



PROVINCE OF NEWFOUNDLAND

**THIRTY-SIXTH GENERAL ASSEMBLY
OF
NEWFOUNDLAND**

Volume 2

2nd Session

Number 16

VERBATIM REPORT

Thursday, March 1, 1973

SPEAKER: THE HONOURABLE JAMES M. RUSSELL

The House met at 4:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order please.

PRESENTING PETITIONS:

HON. EDWARD MAYNARD, MINISTER OF AGRICULTURE AND FORESTS: Mr. Speaker,

It gives me great pleasure to announce on behalf of the Government of Newfoundland, in conjunction with the honourable Don Jamieson, representing the Government of Canada, that today approval has been reached of a programme for agricultural development in Newfoundland under the Canada-Newfoundland Rural Development Agreement, commonly known as ARDA III.

The agriculture development programme is designed to improve the incomes and create employment in rural areas through growth in the agricultural industry as well as to improve the agricultural skills of farm operators, increase the volume and value of agriculture production in the province.

This important new programme is intended to run until March 31, 1977 at a total cost of \$15,951,000. The provincial and federal governments have both approved a five year programme in principle and have authorized expenditures of \$8,941,000 during the first three years, that is until March 31, 1975.

The province will be responsible for the implementation of the programme under a joint management through the ARDA committee and the cost will be shared equally between the two levels of government in accordance with the ARDA III agreement. The programme was fully development with co-operation and assistance from the Federal Department of Agriculture and continuing advice and assistance will be available from that department in the management of a programme to help ensure success.

The programme approaches agriculture development in the province through five major activities - land consolidation, capital assistance to farmer operators, human resource development, marketing

and farm support activities.

The land consolidation programme is designed to increase the amount of land available for agricultural use to the level required to meet crop and livestock production goals. It is also designed to provide effective planning and management of agricultural land use. These objectives will be pursued through a land consolidation project and a land use surveys projects which will be directed and co-ordinated by a federal-provincial land use and developing planning committee.

The capital assistance programme for the larger, more efficient and more numerous farm units to be brought into production. As a result of the land consolidation programme, many farm operators will require financial assistance to erect buildings, buy machinery and equipment or acquire breeding stock. The capital assistance programme is designed to provide financial assistance in the form of a once only capital grant. The eligibility for assistance is dependent on the acceptability of the operators' farm management plan. In this way the assistance can be geared to the operators' needs. The capital grants to qualifying farmers would not exceed \$6,000 per farm plus \$200 per acre of eligible farm land. Applicants for this assistance may be either new entrants into farming or existing farmers planning to expand.

The human resource development programme - this programme is designed to provide training and farm management assistance to existing and new farmers and to facilitate a flow of information important to farmers in a form relevant to their needs. These objectives will be pursued to twelve related activities as follows - farm management consultation, community and area workshops, regional and provincial workshops, specialized workshops, field days, travel and exchange, youth involvement, staff

training, the Western Agricultural Centre silage pilot project, small fruits demonstration, feeding trial with beef.

Many areas of the province are not served adequately with presently produced items and will therefore provide important markets for local agricultural products. An attempt will be made to develop products which could be produced locally but which are not widely produced at present.

The marketing programme is designed to foster economic activity related to agriculture. This programme will be carried out through several activities including (1) feasibility studies of particular projects, (2) detailed analysis of present procedures and market performance, (3) market development activities in conjunction with other government departments and private enterprise, (4) co-ordination of the agriculture and food system across the sector and through time, (5) the renovation, expansion, purchase or establishment of special facilities which cannot be provided through other programmes.

The farm support programme - this programme is designed to improve the efficiency and productivity of farms in Newfoundland through the provision of specialized facilities and services which normally cannot be provided by farmers themselves or by that sector of the business community which primarily serves agriculture. It is also intended to provide for improved breeding stock and feed and to ensure maintenance of high quality through the provision, at reasonable costs, of these important farm inputs through centralized facilities.

These objectives will be pursued through a series of projects related to specific services or facilities required, problems to be overcome or conditions to be dealt with. The projects included are: regional pastures project, farm access road project, flood control project, sheep breeding station, provincial agricultural

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laboratory project, western swine breeding station, western veterinary clinic. and soil and feed testing laboratory project, and a potato seed farm project.

The ARDA III agreement on which this agricultural development programme is being financed was entered into by the federal and provincial governments on May 28, 1971. It is the

is the third such agreement since the Agricultural Rehabilitation and Development Act, the name was subsequently changed, which was passed by the Parliament of Canada in 1961. The third agreement provides for programmes of rural development and adjustment on the basis of fifty/fifty cost-sharing between the federal and provincial governments. I might say, Mr. Speaker, that this will no doubt form the cornerstone of the agricultural industry in Newfoundland from now on.

MR. W.N. ROWE: I am glad, Mr. Speaker, to hear the minister make this announcement today. I believe, if I am not mistaken, it is the first major project to come under the third ARDA Agreement which was signed by the previous administration in 1971. Is that correct? Is this the first major project under the new ARDA Agreement?

MR. MAYNARD: Under ARDA 3.

MR. ROWE: Under ARDA 3. It makes me happy today as well, Mr. Speaker, because I had the honour of being the Minister of Community and Social Development when we brought in the third ARDA Agreement in 1971. At that time or prior to 1971, there was some feeling on the part of officials if not ministers in Ottawa to get rid of the ARDA Programme altogether and to try to do everything under the DREE Programme as strictly defined, the DREE Programme that then existed. We in this province and in other provinces resisted what we thought to be a bad tendency on the part of the federal officials to get rid of the ARDA Agreements. We finally were successful in getting a third ARDA Agreement signed, although a year or so later than it should have been signed. If we had not been up against this sort of obstructionism on the part of the federal officials we would have had an ARDA Agreement signed perhaps late in 1970 rather than in May of 1971. As it was, we went through some eighteen or twenty drafts, trying to get the new ARDA Agreement signed and we were able, I believe, to get a new ARDA Agreement which was tailored to meet the unique circumstances of Newfoundland rather than the previous ARDA Agreements which were tailored

for, I believe, Western Canada's needs. There were all kinds of references to wild rice development and things like that which had no application whatsoever to Newfoundland's problems. We were able to get into the third ARDA Agreement in 1971, good references to rural development and fishery development, which we hope will see some action in the months to come. I am happy to be able to congratulate the minister for negotiating this particular agreement, this subsidiary agreement. I would assume from what he is saying that when 1975 rolls around that a new ARDA Agreement will then be entered into to look after the agreement in principle for the succeeding two years thereafter. We hopefully will be in a position to sign that agreement, Mr. Speaker.

I would like to ask the minister, before sitting down, whether there is any indication from his department and the Government of Canada, the various departments concerned, as to other projects dealing with our other resources, i.e., what is going on under the fishery part of the 1971 ARDA Agreement and perhaps other resources as well, forestry for example springs to mind? Are we reaching the stage where new agreements for that type of overall project are likely to be entered into in the near future? Perhaps the minister can answer this question as to whether the projects which are supposed to go ahead on an area basis, certain areas are supposed to have a comprehensive type of rural development on a sort of multifarious group of projects on an area basis, communities in the one area pulling together, has there been much progress made on that type of development and are we likely to see agreements entered into by, say, rural development associations, the Government of Newfoundland and the Government of Canada? Could the minister give the House some information, in other words, future developments under other areas of the ARDA Agreement?

MR. SPEAKER: I feel that the honourable member's question could very well be placed on the Order Paper. We might be getting into a debate on the ministerial statement which might not be the right time to do this.

MR. W. N. ROWE: I adhere to Your Honour's ruling, but it has been the practice to ask a few questions of a minister on his ministerial statement. If the House wants to get rid of that tradition, I am willing to go along with it. If the minister wants to answer

it does not make any difference. There is no interest in debate on my part I am merely looking for some information and if the minister does not want to give it I am just as happy.

AN HON. MEMBER: (Inaudible).

MR. MURPHY: It is out of order, out of order.

MR. SPEAKER: Order please!

HON. W.W. MARSHALL(MINISTER WITHOUT PORTFOLIO): On that point of order and by way of explanation, the usual mode when ministerial statements had been given when we were in opposition, Mr. Speaker, we were not always allowed to comment, We have given the latitude to the opposition to make comments on the statement but, Mr. Speaker, I would submit that it is not in order to engender a wholesale debate with respect to ministerial statements and as Your Honour has already stated there is a proper form for that in the rest of the debate that comes up and in the procedure with respect to asking certain questions.

MR. ROBERTS: Mr. Speaker, it is just that it has been the tradition.

MR. SPEAKER: I so rule that if the hon. member wishes to ask a question it could be placed on the order paper.

PETITIONS:

MR. M. MARTIN: Mr. Speaker, I beg leave to present a petition on behalf of the Happy Valley Hunting Association. The prayer of the petition is rather brief and states, "We, the undersigned, support the Happy Valley Hunting Association in its attempt to have the following changes made in the hunting regulations in Labrador and the recommendations are as follows: (1) that the big game licences covering management areas should be issued only to persons who are residents of Newfoundland and Labrador for a period of five years: (2) that management zone (B) be reduced in size immediately and (3) that any resident of Newfoundland and Labrador be permitted to hunt in any open zone in Labrador.

I would like to say at this point that I support entirely this petition. There are some strange things happening with regard to wildlife management regulations here I think. In the first instance the practice has been to issue licences to people from outside of the province. This is not entirely new but in view of the fact that in Labrador much of our wildlife population have been disseminated in the last fifteen or twenty years I think resident of this province should be given first chance. The second part of it where it mentions the reduction of the area of zone (B) what has happened here I think is that the adjoining zones have been included into zone (B) to the extent that it is impractical to go hunting into the adjoining zones anyway because there are no areas left where there are any caribou. The third part recommended that any resident of Newfoundland and Labrador be permitted to hunt in any open zone and I think this is only fair. As it stands at the moment if you are a resident of zone (B), for instance, you cannot hunt outside of that zone and I think this is rather unfair.

I would like to say again that I support this petition and I hope that I will have the support of the other members of this House. Mr. Speaker, I ask that this petition be placed on the table of the House and referred to the department to which it relates.

MR. M. WOODWARD: Mr. Speaker, I would like to speak in support of the petition that was presented by the hon. member for Labrador South in that the petition was originated in the District of Labrador North. I do not wholly support the prayer of the petition because I feel that in a lot of circumstances that if residents of Labrador, from the Happy Valley-Goose Bay Area, which is not a densely populated area but a highly populated area, if they are given the freedom to travel into the different zones of Labrador and to hunt in the zones in the coastal areas where people are highly dependent on hunting and caribou meat

primarily for food or subsistence, I feel that this will no doubt deplete the stocks in the different zones of Labrador.

So I do not speaker, Sir, wholly in support of the petition although I feel that the local residents or Labradorians should be given some leeway in some respects as to where they should hunt. In this particular case, Mr. Speaker, thinking in terms of a number of people who have moved into Labrador from the coastal areas and now they have good jobs or they have a high standard of living in Happy Valley-Goose Bay, I feel that they should have the same freedom to travel back to their homelands in the coastal communities and have the same hunting rights as the people who have chosen to live in those particular communities. I feel that if a person from Happy Valley should not be allowed, if

he has seven in family, to go into a coastal community such as Davis Inlet although he had moved away from there some fifteen or twenty years, or go back to Nain in a coastal community that he originated from and hunt seven caribou, I feel there should be some regulation but the people who live in those communities that do not have facilities, freezing facilities or other facilities to preserve fresh meat for the winter and where they have to import the meat at a cost of twenty-two cents a pound by air freight from Goose Bay plus an additional twenty cents a pound from Moncton or St. John's, in result, Sir, it will end up costing that particular person to import fresh meat forty-two cents a pound in transportation alone. I feel that the people from the Happy Valley, Goose Bay Area should not get the same privileges as the people in the coastal communities. I feel that the zoning is fair and equitable and that the people in the coastal communities should be given the preference to hunt more caribou or they should be given the right to hunt more caribou than the people in Happy Valley and Goose Bay because the people in Happy Valley and Goose Bay do not necessarily have the same needs for that particular meat as the people in the coastal communities.

I support the petition in principle, Sir, but I do not support the petition on the grounds that they should be given the equal rights.

MR. SPEAKER: The honourable gentleman for St. John's Centre.

HON. A.J. MURPHY: (MINISTER OF SOCIAL ASSISTANCE): Mr. Speaker, if I may I would just like to add my support to the petition but in doing so I must commend the honourable member for Labrador North for his remarks. I think he is looking at it very sensibly. I was Minister of Labrador Affairs for a very short time but one of the very serious problems we faced up there was this matter of hunting so on and so forth. I think that the honourable member put it in a true form basically and I think it was very courageous in a sense of him because he does represent the district that the petition is coming from. But I feel in essence that I will support it except for certain reservations and there is no

need for me to add and I am sure that the former Minister of Labrador Affairs will join with me as many others will that Labrador is a very very special case for hunting . I would like to say that I would support it in principle but I think a hard look has to be taken at the rights of different people on the Labrador Coast.

MR. SPEAKER: The honourable Minister of Tourism.

HON. T. DOYLE (MINISTER OF TOURISM): Mr. Speaker. I would just like to comment for the information of the members for Labrador South and Labrador North that the Wildlife Division of my department are currently taking a very, very hard look at this whole situation in the light of what both honourable gentlemen said and what the honourable Minister of Social Services has added, in that we hope to be in a position in a very short time to be able to give some concrete information.

MR. SPEAKER: Are there any other petitions?

PRESENTING REPORTS OF STANDING AND SELECT COMMITTEES

HON. G. DAWE (MINISTER OF MANPOWER AND INDUSTRIAL RELATIONS): Mr. Speaker I would like to table the 1972 Annual Report of The Workmens Compensation Board for Newfoundland and Labrador. Also report of the matters transacted by the Minister of Labour during 1972 under the provisions of The Labour Relations Act, The Labour Relations Board and The Minimum Wage Act.

MR. SPEAKER: Are there any other reports of standing and select committees?

NOTICE OF MOTION

HON. T. A. HICKMAN (MINISTER OF JUSTICE): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following bills:

A bill, "An Act Respecting Homes For Special Care."

A bill, "An Act Further To Amend The Newfoundland Municipal Financing Corporation Act."

HON. E. MAYNARD (MINISTER OF AGRICULTURE AND FOREST): Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, "An Act To Amend The Forest Fires Act."

MR. ROBERTS: To a point of order, my colleague for White Bay South, well Your Honour recognizes the Minister of Justice that is fine. Then my

colleague is he not entitled ? It is only a matter of precedents, there is nothing giving ministers precedent in this business, Sir.

MR. SPEAKER: The honourable member is certainly entitled but the other honourable minister was on his feet.

MR. MURPHY: Next week will do me, I am not in that much of a hurry, if it is urgent business. Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, "An Act To Amend The Health And Public Welfare Act." That is all there is to it, ten seconds. No speeches or anything else.

Now let us hear from the honourable member and beautiful member for White Bay South.

MR. ROWE, W.N. Brevity is the soul of wit.

MR. W. N. ROWE: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following resolution:

WHEREAS during the past ten years over sixty thousand accidents have occurred on our highways, and

WHEREAS these accidents have resulted in personal injury to over twenty-five thousand people, and

WHEREAS these accidents have resulted in eight hundred people being killed, and

WHEREAS records for the year 1972 indicate an increase in traffic accidents and injuries of between twenty-five and thirty per cent over the year 1971, the highest in our history, and

WHEREAS records show that one hundred and eight Newfoundlanders were killed in traffic accidents during the year 1972, the highest number of fatalities in our history, and

WHEREAS the Newfoundland Safety Council has submitted a brief to the government, supported by a petition of nearly ten thousand licenced drivers requesting among other things that a royal commission be set up to examine into all aspects of the situation,

NOW THEREFORE BE IT RESOLVED that this House direct the government to establish immediately a commission of enquiry to examine, enquire into and investigate all aspects of highway safety and that such commission of enquiry be directed to report back to the government with their findings and recommendations without undue delay.

MR. EARLE: Mr. Speaker, I give notice that I will on tomorrow ask leave to present a bill, "An Act To Amend The Expropriation Act."

DR. ROWE: Mr. Speaker, I give notice that I will on tomorrow ask leave of this House to present a bill, "An Act Further To Amend The Newfoundland Medical Care Insurance Act."

MR. HICKEY: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce the following bill; a bill, "An Act Further To Amend The

Co-operative Societies Act."

ANSWERS TO QUESTIONS.

MR. EARLE: Mr. Speaker, I ask leave to present the answers to Question No. (29), (30) and (31), all asked by the hon. member for Fogo, dated February 23, 1973. In presenting these answers I might say that they are all in relation to space rentals by my department in various locations. It may be noted that in some cases, although the question was asked as to what the square footage was, it is not given in all cases because in a few of these instances there are remote buildings that are rented on a sole occupancy basis and the square footage has not been calculated. Also it could be noted that where leases have passed the expiry date, given on these answers, it is usually included automatically in the lease that there would be a renewal on a month to month basis.

DR. ROWE: Mr. Speaker, I would like to answer the Question No. (33) on the Order Paper of Friday, 23 February, asked by the hon. Leader of the Opposition. No change is contemplated at present in the management and administration of any hospital facility located at Labrador City. If new factors and situations develop then they will be considered as they arise and any modifications required will be considered at that time. The Captain William Jackson Hospital in Labrador City is managed by the Salvation Army.

The answer to Question No. (76) on the Order Paper of Wednesday, 28 February, 1973, asked by the hon. Leader of the Opposition:
"no mobile dental clinic"

has been established since January 19, 1972, to serve residents of any communities within the electoral District of St. Barbe South.

ORDERS OF THE DAY:

MR. F. ROWE: Sir, in the absence of the honourable Minister of Education, I would like to address a question to the honourable the Acting Premier.

In view of the news that I have just heard concerning the Premier's preference for a community college in Stephenville and for a regional college in Corner Brook, can the honourable Acting Premier indicate when this is to take place, when the building is to start?

MR. NEARY: Mr. Speaker, I would like to direct a question to the honourable Acting Premier, could the honourable Acting Premier inform the House what action the government has taken to prevent Canadian National from rearranging their red, white and blue fares?

MR. HICKMAN: The government has taken a great deal of action. As the honourable member for Bell Island is aware and the members of this House are aware, an application was made, indeed it started during the term of office of the previous administration and we renewed the instructions and since then we have opposed the application before the Board of Commissioners of Public Utilities, we are now opposing the appeal to the Supreme Court of Newfoundland and that is where the matter rests at this time.

MR. WOODWARD: Mr. Speaker, in the absence of the honourable the Premier, I would like to direct a question to the Acting Premier. Is it customary in the Province of Newfoundland, when you set up a royal commission to investigate certain aspects of the economy or the aspects of standards of living in this province, to invite the media and to have the chairman of that particular commission

MR. WOODWARD: give releases to the media before submission or a report is made to the government? Do you make it public to the media, what has taken place at different hearings, before the submission is made to the government?

MR. HICKMAN: That is not a question but whether it is customary or not, I am sure the honourable member for Labrador North is fully aware that this administration has not had anything like the experience with royal commissions of the previous administration and it is only in times of dire necessity that a royal commission is set up or when there should be an overall study of a particular facet of our society. But surely it could not be incumbent upon any government having appointed a royal commission, to then dictate to the royal commission as to how they should operate.

MR. WOODWARD: Supplementary question to the Acting Premier, Mr. Speaker, What is the purpose of a commission to make a submission to government in the event that all the hearings prior to this submission is made public through the media and the press?

MR. HICKMAN: Mr. Speaker, so that there could be no misunderstanding about royal commissions, I would think that any royal commission to function properly should hold as many public meetings as possible, should invite as many of the public to participate, to make representation. The procedure that is followed by the commission surely must be the exclusive prerogative of the chairman and the members of the commission. Whilst I suggest, Mr. Speaker, that that type of questioning might be quite beyond the rules, I have no hesitancy in setting forth the government's view of noninterference with the commission and to say that I welcome any commission that tries to attain maximum public participation.

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MR. SPEAKER: The honourable member for Bell Island.

MR. NEARY: If I may ask the Minister of Manpower and Industrial Relations
the precise hour

Mr. Neary:

and date the minister is going to table the Hattenhauer Royal Commission Report on safety and health hazards in the Erco phosphorous plant? Is the minister going to answer the question?

MR. DAVE: Yes we will table it Monday.

MR. NEARY: In my opinion that is contempt for this House. The minister has a press conference called for four o'clock on Monday afternoon and he is going to table the report at three o'clock.

MR. SPEAKER: Order please!

MR. NEARY: This is discourteous, Mr. Speaker.

MR. SPEAKER: The hon. member for Bell Island did not ask a question and this is a question period and he is out of order.

ORDERS OF THE DAY:

Motion, second reading of a bill, "An Act Respecting The Department Of Industrial Development."

HON. C.W. DOODY (MINISTER OF INDUSTRIAL DEVELOPMENT): Mr. Speaker, this bill simply is to form a Department of Industrial Development which in effect would take the place of the previous Department of Economic Development the differences being in the structure of the department as well as in the numbers of divisions. Some of the divisions in the previous department have been transferred to other departments of government and in order to get on with the industrial development of the province it has been decided to create this new department which would deal exclusively with development matters. Toward this end a structuring chart has been prepared and this government is now in the process of recruiting staff and getting this department underway.

MR. ROWE (W.N.): Mr. Speaker, this like all the other bills which will probably come before the House today is merely to reorganize the government. I just looked briefly through the bill and I do not see the power of the minister to enter into agreements. I am just wondering if the minister when he replies can mention whether or not in this act

the minister has power to enter into agreements for more than one year. It maybe in the act but ordinarily I think a minister can only enter into an agreement for one year. Is that the situation?

MR. ROBERTS: Unless legislation says otherwise.

MR. ROWE(W.N.): Unless legislation says otherwise but I am just wondering. It is my problem as I have not had a chance to look at this particular bill and I was just wondering if the minister happens to know that himself. He might answer that when he is replying.

In any event, Mr. Speaker, nobody on this side and I suppose nobody in the House has any grave objections to this bill or any other bill like it. In itself it is a harmless enough exercise. We are standing up here now today and seeing a reorganization of the government. We have no objection to the bill itself or to any of the other bills in themselves but what we do have an objection to is what this bill and the other bills which will be coming up symbolize. It symbolizes in our opinion and in my opinion a full year having gone by and with the execution of a statement the other day by the Premier concerning a new oil refinery following in the footsteps of the previous administration which laid all the groundwork this bill symbolizes and the other bills symbolize the sum total of active work of this government, this present administration in the past twelve or fourteen months.

AN HON. MEMBER: (Inaudible).

MR. ROWE(W.N.): Now, Mr. Speaker, do I have the right to be heard in silence or not?

MR. SPEAKER: Order please! Order! The hon. member has the right to be heard in silence.

MR. ROWE(W.N.): Mr. Speaker, it is our submission that the time of this government has been unduly wasted on something which could have been accomplished, if indeed it needed to be accomplished, without all the

fuss and furor, without the tying up of government officials day and night for several months, without tying up draftsmen who are in very short supply down in the Department of Justice who could have been working on other more essential legislation and without tying up ministers like the Minister of Finance I suppose who was involved in it and other ministers, without tying up these men's talents which should have been going towards getting industrial development and other development going in this province. What we have seen in the past year or so has been to date, with one exception which we have already welcomed, a dismal failure on the part of this administration to get any development or to make any significant progress in solving the real problems facing the Newfoundland people.

I understand from the grapevine that for example a DREE programme may be signed fairly soon. I understand from talking to some officials in Ottawa, without them having obviously giving me any information but I would submit that such a programme would have been signed months earlier and would have had greater benefit to our people if it were not for the fact that the government of this province has spent all its time on this kind of needless or if not needless then hardly tremendously essential legislation. I would submit that when such things as DREE agreements are finally signed and presented to this House they will show a pathetic lack of application on the part of the government and the ministers concerned because again the time of themselves and the important officials of the government have been needlessly tied up with this type of bureaucracy and red tape which the Premier has hailed as a great significant step forward.

Certainly something like this probably needed to be done after twenty odd years of government since Confederation but for it to take up the time and energy of the government, to take up that time and energy as the Premier has admitted, so many man hours of

work was put into it by ministers and officials alike to take up that time and energy to me is a travesty of the real role of a government in Newfoundland which is surely to try to get industrial development, to try to get rural development, create jobs for our people and cope with some of the real problems facing the government in the field of education and in other fields, health and other fields similar, social welfare fields.

Now that is the only comment I have to make, Mr. Speaker, and the comment will apply equally to all these departmental bills. There is nothing objectionable about the bills themselves. They can go through very quickly and they can go through committee very quickly without any amendments or otherwise. But as a whole, taken as a whole they indicate and symbolize to the people of Newfoundland that the priorities of this government, to use their own favorite word, are hopelessly lopsided, indeed topsy-turvy and that they should have been spending their time on much more important things than this type of thing which as I think my hon. colleague said, my friend, the Leader of the Opposition, said when the Premier made his announcement, that that could have been done over a bottle of scotch with two or three civil servants and a couple of ministers, in one weekend, and get a draftsman to do the work. Instead it took up the time of the government for many months and that time could have been used for much better purposes.

MR. NEARY: Mr. Speaker, as my hon. colleague has pointed out, it took the government fourteen months to accomplish this grandiose scheme they call restructuring.

AN HON. MEMBER: (Inaudible).

MR. SPEAKER: Order please!

MR. NEARY: The only significant announcement, as my hon. colleague pointed out and rightly so, was the announcement on the oil refinery, Sir, and this was a vote of confidence in the previous Liberal Administration.

AN HON. MEMBER: Hear! Hear!

MR. NEARY: Sir, I do not want to tease the hon. Minister of Finance too much today because I think he is coming off a bad trip.

It is very easy, very easy, Mr. Speaker, for this government to follow along a trail that has been cut for them. The Minister of Finance was one of the culprits who went around this province -

MR. SPEAKER: Order please!

MR. MARSHALL: On a point of order, I would submit that the remarks made by the hon. member for Bell Island with respect to the alleged general course of business of the government and his remarks pertaining to the Minister of Finance in other agreements are not relevant to the principle of this bill which is to establish a Department of Industrial Development.

MR. ROBERTS: To the point of order, Mr. Speaker. I submit that they are relevant. They may be unpalatable to the gentleman opposite but that does not make them irrelevant. The principle of this bill, Sir, is to establish a new department and my colleague is saying that in his view the establishment of a new department - in order to present his argument he is merely referring to this as part of the government's overall pattern of their policy, Sir. But this is a complete waste of time and I submit that that is completely relevant to the argument with respect to the principle of this bill, Sir.

MR. SPEAKER: I feel too that the hon. member for Bell Island is not being as relevant as perhaps he should to this particular bill.

MR. NEARY: Well, Mr. Speaker, I will get straight to the point, I will go right for the juggler. Restructuring, Sir, in my opinion, is expensive, inefficient and an obstruction to the people and their elected representatives, It will not put bread on the people's tables today nor will it do anything to improve life in this province. In my opinion, Mr. Speaker, it does not make any difference whether these bills, the

whole lot of them pass or are defeated. It does not make the slightest bit of difference as they will do absolutely nothing to help our people.

MR. ROBERTS: Mr. Speaker, my colleagues have stated very eloquently and very effectively the position which we will take with respect to all of these bills.

MR. CROSBIE: Marvellous pieces of oratory.

MR. ROBERTS: Yes they were, Mr. Speaker, and the hon. the Minister of Finance who has a habit of trying to bully this House -

MR. SPEAKER: Order please!

MR. ROBERTS: Mr. Speaker, the hon. gentleman, the Minister of Finance has a habit of trying to bully this House. They were very effective pieces of oratory. I would commend them to him because they also had the virtue of brevity and relevance. Most of his speeches have neither, Sir.

The question

I would ask of the minister in respect of the bill before the House. Sir, perhaps he could deal with it in his closing speech. The clause to which I refer, Sir, is to be found, or similar clause, in all of the bills which will come under this general restructuring business. It is clause (12) in the bill in question. Clause (12) and then clause (13)

with reference to a power conferred upon the minister to enter into agreements. It gives the minister quite wide power as I read it. I do not pretend, Mr. Speaker, to be offering a legal opinion although perhaps the Minister of Justice who is not in the chamber but is, I hope, within earshot or one of the other learned gentlemen on the other side could give us a legal opinion on this. The question, Sir, is whether these powers in (12) and (13) and then subsidiary powers in (14) and (15)-
AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Well, I do not think it has been. If it has been, it should not have been. The question I have, Sir, and I would ask if the House could receive an opinion from one of the learned gentlemen in the ministry, the Minister of Justice, the gentleman from St. John's East?

(12) and (13) refer to the power of the minister to make agreements and the question is whether such agreements can be made for a period of more than one year. Now, there is a principle in our constitutional law in Newfoundland, Sir. I do not know if it is unique to Newfoundland but it is in Newfoundland law. It was established by the privy council when that was the final Court of Appeal for Newfoundland, established, I believe around the turn of the century. I suspect it was one of the cases rising out of the various agreements between the government and the Reid Interests. There was considerable controversy over those and several of them ended up in the Privy Council in London which was then the highest court in our land. I do not know if London was in our land but it was still the highest court for our law. The principle is clear, Mr. Speaker. The principle is that the government, and the government would include any minister or every minister, may not and shall not make any agreement

that has power for more than one year without specific legislative authorization. Now a minister may get that authorization, Mr. Speaker, or the government may get it in at least three ways, either by a specific bill, as for example the agreements with mineral companies. The tentative Minister of Mines and Energy administers an number of acts, agreements between the government and various mineral or mining companies. These are often or usually for periods of more than one year. Each of them is a separate statute. Each of them the House has looked at and said they shall be - you know, that the House approved of it. A second way in which the minister or the government may get this power is through a vote in the estimates. That is not usual but it can be done. The estimates may - the estimates are legislation, they are embodied in the law by the Supply Bills and by the Appropriation Acts - the estimates may confer that far. That is not usual but it can be done constitutionally.

The third way is if the act or an act, a generic act not a specific one but a broad one gives the minister or a minister the power. As I read clauses (12) and (13) and as my colleague and friend from White Bay South reads them, they appear to confer this power upon the minister. I may say, if they do, we would not be happy with that unless there is some reason. A similar clause may well have been - well, the gentleman from Placentia West who is at least as able a lawyer as I will ever be - I mean, all I want is some assurance from some minister that it does not confer that power. I mean, if it is not intended - but I want an assurance from some member of the ministry that the principle is - all I am doing is stating a question. I realize that I am being long about it but it is a complicated question. I am not trying to make a legal argument. I am trying to put it in relatively lay terms. If it is the intention of the ministry, fine. I appreciate what the gentleman from Placentia West says that it is not their intention and the House Leader, I think, seems to indicate that as well.

What I would like though, Mr. Speaker, what we would like is an assurance that these words do not go beyond the intention. Intention is

one thing, Sir, but a year or ten years from now when this legislation is being looked at, it is not the intention of the minister or the ministry that counts; it is the words which are made law. So I ask the minister if he would deal with this in closing the debate. The same question would apply equally to almost all of the bills for this restructuring exercise because all they are, Mr. Speaker, is a carbon copy with the name of the department changed. I mean, they could have been run off in xerox form with just blanks and the name of the department and the name of the minister filled in. That is the way it is. That is fine. Since the question will apply to all of them, perhaps the minister could deal with it and if one or more of the learned gentlemen opposite could give us a specific assurance, we would be grateful.

MR. MARSHALL: The honourable the minister has deferred. He would like me to answer the question, Mr. Speaker. The point is well taken. First of all I can assure this House that it is not the intention in any of these restructuring bills to extend the powers of any minister over and above that which the minister now has under the established law which the honourable the Leader of the Opposition pointed to.

Now, as I read section (12) of the bill, power to enter into any agreement shall include power to amend any such agreement from time to time. If the approval of the Lieutenant Governor-in-Council for the original agreement is required, such approval is also required for amending agreement in the act. This is section (12) and (13) I believe is the-

MR. ROBERTS: The minister just read (14). (12) is agreement, Bill No 37, they are all the same.

MR. MARSHALL: It is Bill No. 37.

MR. ROBERTS: There are agreements with the government that show no relevance.

MR. MARSHALL: I can assure the Leader of the Opposition that that is not the intention. It does not extend, Mr. Speaker. That is all I can say is it does not extend the powers of the minister over and above the

normal powers conferred upon any minister of the crown as they presently exists. The bill principally restructures the functions of the minister, defines the function of the minister and is not intended that - in actual fact the minister usually and pretty well always acts in conjunction with the Lieutenant Governor-in-Council and very, very rarely are the agreements that would be entered into, other than if they are specifically provided in the act itself, where an individual minister would act.

So there is absolutely no intention whatsoever.

As I read (10) and (11) I would welcome if the honourable the Leader of the Opposition would like to point specifically to the clauses which particularly trouble him. Perhaps we could deal with it now or in committee whichever he wishes.

MR. ROBERTS: If the minister would permit a question, Mr. Speaker.

I think we should deal with it at some point once, because whatever is arrived at will apply to all the legislation

The clauses which concern me - I was referring to a different bill. There are so many of these, not all the same, but the clauses will be found in each bill, Sir. In bill No. (37) it is clause (11a) which gives the minister power to enter into an agreement, any agreement for promoting any of the objects of this act. It is a fairly wide power. I accept the minister's assurance that that is not to confer upon the minister any power that a minister does not now have. I wonder if the minister would take into advisement the desirability of inserting in each of these bills a clause perhaps to that effect, because, as the minister knows, a court will take no notice of what we may say here, they will look only to the Statute Law.

MR. MARSHALL: Certainly, Mr. Speaker, there will be no objection whatsoever. It is not the intention of the government as I say to increase the powers. So when we get into committee on these acts, we can perhaps provide an amendment, a proviso in the act, to the effect that nothing in the particular section or in the act shall be construed in any way to widen the powers of the particular minister to enter into agreements other than to retain the powers that the minister already has.

MR. ROBERTS: For each of the bills?

MR. MARSHALL: For each of the bills, yes.

MR. ROBERTS: Will you try to get the Department of Justice to work on them?

MR. MARSHALL: We will get working on them.

MR. DOODY: My honourable colleague wanted to talk about all the hours I put in on restructuring, however, I do not think I will bother. I do not think the honourable member for Bell Island would be impressed anyway, so -

MR. W.N. ROWE: Nor the honourable leader.

MR. DOODY: That is right.

MR. DOODY: I thank the honourable Leader of the Opposition and his colleagues for bringing this to our attention. It is certainly not my desire nor intent to have any more power than anybody else has ever had, nor do I welcome that.

MR. ROWE: (inaudible)

MR. DOODY: That is more, that is absolutely ample and then some. I would hope that this amendment will get in there and I have very little else to say about this bill except to hope that it will go through nicely, nicely.

On motion a bill, "An Act Respecting The Department Of Industrial Development," read a second time. ordered referred to a Committee of the Whole House presently.

Motion, second reading of a bill, "An Act Respecting The Department Of Social Services." (No. 39).

MR. MURPHY: Mr. Speaker, this is a bill and perhaps there are more changes in this than there in the others because we have three or four former ministers of welfare as such in the House reading the bill and being aware of what is happening and there are certain areas of this department that have been separated. I do not want to go into them all, because I think everybody is familiar with the thing. All I ask is that anybody who has any suggestions or anything on this bill, you know, if they want to put it forward, I think the proposal made by the honourable Leader of the Opposition will apply to all sections, relevant to all the bills.

I do not think there is anything else, quite frankly. The bill here is written out and I could read it all, read the side notes and perhaps lecture for three and a-half hours on the thing, but in view of the time it took to restructure perhaps we might cut down on the time in introduction. Okay! If any one has any questions, I will answer them to the best of my ability.

The fact of doing this is not to underrate in any way the great part this department plays. I think that everybody is aware that

it is a very sensitive and very necessary department and that is all I can say.

MR. ROBERTS: Mr. Speaker, this is a sort of jovial 'jolly giant' day. I would commend the minister reading the bill, at least that would have been the first time that it had been read, but our position is unchanged. This does not in any way, Sir, affect the ongoing - as we see it, the stuff and substance, the pith and substance of the public business of this province, if the ministry feel that this is the way they wish to organize the Government of this Province, then so be it.

I can only add that I was at a luncheon today, over here at Holiday Inn, with the Commerce and Rotary Clubs. At the Rotary Club luncheon, Mr. Jamieson spoke to the commerce students from Memorial. The Minister Designate of Tourism was there and maybe some other honourable gentleman. I was passed a questionnaire by a student in the commerce faculty and I was asked just as an individual to fill it out, maybe honourable gentlemen opposite have it.

One of the questions that intrigued me said: "Do you think the restructuring should be changed? If so, will you agree that it will be changed?" I did not answer that one. I thought that would be most unfair as leader of the party which will have to take over this government in a while and deal with it then.

MR. MURPHY: You will be a much older man.

MR. ROBERTS: I shall be at least three years older, Mr. Speaker, unless they wish to call an election today. It is March month.

MR. MURPHY: Unless Clyde decides to announce -

MR. ROBERTS: Was it a year ago today that Bill Saunders did it or was done?

MR. MURPHY: I hear Clyde is sharpening his bow and arrow out there.

MR. SPEAKER: Order!

MR. ROBERTS: One at a time. I do not mind, Mr. Speaker, the interjections, but one at a time please! Who is up next at bat?

MR. MURPHY: I said Clyde is working very hard on the West Coast.

MR. ROBERTS: I certainly hope he is. He is not working any harder than the various factions on the other side are working and I welcome it. Indeed, I very much hope that the gentleman in question Mr. Wells, who added considerably to the lustre of this House, will again sit in this House. He will, he will sit here as a minister, he may even sit here as Premier some day. I certainly hope so, I certainly hope so. That would make him about the 420th. person looking for my job.

AN HON. MEMBER: He has you worried eh?

MR. W.N. ROWE: He has picked up his ticket. He is standing in line now.

MR. ROBERTS: Anyway, Mr. Speaker, all these bills as far as we are concerned will go through very quickly. If each of the ministers speak as distinctly and as much to the point as the gentleman from St. John's Centre, the Minister Designate of Social Assistance, then we will speak at least as distinctly and indeed - we can hardly put them through enmasse, but if that were proper I would be quite prepared to do that because I think they are utterly unimportant to the business of this province, Sir.

MR. MURPHY: Short and sweet like a donkey's kick.

On motion a bill, "An Act Respecting The Department Of Social Services," read a second time ordered referred to a Committee of the Whole House presently, by leave.

On motion, second reading of a bill, "An Act Respecting The Department of Fisheries." (No. 49).

HON. R.L. CHEESEMAN: Mr. Speaker, this act is a rewriting of the duties and the different functions of the department, it spells out in more detail than the old act which it replaces. Essentially it does not have too much effect or change within the department with perhaps one notable exception and that is the establishment of two assistant deputy ministers rather than one, being in the areas of service

and development. Essentially, it covers all of the points that were covered in the old act and spells out in more detail the individual duties, but that is about the full intent of the bill.

MR. NEARY: As usual, Mr. Speaker, there is no more to this than the other bill. As a matter of curiosity, will the minister tell us what it is going to cost to retire the Deputy Minister of Fisheries? How much it is going to cost the taxpayers of this province to put him out to pasture and the other deputies that are being retired on full salary?

On motion, a bill, "An Act Respecting The Department Of Fisheries. read a second time, ordered referred to a Committee of the Whole House presently, by leave.

On motion, second reading of a bill; "An Act Respecting The Department Of Manpower And Industrial Relations."

HON. W.G.DAWE: Mr. Speaker, I am glad to have the concurrence of the honourable gentlemen on the other side and therefore feel that it is perhaps not necessary to elaborate. Therefore, I move second reading of the bill.

On motion, a bill; "An Act Respecting The Department Of Manpower And Industrial Relations." read a second time, ordered referred to a Committee of the Whole House presently, by leave.

On motion, second reading of a bill; "An Act Respecting The Department Of Public Works And Services." (No. 40).

HON. H.R.V.EARLE: Mr. Speaker, this bill is merely the necessary legislation to set up the new Department of Public Works and Services which is of course a combination of the old departments of

Public Works and the Department of Supply and Services. There are really no essential changes in this legislation. There is one clause in the new act which has to do with equitable purchases and I think the House Leader would like to have something to say on this during the discussion, on the clause by clause of the bill. It might be in order for me at this time to point out one thing which is clearly stated in the bill and as a matter of fact it was always there but seems to have escaped the public's attention and that is the fact that both in Supply and in Public Works, all tenders are subject to public opening. Questions have been asked in this House many times as to why tenders were not open to the public. This is definitely stated and is the practice in these departments. The facts of the matter are that in Public Works when tenders for public works are called, usually people come to these tenders, when the tenders are open. That is not the case in Supply because although bidders are notified, it is very rarely that any one attends the public opening. The opportunity is there for them to come if they want to but they do not come and perhaps this has fallen into some misuse or nonuse by the fact that nobody attends but the provision is in the act and has been there and is in the new legislation that all tenders be open publicly.

MR. NEARY: Mr. Speaker, there are various ways to have public openings of tenders and the honourable minister mentioned one there in introducing this bill. But that is not my idea, Sir, of opening tenders in public. What the honourable minister means is that a date is set for submitting tenders, tenders are sent in, they are put in a vault or put away somewhere in a draw, in a filing cabinet and then on a certain date the various companies that have tendered are told that, well, we are opening the tenders today. God only knows and I am not overly suspicious, Sir, but nobody knows what has happened to these tenders in the meantime. What I would

Mr. Neary.

like to see, Mr. Speaker, in this province, when we talk about opening tenders in public, is that a date will be set for receiving public tenders. Each individual or company or corporation or firm or businesses or whoever are tendering, will arrive at a specified place, at a specified time, with the tender in his hand, Mr. Speaker, and there will be an independent board sitting around a table and the tenders will be open, Mr. Speaker, right in front of that independent committee. This is, Sir, opening tenders in public. The procedure that the minister outlined, Sir, is just a farce. It is a farce! I hope, Mr. Speaker, that during this session, when I get rid of that McLean's resolution, off the Order Paper, I will bring a resolution into this House spelling out the policy of the Liberal opposition, the Liberal Party of this Province on what we mean as public tendering. We will open up the minister's eyes for him.

MR. SPEAKER: The hon. member for St. John's East.

MR. MARSHALL: Mr. Speaker, I hesitate to destroy in any way the air of unanimity in this House this afternoon. I cannot let the conversion of the hon. member for Bell Island go unnoted by this honourable House. He is actually going to bring in a petition with respect to public tendering, the public tendering for the purchase of goods. Let us have a look, Mr. Speaker, for just one little moment, at the provisions and the great reforms that are wrought by this bill of Public Works and Supply, which ought to have been enacted, not just during the few years' sojourn of the hon. member for Bell Island and some of his colleagues when they were in government but since 1949,

AN HON. MEMBER: (Inaudible).

MR. MARSHALL: That is the conversion as a new leader.

We heard, Mr. Speaker, from the previous government that goods were purchased. They proudly presented, Mr. Speaker, a certain little brochure called "A

Summary of Purchasing Procedures of the Department of Supply and Services." When we were occupying the seats on the other side of the House, Mr. Speaker, some of the honourable gentlemen there opposite were over here, we brought into this honourable House, when we were in opposition, an act entitled, "An Act With Respect To The Equitable Purchases By Government Act," a bill, because it never was enacted into an act because it was voted on by the members then present, including the hon. member for Bell Island, and was turned down. Under their system - let us just look at their particular system. It was in a nice little white book but the practices were not exactly the same as the colour of their particular production. They talked about the fact in their booklet that it was impossible, the procedure stated: "it was impossible to call tenders with respect to the purchases by government." They said, "the department invites competitive tenders (in their little booklet) wherever possible." However public tenders were not required to be called because they said that the multitude of the items purchased would render advertising costs prohibitive. Instead a tender listing was maintained, a list of people who were submitting tenders, to which any competent firm could be added upon receipt of an appropriate letter of request. This was lovely and makes a lovely statement and it was set out in great diction in this particular pamphlet but, Mr. Speaker, competitive bids were not in fact called. They went on to say that when an item was required, the Department of Supply then called tenders from listed firms located in the vicinity of the customer's establishment concerned. The booklet notes that to be eligible to participate firms must be established in their particular line as bona fide suppliers and must be capable of complying with "departmental contractual requirements."

The booklet goes on to state, this great booklet, this bible of

the Liberal Government, that the department will give as much information as possible to an inquiring unsuccessful tenderer. It sets forth a procedure whereby a photostatic copy of the actual order issued to the successful tenderer would be mailed to the inquirer.

Now it was obvious to us, Mr. Speaker, when we came to government that this procedure was completely inadequate and left the way open for abuse. There was no provision for the public call for tenders, the public opening of tenders and the manner of the tender called. We will give examples of abuse, little examples, not individuals, we will not talk about individuals but we will talk about products, inanimate objects rather animate objects. What happened was, they used to call for tender by their brand names, Mr. Speaker and by model numbers and hence we were greeted with a practice that had been adopted for twenty-three years despite their little white booklet, despite the great words that they issue now, we were greeted with a practice whereby tenders were being called for pop-up toasters, Westinghouse H-T, 64. We were greeted by practices which called for tenders for automatic washers, (white). There is nothing wrong with calling for a tender for an automatic washer, (white) but it went on to say, kelvinator, cat. (what ever that means) catalogue number, KW 640 or equal. They went on again. We had tenders called for desks, desks that could be made of wood and nails and what have you, brand names were used for desks, competitive tenders. The hon. member for Bell Island is going to give us a lesson in how to call for competitive tenders.

MR. NEARY: Talk about Heap & Partners.

MR. MARSHALL: What we did, Mr. Speaker, the cabinet directed as soon as it got in (this government do things quietly but effectively) that no longer should there be under any circumstances any call for tenders under brand names or models. This required an immediate re-organization in the Department of Supply.

and was very capably directed by the then Minister of Supply now Minister of Manpower, except in very specific circumstances such as for example, if a doctor ordered a drug by a brand name, well we poor mortals could not and would not fool around with a drug being called by a brand name.

But no longer are tenders called or will tenders be called by brand names for refrigerators and washing machines and I do not know what purpose they were called, for what reason, I can only leave it to the supposition of the honourable members in this honourable House. So the position taken by the previous government, despite what the honourable member for Bell Island says, is that it was impractical to call public tenders and this was completely and absolutely untenderable as far as we were concerned. It is not the position which was maintained by this administration when it was in opposition and the calling of public tenders can be practically implemented.

All you have to do is look around at other provinces. In Nova Scotia there is an act comparable to the sections in part (3) of this act, in the Department of Public Works and Supply. In Nova Scotia there is an act which provides for purchasing by public tender, as in most democratic systems there are acts of this nature, of supplies except in the case of emergency when there is only one available source of supply or where the amount involved exceeds \$1,000 or it appears impractical to invite tenders. That is the law in Nova Scotia. A safeguard was provided in that act that where purchases are made without inviting tenders, as could occur where there is an emergency, where the amount is a negligible amount, where there is only one source of supply, the safeguard put in was that all such purchases should be reported to the Auditor General within fifteen days of being made.

Now having seen that in opposition, as I say, we brought in a bill called "A Bill, 'An Act to Provide for the Equitable Purchases Of Government.'" We prevailed upon the government of that day, we begged them to introduce it and now the honourable gentleman on the other side who are conferring advice upon us as to what to do with public tender, who spend their days trying to paint us as black as they think they were, they now have the unmitigated gall to sit on the other side of the House and give us an example of what to do.

Now if the honourable the member for Bell Island wishes to refer and read the acts which are presented to him, in part (3) he will see a section with respect to a government purchasing agency, which in effect implements the provision of that previous bill. How sweet it is, Mr. Speaker, to be in government now and I can reasonably predict that this particular bill and this particular provision will be greeted with a lot more enthusiasm than it was two years ago. But enough of that castigating the past, let us look ahead to the future and see what happens.

MR. NEARY: Now you are talking.

MR. MARSHALL: The Lieutenant Governor-in-Council may establish a branch of the public service to be known as the government purchasing agency. It sets up a government purchasing agency. It gives power to appoint a director of purchases, he is called. That person is given security of tenure in the same manner as the Auditor General and the Comptroller of the Treasury is given security. His salary is paid from the Consolidated Revenue Fund in order to give him protection with respect to his actions. In other words, he becomes a servant of the House. It provides

that all purchases will be made by means of inviting tenders with certain exceptions that I shall mention in detail in a moment. A public advertisement means in this business an advertisement in the public press and for the purposes of this act, the public press is deemed to include the 'Newfoundland Gazette'. This is in order to attempt to keep the expenditure down as low as possible. "The Newfoundland Gazette" is a government organ, not like the "Newfoundland Bulletin" but it is a reputable government organ that any businessman in this province can subscribe to and can get the information that he requires. Tenders will be called for the supplies.

But there are exceptions, the same way as in the other act, with respect to the dispensing of calling of tenders, where the need is one of pressing urgency, where there is only one available source of supply and where the amount does not exceed \$1,000 and it appears to the director now, the independent director, not to a politician but to the director, that in view of the nature of the purchase that it is not practical to invite tenders, that is, where it is under \$1,000.

As an added safeguard, before purchasing in that case, he shall obtain prices from at least three bona fide dealers, he shall establish a fair and reasonable price in the event that there is only one source of supply and furthermore, not later than the fifteenth day of each month, the director shall make a report to the Auditor General of every purchase of services made during the preceding month without inviting tenders where the amount of the purchase exceeded \$1,000 after inviting tenders but where the purchase was not made from the person submitting the lowest tender, and the Auditor General is constrained to report to this House, as the Auditor General has from time to time,

So there we have it, Mr. Speaker, in black and white. When we were in opposition we talked about public tenders, when we are in government we are over here implementing a procedure with respect to public tender. It has become a great practice by the people on the other side of the House and their adherence to try to paint us as black as I say, they feel they, and I am not saying that they were, but as they obviously feel with their guilty conscience that they were. It just does not work, Mr. Speaker. The bill which will become an act in a very short period of time speaks for itself.

MR. SPEAKER: The honourable member for Labrador North.

MR. WOODWARD: Mr. Speaker, I agree with the principle of the particular bill. I can see some great inconvenience that this particular bill will cause to certain sections of this particular province.

I feel in all legislation that is brought into this honourable House, it should first be applicable to all aspects and all sectors of this particular province. This particular bill, Sir, does not lend itself to certain aspects of purchasing in the Province of Newfoundland and Labrador. I have had great, great concern. I have had many disturbed moments because of the fact that we have Supply and Services and it will now become Public Works and Services purchasing subsistence and food for the livelihoods of a number of people on the Labrador Coast.

I have stated in this House and I have stated on a number of occasions that the system that was set up and the system that this particular bill provides is too rigid to lend itself to that particular agency and I will cite you a number of cases, Mr. Speaker, a number of cases maybe where the honourable ministers at the time were not concerned with the

particular phase of their responsibility. What I am referring to is the purchasing for retail stores, government retail stores, where the cost is partly borne by the government in Ottawa and the retail stores are administered by now the Department of Recreation and Rehabilitation.

We have suffered tremendously because of the fact that the supplies that went out for public tender, there were time limits set on the supplies, times were not co-ordinated with the shipment of supplies into particular areas, consequently because of the fact that you had to wait for the lowest tender, or not necessarily the lowest tender in more cases than the availability of the goods, Mr. Speaker.

Our people have suffered because the goods were not supplied and not co-ordinated with the shipping schedules into Labrador, and the winter had come, navigation had closed and on a number of occasions the goods were sitting in St. John's when they were needed in the communities.

I say this system is too rigid. I would like for the honourable minister to take under advisement that this particular system in this particular bill is not applicable to that aspect and that sector

of our people. Unless there are some changes made in this particular bill, which I would like to propose, Mr. Speaker, then the people of Labrador will suffer greatly as they have suffered in previous years and I am not particularly concerned whether it was under the Liberal Administration or whether it was under Coaker's Administration or whether it was under Tory Administration. We cannot sit here idly in this particular House and bring legislation in that does not lend itself in the best interest of the people of our province. This particular bill as I am sure the past Minister of Supply and Services had seen brought to his attention one million times, he did not see fit to visit the area for which he served. The present minister that is going to serve this particular department has not had the interest to visit this particular area and we will suffer as we did last spring when the supplies were suppose to go into the northern communities in Labrador North. We sent a ship up for total supplies for five or six communities, 560 packages. After we heard through the media that the stores had been short starting in March, there were a number of items, various essential items, Mr. Speaker, that were not supplied. The ship went up, the first ship that arrived there had 560 packages for the total of five communities. If you are going to supply a retail outlet, Sir, this rigid system of purchasing in this government does not lend itself to any particular retail organization because it is not based on the same principles, you do not have the same continuity as you do in institutions like supplying government institutions on this island. The demands are up and down and there are more cases than one that we are running out of supplies continuously. If we have to go through the means of public tender then we are going to have to wait for bids to come in, then we are going to suffer the same now as we have done, not last year, Mr. Speaker, but you can go back to 1949 and we have been suffering with the same shortage of supply because the government have never felt fit to change that regulation.

I think the time has come now when the honourable minister and I am sure that the minister does not have the feeling or does not, I would not say he does not have the concern, maybe the honourable gentleman does have the concern, Mr. Speaker, but we have suffered greatly. The previous minister of Labrador Affairs I am sure will support me on this. We have to change this system. This system of purchasing for that particular organization is obsolete. It is no good. It should have been wiped out years ago. We should be set up on the same principle as a retail outlet or as a wholesale outlet where you have a particular person who is responsible, when you run short of certain items, when you have authority to go ahead and purchase and put it into the stores so that it is available and it is there for the purpose that is for the people that it is meant to serve.

This is all I want to say on this particular bill, Mr. Speaker, I consider, although it is a departmental bill, there is a lot of hogwash. It has not been properly researched and then the minister is not doing us justice by bringing in this rigid system of purchasing if it is going to apply to the northern services of Labrador.

MR. MARTIN: Mr. Speaker, I would like to add my support to the things that my friend the honourable member for Labrador North has said. He put it very well. It is something that must come to an end this system of trying to supply a retail outlet through a government bureaucracy. I am sure the people who set this up and administered it were doing so in good faith. They were quite sincere in trying to deal with the problems of Northern Labrador, but it just has not worked. I know for a fact it has not worked. I have seen some of it happen.

I am particularly concerned too at this time because that agency which was known as "Labrador Services" - I am not sure what it is going to be called, they are now in the process of moving into programmes, projects in the District of Labrador South as well.

AN HON. MEMBER: Inaudible.

MR. MARTIN: It is about time that happened, I think.

But I do believe that it is time the government got out of the retail business. Maybe the thing that should happen is rather than keep it under the jurisdiction of some department of government maybe it should be made an autonomous crown corporation. If we are not going to get around to doing away with paternalism that we have had to suffer through for the last 200 years, if we must continue to have that system with us and make our people live under it, then the least we can do is to make it a little easier to live with. I think it is time the government

got out of the retail trade. I believe if the hon. minister wants any suggestions as to how that should be accomplished then I suggest that he go and talk to the people affected, in Labrador North in particular.

MR. MURPHY: I do not wish to delay the debate, Sir, but listening to the two members from Labrador I am very much inclined to agree with them but the member for Labrador South urges government to get out of the retail business. Quite frankly I do not think government wants to be in there in the first place. I can see St. Barbe North and White Bay North would love to have much the same kind of service where things are really supplied to them. I do not think we are in there to interfere with the private sector. I know while I was there I would certainly love for somebody to come and say, "Look, we would like to take over the whole outfit basically," but it is a fact that they are in there and the member for Labrador North particularly I just used to sympathize with his problems there in that particular area. As he said, we tender for things. We try to be fair in a sense, but are we being fair when we are waiting six weeks or seven or eight weeks and we get the prices we want but the people do not get the goods they want to consume? There is a block somewhere. Quite frankly and I would suggest this - I know from my point of view and I am sure from the new minister's point of view and Mr. Ross King and the rest, I believe you should sit down and discuss these things with both members. We have extended it now, thank God, as Coastal Labrador Services. It was all Northern Labrador.

Now we can discuss rights or wrongs but on times I have had a lot of white people, if you like, protesting to me when I was minister that they were being discriminated against. "You are doing everything for the eskimo and for the indian but what about us people." We talk about human rights and basically there is a lot to that because the federal

government, the Department of Northern Affairs I think we might call them, they entered into that thing too and there was an awful lot done for that particular part of the coast. But quite frankly now I would suggest this, that the member for Labrador South and Labrador North, Labrador West is not too much concern in this issue but Coastal Labrador. I believe if you sat down, put forward your ideas and in conjunction with this bill and with the minister here, heck we are only out to serve the people. We are not out to hurt them and if we are, well heck let us resolve things, come up with an idea and I am sure that the government tomorrow if it were mentioned would be out of that just like that. Quite frankly that is my experience of a few months.

MR. SPEAKER: If the hon. minister speaks now he closes the debate.

HON. H.R.V. EARLE (MINISTER OF PUBLIC WORKS AND SERVICES): Mr. Speaker, I welcome the discussion on certain aspects of this bill and particularly the views of the hon. members who have considerable experience in Labrador. I might agree with the hon. minister who just spoke that we are all in agreement I think on this side of the House, that the handling of supplies for Northern Labrador is one of the most unenviable and miserable headaches that any department could undertake. I do not think the hon. member for Labrador North was here the other night when I spoke on it. Quite frankly, I think that the Department of Supply would welcome any other department within government that wished to take over this particular service, taking it over because it is nothing but a continuous series of headaches and it all comes back to the system which was in vogue some years ago whereby because of arrangements with Ottawa in the servicing of Indians and Eskimos in Labrador this particular function was put under social services. I had experiences with this when I was the Minister of Welfare under the previous administration and I am well aware of all the headaches which were created and now in the

brief period that I have been Minister of Supply I have learned a lot more of the headaches and the potential headaches in this particular operation.

As a matter of fact, if it is any comfort to the hon. members who spoke, this whole subject is under very close discussion at the present time as to how it is best to handle it. But might I point out in defense of the officials of my department as I said the other night that comment on this is sometimes carried to a ridiculous level. For instance it may not be known to many members of the House that contrary to all other practices of government, approval is given to my department before the estimates are passed, that is before March 31, before the money has been voted for these supplies, for tenders to be called for the first boat that leaves in the spring. In other words, before we know that the vote is even going to be passed by this House, before the money has been provided, the tenders are called so as to give ample time for the first boats going north in the spring. In spite of

doing that, there seem to be complications which arise later on that some stuff does not get on the boats. Now generally and quite often it is due to the suppliers, but in the cases of emergency and when there are a lack of supplies, this system is not tied down with red tape that it cannot be expedited. For instance when there is a natural and proven need, supplies on three weeks waiting period, they are ordered by telephone to be delivered within a matter of a few days. The person doing the ordering is told to get on the phone to contract suppliers and to find out what they can offer and if they have the supplies available to get to it. This has been followed up continuously.

Now the argument which my department has against decentralizing supply, which is what the other side means, is that there is a considerable danger that it would cost the people of Labrador a lot more money. Because through the aspect of central purchasing and central supply, we can call tenders and we have the ability to call tenders for our considerable quantities of goods at specified times, at quite considerable savings. We do bargain hard on these things. We have the ability of very large purchasing, actually the purchases of the Department of Supply this year will probably be in the neighbourhood of \$30 million.

Anyone who knows the essence of good business, knows it is completely erroneous and a false step to take to start breaking up your purchasing ability into a number of different divisions. To begin with there is the aspect of lack of control when you have every Tom, Dick and Harry going out running all over the place trying to buy stuff. There is the added aspect of not being able to get the best possible prices. I question very seriously in the light of our experience that it would be found that deliveries were one bit better, in fact it would probably end up by being an awful lot

worse.

Now conditions on the Labrador, as the honourable members spoke, are something which at times are completely unpredictable and there have been many cases in the past and I am afraid there will be many cases in the future, with sudden freeze ups, where branches have not put in their orders and so on, that stuff just misses the last boat. It is then that it all starts, that supplies are not down there.

My department does its utmost. It starts before the estimates to get the goods on the first boats in March, it again starts in August and September to be sure that the fall goods get down before the freeze up. Every possible effort is used to be sure that these goods are obtained and shipped on time. I do not care what is put in the legislation or what is not put in this legislation, I would predict that no system will be perfect and no system will be sure that you can overcome some of the peculiar conditions which prevail on the Labrador Coast. Now perhaps that is enough on that subject. It can be debated later when we get into the details of the bill, if the honourable members wish so to do.

But on the other subject which was raised by the honourable member for Bell Island on the question which he raised about tenders, it is just too silly to talk about because it is something like the thing which occurred the other night in our discussions on Public Works, when the honourable member was telling us how to run the department when that is exactly what is being done when the snow clearing operations are to be checked out hour by hour and a very careful watch to be kept on them. Similarly in the case of the purchase of supplies. In the purchase of supplies, Mr. Speaker, these tenders come in, they are not just thrown on somebody's desk and allowed for every Tom, Dick and Harry to have a look at them and change the figures on

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them and that sort of thing, as was almost suggested by implication
the way the honourable member for Bell Island spoke, that they
could be changed.

These tenders that come in are carefully tabulated and are carefully locked up and are the responsibility of one person who has the key to that box. The box is not opened until the tender date is due, then are opened in the presence of two or three officials of the department and any of the tenderers who wish to attend to see what the bids are.

AN HON. MEMBER: Inaudible.

MR. EARLE: The honourable gentleman I think perhaps he will some day be minister of the department and he might learn a bit about the complications of it. I do not think that is going to be for sometime but still.

AN HON. MEMBER: Inaudible.

MR. EARLE: But the fact is, just to give an illustration of the type of thing that you run into. There was one gentleman raising holy Cain with me only today because his tender arrived one hour late and his was not accepted. He claimed he was a great supporter of the government and everything, that he could be given special concessions and special consideration. I said, no way. The tenders were called to come on a certain hour, they arrive on that hour and you are out of luck. How fair would it be to those who tendered who got their tenders in on time and were sitting there waiting for the tenders to be opened and we said; "sorry gentlemen, you have to wait another hour because there is some fellow who has not got his tender in." This is stupid. The time is set. The hour is set for the opening of tenders, people who are interested can be there and can follow it up. They can see the other person's tenders. They can see the price.

AN HON. MEMBER: Why can they not bring them in with them?

MR. EARLE: If they want to come in five minutes before and they are in on time they can bring them.

AN HON. MEMBER: Inaudible.

MR. EARLE: Mr. Speaker, it is not my intention to go into detail on every operation of the department. But anybody knows that in any sensibly conducted department or business or anything else there has to

be a procedure followed unless you want chaos. You cannot have people bringing slips of paper in at the last moment and say, "here you are, quick!" Five minutes before the hour, "here I am, this is my tender!" It is crazy. The very fact that the honourable member would suggest such a thing is the same sort of crazy nonsense that he suggested the other night, that snow clearing be controlled by janitors and watchmen and people like that. You have to have officials who know what they are doing to try and control these things. It is crazy.

AN HON. MEMBER: Inaudible.

MR. EARLE: It is all right, the honourable gentlemen will have his opportunity.

But procedures have been developed over the years by government and the best of them have been incorporated in this act. In our opinion there is no room in it for evasion, if there is any room in it and there are any sensible suggestions which can be made, I would most certainly be happy to listen to them.

I move second reading.

On motion a bill, "An Act Respecting The Department of Public Works and Services," read a second time, ordered referred to a Committee of the Whole House presently, by leave.

MR. W. MARSHALL: Order 22, Mr. Speaker, I would like to point out to the House that it is our policy not to call bills unless honourable members have had them for at least twenty-four hours. The next order that I am calling is Order 22, bill No. 35, Tourism, which was just circulated today but I understand the members on the other side have no objection to calling this now.

MR. NEARY: Mr. Speaker, we have no objection. We want to get rid of these unnecessary pieces of legislation as far as we can so we will not be wasting the time of the House.

Motion, second reading of a bill, "An Act Respecting The Department of Tourism."

HON. T. DOYLE (MINISTER OF TOURISM): Mr. Speaker, while I hope to avail of the present mood of this honourable House with regard to the acts setting up the new departments of government, I should like to point out with a great deal of pleasure that this particular one is a milestone in that it is the first time in the history of Newfoundland that we are about to have a separate and distinct Department of Tourism.

This department it is proposed to mould into

five divisions which heretofore were scattered throughout three different departments of government. They are the Tourist Development Office which we are proposing to rename the Division of Tourist Services and which was before under Economic Development; the Parks Division which used to be called Provincial Parks Services which also was under Economic Development; the Wildlife Division which comes from Mines, Agriculture and Resources; Historic Resources and Cultural Affairs which both come from Provincial Affairs. In addition the Arts and Letters Committee and the Public Libraries Board have been taken from Education and assigned to our Cultural Affairs Division.

Basically, Mr. Speaker, that is the act. As I said, it is an amalgamation of five already existing divisions of government. It simply takes them from one department and puts them where I firmly believe they belong, together, under one roof, and we hope that in so doing we will be able to create a proper atmosphere to improve our tourism in Newfoundland.

MR. THOMS: Mr. Speaker, this bill is similar to all the other bills that are currently before this House. It is really of no great importance. The faster we get rid of them the better. Oh, we need another squirt of oil over there in the corner, do we?

So, Mr. Speaker, you know, it is like one of the university students who I was talking to the other day. We were talking about restructuring. He said to me, "You know, I can do just as good a job as that," he said, "on any long weekend plus or minus a couple of days." You know, Mr. Speaker, there are a lot of rumors going around about the cost of this restructuring and one thing and another and different figures are put on it. I suppose the greatest figure that I have heard is a million dollars. Mr. Speaker, whether it cost a thousand, a hundred thousand, a million or two million, really I think it is a waste of the public money.

MR. SPEAKER: The honourable member must be relevant to the bill being discussed. He may continue but be relevant to the bill.

MR. THOMS: Thank you, Mr. Speaker. Now, Mr. Speaker, we have in this bill after about four hundred years of our history, separated from the forests of our land the wildlife of our land. We have placed them, in my mind, in a very dangerous position. We have placed them in the Department of Tourism and we have allowed the minister in this case to disperse the wildlife of our province in whatever manner he sees fit. The danger that I see in this, Mr. Speaker, is that possibly, just possibly the tourists coming into our province will have greater access to the wildlife of our province than do our people of the province. This is a danger which I see and this is something that I do not agree with. Of course, Mr. Speaker, you know all of this will be changed in a couple of years anyway. So, it will not be too bad.

Well, Mr. Speaker, to take wildlife and to place it with Tourism only reminds me of one thing; it is like taking the tail of the bull and trying to put the tail through the ring in its nose.

MR. NEARY: Mr. Speaker, this is the department where a nest has been made for Mr. Nutbeam. I wonder, when the minister is closing the debate, if he will confirm or deny that Mr. Nutbeam has been given an office down in the old Colonial Building and the Curator of the Archives has been booted out. Why?

AN HONOURABLE MEMBER: Lies.

MR. NEARY: It is not lies, Sir. I would like to know why does Mr. Nutbeam qualify to have an office down in the Colonial Building? Why is he not over in Elizabeth Towers with the rest of the crowd?

MR. GILLETTE: Mr. Speaker, in speaking to this bill and relating to the new department, the Department of Tourism, I think it is a good department as I believe we all agree on both sides of the House. I am not qualified to speak, as my honourable friend from Bonavista North is, on the wildlife

and where this should be and under what department it should be administered and the protection of our wildlife. But I do think that tourism should and I think it will be one of our greatest assets, perhaps second to the discovery of oil.

We do have a unique province and I trust it will always remain that way. Furthermore, I think I should congratulate the Minister of Tourism, I think that the government has made an excellent selection because I go back in many years, I know that perhaps no other member in this House has covered at least the coastal area of Newfoundland as much as has the honourable Minister of Tourism. Having covered the entire island on many occasions, I would presume, with his dad, who promoted tourism before we even knew the meaning of the word, so to speak. I can only hope that his knowledge that he gained in his boyhood and young manhood will serve him very well in his ministerial post as the Minister of Tourism.

Now I presume that we will be talking more on tourism as the debate progresses, when we are in committee. It is sufficient now to say that I fully endorse the bill as I am sure we all do on this side and in the whole House. I can only reiterate that I trust that under the ministerial guidance of the Minister of Tourism, that this department will become one of the most important departments in the Government of Newfoundland.

MR. MURPHY: Mr. Speaker, I am not going to let this opportunity without first paying tribute to the gentleman who just spoke, and he is a gentleman in the true sense of the word, for his great active interest in tourism as such. I had a few short months in that department and at the time the gentleman came along and he offered the department a schooner, "The Grace Boener," which belonged to his firm down there, absolutely free of

charge, as an historic object, if you like, or whatever you would like to call it, for Twillingate Island. I am sure that if all of us here in this House had the same attitude on this province, its attractions, and tried to do something for it - I say this very, very sincerely, our little province would be a far better place to live in. I would like to thank the honourable gentleman for the interest he showed, the very many fine conversations we had when I had the honour to be in the department that handled tourism. I want to thank the honourable member very, very much.

MR. SPEAKER: If the honourable minister now speak, he closes the debate.

MR. DOYLE: Mr. Speaker, I would like to thank the honourable gentlemen for their comments, particularly my long standing friend from Twillingate for his very kind comments and in direct answer to my friend, the honourable member for Bell Island, the facts of the matter are as follows.

As I have said in this honourable House last week, Mr. Nutbeem commenced work on February 19 as the co-ordinator of the silver anniversary celebrations, as I believe the honourable member is aware. At the present time there is a tremendous space problem in this building and elsewhere. Unfortunately, although they say it is an ill wind, etc., but unfortunately on the previous Friday the Provincial Archivist, Mr. Burnham Gill, suffered a heart attack, a mild one, I am glad to say, and he will be away from his office for approximately six weeks. As there was no other space available, I installed Mr. Nutbeem in Mr. Gill's office.

with the clear and distinct understanding that the minute Mr. Gill is quite able to come back to work Mr. Nutbeam will remove himself elsewhere. By that time it is hoped that our department will be fully established on the 5th floor West of this building.

MR. NEARY: What security provisions are being taken to make sure that the advantages down there are the same as here?

MR. DOYLE: Mr. Speaker, in my opinion that question does not deserve an answer.

AN HON. MEMBER: (Inaudible).

MR. DOYLE: I thank the hon. members for their interest and I would like to assure seriously the hon. member for Bonavista North that I share his concern in what happens to our wildlife and I fully realize that there is a very fine line which we have to walk between the use of our wildlife facilities or wildlife plant if you will for our own people versus tourists. I am quite aware of this situation and you can be assured that it is one that I am going to watch very, very closely.

I thank the hon. members for their comments.

On motion, a bill, "An Act Respecting The Department Of Tourism." read a second time, ordered referred to a committee of the whole House. presently.

MR. SPEAKER: It being now six o'clock I do leave the Chair until 8:00 P.M. tonight.

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PROVINCE OF NEWFOUNDLAND

THIRTY-SIXTH GENERAL ASSEMBLY
OF
NEWFOUNDLAND

Volume 2

2nd Session

Number 17

VERBATIM REPORT

Thursday, March 1, 1973

SPEAKER: THE HONOURABLE JAMES M. RUSSELL

The House resumed at 8:00 p.m

Mr. Speaker in the Chair.

Motion, second reading of a bill; "An Act To Amend The Department Of Health Act." (No. 38)

DR. A.T. ROWE: In line with certain recommendations regarding the Committee on Administration and Productivity, this act follows the format of most of the other departments on restructuring providing for the appointment by the Lieutenant Governor-in-Council, of associate deputy ministers, deputy ministers and directors of administration. One part I think which is rather important, is the question of the age of majority in the effect that agreements made by individuals who though in the minority have reached the age of majority when the agreements come into effect. This will now be legalized.

Some of the other sections are related to the power of the Department of Health to enter into agreements with the other departments on questions of research and such other matters as may come under the regulatory powers of the department. Those are in sections (8a) to (8o) which contain the main changes with the points I have mentioned. These are the most significant parts of the act.

On motion, a bill: "An Act To Amend The Department Of Health Act." read a second time, ordered referred to a Committee of the Whole House presently, by leave.

Motion, second reading of a bill; "An Act Further To Amend The Department Of Finance Act."

SOME HON. MEMBERS: Yea! Hurrah!

MR. CROSBIE: I do not like to spoil this by saying anything.

Mr. Speaker, this is a bill to do just what it says, that is to amend the Department of Finance Act. I will have to look at this very quickly to see what is in it. It will give effect to certain recommendations contained in the report of the Committee on Government Administration and Productivity. Actually there are no amendments of any great moment in this, but the new organizational structure of the Department of Finance - there is a slight change there. The new organization of the Department of Finance provides for a comptroller and deputy minister, an assistant deputy minister, an assistant deputy minister of finance (revenue). We have abolished the post of assistant deputy minister of finance (expenditure).

In addition, of course, there is a director of fiscal policy and his group will report to the deputy minister and the director of loan, guarantee and debt management who also report to the deputy minister. There is no fundamental change. The government have decided however, Mr. Speaker, that all matters of loans and guarantees should be dealt with by the Department of Finance and there is another bill which has not had second reading yet which will provide that in any case where the government guarantee a loan, that such a guarantee will have to be signed by the Minister of Finance so that the Department of Finance will at least know about all guarantees given by the government.

In the past there have been occasions when the Department of Finance found out a year or two after the event that a guarantee had been signed by some minister and they had never been informed about it.

AN HON. MEMBER: (Inaudible)

MR. CROSBIE: Yes, they are all to be centralized in the Department of Finance and Mr. Dustan, as a matter of fact, who was Chairman of the Newfoundland Fisheries Development Authority and whose job it has been now for some years to look after the various lease-backs and crown corporations, he is retiring as or has retired as Chairman of the Fisheries Development Authority and he will be moving down to the Department of Finance to continue to look after the lease-backs, and in particular to look after, on behalf of the government, the oil refinery. He has been doing most of the work in connection with the original oil refinery agreements and he will continue in that capacity but he will be down in the Department of Finance as special adviser to the minister on crown corporations and the work that he has been doing in the Department of Fisheries before.

The Treasury Board is not dealt with in these amendments, it will be coming up on the Revenue and Audit Act. We hope by the way, Mr. Speaker, to introduce in this session a new Revenue and Audit Act or a Financial Administration Act. That is being worked on now including in it the amendment that was promised in the Speech from the

Throne. The Treasury Board will be dealt with in that legislation, but the Treasury Board will be separate and independent from the Department of Finance. The secretary of the Treasury Board was the deputy minister of Finance, Mr. Peper, it is now Mr. Victor Young who was deputy secretary. It is a separate organization organized into four branches. The organization and management division, which is new, that is headed by Mr. R.J. Olivero. That is a new organization to attempt to take steps to improve the efficiency of government. A Budget division, we do not have a director of that yet, a collective bargaining division of which Mr. Blanchard is the director, Mr. Norris is the assistant director and the classification and pay division with Mr. Cochrane as the director.

The Treasury Board as I say is going to be a separate institution. The president of the Treasury Board will be the Minister of Finance, but they are going to operate as separate entities and they will not be a branch of the Department of Finance. I think that is the general principle.

MR. WM. ROWE: Mr. Dustan: When we had the honour to form the administration, we found Mr. Dustan invaluable in dealing with crown corporations and other corporations with which the government had some concern and I am delighted to hear that he is going to become even more highly involved in this field. We found him excellent and able in every respect.

Secondly, I am glad to hear that finally the logical step has been taken to separate the Treasury Board from the Department of Finance. It always seemed to be highly illogical to me and foolish in many respects to have the Treasury Board operating down there as merely an arm or adjunct of the Department of Finance. Many other departments found it exceedingly irritating that the Department of Finance could seem to run roughshod over them, when after all it was just another department of government. This has nothing to do with Mr. Peper who is the Deputy Minister, but having the Secretary of the Treasury Board and the Deputy Minister of Finance one and the same person is always irritating to a lot of people as well, although I think Mr. Peper did a good job in both capacities. Having the Minister of Finance and President of the Treasury Board as the same minister, I do not think has the same problems attached to it because obviously lots of ministers sometimes have dual portfolios. But I am glad to see that the Treasury Board has finally separated itself from the Department of Finance and exists now as it is supposed to exist, namely, as a committee of cabinet with a committee of cabinet ministers exercising a constraint and restraint on the spending on government expenditure.

So there is nothing else to say about the bill, Mr. Speaker, except it is a routine bill with the exception of these two things I have mentioned.

MR. NEARY: Before the Minister of Finance closes the debate, this may be as good a time as any to try and find out from the minister

MR. NEARY: Just how much restructuring is going to cost the taxpayers of this province. We know, Sir, there were four casualties already. Four deputy ministers have bitten the dirt, early retirement, retired on full salary until they reach the retirement age. We notice all kinds of special assistants, hired executive assistants, and we heard a figure, Mr. Speaker, I think it was mentioned by my colleague, the member for Bonavista North, mentioned the figure of \$1 million for stationary, envelopes, for reprinting legislation, reprinting regulations.

I would like for the Minister of Finance, Sir, to tell us just how much this grandiose scheme of restructuring is going to cost the taxpayers of this province.

MR. SPEAKER: If the honourable minister speak, he closes the debate.

MR. CROSBIE: I think this is a very appropriate time to close it, Mr. Speaker. The cost of restructuring I would say on balance is going to be nil because the increased efficiency and the savings that will result with a more efficient utilization of the resources of the government will more than meet any additional cost in stationary.

The additional stationary cost I think is \$13,205.90 or as near thereabouts as we can make it. That figure may go up, of course. But the cost of restructuring is not a very high cost, however it is having one effect, Mr. Speaker, it is delaying our estimates for current account this year. Instead of having the estimates all done we are still working on them. There is a lot of work involved in changing the estimates around so they fit the new departments.

AN HON. MEMBER: - the extra \$24 million.

MR. CROSBIE: The extra \$24 million is already well looked after by

MR. CROSBIE: the projected increase in expenditures for next year, So the competition that was started on people suggesting what we would spend the \$24 million on, it may as well cease now. The money is already well looked after.

I do not think there was anything else to answer except the honourable member for Bell Island, which means that there was not really anything to answer. I think that the point made by the honourable House Leader of the Opposition was well taken. As a matter of fact most of the work of the Secretary of the Treasury Board was done by Mr. Young, as you know. We are very lucky, Mr. Speaker, to have in Finance and in the Treasury Board some very capable public officials. I would like to mention Mr. Abery who is a director of fiscal policy.

I forgot to mention earlier that that fiscal policy division was under the Treasury Board but it is now with the Department of Finance and he is a very capable individual who is doing some very fine work for us in the federal-provincial negotiations in particular. He is very, very knowledgeable in that area. He was our representative on the task force of provincial officials that has just made a report to the Ministers of Finance and Education, outlining the alternatives that the provinces should consider when we next meet with the federal government to discuss post-secondary education financing costs. He was our representative on that. He is a tower of strength as doubtless gentlemen opposite know because he has been a civil servant for some five or six years now.

I must say it is a pleasure to work with these people and they are doing a very fine job for this province.

On motion a Bill, "An Act Further To Amend The Department Of Finance Act," read a second time, ordered referred to a Committee of the Whole House presently.

Motion second reading of a Bill, "An Act Respecting The Department of Mines and Energy."

MR. BARRY: Mr. Speaker, again I think the title of the Bill speaks for itself. Section 7 sets out the powers, functions and duties of the minister and indicate therefore the responsibilities of the department.

It is a new department. The Mines Branch coming of course from the old Department of Mines, Agriculture and Resources and a new Energy Branch to cover both a petroleum and natural gas division and to have responsibility for the electrical energy matters.

Under the Mines Branch there will be a mineral development division, basically the mineral resources division as it now exists. There will also be a mineral lands administration division which will have responsibility for the policing of existing concessions, will have responsibility for administering generally the granting of mineral concessions and following such grants. Some of the functions of the present Mines Inspection Division may end up in this division but this, as of yet, has not been completely clarified as some of the present responsibilities of the Mines Inspection Branch

it is anticipated will go to the Workman's Compensation Board.

Basically this is all I have to say. I think it is a standard act similar to others that have been brought in for the restructuring of other departments.

MR. ROWE(W.N.): Mr. Speaker, it is just one of these restructuring acts and I do not pretend to have read or looked at it with a fine-tooth comb all these restructuring bills. If one did do that one would have to be restructured oneself I would imagine. I do notice that the minister is taking over control over crown lands, mines and quarries, the Newfoundland and Labrador Power Commission comes under his auspices now I guess. Rural Electricity Act, the administration thereof is under the minister now and petroleum and natural gas. Rural Electrification Undeveloped Mineral Areas Act, most of the things which were in the mines, all the things I guess that were in the mines branch of the Department of Mines, Agriculture and Resources plus the Power Commission which was I believe under the Department of Economic Development.

Is there anything else in the bill? Could the minister tell us, is there anything new? Does he have any new powers over any other jurisdiction besides the ones which I have mentioned there, the mines division of Mines and Resources and the Newfoundland Power Commission? Is there anything else that he is able to do, anything new, startling, novel or interesting that he might mention to the House?

MR. SPEAKER: If the hon. minister speak now, he closes the debate.

MR. BARRY: I think, Mr. Speaker, that the acts referred to in the schedule to the bill are the main areas of responsibility. If I find that I have any greater powers than this, I will be the first to inform the hon. member.

MR. ROWE(W.N.): Mr. Speaker, for example what is his role, what is the minister's role in negotiating with BRINCO or any other company

that might want to develop the Lower Churchill? Now ordinarily this would have been, I guess, under industrial development or economic development. Is the minister playing a prominent role in this, the leading role or is he subsidiary or secondary in his role as minister?

MR. BARRY: Mr. Speaker, on this side of the House we work as a team.

MR. ROBERTS: (Inaudible).

MR. MURPHY: He is outside left and I am left outside.

MR. BARRY: Mr. Speaker, matters of such great importance to the province as the Lower Churchill are dealt with generally by a committee of cabinet. Presently the Minister of Finance is chairman of the committee, the Minister of Industrial Development is a member of the committee, I am a member of the committee and the Minister of Recreation and Rehabilitation is a member as having naturally a particular interest in that part of the province.

But basically it boils down to, in routine matters that two heads are generally better than one, depending on the two heads being from this side of the House that is,

MR. MURPHY: What about the nine heads over there now? Give us your honest thoughts on it.

MR. BARRY: No I would rather not refer to any of the heads over there. But basically I am happy to say that I benefit from the vast fund of knowledge that has been acquired by the hon. Minister of Finance, the hon. Minister of Industrial Development. They have all been, I think, towers of strength (to use a phrase that has been getting some use here these two days) and I think that the committee system works well and that the team effort is far better than any one individual taking a flier by himself.

Motion, a bill, "An Act Respecting The Department Of Mines and Energy," read a second time, ordered referred to a committee of the whole House, presently.

Motion, second reading of a bill, "An Act Respecting The Department Of Municipal Affairs And Housing."

MR. MARSHALL: The minister is unavoidably out of the House today, Mr. Speaker, but this is just merely - I should not call restructuring bills, routine bills because they are certainly not routine bills, but in the case of the Department of Municipal Affairs and Housing it remains essentially the same. There is somewhat a breakdown in the functions more specifically between technical services and local government services. The acts which the department will be responsible for are contained in schedules (A) and (B) and do not vary in this particular department which is an onerous department and has heavy duties. There is not that much variation, if any, between its prior duties and the present one, unlike the other acts that went through.

Motion, a bill, "An Act Respecting The Department Of Municipal Affairs And Housing," read a second time, ordered referred to a committee of the whole House, presently by leave.

Motion, second reading of a bill, "An Act To Amend The Crown Corporation (Local Taxation) Act."

MR. CROSBIE: Mr. Speaker, this amendment was introduced in last year's session of the House of Assembly and it was not passed. Now this has to do with the municipal taxation of crown corporations. The House will remember that it was a policy of the last administration, Her Majesty's Government, not to permit municipal taxation of crown corporations. A crown corporation of course is a corporation that is owned by the government and the province and this has been a controversial issue for many years and the federation of municipalities have usually included annually in their submissions to government the argument that they wish to be permitted to tax crown corporations that operate within their municipal boundaries. The government have always taken the position heretofore that this would simply be permitting municipalities to tax the government and the government would have to find the money, and the government would not agree to this change in policy.

Now the original Crown Corporations Local Taxation Act prevents crown corporations being subjected to local taxation unless an order-in-council is passed directing that the act no longer apply to the corporation named in the order. This amendment is made necessary because it was not clear in the act that such an order could be made if the government itself might have to find funds for the crown corporation to pay municipal taxation. Now this government announced last year that its policy was that we would permit municipal taxation of a crown corporation if the crown corporation were in business, in an ordinary commercial or industrial business that was competitive with other businesses that are operated or privately owned in the province. We have particularly in mind the Holiday Inns which has been a sore point for many years. As the House knows, the Holiday Inns chain of hotels is operated by Atlific Newfoundland Limited which is a company that has the Holiday Inns franchise and they manage and operate the Holiday Inns Hotels which are owned by Hotel Buildings Limited which is a crown corporation owned by the Government of Newfoundland. There are Holiday Inns

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Mr. Crosbie.

located in St. John's, Clarenville, Gander, Corner Brook and Port aux Basques. None of these have been subject to municipal taxation. At the same time in all of those municipalities there are privately owned hotels, particularly in Corner Brook, Gander and St. John's. The owners of those places are in competition with Holiday Inn or Hotel Buildings Limited. They have to pay municipal taxes and Holiday Inn does not or Hotel Buildings Limited does not. It is the government's intention that the House approve this amendment to pass an order-in-council making the Holiday Inn hotels subject to municipal taxes for the 1973 taxation year.

Now this is going to cost the government itself some money, unfortunately, but that is the way it is. The reason why that is so is that under the management contract entered into between the previous administration and Atlific Newfoundland Limited, under that management contract, once these hotels start to pay municipal taxes, they will be for the account of the owner of the buildings and not for the account of Atlific. In fact there is a specific clause in the agreement, article (2), subsection (j), "Atlific shall pay interest on amortization of mortgages, taxes, if any, assessments, utilities and premiums on insurance out of owners' funds." Now we do not have the complete information on what this might cost the Holiday Inn. In Clarenville the school tax authority in 1967 wanted a payment of \$3,000 which they said was the share that Holiday Inn would pay there. They are subject to school taxes.

We had been paying apparently water and sewerage taxes in Corner Brook since 1967. That was authorized by the cabinet in 1967 and now we will be subject to water and sewerage as well as the ordinary business tax there, property tax. Corner Brook has been billing the Holiday Inn Hotel out there from time to time and in 1971 they billed the hotel for \$17,089. They

were not paid it because they were not subject to municipal taxation.

Gander billed a hotel in there last year in August for a six month period, showing property tax, \$6,489 and business tax, \$16,064. That was not paid because they were not subject to municipal taxation last year. Presumably this is what it would cost in Gander this year.

St. John's has only submitted one bill. In 1967 they submitted a bill for business taxes, \$15,340. That will give some idea of what the Hotel Buildings Limited may have to pay during the coming year, if the House approves this amendment and we pass the necessary order-in-council.

Now in connection with Holiday Inn, I have a summary here of the amount that Atlific has paid Hotel Buildings during the last year: in 1971-1972, Atlific paid Hotel Buildings Limited, \$1 million. This year, to date, they have paid \$800,000. That money is used by Hotel Buildings Limited to pay on its loan that it received from the Newfoundland Industrial Development Corporation, principal and interest on that.

MR. NEARY: Is that the incurred principal?

MR. CROSBIE: Only on that loan. There are two loans, one is a loan guaranteed by the province of \$9 million and the province is paying the principal and interest on that each year. This year we paid, roughly it was \$900,000 odd, principal and interest on that loan. There was another loan of \$6 million to Newfoundland Industrial Development Corporation, Hotel Buildings Limited, and we are receiving sufficient to pay the principal and interest on that from Atlific. They are all making money. As a matter of fact the management of Atlific are interested in expanding, as I mentioned to the House last year, and they wrote again several weeks ago. They think we should extend the hotels here in St. John's. I believe it suggested Gander for additional rooms and other facilities in

the other hotels so they are now all making an operating profit but because the capital costs were so high, unusually high, they are not making sufficient to repay all the principal and interest so it is costing the province, each year, between \$900,000 and \$1 million in principal and interest payments that we do not get back. That may improve in the future. When we get -

AN HON. MEMBER: Why do they not buy ?

MR. CROSBIE: Well they have an option now to buy them . They have to pay the principal and interest on all amounts paid to date which would make it very expensive. I doubt whether they would ever exercise the option. I think that explains the purpose of the amendment but I just want to make clear what the policy is, Mr. Speaker. It is not that we are going to permit every crown corporation to be taxed. We intend to permit those crown corporations to be taxed that are engaged in a commercial or industrial business in competition with similar businesses operated by private enterprise. The only obvious one I know of is Holiday Inn. Now there may be one or two others, i.e., North Star Cement in Corner Brook. If there is no other enterprise involved in their business in the province competing with them, they would not be made subject to municipal taxes.

AN HON. MEMBER: What about the Power Commission?

MR. CROSBIE: Well the Power Commission would not be, no. They are not engaged in industrial or commercial business. They are government owned and they are performing a public service. As far as I know the only one we will apply the amendment to will be the Holiday Inn. That money will have to be met by Hotel Buildings Limited from the amounts we receive from Atlific each year.

MR. W. N. ROWE: Mr. Speaker, there are one or two comments again on this. I must say that this is a welcomed change in the legislation. For my own

MR. W. N. Rowe

part and I think several of my colleagues on this side, at any rate, always held the view that all commercial enterprises, whether owned by the crown or owned by private individuals, should all be subject to the same type of taxation so that there would be equity and fair play among people competing with one another in these types of businesses. Our view did not prevail. We argued it out in a well-known form, a secret form, but our view did not prevail. The policy, as the minister has said, of the previous administration, as enunciated by the then leader, was not to tax crown corporations of any kind, because they were owned by the government and the government should not be paying taxes out of one pocket and into the other.

There is one thorny little problem, I think, that I would like the minister's comments on when he rises to close the debate. How far now will this principal be extended? This amendment deals with crown corporations of a competitive type. If there are similar competitive enterprises in the province, then that type of crown corporation will be taxed. What about fish plants owned by the government which are not crown corporations? I do not think in any event, I do not know who owns them, Public Works or who owns them, for example, LaScie, maybe the Minister of Fisheries knows or the Burgeo Plant which is now owned by the government. I have had a request from the Mayor of La Scie over the past several months to ask the Department of Fisheries to confer with the Department of Finance to see if that plant can be made subject to a business tax, which strikes me as being eminently reasonable. They have a three mil business tax I think in LaScie. I do not know how business is defined. There is \$1 million worth of business turnover or something, I do not know, in that plant. That means that the town council would get \$3,000. A trifling and piffling amount of money,

when you consider the provincial budget, but a substantial amount of money when you consider the budget of the Town of LaScie or the Town of Burgeo for that matter. I wrote today to Mr. Rupert Prince of the Department of Fisheries asking him to engage in talks with the Department of Finance to see if something might not be done about this. If the government does not succeed in selling the Burgeo Plant, as they hoped to, I think in the next few weeks, well then I would say that the Town of Burgeo will suffer a loss as well because surely the Lake interests were paying some sort of taxes to the Town Council of Burgeo. That is the only question I have to raise, Mr. Speaker. I think it is important to the communities in which these enterprises are located and I would like the Minister of Finance or the Minister of Fisheries, whoever wants to answer, to give us the policy of the government in respect of that type of operation which may not be, in effect, crown corporations but which are competing enterprises of an industrial or commercial type.

MR. NEARY: Mr. Speaker, I wonder if the minister could also tell us if the government have in mind to pay municipalities, in lieu of taxes, grants for providing water and sewerage to vocational schools, doctors' residences, public buildings, etc.

around the province.

MR. CROSBIE: With reference to the several matters the House Leader of the Opposition brought up, Mr. Speaker. The fish plant at La Scie is owned by the Department of Fisheries or by the Crown or by the Fisheries Development Authority which is an agency of the Crown. That plant is operated by Jobs under a management contract. It has never made money. There was one exception, I think it made some money last year

The position on that would be if the town wanted to apply the business tax to it, certainly, I think the government would consider the position and see whether or not it would be justified to pay business tax there. It has to be remembered that it is a common clause in all agreements entered into with industrial enterprises here that they are not to pay more than forty percent of the total taxes collected by municipality. That was a policy introduced by the last administration and it is to prevent an industrial enterprise from being saddled with a tremendous tax bill because the town now has some new enterprise in it and it wants to load all its taxes on this industrial enterprise.

The usual clause is that they are not to be - they do not have to pay in excess of forty percent of the total taxes collected by the municipality. That would certainly have to apply in a case like this. So, I cannot give a categorical answer but if the La Scie Town Council wish to write the Minister of Fisheries and submit the issue, I am sure it will get sympathetic consideration, particularly if it is a year when the plant is making some money.

As far as Burgeo is concerned, I have not checked. It is now, of course, a crown corporation. My guess would be that they are continuing to pay whatever municipal taxes they have paid in the past. I would have to check that with the Minister of Industrial Development who will have to check it. So, I do not know that for sure.

The municipalities have an argument that they are providing services to places like this and that they are not getting any tax revenue. This brings me to the point made by the honourable member for Bell Island who asked whether we would make grants to municipalities in lieu of their

being able to tax government owned property such as doctor's residencies and a few others, technical schools, public buildings. Well, the answer to that is no, that is not our policy. I do not think that it is likely to be our policy because the municipalities here in Newfoundland are already receiving extremely generous financial assistance from the Government of Newfoundland. In fact, I would say that in this province it is more generous, in fact I am sure that it is the most generous financial assistance policy for municipalities anywhere. They receive revenue grants special grants. We guarantee loans for them. We guarantee loans for water and sewers or for any of these main projects that municipalities have. We subsidize their water and sewage systems. We subsidize the - the people say it just takes them - the ordinary example; the people of the town may pay five or six dollars per month for water and sewerage but it is probably costing twelve to fourteen or fifteen dollars and the government picks up the rest through the Department of Municipal Affairs.

If we were to adopt a policy of paying grants in lieu of taxes on crown owned property, then we would certainly have to scale down the financial assistance municipalities are now getting. The same applies here in the City of St. John's, Mr. Speaker. There is a tremendous amount of government owned property in the city. We pay no grant in lieu of taxes because all honourable members know we are supporting the police here and the fire department. This adds up to a considerable amount of money. So, unless that were changed, we certainly would not pay St. John's a grant in lieu of taxes. So, it is unlikely that that policy will change because we are already so much involved in financial assistance in municipalities now. I think that answers the points that were brought up, Mr. Speaker,

On motion, A bill, "An Act to Amend the Crown Corporations Local Taxation Act" read a second time, ordered referred to a committee of the whole house presently.

On motion, that the House resolve itself into committee of the whole to consider said bills, Mr. Speaker left the Chair:

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IB-3

COMMITTEE OF A WHOLE

A Bill, "An Act To Amend The Department Of Health Act."

Motion, that the committee report having passed the Bill without amendments, carried.

A Bill, "An Act Respecting The Department Of Social Services."

Motion, that the committee report having passed the bill without amendment, carried.

A bill "An Act Respecting The Department Of Industrial Development.

Motion, that the committee report having passed the bill without amendment, carried.

A bill, "An Act Respecting The Department of Fisheries."

Motion, that the committee report having passed the bill without amendment, carried.

A bill, "An Respecting The Department of Mines and Energy."

Motion, that the committee report having passed the bill without amendment, carried.

A bill, "An Act Respecting The Department Of Public Works And Services."

On Motion Clause 1 through 7 carried.

MR. T. A. HICKMAN: Clause 8, Mr. Chairman, I move an amendment on the sixth line after the word "of" toward the end of the line to insert "of Subsection (1) of" then it would continue to read, Subsection (7).

On motion admendment received and adopted.

On motion Clause 9 through 54 inclusive carried.

MR. HICKMAN: Clause 55 (b) - The clause should commence "In so far" to read three separate words.

On motion amendment received and adopted.

On motion 56 through 65 carried.

Motion that the committee report having passed the bill with some amendment, carried.

A bill, "An Act Respecting The Department of Tourism."

Motion, that the committee report having passed the bill without amendment, carried.

A bill, "An Act Respecting the Department of Manpower and Industrial Relations."

Motion, that the committee report having passed the bill without amendment, carried.

A bill, "An Act Respecting The Department Of Municipal Affairs and Housing."

Motion, that the committee report having passed the bill without amendment, carried.

A bill, "An Act Further To Amend The Department of Finance Act."

Motion, that the committee report having passed the bill without amendment, carried.

A bill, "An Act Respecting The Registration And Regulations Of Collection Agencies."

Motion, that the committee report having passed the bill without amendment, carried.

A bill, "An Act To Amend The Crown Corporation (Local Taxation) Act."

Motion, that the committee report having passed the bill without amendment, carried.

On motion that the committee rise and report having passed Bills No. 36, 7, 9, 28, 32, 33, 35, 41, 37, 39, and 38 without amendment. Bill No. 40 with amendment, and ask leave to sit again, Mr. Speaker returned to the Chair:

On motion report received and adopted:

On motion. amendments to a bill, "An Act Respecting the Department of Public Works and Services read a first and second time, bill ordered read a third time on tomorrow:

On motion Bills Nos. 36, 7, 9, 28, 32, 33, 35, 41, 37, 39 and 38 ordered read a third time on tomorrow:

MR. SPEAKER: Order 16. Bill No. 10.

Motion, second reading of a Bill, "An Act Respecting The Registration And Regulations Of Automobile Dealers And The Salesmen Of Such Dealers,"

HON. T. HICKEY: (MINISTER OF PROVINCIAL AFFAIRS AND ENVIRONMENT): Mr. Speaker, the purpose of this bill is to register all automobile dealers and salemen in the province and to make certain regulations pertaining to the operation of buying and selling automobiles, and certain regulations regarding the providing of books, records, whenever the registrar deems necessary, to investigate any complaints by any member of the public. The dealer may not hire a salesman unless that salesman is registered. A dealer himself may not carry on a business unless the dealer is registered. That is basically it. It provides for the protection of the consumer.

There have been suggestions in the past, complaints arising out of purchase of cars from certain dealers. Before this time, Mr. Speaker, the provisions were not available whereby a person making such complaints could take any action, or was not protected under any law. This bill provides that.

I move second reading.

MR. NEARY: Mr. Speaker, we have no firm convictions one way or another on this bill. Perhaps when the minister is closing the debate he might tell us what prompted his department or the government to bring in this bill. Perhaps he might also indicate what fees the agents will have to pay. I think under the regulation it says, "requiring the payment of fees on application for registration." Could you give us some idea what the fees will be?

I think that is about all, Mr. Speaker.

MR. WOODWARD: Mr. Speaker, before the minister speaks on the bill I would like to ask if the minister can inform the committee what criterion has been set to become a salesman. I am also curious about the fee. Would these particular salesmen have to take a test in order to get a licence

from his department? Or will this disqualify any of the people who are already in the business from selling?

MR. SPEAKER: If the honourable minister speak now, he closes the debate.

MR. GILLET: Mr. Speaker, I too am a little curious as to why the bill is brought in. I can only assume that having the automobile salesman more so than the dealer registered would be to protect the consumer, perhaps should that salesman defraud or take in a prospective customer in selling, particularly a used automobile or even a new one for that matter and the requirements would be that this salesman would be registered with the government after having satisfied, I would say, the automobile dealer, (1) that he was capable and (2) after satisfying the department or the government that he is also capable of dealing with the public in selling a commodity such as an automobile. Perhaps the minister when closing the debate could explain, as one of my fellow colleagues has already asked, just what prompted the introduction of this bill.

MR. SPEAKER: If the honourable minister speak now, he closes the debate.

MR. HICKEY: Mr. Speaker, I am not sure that I have the answers to all of the inquiries. The fee for registration is not established yet. What prompted the legislation, in keeping with what is done throughout Canada. I do not know of another province that does not have similar legislation.

A few days ago when I was introducing two other bills protecting the consumer regarding credit reporting and credit collection, I said that those two bills were the first two of several to protect the consumer. I do not think there is a province in Canada, Mr. Speaker, that is as far behind in terms of protection for the general public or the consumer as this province.

I said, in introducing the bill, there have been complaints by people who have purchased vehicles. People have complained from time to time about advertising, suggesting that it was false advertising. It

remains to be seen at this point whether or not it was. This bill will provide some protection. There will be a closer watch, so to speak, kept on the operations of automobile dealers. It means that while the criterion is not rigidly established as to who can be a salesman, who cannot, at least not at this point, but at least we are making an effort to do something in a field which, up to now, if a car dealer wishes to hire just anybody to act as a salesman he may do so. Under this bill this is not possible at least there has to be a registration with my department.

AN HON. MEMBER: Inaudible.

MR. HICKEY: My colleague reminds me that other fields such as the real estate field were moving in this direction as well. I suppose, Mr. Speaker, it could be said that it is a move to provide a situation where at least the public is provided with some kind of protection. It is not always easy to establish guidelines or ground rules at this early stage in the game. But we must as I had said the other day on the other two bills, there was room for improvement, some honourable said, and certainly I agreed with that, indeed there was room for improvement but we must start somewhere.

If a person should buy a car and should feel that his or her rights were not given, as interpreted, there is no recourse unless he or she go to court. There is no recourse unless they go to court. Here in this instance they have a recourse, they can come to my department, they can, come to the registrar, they can make a complaint. This bill when it becomes law will empower the registrar and the minister, either or both, to order an investigation. There is protection for the car dealer in terms of appeal. People who do not stay within reason, at least within the rules that are laid down in this act, the terms, a person is subject to a fine of something like \$2,000. In terms of a corporation it is \$25,000. There is another section in the bill which deals with the refusal to register dealers or salesmen where there is information to indicate that their conduct is such that to licence them would not be in the public interest. The same would apply to a dealer

MR. HICKEY: where if the conduct of that dealer in the past or if there is information or reasonably solid evidence to the effect that they have involved themselves in such a way that to licence them would not be in the public interest, of course the licence is refused.

I can agree that there are questions here that are not readily answered. I am pleased to bring this bill before the House because I think something has to be done in this area as in many others with regards to the consumer, and I feel if we do not start somewhere, if we do not pass this kind of an act, which as I said is in effect throughout the country, then we will have no experience in the consumer field. We can hardly improve on anything if in fact we do not have it. So this is a start, it may not be what everybody wants, it may not be what everyone would like to see, but we must start somewhere.

MR. NEARY: Mr. Speaker, I wonder if the minister would answer a couple of questions? Who will determine the number of salesmen? Under the regulations, the minister can determine the number of salesmen. I thought I saw it in here somewhere.

MR. HICKEY: Is the honourable member telling me that the number is limited?

MR. NEARY: Well this is what I am asking. Will the number be limited?

MR. HICKEY: I do not believe there is any limitation, at least I have no knowledge of it. I have not gone through every word in the bill but I discussed it with my officials, I am not aware of any limitation on the number of salesmen that a dealer may have or hire.

On motion a Bill, "An Act Respecting The Registration And Regulation Of Automobile Dealers And The Salesmen Of Such Dealers," read a second time, ordered referred to a Committee of the Whole House presently.

Motion second reading of a Bill, "An Act Respecting Unsolicited Goods And Unsolicited Credit Cards."

MR. HICKEY: Mr. Speaker, the purpose of this Bill is a very short one. The purpose is to protect the consumer. Again in most instances I suppose it is fair to say the unsuspecting consumer who receives goods in the mail, such examples would be books or records or items of this type, credit cards which are voluntarily sent by a company or some organization and up to now, Mr. Speaker, the company who would send out this merchandise or credit card, would bill the person receiving it. This bill would provide that goods received which are unsolicited or a credit card which was unsolicited but received and used, even if the person used it and made charges or made purchases and charged it such a person is not responsible for payment in as much as they did not ask for the credit card. They did not ask for the goods. They have not responsibility for it. This is just another progressive piece of legislation by this government, hopefully there is more to come. I have much pleasure in moving second reading.

On motion a Bill, "An Act Respecting Unsolicited Goods And Unsolicited Credit Cards," read a second time, ordered referred to a Committee of the Whole House presently.

Motion second reading of a Bill, "An Act Respecting The Guaranteeing By The Crown Of Certain Bonds, Debentures And Loans And Respecting The Making Of Certain Loans By The Crown."

MR. CROSBIE: Mr. Speaker, this Bill is to make uniform provision of all acts of the province which deal with the guaranteeing of repayment of bonds, debentures and loans by any Minister of the Crown on behalf of the province.

In the past, guarantees of loans have sometimes been made by the Minister of Mines, Agriculture and Resources and sometimes by the Minister of Economic Development and also by the Minister of Municipal Affairs. Legislation provides for different ministers to guarantee loans, for example the Minister of Municipal

MR. CROSBIE: Affairs guarantees the loans for the municipalities. The government guarantees a loan to assist a municipality, that is signed by the Minister of Municipal Affairs, and different legislation has provided different ministers for that purpose.

As I mentioned earlier in debating the second reading of another bill discussed tonight, it has happened that the Department of Finance has occasionally found, a year or two after the event, that some bank calls up and says that there is a loan in default and they are looking for their principle and interest payment due and Finance has not known that there was even such a guarantee, because there has been some slip-up and they have not been informed about it. Perhaps it was a municipal loan or some loan guaranteed by another minister.

So it has been decided now that all guarantees should be signed by the Minister of Finance and therefore the Department of Finance is then sure to have a record of every guarantee that is given and that kind of situation cannot arise. There is now a debt management division of the Department of Finance, there has been for some three or four years, its work and powers are being expanded to try to get more controls, centralize their financial record and help in their financial management.

This will not mean, of course, that whether or not a guarantee is given is decided by the Minister of Finance. It is decided by the whole cabinet. A paper will still go up to cabinet, say for Municipal Affairs recommending or in connection with municipal loans and from other departments in connection with other guarantees and loans. But if the government does decide to guarantee a loan, the guarantee itself will then be handled through Finance and the agreements will be kept in Finance, the records will be there and there will be centralized management of all guarantees given as well as the loan operations of the province. I therefore move second reading of the bill.

MR. WM. ROWE: As we mentioned before, Mr. Speaker, the bill seems to be a pretty sensible one. Obviously the Minister of Finance should be taken into the confidence of the government when loans and guarantees are being arranged.

Not directly associated with this bill but certainly relevant enough to pose the question I think, can the minister inform the House now, off the top of his head, what is the present financial situation in the province with regard to direct and indirect loans and guarantees? How much does the province stand behind now, either directly or indirectly? Roughly, Mr. Speaker, I do not want anything exact.

The honourable minister went on a borrowing splurge during the last summer and came up with, on several occasions; \$90 million on one occasion, \$30 million or \$40 million on another, I was just wondering what the direct and indirect liability picture is now of the province. I do not want it to the last cent.

MR. CROSBIE: I am glad that the honourable gentleman does not want that information to the last cent, Mr. Speaker. I might be able to give it to him up to the last hundred million dollars, but not the last cent.

I cannot remember right off and for me to give a figure might would be misquoted .

in the press. Well there are questions tabled asking for this information but in any event, in the budget we will be outlining all direct loans that we have had since last March 31 and also, of course, any guarantees that have been given since then have to be put before the House for approval. It is not a large amount. The only major area of guarantees has been municipal loans which continue to be a major item. There have been very few economical development guarantees of loans. Where we made or agreed to make a loan, we have made it direct, such as Newfoundland Forest Products, not by way of guarantee. Our guarantees have not increased very much since last April 1. Our direct borrowing has been a considerable amount but I would rather wait until I have the accurate figure to put before the House.

AN HON. MEMBER: Four million, five million?

MR. CROSBIE: Oh, it would not be that high. The government are not borrowing through choice but through necessity.

AN HON. MEMBER: What is it about one billion and one-quarter now?

MR. CROSBIE: I would say that it is close to that, yes.

Of course in the last few days we have had the welcomed news that \$135 million of that - indirect guarantees are going to be reduced by that much. It is still a very substantial amount for a province of this size, Mr. Speaker, and it is enough to cause one concern. I hope to demonstrate in the budget that we all should be concerned about it. Still we have to live and services have to carry on. This is the problem that every government in this province will face. I would rather wait until I have the exact information, because you might see a headline tomorrow and it might be inaccurate.

On motion, a bill, "An Act Respecting The Guaranteeing By The Crown Of Certain Bonds, Debentures And Loans And Respecting The Making Of Certain Loans By The Crown," read a second time, ordered referred to a Committee of the Whole House, presently.

Motion, second reading of a bill, "An Act Respecting The Termination Of Employment Of Substantial Numbers Of Persons In Certain Industries."

HON. W. G. DAWE (Minister Of Manpower and Industrial Relations): Mr. Speaker,

this is a very important piece of legislation. We have seen in several instances during the recent historical period of our province where many numbers of employees, great numbers of employees have been laid-off or because of industries like the most recent one, the Steel Mill at Donovans having to close down with short notice. We have seen it before in the past, the Whalesback Mine. We have seen it even prior to that with the closing down of the mines in the district of the hon. member for Bell Island, where the people were just thrown out of work and there was no consideration given to paying them any severance pay, not like what is offered in this bill. It is unfortunate that this bill did not come before this honourable House much sooner than it has.

Under this legislation, Sir, it is provided that for a number of fifty or more persons, fifty to two hundred persons employed in an industry which goes defunct will be entitled automatically to eight weeks' pay. From two persons to five hundred persons, they will be entitled to twelve weeks' pay. I would like to note, Sir, that although the Steel Mill at Donovans had a number somewhere in the vicinity of one hundred and sixty to one hundred and eighty persons involved, this government, even prior to the passing of this legislation, have decided that we would pay these people twelve weeks' pay upon termination of their employment. I do understand, Sir, that on the site there is a little misunderstanding. Some people are under the misconception that they are only entitled to six weeks' pay. Others are under the misconception that the longer they work there after yesterday, which was the termination date, this period of time - for instance, they are entitled to twelve weeks so if they work four weeks after yesterday, they are under the impression that this would be deducted from the severance pay.

This is not quite true. They will receive the twelve weeks' pay from the time that they terminate their employment.

Another provision, if there are five hundred or more persons involved in such an operation, they would receive sixteen weeks' pay. These are the three main clauses involved in this bill. It should have been adopted a long, long time ago. I am happy that the Progressive Conservative Administration of this province has seen fit to legislate this act.

MR. NEARY: Mr. Speaker, this is a good piece of legislation. I am all for it. My colleagues on this side of the House approve of it. I think it came about, Sir, as a result of a suggestion that I made in this honourable House about -

AN HON. MEMBER: In 1966?

MR. NEARY: No. I think it was 1968. We had gone through a very trying experience on Bell Island with the closing of I think four mines in a period of less than seven years, leaving 2,250 men economically marooned - 2,250, Mr. Speaker in less than seven years. The hon. Minister of Finance wonders why we had to repair so many homes on Bell Island. That was a disaster, a major disaster, Sir. DOSCO were never noted to have any feeling for the community whatsoever and merely gave the employees, the company three or four months' notice but just barely gave the employees upon termination two weeks' notice, plus their vacation pay and refunded their pension money and any other money they had due them at the time. Sir, I could tell honourable members of this House some stories about that lay-off that would make their hair stand straight on their heads. I do not want to take up the time of the House tonight, Sir, because that is all history now. As I say it is a good piece of legislation and we are all for it.

I particularly like the section, notice to employees, where the company is compelled not only to give sufficient notice to the employees

Mr. Neary.

but they have to pay, in the case of fifty or more persons and fewer than two hundred persons, they have to give them eight weeks' notice, which means they have to give them eight weeks' pay as I understand it. In the case of five hundred persons on the payroll, where the operation is being closed out and all the employees are being terminated, twelve weeks' notice, which is twelve weeks' pay and in the case of five hundred or more persons, sixteen weeks. Sir, I think this is fair and just.

In addition to that, Mr. Speaker, under section 11, they also have to pay the vacation with pay. A person could get eight, twelve sixteen weeks, plus his vacation with pay, plus his retirement pension refunded if he qualifies. I hope there will be no delay at all, Sir, in making this bill law, because we have a situation pending in Buchans. We are told that within a period of five years Buchans Mine may close. There is only five or six years' proven supply of ore in the ground, although they are still doing some diamond drilling there, Sir. We will keep our fingers crossed and we will hope and pray that they will

find a new seam of ore and then the Buchans Mine will be able to carry on indefinitely. We have heard stories about Buchans before but somehow or other they seem to find a new seam of ore and the life span of the mine has been prolonged on one or two occasions. I do not know, Sir, if the situation at Buchans has come about because of the current contract negotiations between the company and the union but I hope not, Sir. This would be rather cruel. I accept the statement of the Minister of Mines and Energy in the House the other day that the company are making a reasonable effort to try and find a new seam of ore by carrying out diamond drilling and exploration and development and I hope they find it, Sir. I hope that mine will never have to close, not in our time anyway.

So there are a number of other industries in the province at the present time. Sir, in a pretty shaky position. But I would not like to see a repeat of what happened on Bell Island or happened out in Central Newfoundland with Whalesback and Gullbridge. I doubt very much if this legislation could be made to cover the employees on the American bases. I doubt it, Sir, unless it were done through mutual agreement. I would like to see it cover the employees down in my hon. friend's district there in Goose Bay and the employees of the Argentinia Naval Station. I would like for the minister to see if he can negotiate some way to cover the employees on these two bases.

But basically, Sir, it is a good piece of legislation and we are all for it and we hope that there will be no delay at all in having this act proclaimed.

MR. PECKFORD: I would just like to say a few words on this piece of legislation. I would like to compliment the minister first of all for bringing it in because it is an excellent piece of legislation. Just in reference to what the hon. member for Bell Island had to say about

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the close down of mines and so on, in Green Bay District over the last five or six years we had three or four copper mines working, one in Tilt Cove, which had worked earlier in the century and then closed and opened again, and one at Little Bay and one at Whalesback that has been mentioned and the Gullbridge Mines which is in the District of Grand Falls but from which most of the employees came from the Green Bay Area. I remember distinctly last year when the Gullbridge Mine closed down, the people who went in on a certain shift were told when they went in there, with a notice on the notice board, that this was the end of their work; as simple as that. Of course the BRINEX people took a sort of a hint from that because many people around the island, including the government and other responsible people, became very disappointed at the way the Gullbridge Company handled the employees there and Whalesback did give due notice to the employees and did pay them well, severance pay and so on.

I am sure, Mr. Sneaker, that over the next three or four years with an increase in the exploration, especially in the mineral field in the Province of Newfoundland and Labrador, that we might see other small mines open, copper and others that might be of a four or five year span, and I think it is very important when it affects 150. At Gullbridge I think it affected over 200. At Whalesback it affected about 220. At Little Bay, a few years ago, it affected about 160. At Tilt Cove, five or six years ago, it affected about 120 or 150 employees and no doubt there will be other mines opening. One can bring to mind the mine down in White Bay South District, the Rambler Mine, the Ming Mine down there which perhaps has a life span now of eight or ten years, I do not know, and the Advocate Mines in Baie Verte, just outside Baie Verte, the asbestos mine and others that will open along with such other industrial projects like the steel plant and others that might be opened.

But I think it is essential that the government take a hand

in this and ensure that such companies and so on respect the right of the employee and give them due notice. So I am very happy to see this legislation brought in at this time. I would like to compliment the minister on bringing it in.

MR. WOODWARD: Mr. Speaker, a few brief comments on the bill. I am very pleased with the bill. I think it is a good bill. It is protection for the employees of large companies. One of the things that I am concerned about as well as with all bills that are brought in, possibly after this bill is proclaimed, is the policing of the bill and a situation that is developing now in Goose Bay-Happy Valley Area where we have had warning that there will be a phase-down and possibly a number of people will be put out of jobs. I am wondering if the hon. minister can take this under advisement and have his department now check into that particular situation and when the bill does become law that there will be the presence of his department in that particular area to see that the policing of this particular bill is carried out.

MR. CROSBIE: I would just like to speak for a minute on this bill. This legislation, Mr. Speaker, can properly be called the Tory reform legislation. It has not come about as the result of any suggestion made by the hon. member for Bell Island, although the hon. member for Bell Island may have made a muted suggestion, a faint suggestion, a very quiet suggestion in 1968. He says he did but if he made that suggestion to the previous administration in 1968, one wonders why during the ensuing four years this legislation was not introduced in the House and the House asked to pass it. It illustrates either great neglect on the part of the government or that the hon. gentleman did not press his point very well with the past administration. Now this hon. gentleman right here -

MR. NEARY: (Inaudible).

MR. DAWE: To a point of order, Mr. Speaker. I think Standing Order 47

dictates that an hon. member of the House of Assembly has to speak from his designated seat in the House.

MR. SPEAKER: Order please! The point of order is well taken. The hon. member must speak from his place.

MR. CROSBIE: Well, I do not know which is worse, Mr. Speaker, the hon. gentleman speaking in his place or out of his place. In any event, Mr. Speaker, the government announced last March - our one-day session, on the Speech from the Throne last March, that this legislation would be introduced. The suggestion did not come from the brain nor heart of the hon. gentleman opposite. It did not come from his brain certainly because even his past leader said that he was not one of the great brains, but he said he had a magnificent heart. But it did not even come from his heart, it came from the Tory heart.

MR. NEARY: It came from the other end.

MR. CROSBIE: Most things the hon. gentleman says come from that direction.

AN HON. MEMBER: All wind.

MR. CROSBIE: Now, Mr. Speaker, where was I? Somebody should terminate the hon. gentleman. This was forecast in the Speech from the Throne last year, Mr. Speaker, and the bill was actually introduced in the House last year also but the opposition were so factious and wasting so much time last June and the weather was getting so warm that it had to be left on the order paper and reintroduced in this session. So it is a good piece of legislation and it is based on legislation, Mr. Speaker, enacted in Ontario several years ago and Ontario has had a Progressive Conservative Government for the last twenty odd years, but they change their leaders a bit more frequently than has been the habit in this province. I am therefore very happy to support this legislation and to welcome the support given by the members opposite.

MR. SPEAKER: If the hon. minister speak now, he closes the debate.

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MR. DAWE: Thank you, Mr. Speaker. I am very happy that this particular piece of legislation has received such fine support in this House. It was mentioned that perhaps this should apply to or it was hoped that this could apply to the U.S.A. bases. I understand this is impossible because these bases are United States property and that

we cannot legislate to control anything in this territory.

MR. WOODWARD: Could the honourable minister convey the question, Mr. Speaker? The case with the United States property is incorrect, Mr. Speaker. This is not the case. The property on the USAF base is owned by the Canadian Government.

MR. DAWE: Well, it might be worth looking into. It is noted.

I like the audacity, Mr. Speaker, of the honourable member from Bell Island who suggests that he first brought this to the attention of Newfoundland. Probably that is where Ontario got it. They probably heard him. It is unfortunate that he does not come on with some more beneficial legislation. It is unfortunate that he did not draw up the German contract for the Bell Islanders back in 1966 when the election was on. "Mr. Runny-gob" himself.

I can well remember that situation, Sir, because I ran in the 1966 election and lost out by only a miserable few hundred votes, two hundred votes. I recall that situation, Sir, when Joseph Smallwood from the West Coast phoned the honourable member for Bell Island and told him - confirmed publicly - it relates to the termination of employment of hundreds of people as the honourable member has told us about. I do recall that situation where Joe Smallwood phoned the honourable member and through some miraculous means they managed to get it on the radios and so on, television - a supposedly private conversation wherein the premier at that time claimed that there was a contract waiting on his desk to be signed. I saw it after. I read it after, in the newspaper. They took up a whole page in the newspaper after. Yes, quite a thing that was. I presume Mr. Curtis drew it up the day before to have it published.

MR. NEARY: Mr. Hickman drew it up.

MR. DAWE: Yes, he was not there then. Too bad, it might have been a valid one.

In any event, Mr. Speaker, this is not going to do the people, the poor unfortunate people of Bell Island any good. It is too late now. The honourable member for Bell Island had his chance. I am very happy that this

has meet with such an attitude of the House. It has been accepted unanimously, Mr. Speaker. I now move the second reading.

On motion, a bill, "An Act Respecting The Termination Of Employment Of Substantial Numbers Of Persons In Certain Industries," read a second time, ordered referred to a Committee of the Whole House presently.

Motion second reading of a Bill, "An Act Further To Amend The Agreement Ratified, Confirmed And Adopted By And Set Forth In The Schedule To The Leitch Gold Mines Limited (Agreement) Act, 1964, And To Make Certain Statutory Provisions Relating To That Agreement."

MR. BARRY: Mr. Speaker, this bill would amend the principle agreement which has been entered into with Leitch Gold Mines Limited by extending the expiration period for a further period of three years subject to the condition that the company spend not less than \$100,000 for each year of the extended expiration period in prospecting and exploring for minerals.

Now, I have some background material here if the House would like to have it. On July 10, 1963, the then administration made a three year exclusive Mineral Exploration Agreement with Leitch Gold Mines Limited with respect to four separate areas on the Great Northern Peninsula comprising 1,473 square miles. The company was required to spend a minimum of \$100,000 on exploration of the areas during the three year period. The company expended \$380,000 - that is \$80,000 more than it had to during the three year period, during which time it made a discovery of a deposit of low-grade zinc on one of the areas.

The company reports that the deposit contained five million tons of ore assaying 7.7% zinc. The company subsequently applied for and was granted a three year extension of the exploration agreement with respect to the area, comprising 427 square miles in which the zinc deposit had been located, and the company was required to spend an additional \$75,000 during the extended three year period. The extension was ratified in the legislature by the act (no. 69) of 1966.

Shortly after the extension was ratified, Leitch Gold Mines Limited assigned the agreement to Newfoundland Zinc Mines Limited. Leitch and/or its assignee considerably overspent the minimum amount required to be spent

in expiration for the area during the extended period and requested another three year extension of the agreement with the commitments then not less than an additional \$300,000 during this extended period. The government granted the second extension and the legislature ratified the extension by the act (no. 85) of 1969. So, that was the second extension.

During the second extended period Newfoundland Zinc Mines arranged for the participation of Cominco Limited in the continued exploration of the property and reported that during the first two years of this period an additional \$385,000 had been spent on exploring the area. Between the various companies involved over \$1,200,000 has now been spent on mineral exploration since the agreement was executed in 1963.

Under the provisions of the agreement, Newfoundland Zinc Mines Limited is now qualified to select from the reserved area an area or areas not exceeding thirty square miles. So, that is out of a 427 square miles they are entitled to take thirty square miles for development licenses in the form issued under the Crown Lands, Mines and Quarries Act, 1961. The areas are required to be selected before July 10, 1972 or had to be selected before July 10, 1972 which was the termination date of the agreement as extended. The company informed the Department of Mines, Agriculture and Resources, back prior to July 10, 1972, that it did not wish to reduce the area of its holdings at that time by selecting the areas for development licenses. It requested a further extension of the agreement with a commitment to spend an additional \$100,000 during each year of the proposed extension.

Now, what happened? This bill was intended to go through at the last session but for some reason or another - and I am not quite clear where it got held up - it did not go through. The Department of Mines, Agriculture and Resources had then reached an understanding with the company and made a commitment that it would support ratification of this agreement by the House of Assembly and bring the bill before the

House of Assembly for ratification. This is the purpose of the present bill.

The present policy of the administration would require that the extension not be granted if this were an application that was brought in say tomorrow or any time, as of the order-in-council which went through a little over a month ago, I think. Because there had been a commitment

made with this company, a commitment given to this company when the previous policy was in existence, the policy as far as I can determine being that where a company was obviously spending money and was interested in development and was prepared to spend additional funds on further exploration, the previous policy was to extend any concession agreement, normally.

The present policy of the administration is not to, except in exceptional circumstances, extend concession agreements, but rather to let them lapse or to restrict the company having them to then select out of the concession area an area which they are entitled to for a development licence. The remaining part of the area would then be open for claim staking. By this, the government hopes to encourage additional risk capital being invested in the province for exploration.

Again I want to stress that this administration had made the commitment with this company prior to the change in policy and it is a commitment which we feel we have to uphold. I would ask the ratification of the House of Assembly for the agreement as set out in the bill referred to.

MR. W.N. ROWE: I was interested to hear the honourable minister's statement, Mr. Speaker, because when he got to the last part of his statement, I was somewhat confused as to what the present government's policy actually was.

The government policy as it existed for about twenty years was as the honourable minister stated and I think that this was a policy which was brought in on the advice of Mr. Fred Gover, and Mr. Gover would defend that policy like a mother would defend her children. I notice that Mr. Gover has now been given his walking ticket. He hardly walks, he goes by limousine since he is on full salary. Apparently by jettisoning that gentleman the honourable minister and the government have shown that they mean to attack the former policy with a vengeance. I am interested to see this

particular one being brought in here now. I suppose it is valid that a commitment given under a policy which existed but which the party in power had gone on record as being completely against, I suppose it is valid to bring it in now and have it ratified by legislation. I would have thought that it would have been just as valid to say to the mining company; "You would not live up to the previous policy."

Can the honourable minister when he is replying, when he is closing up the debate give the House some indication - I think this is relevant, Mr. Speaker, although we are talking about Leitch Gold Mines here - but could he give the House some indication as to, without giving names obviously, what type of people are now coming to his department looking for land to stake claims around? Has there been an influx of people during the last year or so since the present administration got into power? Are there any indications to show that the new policy which may be somewhat fairer, in theory, is in fact going to bring more mining entrepreneurs into the province or from among our own people? Is there any indication that it is going to result in more income to our people?

The old policy which could be attacked on many grounds was in fact fairly successful, I think, in increasing mining in the province and developing our capacity for mining and bringing some income into the province, although there were certain aspects of that policy that one could attack. Could the minister in closing perhaps give us some comparison? I realize that the government has only been in power for a year or so and he has only been minister for two or three months, but is there any indication that this is loosening up the mining potential in the province? Are more people starting to come in? Has there been a greater number of inquiries directed to the department and that sort of thing? In other words, how do both policies compare?

MR. SPEAKER: If the honourable minister speak, he closes the debate.

MR. BARRY: Mr. Speaker, if I could deal with points somewhat not in

the same order as raised by the honourable member for White Bay South. With respect to Mr. Gover, I do not want to speak in terms of personalities, but with respect to the retirement of certain individuals, and I should point out that it was expressly in Mr. Gover's case, indeed, I understand with respect to all of them that these individuals would be available to be called upon as required by minister or by government for assistance for special projects and because, say in the case of Mr. Gover, these individuals are veritable walking encyclopaedias of knowledge and of past experience.

AN HON. MEMBER: What a shame to let them go.

MR. BARRY: Well, okay, I would like to get to that point. The honourable member for White Bay South, I believe, put his finger on a point which has not been brought out here with respect to the deputy ministers who were given the option of retiring under certain salary considerations. The point is, and I know definitely in the case of Mr. Gover, I do not know all of the other deputy ministers specifically, I do not want to talk in terms of individuals, but I would say that in every case these were individuals who had given many years of faithful service to the province. They had given many benefits to the province, but as the honourable member for White Bay South has pointed out, there were in cases a need, in the case of different departments, a need for a change of policy.

This administration felt that there were certain policy directions which should be taken by certain specific departments. It may have been felt and I do not want to generalize too much, but I do not want to specifically refer to any individual either, but it may have been felt and I would say it is a very reasonable position for this government to take, that the only way a change of policy could be brought about in many cases, in specific departments, would be if you had a new deputy minister. What then do you do with the deputy minister that is occupying the position? Do you fling him out without pay, as the honourable member for Bell Island I believe has

suggested at different times?

AN HON. MEMBER: Make him an adviser.

MR. BARRY: Exactly. Make him an adviser, exactly as has been done. Why keep him in the building? These gentlemen are available when advice is needed. I do not think it is fair to these gentlemen for the charges of incompetence to be flung around as have been flung around. For the charges to be made, the statements to be made; "If government did not want these individuals fire them!" I do not consider that to be fair to individuals who have put in, as I said, many long years of faithful service and who have made great contributions to this province.

I am not ashamed of giving these gentlemen, many of whom were only one or two years away from retirement age, the option of going to retirement, going to pension on condition that they make their services available as needed.

MR. NEARY: Are they on twenty-four hour call?

MR. BARRY: Reasonable services. That is all I want to say with respect to the previous deputy minister of Mines or any other deputy minister. The point is, that to get a change in policy in a particular department, I think it is obvious that in many cases you need a man in as deputy minister who has different convictions or different philosophies. I am not saying that that is the only way of doing it.

MR. SPEAKER: Order please! I would like to remind the honourable member for Bell Island that the next time he is speaking, he is to speak from his place.

MR. BARRY: Third and final warning coming up.

Mr. Speaker, if I could turn to the next point raised by the honourable member for White Bay South, asking as to what the effect of the new government policy has been. I would like to point out first of all that it has been clearly stated publicly that this is an interim policy only, an interim policy to see how it works while the subcommittee on mining is bringing in its report. This is a specific recommendation

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of the subcommittee on mining. They hope that over the next year we will gain experience to see just exactly what the consequences

will be of having such a policy brought in on a permanent basis. I can say personally that the mining people that I have spoken with, except for very few exceptions, indicate that this should be beneficial to the province, that this should mean additional investment in exploration in the province.

The first time this policy was mentioned was in a speech which I delivered for the previous minister, Mr. Doody, at the CIM Conference. I had the opportunity of speaking with many of the individuals there, after this policy was brought up. They were almost unanimous in saying that this policy would be a good policy for the mining industry in Newfoundland. In any event it is a policy that is worth giving a try and I think that if this policy do what it is suppose to do which is namely attract additional risk capital to the mining industry, then this will benefit the people of Newfoundland generally.

The final point raised by the honourable member for White Bay South was as to why we did not say to this company because we have not had the agreement ratified by this honourable House of Assembly, why we did not say to this company, well there has been a change of policy, I am sorry but we have to do it this way. The reason was because they had a letter, send out from the department, agreeing while the previous policy was in existence, agreeing that subject to the ratification of the House, the terms proposed by the company were acceptable and that the government would request ratification by the House of Assembly. Now that company acted on the commitment and we felt that we had no choice but to comply with the previous commitment.

So I would ask, Mr. Speaker, that the House ratify a bill " An Act Further To Amend The Agreement To Leitch Gold Mines Limited," which is bill No. 24.

MR. P. THOMS: Mr. Speaker, could I ask a question at this time of the minister, by leave of the House?

MR. SPEAKER: Does the honourable member have leave of the House?

On motion agreed.

MR. THOMS: Could the minister inform this House in regards to the retired deputy minister, as he could be recalled any time for professional advice, is this retired gentleman to be paid extra for this advice?

MR. BARRY: Not as I understand the policy, Mr. Speaker.

On motion a Bill, "An Act To Amend The Agreement Ratified, Confirmed And Adopted By And Set Forth In The Schedule To The Leitch Gold Mines Limited (Agreement) Act, 1964, And To Make Certain Statutory Provisions Relating To That Agreement," read a second time, ordered referred to a Committee of the Whole House presently; by leave.

MR. HICKMAN: Mr. Speaker, with leave of the House, Bill No. 3 "An Act To Amend The Employment Of Children Act," which has been circulated in this House for quite some time and has been in the hands of all members for many days, was inadvertently left off the Order Paper. I have discussed this matter with the House Leader; the honourable the member for White Bay South, and with his concurrence and the concurrence of the honourable members, it is proposed that this bill be read a first and second time this evening. I therefore move the first reading of "An Act To Amend The Employment of Children (Amendment) Act, 1973."

On motion of the honourable Minister of Justice, a bill, "An Act To Amend The Employment of Children (Amendment) Act, 1973, read a first time, ordered read a second time now; by leave.

Motion carried.

Motion, second reading.

MR. DAWE: Mr. Speaker, essentially what this bill means is that the restriction on the employment of children will be removed. Heretofore it was illegal to hire even newspaper boys and in many outports the young children who cut out the codfish tongues and sold them to make a few dollars during the summer months. That basically is what this bill means. It does not permit that a child can be hired during a strike or a lockout or any labour unrest such as that. They are therefore protected in that way. They will be regulated as to how many hours per day they can work

and so on. It still provides an excellent protection for the children but it gives them at least the right to make a few dollars during their summer vacation.

On motion a bill, "An Act To Amend The Employment of Children Act," read a second time, ordered referred to a Committee of the Whole House presently; by leave.

MR. SPEAKER: Order 12, Bill No. 15

Motion, second reading of a bill, "An Act Further To Amend The City Of St. John's Act."

MR. W. MARSHALL: Mr. Speaker, in the absence of the honourable Minister of Municipal Affairs, this is an amendment to the City of St. John's Act. It is not the principal amendment that is yet to come with respect to universal suffrages set forth in the Throne Speech. Rather it is an amendment that has been requested by officials of city council with respect to the updating of the building code. Just to put it in quick capsule form, these are technicalities that as I have said are recommended by the engineering department and also as well by city solicitor after having gone over the act. It relates to the scale used in the preparation of plans for development. The regulations with respect to building electrical and plumbing regulations, with respect to the adoption of regulations on the National Building Code. There was for instance, in Clause (7) you will see there was an old provision which is obviously archaic right now that all houses shall have the side thereof front on to the street, parallel. It had parallel to the street. That has to be changed. Then there are other provisions with respect to giving powers to the city council to make beneficial regulations with respect to residential properties and the usage of property where individuals misuse it.

I move second reading.

MR. NEARY: Mr. Speaker, before the honourable member winds up this debate, I wonder if he could give us some idea when amendment to The City of St. John's Act granting the universal franchise will be brought in, because I understand there is some concern amongst the city councillors as to whether or not they have sufficient time to get the voting list and the remunerations done and so forth and the cost, I think this has been questioned too. I think somebody raised the matter the other day at city council and it was indicated that it would cost about \$80,000 to do this. I am wondering if the city council has approached government for any financial assistance in order to grant the universal franchise in this coming election?

MR. SPEAKER: If the honourable member speak now, he closes the debate.

MR. MARSHALL: Mr. Speaker, that question could properly much better be directed to the honourable the Minister of Municipal Affairs when he returns but I do have

MR. MARSHALL: some knowledge of it. As indicated, this bill does not, as the honourable member for Bell Island I think realize, I do not know whether he was here when I was first introducing it, does not relate to the granting of universal suffrage. However, the position is that this particular amendment to the act is in the course of preparation right now and will require extensive amendments, and it has to be done very carefully, to the main act, "The City of St. John's Act " itself.

With respect to consultation with the City Council, the department is in full consultation with the City of St. John's with respect to this matter. It has been in consultation with it and we would certainly hope to be able to implement the provision of universal suffrage in the City of St. John's so that it will be, as indicated in The Throne Speech, in time for the November Municipal Election.

I do not know, I cannot verify the figures, I have heard as a member for St. John's, with some interest, of the comments made by one of the councillors on the cost of it, but Mr. Speaker, that is something, as I say, the honourable the Minister of Municipal Affairs could more effectively deal with, however the general opinion of, certainly the members from St. John's and the government, is that no cost is really too high to extend the franchise universally to every citizen in St. John's as it ought to be done and to bring St. John's in line with all of the major cities in the Canadian Nation.

On motion a Bill, "An Act Further To Amend The City Of St. John's Act," read a second time, ordered referred to a Committee of the Whole House presently.

On motion that the House go into Committee of the Whole to consider certain bills, Mr. Speaker left the Chair.

Bill, "An Act Respecting The Guaranteeing By The Crown Of Certain Bonds, Debentures And Loans And Respecting The Making Of Certain Loans By The Crown."

MR. WOODWARD: I do not want to delay the House in this respect, and not that I do not agree with the particular legislation, coming from my part of the province, we are not trying to discriminate against car salesmen or automobile salesmen or heavy equipment salesmen or anything of that nature, neither have we heard any derogatory statements about them.

I am wondering in this particular case here, when we bring in this type of legislation which may apply to the major cities like St. John's where you have a number of people in those particular professions, and maybe some regulatory body or to have them registered with the department may make good sense in lots of respects. What happens in smaller areas where people do this type of work on a part-time basis, will they be entitled or permitted to be registered to have a licence to sell automobiles maybe in areas where there is not sufficient volume of sales to permit a full-time salesman of this nature?

I like to think in terms of this particular thing happening but then again I think what are we doing when we make legislation of this kind, I understand that we will have to have a licence to sell real estate in this province, Will we not eventually get into the habit of having everyone that is going out to try to sell required to have a licence or be registered? How far do you take this type of legislation? Eventually if someone comes in with a complaint to the honourable minister and says, "I bought a particular piece of appliance today and I do not like the salesman I think he gave me a raw deal," so the particular minister says, "well, they are bringing in legislation and I will have him in here for an investigation because I am sure he is not doing justice to the particular consumer." How far does this particular thing lead? Do we get it so that the particular saleslady that is selling pantyhose down on Water Street

MR. WOODWARD: must have a licence to sell pantyhose and this type of thing. I am not against having salesmen registered but how far is this province prepared to go with this type of legislation? Maybe the honourable minister, in his wisdom, when he closes the debate can elaborate to some degree on this - are we going to go in and have everyone in the province whoever is selling anything register, show that they can be investigated by the particular minister?

MR. HICKEY: Mr. Chairman, the honourable member has a couple of points there is no doubt. There is some argument I suppose in what he says. I think he is unduly alarmed. I think his concern, and one can appreciate it, but I think really it is not as serious as he feels it is.

But he asks how far should we go or how far we are going to go. The only answer I can give him is that when a situation arises where there is either no protection or insufficient protection for the buying public, whatever commodity it might be, then I think it is essential that any government take the necessary steps to protect those members of the public who from time to time get taken, as it were, by either salesmen or dealers whatever the case may be. So in answer to his query as to how far we will go - the people who are in the business will determine how far we will go. If there are sufficient complaints about appliance salesmen or appliance dealers, then it follows that a government should step in and do something to protect the people who may suffer at the hands of persons who might well be irresponsible.

As regards to this legislation, it is as I have said and I stand to be corrected, I have no personal information on this but my officials tell me and I have no reason to doubt them, that the automotive dealers, The Automotive Association

want this legislation or are in favour of this legislation, that from time to time there have been complaints and the department has been powerless. There has been no provisions, there has been no way that we could help those people and if this legislation does nothing else but eliminate any abuse that might have occurred in the past, then certainly it is worthwhile.

To further set at rest any concern he has and I am sure he is sincere, I am sure he means well. As I said in introducing the bill I am not aware of any problems that do not have this kind of legislation. Representation has been made on quite a number of occasions for this kind of legislation and it is in response to, on the one hand, a concerned public who have made complaints and who are at the mercy of any person who deems or sees fit to be irresponsible and on the one hand it is in response to the industry itself that some form of protection be provided. Now I know that there are areas here where it is somewhat loose, where things are not really clearly defined but as in the other piece of legislation with regards to consumer protection, it is difficult to determine how far one must go or should go. In keeping with his own remarks, we do not want to go too far, we do not want to start regulating everything - we want to maintain and provide as much liberty as possible but nevertheless we cannot do it at the expense of the public or the buyer, the consumer and this is what this legislation is all about.

On motion, the committee reports having passed this bill without amendments, carried.

A bill, "An Act Respecting Unsolicited Goods And Unsolicited Credit Cards."

On motion, the committee reports having passed this bill without amendment, carried.

A bill, "An Act Respecting The Guaranteeing By The Crown Of Certain Bonds, Debentures And Loans And Respecting The Making Of Certain

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Loans By The Crown."

On motion, the committee reports having passed this bill
without amendment, carried.

A bill, An Act Respecting The Termination Of Employment Of Substantial Numbers Of Persons In Certain Industries."

Motion, that the committee report having passed the bill, without amendment, carried.

A bill, "An Act Further To Amend The Agreement Ratified, Confirmed And Adopted By And Set Forth In The Schedule To The Leitch Gold Mines Limited (Agreement) Act, 1964, And To Make Certain Statutory Provisions Relating To That Agreement."

Motion, that the committee report having passed the bill, without amendment, carried.

A bill, "An Act To Amend The Employment Of Children Act."

Motion, that the committee report having passed the bill, without amendment, carried.

A bill, "An Act Further To Amend The City Of St. John's Act."

Motion, that the committee report having passed the bill, without amendment, carried.

On motion that the committee report having passed bills no. 15, 3, 24, 5, 8, 4, and 10 without amendment, and ask leave to sit again, Mr. Speaker returned to the Chair.

On motion report received and adopted.

On motion bills ordered read a third time on tomorrow.

MR. MARSHALL: Mr. Speaker, before moving adjournment of the House, (we have only a few moments left) I would like to express my thanks and appreciation to all members of this honourable House, in particular to the hon. member for White Bay South who has co-operated and the entire opposition for showing the great spirit of amiability that has pervaded this House today.

Mr. Speaker I move now that the House at its rising do adjourn until tomorrow Friday at 3:00 P.M. and that this House do now adjourn.

On motion, the House adjourned until tomorrow Friday at 3:00 P.M.