like to know what these figures are, and what the problems are and what the investigating committees have come up with? We say that these facts should be made known to the Newfoundland people now or before the election. Not after the election.

The hon. the Premier says, the Warren Commission did not know about DREE. That is right, they did not know about DREE. In those days it was ARDA. It was FRED. And there were other possibilities.

MR. CALLAHAN: Oh come off of it! Who said there were no possibilities?

MR. HICKMAN: No! No!

MR. CALLAHAN: Inaudible.

MR. CROSBIE: They looked at all the tax sources of the Province and said that they were not sufficient, they were needed for other purposes. The only alternative they could see was a property tax

MR. CALLAHAN: Right.

MR. CROSBIE: Right? Well if the property tax is not an alternative, if the Government says no, fine, the Government says, no, then we want to know what are the taxes the Government plan to put up and how much do they have to go up, and how the Government are to meet its other obligations in relation to this particular obligation? That is what this discussion is about.

I personally agree with the policy of the Government taking over one hundred percent the construction cost of schools. But, what I want to know is; what is involved in doing that and what are the facts and how does the Government plan to raise the necessary revenue to carry this all along? We have not been given that yet and we would not even know about it, if we were not questioned on this side of the House, for some information. Before the election comes the people will want to know these facts and they will want to know what taxes and how much and what the actual costs are?

MR. CHAIRMAN: Shall the item carry? Carried. Shall 601-02-01 carry?

MR. MURPHY: Mr. Chairman, does this item pertain to the minister himself, may I ask, Mr. Chairman, this @2,000, it was \$3800 last year.

MR. SMALLWOOD: Yes.

MR. MURPHY: Just the minister's travelling?

MR. SMALLWOOD: Yes.

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

On Motion 601-02-01 through .03 carried.

MR. CHAIRMAN: 602-02-01?

MR. CROSBIE: Mr. Chairman, on this sub-head, which has to do with General Administration. can the acting Minister of Education or some minister across the House tell us whether the Government plan a revision of the Schools Act or not? The legislation that was passed by the House, in connection with



MR. CROSBIE:

education, in 1968 and 1969, including the Schools Act which the Government then said would be looked at after it was passed, I know myself from personal dealings with the Schools Act, there are many unsatisfactory aspects of the operation of this Act in practice. For example, the position of teachers who appeal to the Minister of Education, in connection with their dismissal as teachers or for other reasons outlined in the Schools Act, is not satisfactory. There is no proper procedure laid down in the Act. There is a possibility that the minister can decide appeals without hearing the parties on the question or having a proper hearing in connection with it, the denial of natural justice. This is an unsatisfactory part of the machinery of the Act. What I would like to know, is the minister having this Act looked at by any committee, and is it proposed to make some changes? I know it will not be done this session. But are these questions being considered and is a general overhaul in the Schools Act being contemplated?

MR. SMALLWOOD: The answer is yes to both questions. Amalgamation with legislature for next session.

MR. EARLE: Mr. Chairman, on this particular vote there is a slight decrease in the vote for salaries, it would be normally expected that there would be some increase in teachers salaries. This year, unfortunately, in the salary detail, we do not have the comparison in the number of staff this year as against last year, as we had in previous years. I am wondering if this is a reduction in staff or a saving by some other means?

MR. SMALLWOOD: Yes, Well, we made provision in the estimates last year for a number of persons whom we were not able to get, so we did not spend it, so we are not asking for it this year.

MR. EARLE: What was the actual expenditure last year?

MR. SMALLWOOD: \$332,000 and we asked for \$353,000. We are asking now for \$346,000.

MR. CHAIRMAN: Shall 602-02-01 carry? Carried.

On motion 602-02-02 carried.

MR. MARSHALL: Mr. Chairman, 602-02-08, on this point, charges for computer services have gone up quite a bit and also, by going quickly through

MR. MARSHALL:

the estimates of the other department, it would appear to be at least close to twenty-five or thirty percent increase in these charges for computer services. Perhaps, we should wait, Do we wait until the Finance Estimates are discussed for this purpose? But, I would like to ask the question, why the increase? (2) With the use of these computer services what savings, overall savings, will be realized to the Government by reason of using the computers to the extent that they have been used?

MR. SMALLWOOD: They are sending us larger bills for the work they are doing for us, because they are doing more work for us than they were, and the overall saving to the whole Government is \$110,000 a year.

MR. CROSBIE: How is that arrived at?

MR. SMALLWOOD: I have not got the break down. Put in as a question on the Order Paper and I will get it.

MR. CROSBIE: The overall saving on computers this year?

MR. SMALLWOOD: The overall saving was \$110,000.

MR. MURPHY: In other words, we lay-off people -

MR. SMALLWOOD: The Corporation are making a report shortly, and we will be glad to table it.

On motion the total sub-head 602 carried.

MR. MURPHY: 604-01- Student Aid, could we just have an explanation of what this student aid is about, is this salaries too?

MR. SMALLWOOD: It is the administration of bursaries, scholarships, student aid of all kinds.

MR. EARLE: In that connection, Mr. Chairman, do they have committees consisting of University personnel and so on to assist.

MR. SMALLWOOD: Yes, they do. Yes.

MR. EARLE: Are they paid anything or are they voluntary?

MR. SMALLWOOD: I do not think they are paid, are they?

MR. MURPHY: There is only a staff of eight.

On motion total sub-head 604 carried.

MR. CROSBIE: The only thing on 06, there, Mr. Chairman, last year there was only \$350,000 shown in the estimates for 06, M.U.N. Student's Salaries,

MR. CROSBIE:

the actual amount paid out was apparently \$656,000? What was the reason for that, it is almost double?

MR. SMALLWOOD: There was a quite unexpected increase in enrollment at the University, unexpected by everyone. So it took more money.

MR. MURPHY: 611-01 - School Supplies. Is this over on LeMarchant Road now, I ask?

MR. SMALLWOOD: Yes, it is. LeMarchant Road West. It is really Cornwall Avenue, is it not?

MR. MURPHY: Cornwall Avenue, yes.

On motion 611-01 to 611-02-01 carried.

MR. EARLE: 611-02-03 - Provision and Distribution of School Supplies is practically doubled, why?

MR. SMALLWOOD: Well, we are giving free books for all students below grade four, and paying seventy-five percent of all school books above grade four. That is the reason why it goes up from \$1.8 million to \$3.3 million.

On motion the total subhead 611 carried.

On motion 612-02-01 carried.

MR. CROSBIE: Not too fast, Sir, 03 - Operational Grants to school boards, I assume is it - \$10,900,000.

MR. SMALLWOOD: That is right, that is in lieu of school fees. They were collecting less than \$2 million in school fees and now we are giving them \$11 million this year, in lieu of school fees. We are giving them \$11 million instead of the \$2 million they collected themselves, in school fees when we did away with school fees.

MR. MURPHY: 06 - Colleges. What comes under the classification of colleges now, may I ask; Mr. Chairman?

MR. SMALLWOOD: The denominational colleges are made grants. These are the colleges that are referred to in term 17 of the Terms of Union. Littledale St. Brides, St. Bon's.

MR. MURPHY: Is St. Bon's still a college?

MR. SMALLWOOD: Not St. Bon's, no. Not Queen's, no.

MR. EARLE: It used to be Bishop Field.

MR. SMALLWOOD: Bishop's College, I think it is called, is it not?

Actually the only colleges left I think are St. Brides and Littledale.

That is who gets them.

MR. CROSBIE: 09- Bilingual Education. What is this, Mr. Chairman, bilingual education.

MR. SMALLWOOD: Exactly what it says.

MR. CROSBIE: Yes, I mean but this is a new item, I know what it says, bilingual is more than one language.

MR. SMALLWOOD: It has been announced. It is well known.

MR. CROSBIE: This is not well known to me.

AN HON. MEMBER: Inaudible.

MR. CROSBIE: Yes.

MR. SMALLWOOD: That is it.

MR. CROSBIE: What is the \$100,000 to be spent on? Parle-vous? What is the money to be spent on, Mr. Chairman?

MR. SMALLWOOD: It is the promotion of the teaching of Canada's second official language in this Province.

MR. CROSBIE: But how is it to be promoted?

MR. SMALLWOOD: We will pay the salaries of the teachers who can teach French.

MR.

MR. HICKMAN: Is this the Port au Port...

MR. FRECKER: No, no, that is a special project.

MR. HICKMAN: The French teachers' salaries are contained in 02-01, are they not?

MR. CROSBIE: Mr. Chairman, it would be interesting to know just how this operates. It is \$100,000 from the Government of Canada for us to spend. It is to train Newfoundland students in speaking French, or something, is it not?

MR. FRECKER: No I happen to be the member of the Ministerial Committee dealing with this subject, so I act as a liaison, Mr. Chairman, with the Department of Education and the Pelletier Committee on this.

The Federal Government had worked out a formula which operates right across Canada. With regard to our share it works this way: In our schools French is the second language of preference. It is taught in our schools so many hours a week. The number of hours it is taught in our schools and the number of students who take it, worked out as a proportion of the total number of students and the total number of hours spent on all the subject, brings about a formula which enables us to submit figures to the Federal Government, which they will take into account in determining Newfoundland's share of a very large grant which is spent across the Dominion for the promotion of the teaching of the second language in the various Provinces, and this is on the high school level.

MR. CROSBIE: What do we spend it on? More teachers or better teachers or what?

MR. FRECKER: No, Mr. Chairman, what is naturally happening is that we are forwarding, to the Federal Government, information based on what is actually being done in our schools, in the teaching of French, and the

MR. FRECKER: Federal Government accepts these figures, if it is a thousand hours and a thousand students, that gives you an entitlement to so many dollars. It is so many dollars per student hours or something such as that.

MR. CROSBIE: Which is extra money that can be spent at anything.

MR. FRECKER: No it is intended to be spent for the promotion of the teaching of French in schools.

MR. HICKMAN: Does this mean that if a high school comes to the Minister with a programme, a new French programme, looking for additional salary units, that high school's programme if approved, can get the additional salary units and / or teaching aids.

MR. FRECKER: No, the individual schools do not get the money, Mr. Chairman, the Province gets the money. But it is based, if a number of schools had special projects, it would be taken into account in the submission that would go to Ottawa but the money would not be paid to the schools, it would be paid to the Province.

MR. HICKMAN: I realize that it would be paid to the Province, but I do not understand it.

Some of the high schools now are beginning to use language labs which are most effective but expensive, and they certainly cannot rob their maintenance grants or capital grants to provide these. Now if the high school, Regina High School in Corner Brook, came to the Minister of Education and said, "here is our programme to improve the quality of instruction in French in our system and we require \$50,000 for new language labs," are they then entitled to receive or will they receive, out of that \$100,000 grant, the necessary funds to do this?

MR. FRECKER: I would say, Mr. Chairman, that that would depend on the policies of the Department of Education. I believe that they could receive aid for such special projects.



MR. SMALLWOOD: Actually yes. The money is to be spent largely by the engaging of two specialist supervisors who will travel throughout the Province meeting with the schools and the principals and organizing the teaching of French. That will cost about \$25,000 a year for the two.        will be two specialists.

Secondly, subsidies and grants will be made to schools to enable them to buy equipment, teaching lab equipment and paraphernalia, up to the limit of the \$100,000.

MR. MURPHY: Mr. Chairman, does this have anything to do with the exchange ...?

MR. FRECKER: No, it is quite a long story, Mr. Chairman. It is all part of this Bicultural and Bilingual Commission that was set up. One of the recommendations of that Commission was the promotion of teaching of the second language, whether it be English in French areas or French in English areas. They can do any number of things with the proceeds that come from the formula to make the thing better and better.

MR. HICKMAN: May I suggest to the Committee on that point?

We, in this Province, have a glorious opportunity to avail of some of the recommendations and implement some of the recommendations of the B and B Commission. I think we have to start thinking in Newfoundland along these lines, that unless we start increasing our input, so far as the teaching of the French language is concerned, we are barring Newfoundlanders from the Federal Civil Service, insofar as getting outside Newfoundland is concerned. Because each year the noose is tightening. That is the word, the noose is tightening, and the chances of a young man coming out of high school in Newfoundland today and going down to the Sir Humphrey Gilbert building and going to work for the Government of Canada and finding himself promoted into a senior position in Ottawa, has pretty well disappeared and will continue that

MR. HICKMAN: way until we produce Newfoundlanders who are truly bilingual.

Now, because of the size of our population, because of the lack of many strong areas, large areas of large French population, this is going to be a pretty difficult task. But we have a situation - that was briefly touched on by the hon. Leader of the Opposition.

We have a situation with St. Pierre and Miquelon close to our shores, that we are not availing of, but which the University of Toronto is availing of, availing of very effectively, by their programmes that they now are implementing in St. Pierre.

When I grew up, and the hon. Minister of Provincial Affairs, we had it in reverse. There used to be a practice, and I suspect it still goes on, here, on the Burin Peninsula, of students coming in from St. Pierre to do their grade eleven in Grand Bank, particularly in Grand Bank, and some from Grand Bank and Fortune went out to St. Pierre. Again they simply went into the classroom, no concessions made.

I can recall, the year I was in grade eleven, there was a girl came in from St. Pierre. She did not know one word when she arrived in the classroom. There were no concessions made to her. The Minister of Education was her teacher. He did not say "now we will excuse you from Mathematics or English or History, because of your inability to cope with the language." She was left there to pick it up as best she could. By June she could speak English without a trace of an accent, no accent at all. She wrote here matriculation examination in English, in Newfoundland, and got an honors certificate.

Newfoundland students have done the same thing. I am sure that a thousand ideas can be suggested as to how to spend that \$100,000. One is spending \$25,000 on travelling for two teachers who will

MR. HICKMAN: presumably try and assist the classroom teachers in setting up new programmes - certainly not uncommendable.

But I believe that if any of the other Provinces had on their doorstep what we have St. Pierre and Miquelon, that this is where the \$100,000 would go and it would not be long....

You can take a grade eleven student right now out of any high school in Newfoundland, in the middle of June, give them, he or she, \$300, send them over to St. Pierre, which will cover their board. The St. Pierre Government will welcome with open arms and provide the courses, as they are doing for the University of Toronto. I would bet you anything that, come August 31st. that student will be bilingual, and that that student will meet the bilingual requirements. Having once acquired it, having once acquired the facility and the ability to speak French fluently, they never lose it.

I would commend to the Minister of Education and to his officials this programme. It is all very nice to stand on the wharf in Fortune and watch forty student from Ontario, of all ages down to about twelve years of age, going over, occasionally one of ours,

One of the daughters of the hon. senior member from Harbour Main, a few years ago, wanted to do this programme. She could not do it through Newfoundland, she had to register at the University of Toronto in order to move from one part of Newfoundland to the other to get over to St. Pierre.

I would like to hear the hon. Minister of Provincial Affairs on it, because he is the expert; he is a product of it and so are his parents.

MR. FRECKER: I could not agree more, Mr. Chairman, with the sentiments expressed by the hon. member for Fortune.

It might interest this House to know that I was born in an

MR. FRECKER: English family in a French colony. At age thirteen I could not read or write a word of English. I went to Halifax to school, after having done seven years in French, I was put in grade seven because I was thirteen. It took me two months before I could read English. I was looking at the books and they were looking at me but all of a sudden it came. I had that very same experience, I have been preaching that doctrine for years and years, that we should use the Islands of St. Pierre and Miquelon, both to bring teachers, even if they are not trained teachers but Francophiles, into our Newfoundland schools to teach the language, not the grammar not the composition, as if these were going to be Ph.D's at a future date, but to teach them the ordinary conversational French.

This I have advocated very strongly. Furthermore, years ago, before Toronto University got into the act, I proposed the idea to Memorial University, that they should start a summer school in St. Pierre, but they were too high and mighty at that time. They thought it would be better to hire a plane, to charter a plane and take the students over to Paris, poor little St. Pierre was too humble to be of service. But Toronto University comes down.....

MR. SMALLWOOD: You would not prefer Paris anyway.

MR. FRECKER: Well the Professor might have.

But the idea is so logical and so good! It will be of interest to the House to know, I think Mr. Roeböthan, if he were free to speak, could back this up, I believe the Department of Education is planning to send a number of teachers or making it possible, rather, for a number of teachers, I think it is fifty or something, to go to Trois Pistoles that is a place in Quebec where they teach conversational French. I believe that the University itself is going to organize a special course for French language teachers or teachers of French language this summer.

MR. FRECKER: That is correct. So we are moving in the right direction but it is taking us a long time to catch on to the possibilities.

MR. EARLE: Before carrying 10 Mr. Chairman, I understand the reason for the vast increase in expenditure this year, I do not need to question that but I do recall a number of disputes over the bus transportation, particularly this rule which applies about the one mile limit for children going to school.

I recall that a gentleman at the Development Conference got up and asked what was the difference of a child having its pockets three-quarters full of water and fully full of water?

I am wondering if these regulations have been in any way made elastic. The same situation or trouble developed over the Labrador situation, when children had to go to school in forty below temperatures. Are the regulations under the bus transportation so rigid that these emergency situations cannot be met or has there been any relation or can there be any relaxation whatsoever?

MR. CROSBIE: Mr. Speaker, let me

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in these estimates here. We are doing the estimates of the Department of Education, without the minister. I do not know why that has to be. Why is there an emergency to put through education estimates today and the Minister of Education cannot be here? Surely, it is a matter of courtesy to the committee that the Minister of Education, unless he is ill, be here. We can do his estimates next week and do the estimates of some department who has a minister here. The hon. the Premier does not have the detailed knowledge of this subject. He is asked a question now about school bus transportation in Labrador. He does not wish to give any information on it.

MR. SMALLWOOD: I said, "we do not think so." I did answer it.

MR. CROSBIE: Well that is not enough information - "we do not think so."

MR. SMALLWOOD: Well that is it. That is our policy.

MR. CROSBIE: Why is it the policy? Up in Wabush and Labrador City, they have what seems to be a legitimate complaint that there children have to walk a mile to school or a-half mile to school. They have way below zero temperatures. The school board does not provide school bus service, because the Government does not subsidize it, unless you are coming in from an area a mile outside the boundaries of the school or the town. Why cannot the policy be changed, if this is justified for certain areas where temperatures go to a certain level? I mean there are a very few areas in this Province where the temperatures drop to below zero. Certainly there are very, very few areas where it goes below - ten below zero. So why cannot there be an amendment to the regulations? The Government, this year, are taking over, in its wisdom and generosity, the complete cost of the transportation of school children. It used to be, I think, ninety per cent. paid by the Government or some figure like that. It is now taking over one hundred per cent, but this is still not going to solve the problem in Labrador City and Wabush. So would the Premier (The hon. Minister of



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Education is not here ) give us the reasons why it is felt that there can be no exception?

MR. SMALLWOOD: Yes. The matter has been given a tremendous amount of publicity and our reasoning has been stated again and again publicly. It is easy to say it and say it very briefly. We cannot do it in one town except on the same terms and conditions as we would do it in any town. If we are to relax that rule for Labrador City, then quite obviously and admittedly we must do it in any part of our Province where the same conditions, approximately the same conditions, climatic, meteorologically conditions prevail. This would cost us over something like \$2 million a year more than it costs, if we do not do it. If we adhere to the rule that has been made, we will save \$2 million a year compared with relaxing the rule and changing it. We can change it, if we do only everywhere where there are approximately the same conditions. This matter has been gone into very thoroughly in the department. The costs have been very carefully estimated of changing the rule to meet the requests of the people of Labrador City.

MR. EARLE: Mr. Chairman, I can understand why the Labrador situation and others perhaps similar would cost a lot of money. But there is something I cannot understand and that is: What is the difference between nine-tenths of a mile, a child living nine-tenths of a mile and a mile and one-tenth? When the bus actually passes ...

MR. SMALLWOOD: It is two-tenths. The distance is two-tenths.

MR. EARLE: I know the distance. I am not that stupid. But why on earth cannot a bus, passing a child's door, just draw up quickly enough for the child to get aboard; because he happens to live nine-tenths of a mile instead of ten-tenths of a mile away from the school?

MR. SMALLWOOD: There have to be rules, do there not?

MR. EARLE: There have to be rules but not stupid rules.

MR. MURPHY: My thought with reference to the Premier's explanation sounds good - one mile. It could be seven-eighths. I mean whatever is said is arbitrary. But with reference to special circumstances, I feel quite frankly that, in being human, some little allowance could be made. But I direct a question now, Mr. Chairman, to the committee and that is an announcement I think I heard yesterday or the day before about two-way radios in all the buses. Is this a rule established by the Department of Education or is it a safety rule by some other group or does it come under the Transportation Commission? I heard it announced yesterday. It is the first time, I think, that it has ...

MR. SMALLWOOD: Yes, it is a safety measure that we have adopted to be put into all school buses. I do not know how rapidly we can get the two-way radio system installed in every last bus in the Province, but that is now our policy, not in City but in rural areas.

MR. EARLE: Who examines the qualifications for school bus operators? Is it the Department of Education or the Department of Highways?

MR. SMALLWOOD: Up to now the school buses have been hired by the school boards. The operation of the buses and the work of the operators, the drivers, has been the responsibility of the school boards. Is that continuing to be the case? Yes, this will continue to be the case. The only difference being that now we will pay the school boards the full cost of the buses whereas before we were paying only part. But otherwise the operation will go on the same.

MR. HICKMAN: On that question of safety, Mr. Chairman, before we pass over. I realize the school boards hire the buses. I believe that there should be very, very rigid restrictions imposed on the qualifications of school bus drivers, not that they simply qualify to drive a motor vehicle and get a motor vehicles licence. If you meet any of these school buses on the highway, they are packed to the doors, loaded to the gunwales. You have a driver who is operating over roads that leave a great deal to be desired, operating and driving buses under very trying circumstances. We have been very, very fortunate

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that the number of accidents involving school buses have not been frequent nor serious. There was one very close call in Bull's Cove, Port au Bras, this year, when a loaded bus turned over and went off the road but, miraculously, everybody walked away. There have been a couple of fatalities. There has been at least one (Mr. Roebathan would know the number) where children have been injured after they got off the bus. You have the driver, where his bus is absolutely filled to capacity and he has no way of seeing whether his bus is free or empty or whether the child has actually gotten its foot off the steps. He is trying to rely on a six or seven year old to shout, "all clear." Parents have sent letters to the newspapers about it, letters to the editor. There was some agitation in the Gambo, Dark Cove area last year, when one of these fatalities occurred. Indeed some people have suggested, and I do not know if this is the pattern or not, but there has been a suggestion that a school bus carrying such a large number of children under these circumstances, should follow the pattern and be equipped with (I do not know what you call them) conductors or some other person, whose responsibility it is for the safety of the children, and leave the driver free only to manoeuvre and drive his bus. There was a letter to the editor from some person who appeared to be rather knowledgeable, and he suggested that this was being done in other jurisdictions. Now I do not know if this is true. The hon. Minister nods his head, If it is...

MR. JONES: It is usually in urban areas.

MR. HICKMAN: Pardon.

MR. JONES: Usually in urban areas.

MR. HICKMAN: Well I would suggest to this committee, Mr. Chairman, that the responsibility imposed on a driver operating between Fox's Cove and Burin or around Hibb's Hole is far greater than that imposed on a bus driver in an urban area or manoeuvring around some of the roads in St. Mary's. I think that, whilst we can consider ourselves fortunate that we have escaped so far, it would be absolutely tragic if we simply sat back and said because it has not happened in the past, it will not happen in the future.

MR. EARLE: Mr. Chairman, before we get off this subject - on school bus transportation; As I understand it, a year or so ago, there was supposed to be a report made on the whole picture of school bus transportation. Now I made a statement earlier in this session to the effect that there was some duplication and criss-crossing and inefficiency and so on. The Minister of Education challenged me on that. The only reason I asked the question was to elicit information, because none of us in this House have heard the conclusions of this report. We are wondering if a report has been made. If so, what it contains and why can it not be presented to the House for the information of members?

MR. SMALLWOOD: The firm of chartered accountants and auditors, Peat, Marwick and Mitchell, did make a report of the operation of the whole bus system of the Province, and made recommendations, most of which we have carried out.

MR. CROSBIE: Mr. Chairman, that was a report done by Kates, Peat, Marwick and Mitchell.

MR. SMALLWOOD: All right.

MR. CROSBIE: They are business consultants. That report, Mr. Chairman, was a report that I asked the Minister of Welfare about in a question, about a week or ten days ago, because I asked the same question last year. Just a minute now, I am coming to that. Kates, Peat, Marwick were asked to do a study of transportation, in connection with education, social assistance and so. Yes, all uses of transportation, because there are very large amounts paid out, i.e., for the transportation of people who are on relief or receiving some welfare allowances, back and forth to doctors. One of the questions they were asked to look at was whether the school bus arrangement could be used to help transport indigents and welfare people around. So this is the report that I had asked about, that the minister said he knew nothing about. The hon. the Premier says that this report to the Department of Education has been made and that a large number of recommendations have been carried out. Could we have the report tabled and be told just what recommendations have been carried

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out that were made in this report and what recommendations they made generally with reference to transportation for health purposes, welfare purposes and education?

MR. SMALLWOOD: I do not know. I will have to see the circumstances. If it were merely a departmental, internal departmental matter, no I do think we would table it. If it is a public document, that is another matter. I will see and if it is the latter, I will table it.

MR. CROSBIE: On (14) Mr. Chairman, I have a question on that. Did I understand correctly the Premier to say earlier this afternoon that the \$8 million vote here that we are dealing with now is not to be used for the erection and equipping of schools but that it is to be paid over to the school denominational authorities to pay off past debts.

MR. SMALLWOOD: No that is not right. Neither of these statements is right.

MR. CROSBIE: Well then would the Premier explain what this \$8 million is to be used for?

MR. SMALLWOOD: I have already explained it, but I was willing to do it again. Slow intelligence sometimes has to have something repeated before understanding it. I said that our grant is \$8 million. We are going to give that \$8 million each year for six years - \$48 million. The churches owe about \$20 million and during the six years, they will pay off the \$20 million, which will leave them \$28 million of the \$48 million with which to erect schools. I have said that several times.

MR. CROSBIE: Mr. Chairman, that statement needs a lit bit of clarification. You see the impression is being given that this year the Government are granting or voting for the school authorities \$8 million to erect schools and to buy equipment this year. Now if the Premier explanation..

MR. SMALLWOOD: Nobody said that.

MR. CROSBIE: \$8 million erection and equipping of schools. In the great Budget Speech it is stated that this year this great sum of \$8 million is being voted for the construction of schools.



MR. SMALLWOOD: Right.

MR. CROSBIE: Yes. Well now the hon. the Premier says that part of it is to be used to pay off debts that were incurred to build schools in the past.

MR. SMALLWOOD: Right.

MR. CROSBIE: So the whole \$8 million..

MR. SMALLWOOD: Right, they have done that every year. They have been doing it for ten years.

MR. CROSBIE: The whole \$8 million is not to erect new schools this year, which the Premier tried to give the impression of in his Budget Speech. So the other question is: Does the Government have any knowledge of how much of the \$8 million is to be used for new schools and how much to be used to pay off old debts?

MR. SMALLWOOD: It is \$4 million to \$5 million on new construction and the remainder will be for the payment of construction already done. Within the six years they will have all debts paid off and will at the same time have spent about \$28 million on school construction, not counting DREE money.

MR. EARLE: Are the Government allowing the school boards, not only to pay off debts, but to incur probably very substantial forward debts which they will amortize out of this ..

MR. SMALLWOOD: I do not think they are doing that. Are they doing that? They can. They may. I mean they may. The word "permissive" - they have the right to do it. They may do. Perhaps they will.

MR. EARLE: This has been the practice in the past. It is probably the reason now why they owe \$20 million.

MR. SMALLWOOD: Knowing that they have \$6 million a year - \$8 million a year for the next six years and knowing that they have DREE money coming, it would seem very doubtful that they will incur new debts.

MR. EARLE: I do not think so. Is there any check being made on the amount that they are incurring.



MR. SMALLWOOD: The amount they do owe?

MR. EARLE: No, that they will incur.

MR. SMALLWOOD: I do not think they will incur any new debts in view of the large increases in the grants they are going to get.

MR. MURPHY: Mr. Chairman, with reference to that, quite frankly I feel with this important department with the tremendous amount of money that is involved, it is rather unfortunate that the minister is not here. I do not know how long he is going to be away, but may we suggest that possibly we could delay the discussion of this, until the minister's return, perhaps on Monday, and go ahead with some other department.

Well, we are talking about this great \$8 million, I was listening to the Premier expounding, and I discovered that it is something like \$560,000 over and above what we voted last year. Now apparently last year -

MR. SMALLWOOD: No, we voted \$4 millions last year.

MR. MURPHY: \$7, 440,000.

MR. SMALLWOOD: We voted \$4. 8 millions was it not?

MR. MURPHY: I do not know what we voted, well what was spent. I am looking at the estimates now.

MR. SMALLWOOD: Well say it. Say it right.

MR. MURPHY: The revised estimates \$7,440,000.

MR. SMALLWOOD: Right that is what we spent.

MR. MURPHY: Now according to what I understand, and I may be wrong, this was for new buildings. It was difficult with this to maintain any type of building programme. Now we are going to vote another \$560,000 this year, over and above what was spent last year, to enable them to pay off the \$20 million that was owed, and also to build new buildings. Now, I believe, and I maybe wrong in this, that during the year, it was early in the year, possibly just after the great Economic Development Conference, I think, the Minister of Education made a statement, I think it was an extra \$3 million voted towards -

MR. MURPHY: It is too bad the minister is not here, Sir, because after all his deputy is here, but unfortunately he is not in a position to stand up and speak in the House. He has to relay information. Quite frankly, I think it is quite unfortunate that the minister finds it more important to be in his district, at this time, than it is to be here in the House of Assembly. I would say that, in view of the great emphasis being placed on the \$144 million that it would not inconvenience the committee at all to delay this, until we talk with the hon. minister on it.

MR. CROSBIE: In connection with that point, Mr. Chairman, it is a very valid point. Here are the estimates of the Department of Education, the minister is not sick, he is not going to be away from his job for weeks and weeks, he has gone out, I understand, to Grand Falls for some function in his district, and he will be back in this House on Monday. Now his estimates are going through the House - we can ask what questions we like? We will get what information the Premier cares to give us, which is not very much, or what he gets -

MR. SMALLWOOD: All what the Minister of Education cares...

MR. CROSBIE: No, the Minister of Education is familiar with his department.

MR. SMALLWOOD: What he cared to give.

MR. CROSBIE: He is familiar with the department, the Premier is not.

The Premier cannot be familiar with every department. There are other ministers here whose estimates have not been passed, The Minister of Fisheries, Justice, Social Services and Rehabilitation, Mines, Agriculture and Resources, and we are being asked to consider education without the minister being here. That is neither right nor proper. So could we have a decision on that.

MR. SMALLWOOD: The decision is made.

MR. CHAIRMAN: Order, please!

MR. CROSBIE: What is the decision?

MR. SMALLWOOD: That I am piloting for the remainder of the day, I am piloting these estimates, with the help of the Deputy Minister. And as an ex-Minister of Education myself and as the Leader of the Government I am thoroughly familiar with it.

MR. CROSBIE: The hon. the Premier does not seem to be familiar at all with it.

MR. SMALLWOOD: Thoroughly familiar.

MR. CROSBIE: The Premier is not piloting them through the House, he is pushing them through the House. He is not piloting them, there is no piloting involved.

MR. SMALLWOOD: More obstruction.

MR. CROSBIE: Now, Mr. Chairman, listen to the speed-in speech.

MR. SMALLWOOD: More obstruction.

MR. CROSBIE: Listen to the weeps and wails. Listen to the cries and howls when there is a question asked.

Mr. Chairman, here is what the budget said about this \$8 million. Page 20. "We are asking the House in this present budget to authorize us to spend the sum of \$8 million, almost doubled last year's vote, for the building and equipping of new schools or classrooms." That sentence is there to pretend that the \$8 million is to be spent for building and equipping new schools or classrooms. It is just not true. The Premier has told the House now that this \$8 million is not for the building and equipping of new schools or classrooms. The Premier tells us \$2 million or \$3 million of that amount is going to be used by the denominational authorities to pay their debt on old schools and classrooms. Why then did the Budget Speech not say, "we are asking the House in this present budget to authorize us to spend the sum of \$8 million, almost doubled last year's vote to enable the school authorities to repay \$3 million of debt and to enable them to spend \$5 million on the building and equipping of new schools or classrooms." That would have been the truth. What is in the Premier's Budget Speech is not the truth. It is deliberate deception. It is deliberate hiding of the facts to pretend that this \$8 million is to be used, this actual year, to build new rooms and classrooms, - which the Premier says the contrary, which he now admits that \$2 million or \$3 million is to pay back old debts.

MR. SMALLWOOD: Mr. Chairman, if the hon. gentleman will allow me, we are giving the churches \$8 million this year for the construction of schools. If they care to use some of it to pay for schools they have already constructed,

MR. SMALLWOOD:

it is their right to do it. But, we are giving them money to build and equip schools.

MR. CROSBIE: That is just not so. The hon. the Premier is giving them the money, knowing that they got to pay off their own obligation in order to build new schools. The hon. Premier knew, when he drafted that budget speech, that this \$8 million was not going to be spent on the building and equipping of new schools or classrooms.

MR. SMALLWOOD: Do not be stupid.

MR. CROSBIE: It is not stupid. It is stupid to think that people are going to be fooled. What was the vote last year? The vote last year was \$4,150,000, which the Government immediately increased, as the Leader of the Opposition pointed out, so that it went up to \$7,430,000.

MR. SMALLWOOD: Perhaps, I should have had let him win. He is certainly making me pay for it, is he not?

MR. CROSBIE: He just cannot stand it. He cannot stand it.

MR. SMALLWOOD: The hon. gentleman there is much more modest than moderate. But you are going to make me pay, are you not? You are going to make me pay, are you not?

MR. CROSBIE: I would not dream of it.

MR. SMALLWOOD: I can take it.

MR. CROSBIE: No you cannot.

MR. SMALLWOOD: I did win, that is the beauty of it.

MR. CROSBIE: The hon. Premier cannot take it.

MR. SMALLWOOD: I did win.

MR. CROSBIE: The hon. the Premier cannot take it.

MR. SMALLWOOD: The hon. gentleman went down to ignominious defeat, so he is going to pay me back. He is going to get his revenge.

MR. CROSBIE: Do you not know I am eighteen feet underground at the moment.

MR. SMALLWOOD: But all he is doing is burying himself.

MR. CROSBIE: The Premier buried me eighteen feet deep. Yet, here I am still asking questions.

MR. SMALLWOOD: That is right.

MR. CROSBIE: Now, Mr. Chairman, to get back -

MR. SMALLWOOD: It is only the bones that are creaking now.

MR. CROSBIE: There is the voice from the grave. A voice from the grave asking another question.

MR. HICKMAN: I do not see any item here headed resurrection, but I am sure there is one somewhere, Mr. Chairman.

MR. CROSBIE: It is not the resurrection of schools. The \$8 million is suppose to be for the resurrection of schools and it is not. It is to pay for past resurrections. \$7,440,000 last year, so this year it is only \$600,000 increase.

But, the real point is, Mr. Chairman, that the committee should be given the facts. You see the Premier pretended until the debate went on today, when we brought up the question of taking over the denominational debts, the Premier pretended that this \$8 million is all for new schools. But having made the earlier statement, he now has to tell the truth, and that is that \$2 million or \$3 million is for old schools. So will the Premier now agree before he prints the Budget Speech, as every member of the committee knows, the Budget Speech is printed. There will be 2000 copies or 3000 copies of this printed. It will have the Premier's picture, like last year, on the front page, pictures of various ministers on other pages. Will the Premier change the paragraph on page 20, before the Budget Speech is printed, so that, it reads "we are asking the House in this present budget to authorize us to spend the sum of \$8 million almost doubled last year's original vote, but only \$600,000 more than last year's final vote, for the repayment of past debts by school boards and for the building and equipping with respect to \$5 million of new schools or classrooms." Because that would be the truth, and what the hon. the Premier has in his Budget Speech is not the truth at all. It does not even approximate the truth.

MR. SMALLWOOD: Stop saying "truth."

MR. CROSBIE: It is not the truth.

MR. SMALLWOOD: It is not the "truth?"

MR. CROSBIE: It is not the truth nor anything like the truth.

Remember that old oath you swear in court, You swear to tell the truth, the whole truth and nothing but the truth, so help me God.

MR. SMALLWOOD: If the hon. gentleman took it, he would say, " I swear to tell the truth, the whole truth and nothing but the truth." In "r" Government.

MR. CROSBIE: Let us have an elocution.

MR. SMALLWOOD: So laughably so.

MR. CROSBIE: Let us have an elocution lesson.

MR. SMALLWOOD: Oh, God!

MR. CROSBIE: Let us have an elocution lesson. The Premier hates it when caught out in a deception.

MR. SMALLWOOD: It is hard to take.

MR. CROSBIE: Page 20 of the budget.

MR. SMALLWOOD: I should have given him the Leadership, let him take the leadership.

MR. CROSBIE: You can go now. What was it Leopold Amery said? "In the Name of God, go!" It was something like that. The Premier can go any time

MR. MURPHY: The people of Newfoundland will be saying that in a couple of months time.

MR. CROSBIE: Right! But the people of Newfoundland are going to want to know about page twenty of the Budget Speech. We are going to ask for a printed copy from the Department of Finance, to see if page twenty is changed before that document goes out. Not; we are asking the House, in this present budget, to authorize us to spend some eight million, almost double last year's total." What an untruth. And last year's vote, \$7,440,000 and this year, is eight million, Mr. Chairman, double \$7,440,000? Not in my arithmetic, when I went to school. Eight million would be double four million, but last year's vote was \$7,440,000.

MR. HICKMAN: The handicap is gone to field.

MR. CROSBIE: We should have not learned the arithmetic and multiplication tables, so it is not doubled last year's vote. It is not for the building



MR. CROSBIE:

and equipping of new schools or classrooms. The hon. the Premier should correct that page in his Budget Speech and be ashamed that he tried to put it over in the first place.

MR. CHAIRMAN: Shall the item carry?

MR. HICKMAN: No, no, on that item. The Premier just made the statement that we give the \$8 million to the churches and they can do what they like with it.

MR. SMALLWOOD: I did not say they can do what they like with it.

MR. HICKMAN: Yes, they can do what they like with it, with respect to they can either pay off schools or pay off past debts.

MR. SMALLWOOD: Building schools. It is to build schools.

MR. HICKMAN: No, no. Let me remind this committee, Mr. Chairman, and Mr. Roebothan knows this is true, and I am sure he has confirmed it to the hon. the Premier, that every debt that has been incurred in the past, by school boards for the construction of schools, that these debts are known to the department and to the Minister of Education before they are incurred, and in the large majority of these cases, may be all, but I, Sir, I use "large majority," because you might find one exception to the rule, that the way this money is borrowed is that the school board goes to the bank and says; "we want to borrow \$500,000 to build a school in Bonavista," In order to borrow this the school board goes to the Department of Education, asks the Department of Education to write a letter, which is close to being a negotiable instrument, saying that this will confirm that out of the construction grant, whatever it is, it used to be \$4 million or \$3 million, there will be paid each year to the Bonavista School Board "X" number of dollars for the reduction of its debt at the Bank of Nova Scotia or whatever bank it is.

Now that is an obligation, whether it is a legal obligation may be open to some question, but it certainly was intended to be a legal obligation. So that the Government of the Province had to ensure that out of that \$8 million that it paid, that whatever payments on capital accounts that are owing

MR. HICKMAN:

By school boards, for buildings that have been erected in the past, that this year's payment must be met. So the Government knows, so that there is not this freedom of action, there is not this freedom to spend the money the way it has been suggested.

Another explanation that we have to ask with relation to this vote and with relation to the comment that it is unlikely that other monies will be borrowed by the schools, is the Bill that is before this House now, Bill No. 70, which is "An Act To Amend The Department Of Education And Youth." The explanatory note say this; "This Bill would authorize denominational education committee to borrow money." Now a question, the Minister of Education must answer this committee, is whether or not in addition to the monies that have already been borrowed by school boards in this Province for construction, will there be borrowing of money by the denominational education committee this year on capital accounts or has there being borrowing during the past say six months?

Because again, if that is true, and obviously it has to be true or this Bill would not be before the House, then we are still borrowing, monies are still being borrowed right now on capital account, for which legal obligation are being incurred and for which money out of this vote and subsequent votes will come, monies for capital account. I do not know who is going to furnish the answer to this question.

MR. CROSBIE: Bye, bye.

MR. HICKMAN: The question obviously has to be answered in some detail.

MR. CROSBIE: Bye, Bye, Black Bird.

MR. HICKMAN: And I suggest. -Mr. Chairman, what do we do now? This committee is entitled to an answer. Who is going to answer it now? Mr. Roebathan has the answer, but regrettably he cannot stand.

AN HON. MEMBER: Inaudible.

MR. HICKMAN: I move, Mr. Chairman, that this item stand, seconded by the hon. the member for Fortune Bay.

MR. CHAIRMAN: Motion is that item 14 stand.

MR. CROSBIE: It is not going to be carried, Mr. Chairman. It is not going to be carried today, until we have the Minister of Education here to deal with it.

MR. SMALLWOOD: Obstruction.

MR. CROSBIE: Yes, obstruction. What contempt, that the estimates of the department are going through the House without a minister here. There is the obstruction.

MR. NEARY: Inaudible.

MR. CROSBIE: You got an obstruction in the brain. There is the obstruction. Now is somebody going to speak on the item? This item is not going to carry, Sir, I was going to address myself to it, if I have to for the next fifteen minutes. I trust that I will not have to -

MR. MARSHALL: Mr. Chairman, this item for the construction of schools, I think at least we are entitled to know - Are we not entitled to know how much of this money this year will be used for school construction and how much will be used for the purpose of retiring past debts? It certainly is correct that the impression was given, when the Budget Speech was delivered, to the effect that this money, this vote of \$8. million, is going to be used for the building or equipping of new schools and classrooms and the word "new" was used. Obviously, from the information that we have received in Committee, this is incorrect. The situation is that eight times six, \$48. million, is going to be given over a period of time, although the House cannot commit itself for future Houses, but this is the plan, to give this amount of money to the school boards. We are told that a certain amount of this money is going to be necessary to retire debts.

Now there are certain questions that the general public is entitled to know, that we are entitled to know. What is the exact amount of these debts? When do they fall due? How much of this money, from this \$8. million each year, will have to be used to retire old indebtedness? Because, as it presently exists, it is entirely conceivable that this \$8. million can be given to the school boards. It is not enough for the Government to say we are going to give it to them for new construction. \$8. million is being given and the Government should know what its money is actually going to be used for and, apparently, it does not know. It does not know whether it is being used for the purpose of school construction this year or whether it is being used for the purpose of retiring past indebtedness. We know that it is being used for a combination of both or the Government hopes that it may be used for a combination of both. But surely we are entitled to know their proportions.

It is particularly serious because of the chronic lack of classroom space, Mr. Chairman, in the schools. The proportion, particularly in the urban areas, of pupils to a classroom is very, very high and dangerously high

MR. MARSHALL:

and everybody realizes this. Certainly, in the city of St. John's, particularly over the past few years, we have seen school children having to be accommodated in temporary classrooms. We have seen the student-teacher ratio at a very, very high level and there is a chronic need for proper school construction or more school construction in the Province and in the city of St. John's particularly. So this being so, faced with these circumstances and faced with these facts, surely to Heavens we are entitled to know how much of this money, this year, is actually going to be used for school construction. Surely we are entitled to know where these schools are going to be located. Are we not entitled to know what plans have been made, what steps have been taken by the Department of Education to see that the proper planning of school facilities throughout the Province is implemented on a wise and rational basis within the means of our resources? We are entitled to know it, I know, but, of course, lack of planning is a matter for which this Government has been noted for months and years, and we are feeling the effects of it now and we are going to feel it much, much worse in the months and the years to come.

So to my mind, Mr. Chairman, I do not see how, if the hon. Premier is not prepared to answer this question, why is he not prepared to let the matter stand over for the Minister of Education to answer the question, because we must know, we have to know. We are being asked \$8. million - \$8. million is not much to this Government but \$8. million is an awful lot of money. How much school construction is there to be this year? Where is it to be located etc.? Certainly these are not unreasonable questions to be asked. Then again we have to know definitely what, it is all very well we are told that "X" number of dollars, a lot of money is going to be made available for school construction, but what we have to know when you are talking along these terms is; is this enough and for what period of time? We are talking about six years. Is this money going to be enough to sustain adequately and improve

MR. MARSHALL:

the educational facilities of this Province so that when we are planning for five, ten and fifteen years hence, that we are adequately meeting the requirements of that time? These are all questions which the Minister of Education should be prepared to answer.

It is no good just saying we are going to give "X" number of dollars. We want to know that the Government actually has control of the affairs of this country, that the Government has control of the educational requirements and is prepared to see that the situations which have occurred in the past, through nothing but abject lack of planning on the part of this Government - I mean, when you get to the stage where you have school children leaving school at six o'clock in the afternoon, when you have shifts in school, when you have temporary classrooms, there has to be a lack of planning to have brought this about, and the only entity that takes the ultimate blame for this is the Government of this Province. Yet it has the audacity to come before this House and in effect imply that, okay everything is fine, it is rosy in the garden. We are going to supply large and hugh amounts for educational purposes. Of course, large and hugh mass-infusions of money are most necessary, but an added question occurs as to whether or not this money is sufficient, not only is it sufficient for this year. How can Government turn around and say that it is sufficient for this year, if it is not prepared to tell the House how much of this \$8. million is to be used for retirement of debt and how much for new construction? But not only, I say, for this year but for the next year and the next year and five to ten years hence.

This is the type of planning that we have to have and, unless Government is prepared to take the overall direction of our social and educational needs, then we are in for very, very sorry times. We have seen what the planning of this Government has done with respect to the financial affairs of this Province, the economic condition in which we now find ourselves. But



MR. MARSHALL:

added to this we have an abject and completely unnecessary lack of planning on the part of the Government with respect to these matters. Why does it not answer the question? It failed before. Is it afraid that its answer is not going to stand up to the test of regional, analytical survey of the provision of this \$8. million? Why? How?

MR. SMALLWOOD: It might have been better if Rags Murphy had been elected.

MR. MARSHALL: Is that right? Well he maybe trying hard, but the hon. the Premier, Mr. Chairman, tried hard himself. I understand that first of all there were nine and then there were ninety-nine people asked and then I think he got up to 999 people, if he could find 999 loyal liberals. He could not find a single person, a strong enough person, to run in his nominating convention, so he calls a nominating convention and has a big come-all-ye, asks everybody in, anoints a certain candidate, and was beaten by Rags. But anyway, Mr. Chairman, on this \$8. million -

MR. MURPHY: The helicopter is warming up on the parking lot.

MR. MARSHALL: Oh, this is their problem. I see.

MR. MURPHY: The Premier has to take off, the Minister of Education in Grand Falls, the Premier is going to be somewhere else -

MR. MARSHALL: Well, what we want to know is not where the Premier is going. We know where the Premier and the Minister of Education are going, and going in a very few months. The question yet to be answered, and I feel that this Committee should not pass this vote of \$8. million, before this House should not vote \$8. million of this public money without being told. Why should we not be told how much is going to be spent on school construction this year and how much for past debts? As a matter of fact, it would be much better as well for the Government to address itself to this whole question and to tell us how much really, in effect, of our money, in the future, is going to be spent, all of our money, for the improvement of social services and how much to retire the gigantic debts that have been incurred by this Government.

MR. EARLE: Mr. Chairman, there are a number of questions that have still occurred to us on this large vote. The former speaker raised the question of school construction. This is an item which certainly should be explained

MR. EARLE: by the Minister of Education. It was said, I think in previous debate and address, that under school construction the Department of Education was now in a position and was organizing a Construction Division which would examine all of the plans and so on for schools.

This is a very, very essential function of the Department. I am wondering just how far that has progressed because we know that there have been millions upon millions of dollars spent on school construction for years, and very often without any proper guidance from the Department of Education.

Many bad mistakes have been made, not only in the locations of schools but in the type of school construction and the facilities that are put in these schools.

Around the Province there are many school boards, well intentioned. Fortunately the number of school boards has been reduced very very considerably. There were far more but now this has been reduced, but there are still school boards without the competent advice available to them to prevent them from making bad errors, particularly in the field of construction, where many of them are not fully qualified. Literally these school boards have at their disposal, thousands upon thousands of dollars.

What I am saying Mr. Chairman, is that there is a great deal of money involved in the construction of schools and it behoves the Government to see that it is spent properly.

Now, before I sit down, Mr. Chairman, there is another question which comes under this particular grant. It has been the practice, in the past, for school boards, as I said earlier, to make commitments for the future.

In other words, if they are going to build a school today, they have not got the necessary money, but they do count on getting

MR. EARLE: grants, continuous grants from Government, so they can<sup>SO</sup><sub>A</sub> to a bank and arrange quite a large loan or series of large loans and have these amortized out of the grants which they anticipate they are going to get from year to year. Of course a commitment has now been made ahead by the Government to pay \$6 million or \$8 million a year for six years to come.

In that connection I understand that one particular denomination, a couple of years ago, was given more or less a letter of indemnity, insofar as it was doing its financing through a trust company, and it approached the Government and asked if they would more or less guarantee this in writing. This was an unusual practice but I believe it was done in this case.

I wonder if the other denominations have insisted upon the same sort of thing. Are they prepared to accept the Government's word that this money will be forthcoming or have they actually got it in writing from the Government, that commitments which they make in future will be met from these grants? Have they got sufficient documentary evidence to go to a bank or to a trust company and say, "Here, we can give it to you in writing that this has been definitely promised to us,"

If it has been done in the case of one denomination, I feel that it should be done in the case of all. I only wish the Minister of Education were here, because he is familiar with this particular problem. I wonder if we can get an answer concerning it?

MR. SMALLWOOD: Now we are going to get a real contribution to the great cause of education. He has a genuine contribution to make. It is going to last two minutes, two minutes.

MR. HICKEY: I will come back tonight, Mr. Chairman, if you wish?

MR. SMALLWOOD: Maybe they wish to come back tonight? Let us do that.

MR. HICKEY: Adjourn the debate and come back tonight?

MR. SMALLWOOD: Yes go on tonight. No, no let us go on tonight.

MR. HICKEY: There are a number of questions I want to ask .....

MR. SMALLWOOD: I will cancel my trip. I can easily do that. Let us go on tonight.

MR. HICKEY: Before I get on to the question I have in mind, I might point out that I did not think I had to justify, when I stood up in the hon. House to ask questions, but I will, Mr. Chairman, I attempted to stand on a number of occasions to ask those questions and I did not get the opportunity.

Are we ready to proceed now, Mr. Chairman?

MR. SMALLWOOD: Yes, go on, go on, go on.

MR. HICKEY: The first thing, Mr. Chairman, I would like to know is: the Premier said yesterday that the Federal Government ~~does~~ not control education in this Province.

I have raised this question on a number of occasions, I have never gotten an answer, I raise it again. I maintain the Federal Government do have control, at least a certain amount of control over education in this Province. A control over it in a rather serious way, certainly, Mr. Chairman, in an area which is a very serious one, a political one, an area in which there are people from two groups, one group opposed and possibly one group in favour.

I refer to the system of public schools. I do not know, Sir, how anyone can say the Federal Government do not maintain control, or have anything to say in education when in fact...

MR. CHAIRMAN: Mr. Speaker, the Committee of the Whole on Supply have considered the matters to them referred and directed me to report having passed estimates of expenditure, under Heading VI, Department of Education and Youth, item 601-01 to 612-13.

On Motion report received and adopted, committee ordered to sit again on tomorrow.

On Motion, that the Committee rise and report progress, Mr. Speaker returned to the Chair.

MR. ROBERTS: Mr. Speaker, before my colleague moves the adjournment of the House, may I have leave of the House to table the first report of the Select Committee on the report of the Auditor General? It was not ready earlier today, Sir.

MR. CALLAHAN: Before my colleague moves the adjournment, last evening I told the House that I had had word of the awarding of the tender for the legal survey for the Gros Morne National Park, which of course is the necessary basic factor in getting the formal agreement drawn and signed, and I said I would today have some detail. I have that, if, with leave of the House, I may give it. No - I said I would do it today Mr. Speaker, if the hon. gentleman would bear with me?

MR. SPEAKER: Is the hon. Minister prepared to table it instead of giving it?

MR. CALLAHAN: It is not in that kind of form, Mr. Speaker. But I did tell the House last night that I would give it today. If the House does not wish it today, Mr. Speaker, then I shall not give it today. Thank you, Mr. Speaker.

MR. CROSBIE: Come on, let us have it now.

On motion the remaining orders of the day stand deferred, the House at its rising adjourned until tomorrow, Monday at 11:00 A.M.