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PRELIMINARY
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TRANSCRIPT

HOUSE OF ASSEMBLY

FOR THE PERIOD:

3:00 P.M. - 6:00 P.M.

TUESDAY, MARCH 27, 1979

The House met at 3:00 P.M.

Mr. Speaker in the Chair.

MR. SPEAKER:

Order, please!

I am pleased to welcome to the House of Assembly Mr. Jacob Olowo, who is a senior counsel with the drafting division of the Ministry of Justice of Ondo state in Nigeria.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The gentleman is attached to the office of the Legislative Counsel of Newfoundland for a period of four months and he will be observing drafting of legislation and the procedure of the House of Assembly while he is here.

I would also like to welcome on behalf of hon. members Mr. Charles Ballam, a former Minister of the Crown and a former member of the House of Assembly.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

I should also inform hon. members of three matters which have been communicated to the House through me: one, a letter from the hon. member for St. John's South (Dr. Collins) tendering his resignation as Deputy Speaker and Deputy Chairman of Committees; a letter from the hon. member for Harbour Grace (Mr. Young) tendering his resignation as Deputy Chairman of Committees, and a letter from the hon. member for Port de Grave (Mr. Dawe) informing me, and communications from the hon. Leader of the Opposition informing me on the same matter, that the hon. member for Port de Grave will henceforth sit with and is part of the caucus of the official Opposition.

SOME HON. MEMBERS:

Hear, hear!

STATEMENTS BY MINISTERS

MR. SPEAKER:

The hon. Premier.

SOME HON. MEMBERS:

Hear, hear!

PREMIER PECKFORD: Mr. Speaker, first of all I would like to move a motion to make the present member of Bonavista North (Mr. Cross) the Deputy Speaker of this honourable House. I perhaps would like to have that matter taken care of first, Sir, at least move that motion and before I get into a Ministerial Statement that I have. ...So, I move that

MR. SPEAKER: (Mr. Ottenheimer) The hon. Leader of the Opposition.

Mr. W.N. ROWE: Unfortunately, I was not conferred with on the matter but I have no hesitation at all to second the motion. It probably would have been a little better had I been given some advance notice on it so that I could have given unanimous consent on this side of the House, but I have no doubts on the matter, Sir, and I gladly agree.

MR. SPEAKER: It has been ruled and seconded that the hon. member for Bonavista North be Deputy Speaker and Chairman of Committees of this House of Assembly. Is the House ready for the question? Is the House ready for the question?

MR. NEARY: The hon. member.
Mr. Speaker, I think it is only fitting, Sir, that either the Premier or the new Government House Leader, now that the old one has been fired—and I might say I found the hon. gentleman very reasonable to deal with, very easy to get along with. We always managed to come to some kind of agreement after four or five cups of coffee, the hon. gentleman and myself. I am sorry to see him demoted, Sir—but, Mr. Speaker, the hon. the Premier or the Government House Leader should have the courtesy and the decency, Sir, to confer, to consult, with my hon. colleague, the Leader of the Opposition, rather than to come into this House cold and make a motion in the House and then expect the Leader of the Opposition or somebody on this side of the House to second the motion without any prior notice. It is unheard of, Mr. Speaker.

MR. MARSHALL: Is the hon. member speaking on a point of order, Mr. Speaker, or is he just allowed to have the floor of the House?

MR. NEARY: No, I am speaking on the motion, it is a debatable motion.

MR. SPEAKER: (Mr. Ottenheimer) Order, please! Order, please! I will read Standing Order 43(b) which puts the motion in perspective: "The member so elected as Deputy Speaker and Chairman of Committees shall continue to act in that capacity until the end of the Parliament for which he is elected, and in the case of a vacancy by death, resignation or otherwise, the House shall proceed forthwith to elect a successor."

It is that motion that we are now on. It is a debatable motion.

MR. NEARY:

Thank you, Mr. Speaker.

Mr. Speaker, is this the crowd that brought democracy to Newfoundland who are now trying to silence the members of the House?

Now, Sir, the Deputy Speaker of this House is supposed to be impartial, non-partisan, Sir. You would expect the hon. gentleman to be introduced to the Chair for the first time, I believe - the hon. gentleman, the member for Bonavista North (Mr. G. Cross) sat in the Chair, I believe, on one or two occasions when he was Deputy Chairman of Committees, sat in the Chair, I believe, maybe on three or four occasions, not for very long periods because Your Honour and the member for St. John's South (Dr. J. Collins) occupied the Chair most of the time, and the member for Harbour Grace (Mr. H. Young), who is now a minister, sat in the Chair most of the time. But I believe on two or three occasions the hon. member for Bonavista North was called upon as well as my colleague, the member for Fogo (Capt. E. Winsor) was called upon three or four times in the last session of the House to occupy the Chair. What I am saying, Sir, is that the Speaker, Deputy Speaker, Deputy Chairman of Committees, Sir, should go into their positions, into the Chair, without any dark cloud hanging over their heads at all, without any sign of their being partial. And it has been tradition. 'Joey' - they used to call him a dictator - 'Joey' did it all the time, always advised the Opposition even though I think there were only three members in Opposition at one time -

AN HON. MEMBER:

Joey who?

MR. F. ROWE:

Do not show your ignorance, boy.

MR. NEARY:

- always advised the Opposition even though they only had three sitting in the House at one time, who he intended to nominate as Speaker and Deputy Speaker. That is all we had at that time, there was no

MR. NEARY:

Deputy Chairman of Committees.

And the negotiations would go on a day or two before the House sat. And that was common courtesy, decency, Sir. It was according to protocol, it was the proper way to do it, and only a complete political ignoramus would do it any other way, Sir, get up in the House of Assembly and make a motion without anybody in the Opposition having any prior knowledge of the motion being moved. Sir.

Now, Sir, is that the way that this government is going to function, that the new

MR. NEARY: Premier is going to function after going out blowing their horns this last couple of weeks about bringing democracy to Newfoundland? I have nothing against the hon. gentleman for Bonavista North (Mr. Cross). I am not going to argue the merits or otherwise of whether or not he can fill the position of Deputy Speaker. I will reserve my judgement on that particular item for a future date. That is not the issue at all, Sir. We all remember what happened when the member for Harbour Grace (Mr. Young), the hon. gentleman will recall, when the same thing happened and the hon. gentleman occupied the Chair and never lived it down.

MR. YOUNG: You captained it.

MR. NEARY: The hon. gentleman never lived it down. The hon. gentleman was always suspect. His impartiality was always suspect in this hon. House because the Government House Leader or the Premier of this Province -

MR. MARSHALL: A point of order, Mr. Speaker.

MR. SPEAKER: (Mr. Ottenheimer) A point of order, please.

MR. MARSHALL: It is accepted, Mr. Speaker, that one is not allowed to cast allusions or aspersions on the Chair. It is appropriate for the hon. member, if he wishes to, although I do not know why he wishes to prolong it, to debate this motion, but when he casts allusions upon the Deputy Chairman of Committees who sat in this legislature during this session, he is casting allusions and aspersions on the Chair and therefore is out of order. I do not think, Mr. Speaker, if I may suggest, that we are going to serve the interests of the Province of Newfoundland by continuing along in that vein and tearing down the fabric of this House.

MR. SPEAKER: Order, please! There certainly is a general rule that no hon. member may cast aspersions upon the Chair or criticize the Chair or defer in debate to the Chair except on a substantive motion of which notice is given, which is not the case here. Now I think even though the hon. gentleman is not now one of the presiding officers of the House, his actions in that capacity during that period of time would bring it within the ambit of criticizing the Chair. Under a relevant

MR. SPEAKER: motion to criticize the hon. gentleman's activities as minister would be obviously a different matter. But for the period that he was a presiding officer of the House then I think the rule is sufficiently important that it covers that period as well.

The hon. member for LaPoile.

MR. NEARY: So, Mr. Speaker, in conclusion, Sir, the Government House Leader or the Premier may argue that ultimately the decision rests in the hands of the Premier and the government, that they are the ones who come in and make the -

MR. MARSHALL: On a point of order, Mr. Speaker.

MR. SPEAKER: A point of order.

MR. MARSHALL: On a point of order, I would just like to get the yardsticks downed properly.

I rose on a point of order, and Your Honour indicated that the hon. gentleman was out of order in casting aspersions on the Chair, and the hon. gentleman got up and continued his debate. I would feel that it is incumbent on the hon. gentleman to retract the aspersion that he made on the Chair himself because otherwise there is no point in making a point of order, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. NEARY: Mr. Speaker, that is not a point of order. Can I carry on with my few remarks?

MR. SPEAKER (Ottenheimer): Order, please! The matter has come up and obviously the Chair must deal with it.

When words are used or references are used which the Chair judges to be unparliamentary, depending upon, I suppose, the seriousness of it, sometimes

MR. SPEAKER: the Chair will order the hon. member to withdraw, and at other times the Chair will point out to the hon. member that it is not in order to continue in that vein and the Chair will not require a retraction or a withdrawal but will order the hon. member not to pursue further a line of argument which has been judged to be out of order. That I think is the sequence of events leading up to my last ruling. When I said that it was out of order, the hon. gentleman to my knowledge did not continue, has desisted from that line. So I do not feel that there was a reference of such a nature which would require a withdrawal. I think the hon. gentleman has brought himself within the ambit of the ruling of the Chair.

MR. NEARY:

Thank you, Your Honour.

I wonder if they would give us back the Minister of Justice as house leader, Sir?

Mr. Speaker, to draw my few remarks to a close, Sir, I want to go on record as saying that even though the government has the right - it is the government's right - to make this motion, traditionally, and in keeping with parliamentary tradition both inside this Province, outside the Province, in every other jurisdiction across Canada and under the British parliamentary system upon which we pattern ourselves, it is a matter of courtesy to let the Leader of the Opposition or the Opposition house leader know in advance, probably a day before or the morning before, the government intends making such a motion.

So I want to go on record, Sir, as saying I consider this to be downright discourteous. It is contemptible! It is shameful, Sir. I must say that I am disappointed that the new Premier would get off, start off this session of the House on the wrong foot.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER (Ottenheimer):

The hon. the member for Conception Bay South.

Before recognizing the hon. member, and more for the sake of our records than anything else, I did rule that this was a debatable motion. And since it is infrequently that this matter comes up, I will indicate my source of it so that it is there and our records are quite clear. In Beauchesne, the Fifth Edition, page 99, listing motions which are debatable states: "(g) for the election of the Chairman of Committees of the Whole House." I merely do that so

MR. SPEAKER: that our records are complete and clear.

The hon. the member.

MR. NOLAN: Mr. Speaker, it is rather regrettable, it seems to me, that we have to start off in this vein. Here we have a House of Assembly that has not effectively met, you might say, since last June or July. Why it was necessary to close the House down because the PCs were having a convention, of course, is something the people will have to examine for themselves. But all the members of the House of Assembly will recall the rather unpleasantness that occurred when the hon. member for Harbour Grace (Mr. Young) -

MR. RIDEOUT: For the same reason.

MR. NOLAN: - for pretty much the same reason. Now I realize the hon. the Premier, the new Premier, has been busy

Mr. Nolan:

in the last few days, but it seems to me that if he sincerely meant what he said and others opposite that they are concerned about the workings of the House of Assembly, that it should be and it would be more effective and so on, that if one were really sincere about that he would normally expect anybody to start off with the normal courtesies that have been referred to. Now that certainly did not happen in this particular occasion.

Now one I suppose could say that the hon. the Premier was too busy to do so, but surely he could have appointed one of his delegates to make the necessary approaches and have it discussed and then we could have come in here and go at it and have the proper seconding. I do not mind telling you that I would not be at all surprised if some of the - I am sure the hon. Leader of the Opposition would not mind my saying this; I believe that some of your colleagues are a bit concerned that you seconded the motion, frankly. It is nice to play ball, but it happens for two sides of the House. And it seems to me that as a matter of courtesy it should have been brought to your attention in the first place before entering this House so that we know exactly where we stand, but that was not done. And if this is going to be the trend, the trend setter, then we are obviously going to be exposed to a number of other discourtesies that no member of the House of Assembly can agree to. So let us start now and find out exactly where we are going. It is not enough to go around mealy-mouthing to the press and so on that the House is not working, that it is a bear pit and this, that, and the other.

AN HON. MEMBER: It is worse than that.

MR. NOLAN: I mean if the leaders in the House of Assembly are not prepared to start off on the right footing, well then you have to take some responsibility. Now this has not been done in this case and I am not in any way attempting to speak against any member who might be appointed to the position. But I will remember the debate

Mr. Nolan: that surrounded the appointment of the hon. member for Harbour Grace (Mr. Young), and I thought we would have learned a lesson from that, in fact, there were people opposite who told me privately, and told others too, but obviously the new broom is not working here on the very first opening moments of this House of Assembly as we continue the session, and that is most regrettable. When are we going to learn, Mr. Speaker?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (MR. OTTENHEIMER): The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I feel obligated to respond to some of the comments being made by the Leader of the House for the Opposition and for the member for Conception Bay South (Mr. Nolan).

MR. F. ROWE: On a point of order, Mr. Speaker.

PREMIER PECKFORD: This is a debatable motion, Mr. Speaker, and I think I am allowed under the rules of the House to debate in the same way as the members of the Opposition are.

MR. SPEAKER: I have to hear the point of order.

MR. F. ROWE: It might be a point of clarification more than anything else, Sir. The Premier introduced this motion, and does he now close the debate if he speaks to it?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: To that point of order, Mr. Speaker, I take it that it was a motion that I put before the House and I guess if I put it before I close it, and I have already been recognized by the Chair, and so that therefore I am now in the process of closing the debate.

SOME HON. MEMBERS: Oh, oh!

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

There are certain motions to which an hon. member in making that motion has a right of reply. There are other motions which an hon. member does not have a right of reply. Although my inclination is to give a ruling immediately, my instincts tell me a certain thing, I wish to be sure of it and therefore the only courtesy that I can extend

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Mr. Speaker: to all hon. members is to adjourn for a few minutes
so that I speak, not from my instincts, but from my knowledge.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Mr. Ottenheimer) Order, please!

As with a number of matters, the decision on this was not as immediately evidenced as I had thought. I am not aware of any precedent in this House of Assembly and to my knowledge there was no precedent in Ottawa. Standing Order 53 (b) in our Standing Orders reads, "A reply shall be allowed to the mover of a substantive motion but not to the mover of an amendment, the previous question or an instruction to a Committee." What has to be decided is whether the motion is substantive or not. To examine the various kinds of motions, fifth edition of Beauchesne, page 151 and 152 distinguishes between four general kinds, what he calls substantive, privileged, of which there are a number of different kinds, incidental and subsidiary. Substantive is defined by Beauchesne as follows, "Substantive motions are self-contained proposals, not incidental to any proceeding, amendable and drafted in such a way as to be capable of expressing a decision of the House." I think the full understanding of that really is apparent when one compares it with kinds of superseding motions and dilatory motions and others. The motion before the House is that the hon. member for Bonavista North (Mr. Cross) be designated Chairman of Committees and Deputy Speaker. I have to ask myself whether that motion contains a self-contained proposal, whether it is incidental to any proceeding, whether it is amended and drafted in such a way as to be capable of expressing a decision of the House, and I have to say that it is substantive motion which gives the hon. member a right of reply. And I must inform hon. members that if the hon. member speaks now he closes the debate.

PREMIER PECKFORD: Mr. Speaker, thank you very much for that ruling.

MR. W. ROWE: Mr. Speaker.

MR. SPEAKER: Order, please! I recognize the hon. Leader of the Opposition. Whenever there is a right of reply that closes the debate, it is incumbent upon the Chair to advise hon. members of that at each time. I did not have the opportunity the last time because a point of order came up so quickly, but I do so now. And then I have to recognize any hon. member who has not spoken to exercise his right to speak.

The hon. Leader of the Opposition.

MR. W. ROWE: Mr. Speaker, I will not delay the House very long at all. I will just reiterate one or two points that have been made and introduce a new point.

First of all, Sir, I would have appreciated very much -not myself personally; I could not care less, to tell you the truth -but as the leader of a group in the House of Assembly -and if there was another group in the House of Assembly the same courtesy should be afforded to the leader of that group -I would have appreciated being informed of the motion which the hon. the Premier, especially his first motion before this House, the motion which he was going to bring forward, especially since it is a matter of great delicacy. It is not something which is necessarily a government motion. It is a matter which affects the members of the House individually and groups in the House and therefore whenever possible the hon. the Premier, or the hon. the

MR. W. ROWE: House Leader should always, in my view, resort to the traditional courtesy of conferring with the leaders of groups in the House in order to make sure that wherever possible the election of a Speaker, a Deputy Speaker, Deputy Chairman of Committees, for example, is unanimous, if that can be achieved. Because every member of course is bound by the decisions of such an hon. gentleman sitting in that Chair and it is good for that hon. gentleman and the House to know that everybody in the House has respect for that gentleman as a referee in this House, as a Speaker or a Deputy Speaker. That is the reason why this courtesy has grown up over the years.

Therefore, it would have been better if the Premier had done us that courtesy, either through his House Leader and my House Leader or directly to me.

To answer the question which the hon. member for Conception Bay South (Mr. Nolan) raised concerning my seconding of the motion, let me say quite clearly and plainly here now that the only reason I seconded the motion was because I did not want to embarrass in any way the hon. member for Bonavista North (Mr. Cross). I am sure that he probably thought that the matter had been settled across the House and for me to get up and say, "No, I am not going to second it," or "I am not going to do this," would have been embarrassing to him as well as embarrassing to the new Premier. So, therefore, I decided that I would second the motion, even though I had no prior notice of it.

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MR. W. ROWE: Let me also say, I do not know what my colleagues feel on this matter because we had not had a chance to discuss it in caucus, let me say for my part, I have no regrets about having seconded

MR. W. N. ROWE:

the motion. I would like to see the hon. member in the Chair as a Deputy Speaker. We will see how he makes out in that position. I wish him all the best in the position, assuming that this motion passes. It can pass because the government, of course, has the majority in the House. I have no regrets about seconding it. The only regret I have is that the normal courtesies did not prevail in this particular case and that this matter, which should not have been a matter of any animosity, any acrimony, any debate whatsoever, as a matter of fact has given rise to this debate which probably in a way can be looked at as wasting the time of the House, and it is unfortunate that the new Premier got off on such a bad footing. Thank you, Sir.

MR. SPEAKER: (Mr. Ottenheimer) If the hon. the Premier speaks now he closes the debate.

PREMIER PECKFORD: Mr. Speaker, I feel obligated to rise and respond to some of the criticisms levelled my way to this side of the House by hon. members opposite.

It just so happens, Mr. Speaker, in trying to be fair and democratic and to ensure that equal and fair representation from both sides of the House were given as it related to the appointment of officers for this House - political, if you will, for want of a better word, officers for this House - that yesterday I asked for a meeting with the hon. the member for Fogo (Capt. E. Winsor) and invited him to take the position of Deputy Chairman of Committees of this House. And the hon. member for Fogo said that he would consult with his leader and give me an answer today - not Deputy Speaker, Mr. Speaker, let us be clear. I invited a member from the Opposition to be a part of the officers of this House to act in the role as Deputy Chairman

PREMIER PECKFORD: of Committees, to be a part of the process of this House. The hon. the member for Fogo (Capt. E. Winsor) then indicated to me, as I would have done if I were in his position, "I must consult with my Leader and then I will give you a decision tomorrow." The hon. the member for Fogo then went and spoke to his leader and today at around quarter to one, twelve minutes to one, he came to my office and indicated that he was unable to accept the position of Deputy Chairman of this hon. House. I think, Mr. Speaker, that this demonstrates a desire on the part of myself and on the part of the government that I represent that we want to be democratic, that we want to involve members on both sides of the House into the ongoing operations of this institution.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, I am not one, and this government and the Cabinet here that were appointed today are not people who wish to be autocratic, who wish to be dictatorial. We want to see this hon. House operated in a respectable manner involving all members of the House. And this was why I, yesterday, in total possession of my faculties, asked the hon. member for Fogo to participate in the ongoing operation of this hon. House, and why I

PREMIER PECKFORD: offered him on behalf of the government, on behalf of the House, if you will, to move a motion. And now today, Mr. Speaker, it so happens, as somebody has already indicated, the hon. member for Conception Bay South (Mr. Nolan), that I have been a busy man in the last couple of days and I have no motion to put forward as to who should be the Deputy Chairman of Committees. The only motion that I have to put forward today to hon. members is a motion for the member for Bonavista North (Mr. Cross) to be Deputy Speaker because I had offered a position to the Opposition benches and they have refused. So therefore I have -

MR. NEARY: That is not true.

MR. SPEAKER: (Mr. Ottenheimer) Order, please!

PREMIER PECKFORD: I have offered a position to a member of the Opposition, that position has been refused by that member, and I thought I had done what was right and proper, democratic to involve all members of the House, all parties in the House in the ongoing operation of this hon. institution. Therefore, Mr. Speaker, I make no apologies to the Leader of the Opposition, or anybody on the other side, in the way I have tried to conduct and to start this House off on the right foot this time.

SOME HON. MEMBERS: Hear, hear!

MR. W. ROWE: Mr. Speaker, I rise on a point affecting, I suppose, my privileges as a member of the House and -

MR. SPEAKER: A point of privilege.

MR. W. ROWE: -the privilege of the House on this fresh new matter which the hon. the Premier has now introduced into the debate and for the record, Sir, it cannot go unchallenged or unqualified as compared to what he has said. Now it has got nothing to do with the matter of fact, Sir, it has got to do with my having been mentioned as a member and having had conferred with the hon. member for Fogo (Capt. Winsor) concerning his appointment or election as Deputy Chairman of Committees of this House.

MR. MARSHALL: I rise on a point of privilege.

MR. NEARY:

He is on a point of privilege.

Sit down, boy, and do not be making a fool of yourself. _

MR. SPEAKER: (Mr. Ottenheimer) Order, please! I must ask both hon. gentle-

men to take their seats. When a point of privilege is being presented

obviously nothing can interject or supercede it. There is an onus

upon the hon. member presenting it and upon the Chair to be strictly

relevant and not to enter into debate. And then of course the Chair

is in a position to say whether there is a prima facie case or not.

So I call this to the hon. gentleman's attention and ask him -

I think in general; I am not indicating the hon. member who is now

speaking - but in general there has been a tendency to allow these

submissions on privilege for people to take too wide an advantage

and to go to too great length.

The hon. member.

MR. W. ROWE:

This is the nature of the point of privilege,

Sir, which has often been used in this House also, perhaps, called in

the literature a point of personal explanation.

Mr. Speaker, the hon. member for

Fogo (Capt. Winsor) came to me yesterday afternoon and indicated -

MR. W.N. ROWE: and it was news to me. It had never been mentioned to me before as Leader of the Opposition - that he had been asked by the Premier to become Deputy Chairman of Committees. I said, "Interesting, and we will discuss it tomorrow morning." The next morning we did discuss it. The matter was even raised in caucus, although I did not raise it in caucus as the result of having conferred with the hon. the Premier, and I said to the hon. the member for Fogo (Capt. Winsor), Mr. Speaker, "Do what you want to do. Make up your own mind on it. You can decide to become Deputy Chairman of Committees or you can decide not to become Deputy Chairman of Committees; the matter is in your hands." And when he left me, the hon. member, I did not know what his decision was going to be, for that matter. He went down and conferred with the Premier and came back - I had an inkling what it was going to be because he had indicated to me earlier - but he went down and he told the Premier he could not take the position of Deputy Chairman of Committees. But for the hon. the Premier, or for any minister, Sir, in some way to give the impression that the Opposition were against this, or that I was personally against it, or that we said no to the hon. member for Fogo, Sir, is a complete misstatement of the true situation. I want the record to show that, Mr. Speaker.

And if the hon. the Premier would care, Sir, to ask his House Leader to confer with the Opposition House Leader, or if he wishes to speak to me on it, I will be happy to do so. If we want to make an arrangement by mutual consent as to whom should be the officers of the House, I would be delighted, within ten minutes notice, Sir, to meet the hon. the Premier and to discuss that matter and if possible to get a by-partisan representation among the officers of the House.

MR. NEARY: Hear, hear!

MR. W.N. ROWE: I would be delighted to do that, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, on a point of privilege, or as the Leader of the Opposition likes to call it, a point of personal explanation, I think that I should have the opportunity to respond in the same way the Leader of the Opposition did.

Let the records show, Mr. Speaker, that I offered a member of the Opposition, who consulted then with his leader. There was no great positivism, there was no great overwhelming support from the Leader of the Opposition to one of his caucus members to participate in being an officer of this House and that the Leader of the Opposition wants to now suddenly get up and wash his hands, Mr. Speaker, completely of the matter. That is one thing.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER(Ottenheimer): Order, please! Order, please!

I must point out to the hon. gentleman, and I will read the rubric under which both his remarks and the hon. gentleman to my right's remarks are being entertained. May, page 343, "In regard to the explanation of personal matters, the House is usually indulgent and will permit a statement of that character to be made without any question being before the House." Further on; "No debate should ensue thereon. But if another member is involved in the personal statement he is generally allowed to give his own view of the matter and to say whether he accepts it or not." Further on; "General arguments or observations beyond the fair bounds of explanation, or too distinct a reference to previous

Mr. Speaker: (Mr. Ottenheimer): debates are out of order. The hon. gentleman to my right, under that rubric, gave an explanation of a matter as it affected him. I recognized the hon. Premier because since he was involved he also has the right then to make a brief comment, but there may be no debate.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Thank you, Mr. Speaker, very much.

Suffice it to say, Mr. Speaker, that a position as an officer of this House was offered to a member of the Opposition who consulted with his leader, and that hon. member who was offered the position refused.

MR. SPEAKER: The motion before the Chair is that the hon. member for Bonavista North (Mr. Cross) be elected Deputy Speaker and Chairman of Committees.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Those in favour "Aye".

SOME HON. MEMBERS: "Aye".

MR. SPEAKER: Contrary "Nay".

The Ayes have it. I declare the motion carried.

SOME HON. MEMBERS: Hear, hear!

STATEMENTS BY MINISTERS

MR. SPEAKER: The hon. the Premier.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, I wish to touch briefly on the legislative programme which my government will put before this hon. House during the remainder of this session. Changing conditions demand new initiatives and we as a society, and this House as its central organ, must provide answers to new problems as well as new answers to our new perception of some old problems.

Mr. Speaker, the following are typical of the new initiatives which will be requested.

Premier Peckford: It is, I am sure, the earnest desire of all members of this House that we alleviate the social, economic and transportation difficulties currently experienced by the people of Labrador at the earliest possible date. It is true that many of these problems can be solved without legislative action. However, this House can do something which is both a concrete step forward and also symbolic of our broader commitment. That something is to establish a fourth separate seat in this House for the Labrador portion of this Province.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Consequently, Mr. Speaker, I will later today take great pleasure in giving notice of my intention to introduce a bill which will provide the people of Labrador with that fourth seat.

SOME HON. MEMBERS: Hear, hear!

PREMIER PECKFORD: Mr. Speaker, this bill will propose that a new district, to be called "Torngat Mountains," be established to take in the coast of Labrador, North of Groswater Bay and Lake Melville. That portion of the coast of Labrador South of Lake Melville and Groswater Bay, including the area now in the District of Straits of Belle Isle would comprise the district of Eagle River.

I might add that the bill at the same time would amend the boundaries of the District of Baie Verte-White Bay

PREMIER PECKFORD: so that the Roddickton area would lie henceforth in the District of Straits of Belle Isle, an arrangement which should both serve the people of the Roddickton area better than the present and give the member for Baie Verte-White Bay a more manageable district.

Mr. Speaker, I urge this House to give its speedy and unanimous approval of this bill as a symbol of our deep concern for the problems faced in the mainland part of our Province.

Mr. Speaker, increased affluence, industrial development and resource activity are daily putting increased pressures on our natural environment. While it is true that we are more fortunate in this respect than many other jurisdictions, we can not be complacent. There have already been many cases where our carelessness has caused great, and sometimes irreversible, damage to our natural environment. With new and accelerated industrial and resource activities just around the corner, it is vital that we ensure that these activities take place so as to effect our natural environment in the least way possible.

Consequently, Mr. Speaker, my Government will be introducing a Bill to be entitled "The Environmental Assessment Act" which will provide for a framework to ensure that the environmental aspects of all projects which either involve Government approval or funding are subjected to a rigorous environmental assessment.

I might add, Mr. Speaker, that the framework of the act will ensure that while the environment is protected, the red tape is kept to a minimum. This Province, Mr. Speaker, needs industrial and resource development and we must ensure that our regulatory systems do not unnecessarily hinder development. The new Environmental Assessment Act will, I am sure, strike the proper balance between these two objectives.

Mr. Speaker, another area which requires the urgent attention of this House is the area of women's rights. In this respect we will place before the House two Bills; one to be entitled "The Matrimonial Property Act" to ensure a more equitable division of property

PREMIER PECKFORD: between spouses on the dissolution of marriage, and the other "An Amendment to the Human Rights Act" to remove certain discriminatory features as between sexes presently contained in certain acts of this Legislature.

Mr. Speaker, over the last thirty years the people of this Province have gone through social, economic and political changes of great magnitude. Although we are part of the great Canadian family of provinces, our people have a very deep attachment to the historical and cultural heritage that is theirs. Perhaps more importantly they now realize the important role that such a strong culture can play in providing the underpinning for action in all sorts of fields of endeavor. We must, Mr. Speaker, as a people, make a deep commitment to give more aid and encouragement to our artists, both professional and amateur.

Consequently, Mr. Speaker, my Government will introduce a bill to establish a Newfoundland and Labrador Arts Council and to provide for a Newfoundland and Labrador Arts fund.

As in all things, Mr. Speaker, Government cannot force-feed our cultural development. The vitality of a society's cultural activities must remain the exclusive preserve of the individual. However, Mr. Speaker, Government and this House is called upon to provide new recognition and assistance and the proper climate for the development of our artistic community and our culture generally. I am sure I speak for all members of the House in expressing these sentiments.

The final area on which I would touch is the area of political reform. Mr. Speaker, it is essential to the vitality of our political processes that participation in those processes be free and open to all, in fact as well as in theory. It is increasingly apparent to all, I am sure, that this Province must join with our sister jurisdictions on

PREMIER PECKFORD: the Mainland in amending our Elections Act to provide for a disclosure procedure with regard to campaign contributions and to provide for the partial public financing of election expenses. I give notice of my government's intention to proceed vigorously with the bill presently on the Order Paper to amend the present Elections Act to do just that.

Mr. Speaker, in addition to ensuring that participation in our political process is free and open to all, we in this House must also portray an image of seriousness and work so as to maintain the trust placed in us by the people of the Province. In this respect, I would like to give notice that I will be asking the House to fully utilize the committee system already in place to deal with the forthcoming budget. I furthermore look forward to the co-operation of the Opposition in a general way so that we can both enter the forthcoming general election, which is inevitable, proud of the respective roles that we have played in meeting the challenges which face this Province today.

Mr. Speaker, in the words of the ancient Chinese curse, "We live in interesting times; Opportunities and dangers abound." As a society, both provincially and nationally, we vacillate between confidence in our potential and despair at our prospects.

History, particularly our own, tells us that by courageous, united action we can determine the shape of our future. This House is called upon to play a major role in that task, to provide a focal point in marshalling our collective courage, ingenuity and enterprise to take this Province through these perilous times and bring us to that far shore where lies a more prosperous and more equitable society for us all. Let us pray that we are up to that task.

PREMIER PECKFORD: Thank you very much.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. Leader of the Opposition.

SOME HON. MEMBERS: Hear, hear!

MR. W. ROWE: Mr. Speaker, the last time we had a Throne Speech that promised everything there was an immediate general election. I cannot help but say that I hope the same thing happens this time although -

MR. NEARY: No such luck.

MR. W. ROWE: - the situation may be somewhat complicated by the federal election.

MR. NEARY: Frank Ryan does not know what to do yet.

MR. W. ROWE: There is still time, Sir. But without getting into any of the merits or demerits of the situation, there will be plenty of time for debate on it, Sir, let me by way of response to the Premier's Ministerial Statement first of all congratulate him personally for his election as the Leader of the PC Party, one of the two major parties in the Province, perhaps one of the three major parties in the Province after the next election. I see some of my friends in the gallery there today who hope that my words are true.

Let me also congratulate him on his appointment as Premier of the Province. He may have gotten off to a bit of a poor start but I do hope that it picks up from here. And I want to offer him my congratulations and my very best wishes as long as he is Premier, and as long as he is in this hon. House.

MR. NEARY: For the time being.

MR. W. ROWE: Let me also offer my congratulations to the hon. ministers who have been recently appointed: The hon. President of the Executive Council who came from the backbenches to go up in the government once more; the hon.

MR. W. ROWE: backbenches to go up to the government once more. The hon. Minister of Finance, the member for St. John's South (Dr. Collins) I welcome him in his capacity as Minister of Finance although he may be missed, I do not know, as Deputy Chairman. We will have to see how the hon. member for Bonavista North (Mr. Cross) does there.

I would also like to express the congratulations of this side of the House to the hon. member for Ferryland district (Mr. Power) on being elevated to the position of Minister of Tourism, and to the hon. member for Harbour Grace (Mr. Young), who has become Minister of Public Works and Services. I offer them, Sir, our congratulations and the very best wishes of members on this side of the House. We will be watching them very carefully. We hope that they do do well in their portfolios. Naturally we will be offering criticism where it is merited or warranted and we will be offering advice as well.

Let me, Sir, also welcome publicly here in the House the decision of the member for Port de Grave district (Mr. Dawe), to come back to his natural political home as a member of the Liberal Caucus.

SOME HON. MEMBERS: Hear, hear!

MR. W. ROWE: We are delighted to have him join us, Sir, or rejoin us,

MR. W. N. ROWE: a man of infinite political wisdom, experience, some twenty-five years or so, in the political life of the Province, and we certainly welcome him, as I say, back into our caucus and I do hope that he does reconsider his at least tentative decision not to enter into the next provincial election. I hope he reconsiders that decision because I would personally very much like to see him run in some district in the Province. Whether it is the one he presently occupies or another one is a matter for his decision, but, Sir, I do hope that he chooses to stay in public life in this Province.

Sir, let me make some comments of a general nature on what the hon. the Premier had to say and perhaps one or two matters on which he had no comment whatsoever. For example, I was a little disappointed not to hear him mention what the government's proposal is with regard to the Public Accounts Committee. I thought he might have mentioned that. I do hope that before too long he will have a public statement on it. I hope that he intends as a new premier to resurrect that committee, make it vigorous, vibrant, buoyant and act as the watchdog of government spending in this House and outside at its committee meetings.

MR. NEARY: But Frank Ryan has not told him yet.

MR. W. N. ROWE: That may be right. And, Sir, I also hope that he will follow the tradition that is followed in nearly every civilized country using the parliamentary system of government of having the Opposition, specifically the Opposition Leader, name the Chairman of the Public Accounts Committee -

MR. NEARY: Hear, hear!

MR. W. N. ROWE: - to make sure that the Public Accounts Committee has the fullest possible force and has the fullest possible effect when it comes to scrutinizing

MR. W. N. ROWE: and watchdogging government spending.

MR. NEARY: Hear, hear!

MR. W. N. ROWE: Another thing which was not mentioned, Sir, was the strange goings on with regard to the Department of Housing.

Before the House closed down prior to the P.C. Leadership Convention, the most important item of priority on the government's plate, as expressed to us by the hon. then House Leader (Mr. Hickman) was to get this Department of Housing through the House. Now we suddenly find that the matter has fallen in priority and that we have a Minister of Municipal Affairs and Housing again, which was the traditional way of handling that particular portfolio, But we were under the impression that the government, the ministry were going to pursue new directions, new departures from the old way of doing things, so I am surprised that the hon. the Premier did not mention that in his list of goodies announced to the House a little earlier on.

As far as the fourth seat for Labrador is concerned, Mr. Speaker, there is nothing that the Premier could have mentioned that would be more welcome to members on this side of the House. Your Honour will recall that when the commission which was set up reported and asked for briefs, we submitted briefs to the commission along those lines that there should be four seats in Labrador, the Liberal caucus - I, as a matter of fact, had some hand in drafting the submission. When the matter came up for debate because of a bill introduced into this hon. House to redistribute the seats in Newfoundland and Labrador, once again we dug in rather forcefully, if memory serves me correctly -

MR. NEARY: Right.

MR. W. N. ROWE: - in our efforts to get a fourth seat for Labrador. We thought that that was of vital importance. We considered the way it was handled, and that is straddling the Strait of Belle Isle with a quarter of a seat in Labrador, we thought that was the wrong way then, we think it is the wrong way now, although the seat has been very adequately represented, greatly represented by the present incumbent. But, Mr. Speaker, we have always been in favour of a fourth seat for Labrador and we certainly believe that that should be proceeded with post haste in order to make sure that before the next election is called the people of Labrador do have an opportunity to have this extra seat.

I would mention, Sir - and this will come up when the bill comes in for debate - I will mention that I have grave misgivings - and perhaps the government draftsmen can take this under consideration as a result of the government stating their position on it - but I have grave misgivings over the intention stated by the Premier to have the Roddickton area taken out of Baie Verte - White Bay and put in the Straits of Belle Isle. One of the main reasons, Sir, is that this, without further change, will make the Straits of Belle Isle district, which is one of the most rural districts in the Province, one of the most far-flung districts in the Province, a district of some 12,000 or 13,000 in population, and a district, Sir, which, I would say without getting into debate, would be impossible for any man or woman no matter how good, how great a representative in this House to adequately

MR. W.N. ROWE: represent and I do hope that the government before it comes into the House, and we have our sides drawn and we get into a sort of a confrontation position on it, that the government can take that into consideration because I think that would be a mistake.

The women's rights, Sir, I will just touch on that very briefly. You will remember, Sir, that in the last session of the House one of my hon. colleagues, I believe the member for Windsor - Buchans (Mr. Flight), introduced a private member's resolution in the House calling upon the government to bring in this legislation to make sure that matrimonial property could be properly looked after by legislation, and also we made some references to needed changes in the Human Rights Act. I am glad to see that the hon. the Premier has followed our advice in this regard. I do not know what kind of argument he has gotten from the Minister of Justice because you will recall that he did not want to bring in legislation. He wanted to bring in a white paper and have it discussed and debated and perhaps legislation brought in somewhere down the road.

Mr. Speaker, there are a number of matters which are also mentioned but I will clue it up as quickly as I can, not touching on everything but some of the more important matters. Political reform; again, Sir, we have expressed our position publicly as being completely in favour of the initiatives which the hon. the Premier has now announced. The only problem with it, Sir, and the Matrimonial Properties Act legislation as well and other matters mentioned, is that they have been promised by the P.C. administration from time to time in the past, seven or eight times as a matter of fact. I do hope that this time we have a commitment which will be written into law and as long as it is a reasonable, decent piece of legislation which encourages and fosters democracy in this Province then of course it will go through this House, with debate certainly because members will have to have their say on it but without any needless acrimony or without any stalling whatsoever because we would like to see that as much as anyone else in the Province.

MR. W.N. ROWE: The Committee, Sir, referring the Budget to the Committee of the House for scrutiny: That is a matter which again I would ask the hon. the Premier to tread very softly on. I would like, as a member of this House and Leader of the Opposition, to state my position without having heard in detail what the Premier proposes, but the more debate in a public forum like this House on the public spending in this Province the better it is for the people concerned and the more we tend to take matters out of this House and put them in to a committee which may not be adequately covered by the press, because the press cannot be everywhere, which may not provide for a reasonable amount of debate on government expenditures, then, Sir, the more the people of this Province will suffer. I would like to see the government step very softly to make sure that they are very circumspect about what they are doing before they whip away from this House the right to scrutinize every single department of government and the spending in it when the budget and the estimates are brought before the hon. House.

Finally, Sir, although the hon. Premier did not refer to it directly in his speech, I would like to say a word about his new administration. It is a matter which was raised publicly earlier today by the Premier. I have already wished the new Cabinet the very best as far as we can wish them the very best in their duties and their jobs. I will say, Sir, that a number of people I have talked to outside the House as well as my own colleagues were somewhat disappointed that the expectations which were raised were not fulfilled. We have no new faces in the Cabinet although everyone in the Province expected to see a number of faces from outside the confines of the backbenches of the P.C. Party in this House. We have in effect, I suppose, what could be called a reshuffled Moores administration with a number of new faces from the backbenches being brought into the Cabinet. We expected more new faces from the outside which would have given a better indication that this was a government which was going to provide new

MR. W.N. ROWE: direction, going to provide new policies, new departures from the old ways of doing things and I do hope, Sir, that this disappointment with regard to the personnel, not to the people who are in it although the Cabinet is far too large with seventeen people, but the fact that there are not other new people in it as the hon. the Premier and others indicated during the P.C. leadership race that this first disappointment which we have had with regard to the Cabinet is not in fact one of a series of disappointments in that regard which we will see over the coming weeks. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: (Mr. Ottenheimer) The hon. minister.

MR. MORGAN: Mr. Speaker, I wish to make a Ministerial Statement. I would like to advise this hon. House that approval has now been given by this government for a special interim financial assistance programme for broiler producers affected by the recent labour dispute at the Newfoundland Farm Products.

SOME HON. MEMBERS: Hear, hear!

MR. MORGAN: As most people know, all parties directly involved with the broiler and swine industries in the Province incurred substantial losses because of the strike at the abattoirs, at both Pleasantville and Corner Brook, including producers, the feed companies and the corporation itself.

The most seriously affected by the event, however, were the broiler producers themselves in that they were unable to recover financially to the extent that they could reconvene business with any likelihood that they could remain financially viable. A great many of the birds they had had to be condemned during the period of the strike and consequently producers made no profit with which to continue payments to the feed companies for past debts and, more importantly and a more significant factor, to be able to purchase new feed supplies so vital to them to start new crops of chickens.

Consequently, some broiler producers could quite easily have their operations fold if not for the government assistance now forthcoming. So based on a number of meetings with the parties involved the following has now been approved by the Provincial Cabinet. Government will guarantee payments to the producers to a minimum of seventy-five per cent of the feed and chicken costs, plus forty cents per bird for birds, in the barns during the strike, which they lost. A return by the way of approximately thirty-seven to forty cents per bird over the feed and chicken costs was considered to be a normal return to the producers in the Province.

MR. MORGAN: Applying this formula to the various producers it is estimated that the total interim payments would be in the vicinity of \$400, 000. This is including the East Coast and West Coast producers.

I might also, Mr. Speaker, point out that certain qualifications have to be added to this scheme of financial assistance. I will mention these qualifications briefly.

(1) Before any payment is made to any producer there should be a written agreement reached between the producer and the feed company concerned that a new crop of birds will be started in the producer's barns and supplied with necessary feed inputs. Also, the invoices for feed and chicks must also be submitted to government before we make a payment to them.

(2) The above calculations of cost are estimates only, as the exact details of the losses to the producers and the feed companies and others concerned are not yet available.

(3) There will be a review of the total losses caused by the strike in order to determine and recommend a final compensation formula.

(4) Newfoundland Farm Products Corporation has already absorbed other major costs associated with the strike, i.e., the transportation of the product to the Mainland, payments for low grading product caused by heavy weights, losses in the market place. These total losses have not been incurred by Newfoundland Farm Products Corporation as yet, therefore the value of these losses is presently unavailable.

(5) It was anticipated, Mr. Speaker, that this year Newfoundland Farm Products Corporation would have an operating surplus; however, now because of the strike situation and the occurrence of that strike the annual government grant which we hoped to be reduced this year by \$400,000 will not now occur.

MR. MORGAN: Mr. Speaker, it is hoped that this financial assistance, this new scheme now, this interim financial scheme for the broiler producers in the Province will enable the broiler producers who have been hit particularly hard to adopt some reasonable optimism in that industry and that they may be able to continue in their present endeavours and hopefully maintain an important segment of our current agricultural economy.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: The hon. member for St. George's.

MRS. McISAAC: I just want to make a couple of comments, Mr. Speaker, on the minister's statement. I understood that he said that Newfoundland Farm Products annual grant would be reduced by \$400,000 which I understand would be the total amount that the government is putting into Newfoundland Farm Products. I understand it is \$400,000 annual, per year.

MR. MORGAN: No, it is \$2.6 million per year.

MRS. McISAAC: Then I would say, Mr. Speaker, that if the government is putting \$2.6 million into Newfoundland Farm Products they should certainly look on it as something that they

Mrs. McIsaac: should have a little more control over and see that working conditons do not get to the level that they were, and the thing is that this is what caused this strike.

SOME HON. MEMBERS: Hear, hear!

MRS. MCISAAC: And there is \$2.6 million of the taxpayers money going into it, and it is not being very well controlled by government as working conditions get to the level that they got to this year where Newfoundland Farm Products workers went out on strike and as a result put all the broiler producers out of business in the Province, some of them are probably out forever and a day. I see no way in the world that some of those broiler producers are ever going to get back into business -

PREMIER PECKFORD: They will now.

MRS. MCISAAC: - even with the subsidy, With the amount that the government are going to put into it, I do not see that it is going to put those broiler producers back into business -

MR. NEARY: Bad labour relations.

MRS. MCISAAC: - unless there is a lot less broiler producers in the Province than I think there are.

That is all I want to say, Mr. Speaker. I think that if we are pumping that much money into something we should certainly see that working conditions are up to standard and try and eliminate strikes and look after the people who are trying to earn a living and trying to provide jobs for other people in the area such as the broiler producers and prevent the import of frozen products from other provinces. Thank you.

SOME HON. MEMBERS: Hear, hear!

MR. SIMMONS: Mr. Speaker, on a point of order.

MR. SPEAKER: (MR. OTTENHEIMER): A point of order.

MR. SIMMONS: Mr. Speaker, the minister who just reported, he has been reported publicly as the Minister of Lands and Forest, The legislation now, of course, calls for the Department of Forestry and Agriculture, and

Mr. Simmons: I can well understand his having reported as he has done today or given a statement because of the existing legislation. But I wonder would the Premier or the Government House Leader undertake to inform the House what minister is responsible for what department pending the new legislation. Do I ask, for example, the member for Bonavista South (Mr. Morgan) questions related to agriculture at this moment or do I ask the member for Naskaupi (Mr. Goudie)? I wonder could somebody indicate to us in what portfolios these ministers were sworn into this morning? And more particularly what responsibilities will be theirs until the new legislation is through the House?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER (MR. OTTENHEIMER): The hon. the Premier.

PREMIER PECKFORD: To that point of order, Mr. Speaker, I think that is an appropriate question to be asked under Oral Questions, Section (6) of the Agenda for today's proceedings.

SOME HON. MEMBERS: Oh, oh!

PRESENTING PETITIONS

MR. SPEAKER: The hon. member for Fogo.

CAPT. E. WINSOR: Mr. Speaker, I beg to present a petition -

MR. CALLAN: Beg leave.

CAPT. E. WINSOR: - on behalf of 317 voters of Fogo. And the prayer of the petition is that "whereas the Fogo Island Fishermen's Co-op located at Wingwha in Fogo is a prime producer of fish products; whereas the fresh and salt fish from the stages and flakes along the Northside of Fogo is produced and handled along the side and unpaved heavily travelled road; whereas the said road on the Northside which is upgraded at a joint expense to the Province and Fogo Town Council of in excess of \$100,000 three years ago is again rapidly deteriorating and will need extensive renovation - or upgrading, I should say - if not paved during the coming construction season; whereas all the roads in Fogo have not seen major construction in years and are literally impassable;

Capt. E. Winsor: whereas Fogo Town Council cannot meet the cost of major road construction, we, the people of Fogo, do earnestly petition the Government of Newfoundland and Labrador to help us with the following priorities; (1) pave the said road leading to the Fogo fish plant and the said road on the Northside of Fogo during this coming construction season."

SOME HON. MEMBERS: Hear, hear!

CAPT. E. WINSOR: "Upgrade the remaining roads in Fogo during the construction season of 1980 and pave the said remaining roads in Fogo during the construction season of 1981."

Now, Mr. Speaker, it is coincidental that I should present this petition here in this House this afternoon because it is only a few hours previous to this that the new Minister of Transportation and Communications is a native son of Fogo Island. I can see great hope now for roads on Fogo Island and especially this particular one on the Northside of Fogo. I do not have to use any argument to convince the hon. minister how bad those roads are. It does not only apply to Fogo itself, it applies to

CAPT. WINSOR: the whole of Fogo Island.
I would strongly urge the minister to give very serious consideration to this petition if for no other reason but the fact that he is a native son of that area.

Previously there have been some tentative commitments made to do some upgrading and paving of roads on Fogo Island this year. I trust the new minister will adhere to that and do all in his power in convincing other members of the cabinet how important it is to have roads in Fogo and roads on Fogo Island, upgraded and paved.

The hon. minister knows that Fogo Island now is a very productive area. It has become a very self-reliant community and I am sure the hon. minister feels very proud of that fact. When he was Minister of Welfare - or Social Assistance - I think he took great pride in saying that there were very few people on social assistance on Fogo Island. A great accomplishment! And now, the hon. minister, surely, will not let them down nor will he let the economy of Fogo Island deteriorate to a point where they will have to come once more, on their knees, begging for some road work.

I submit, Mr. Speaker, that Fogo Island, from now on, will get special attention in road construction. I firmly and strongly support this petition. I ask that it be received and placed on the table of the House and referred to the department to which it relates.

MR. SPEAKER: The hon. the member for LaPoile.

MR. NEARY: Mr. Speaker, I support the petition so ably presented by my colleague the member for Fogo (Capt. Winsor), on behalf of 317 of his

MR. NEARY: constituents, voters in the district of Fogo, who want to get their roads upgraded and paved.

Now, Sir, I believe we have to take our hats off to the people on Fogo Island, Mr. Speaker. The people of Fogo Island, Sir, are an example to any community in this Province. If there is ever a community that pulled itself up by its boot straps, it is the people who live on Fogo Island.

Now, Mr. Speaker, they have come from practically 100 per cent -

MR. MORGAN: No thanks to resettlement.

MR. NEARY: - 100 per cent - well, Mr. Speaker, the hon. gentleman can yap, yap all he wants, Sir.

MR. MORGAN: No thanks to resettlement. They survived on their own.

MR. NEARY: Mr. Speaker, I call upon the government House Leader to restrain the hon. gentleman. Before the decorum of the House is lowered, and before we create a bear pit in this House again, will the hon. House Leader restrain the members on the government side, please?

Mr. Speaker, it is an example that should be followed in other parts of this Province.

Now, Sir, one of the things that the people, the fishermen and the fishermen's co-op on Fogo are concerned about is the quality of their fish. They have to transport their fish over gravel roads that are muddy, dusty and dirty. And that is one of the main reasons, Sir, they want their roads upgraded and paved. And if there was no other justification, if there was no other justification in this world, Sir, that would be sufficient justification for the minister

MR. NEARY: to be moved in this fiscal year, not hesitate -

SOME HON. MEMBERS: Oh, oh!

MR. NEARY: Mr. Speaker, I call upon the government House Leader or the Premier to try to restrain the hon. member for Bonavista South (Mr. Morgan), Sir. Otherwise, Your Honour knows that the decorum of the House is going to be lowered and I hope nobody will blame it on this side of the House, Sir.

Here we are trying to do our duty to the people of this Province and we are being interrupted by members on the other side of the House. Your Honour does not have to do anything, I just ask the government House Leader to take note. Would the government House Leader take note of that, please?

MR. MORGAN: Sit down! Do not be so foolish. Sit down!

AN HON. MEMBER: Tell him not to embarrass the new leader.

MR. NEARY: Mr. Speaker, the hon. gentleman is a source of

MR. NEARY: embarrassment to the hon. the Government House Leader.

So, Mr. Speaker, I support the prayer of the petition and I do hope, Sir, that in the interest of furthering the cause of the Fishermen's Co-op, on Fogo Island and seeing to it that they get a good quality product in that co-op that the minister will, in this fiscal year coming up, make plans and set aside an allocation of funds to upgrade and pave the roads that are specified in the petition presented by my colleague.

AN HON. MEMBER: Hear, hear!

MR. SPEAKER: (Mr. Cross) The hon. minister.

SOME HON. MEMBERS: Oh, oh!

MR. BRETT: Mr. Speaker, in responding to the petition, it has been suggested that maybe I should pave all the roads in Fogo Island, run against the hon. member and defeat him. Being a native son, it should not be that difficult a job. But I acknowledge the petition and assure the hon. member that it will be considered along with the many needs for paving and reconstruction across the Province.

MR. SPEAKER: (Mr. Ottenheimer) The hon. the member for Menihek.

MR. ROUSSEAU: Mr. Speaker, I have another petition unless there is somebody else who wants to speak on this particular petition.

Mr. Speaker, I have a petition signed by 3,100 people from the towns of Labrador City and Wabush, only 3,100 people, Mr. Speaker, because as all hon. members of the House and I suppose most of the people on the Island part of the Province know, it is pretty cold this time of the year, but of the people canvassed, ninety-nine percent of them signed the petition.

The petition, Mr. Speaker, reads in three parts and I would like to go over each one

MR. ROUSSEAU: individually, if I may: "We, the undersigned residents of Labrador City and Wabush, hereby request and petition that the Government of Newfoundland and Labrador lower the school tax in Labrador West while still providing the same standard of services in education available to Newfoundlanders living on the Island portion of our Province." Now, Mr. Speaker, I remember standing up in this House of Assembly seven years ago and making a maiden speech in which I said, "The people of Labrador ask for no more but no less than the Island part of the Province." They are requested to pay, I think, now - I stand to be corrected - but I understand the highest school tax in the Province. They pay \$15 more per person than the people in St. John's. Now, Mr. Speaker, I have on many occasions obviously not understood in the hon. House and by the hon. people who attempt to try to understand the problems in Labrador that a person in Labrador has to take \$2,000 to \$3,000 net off a salary per year to arrive on the Island part of the Province to spend the Summer with his family, so that saying that the salaries in Labrador City and Wabush are much higher than the salaries on the Island portion of the Province, I do not feel, Mr. Speaker, nor do the people in Labrador City and Wabush feel, is correct. And by the way, Mr. Speaker, also - and hon. members of the House, I am sure, are aware - not everybody in Labrador City and Wabush work at the Iron Ore Company of Canada or at Wabush Mines.

Now, Mr. Speaker, I know that there are problems here and I must say I thank the Minister of Education. I presented the petition to him some weeks ago and he responded to it and this morning the Chair person for the committee met with the minister and listened to the points put across by the committee and as I say, I appreciate that very much. But I certainly would like to feel on

MR. ROUSSEAU: behalf of the 3,100 people in Labrador City and Wabush who presented this petition to me to present to this hon. House that at least their needs will be heard and that they will be asked to pay no more than or no less than - if that be the wish of the decision makers - that it be equalized between the Island part of the Province and the Western part of the Mainland part of our Province.

 They also request and petition the government to supply free school bus transportation for students attending our schools in Labrador City and Wabush, and, Mr. Speaker, that is, I think, a reasonable request, the buses going in the morning and back in the afternoon. But again, we have 30,000 hearty souls, many of which have gone to Labrador to work and have not gone to Alberta or somewhere else but have gone to Labrador to work when it was a wilderness and it is a cold, cold, cold area. And the kindergarten, Grades I, II and III are not expected, I do not think, by any rational person to walk back and forth in degrees approaching 30, 40 or 50 below zero. There are no facilities in the schools up there for canteen services or luncheon periods.

MR. ROUSSEAU: The children have to travel back and forth and at one point, Mr. Speaker, I lived less than a quarter of a mile from the school and mornings when I had to walk to school when my car was snowed in, that I would get very, very cold walking that very small distance. And some houses are three to three and a half miles away from the school. So it is a long walk. Finally we requested in a petition that you make available to the people of Labrador West a comprehensive explanation as to the use of all funds collected so far by the Labrador West School Tax Authority.

Now, Mr. Speaker, these I think are reasonable requests. I am going to make a suggestion and I would ask the Minister of Education, or his designate, and if it be his designate to do so with an open mind, to sit down with the school boards, with the School Tax Authority, and with this committee and try and reason out the problems that are being encountered by the people, the 3,100, and I am sure many more would, who have signed this petition. I think, Mr. Speaker, that is a reasonable request. I fully support the petition. I notice here on the page I have there are three names, Leo Barry, Bill Rompkey, and J.G. Rousseau, who is the member of course, signed the petition. I fully support it. I refer it to the table of the House and ask that it be referred to the department to which it relates.

MR. SPEAKER: The hon. member for Trinity - Bay de Verde.

MR. F. ROWE: Mr. Speaker, I would like to support the petition so ably presented by the member for Manihek (Mr. Rousseau) on behalf of 3,100 people in

MR. F. ROWE: Labrador City and Wabush City, concerning the lowering of the school tax in that area to make it comparable to the school taxes that are being paid on the Island portion of the Province.

The member indicated that in one instance the school tax is \$15 more than, I believe, the \$75 - so \$90 - \$15 more than the tax paid in St. John's. Sir, this just goes to point out the inequity of that particular school tax. It just cannot be applied equally and fairly throughout this diversified Province of Newfoundland and Labrador. And, Sir, that is why one of our policies obviously is to eliminate the school taxes in this Province as quickly and as soon as possible. And I feel, Sir, since the revenue that is gotten by the various school boards throughout the Province amounts to only approximately 2 per cent of their total revenue anyway, and you have all this duplication of administration for the collection of the school taxes and the school tax is one of the most regressive school taxes that is applied in this particular Province, that the one way of getting rid of the problems that the hon. member for Menihek brought to the House's attention this afternoon is to eliminate the school tax altogether, and pay for that 2 per cent out of the general revenue of the Province as we have indicated on various occasions over the last few years.

Sir, it is the most regressive tax and I do not know to what extent it occurs in Labrador City and Wabush City; we quite often think of that as being an area without very much unemployment and with necessarily not too many pensioners and this sort of thing. I do not have an actual correct reading on that but one of the things that disturbs me greatly, and my colleagues, is the fact that collection agencies

MR. F. ROWE: are arbitrarily sending off demand notices, unknowingly presumably, to widows and widowers and pensioners and this kind of a thing and frightening the living daylight out of them because they think they are going to be brought to court the very next day. Sir, I repeat that I think in support of the particular petition that the only way to rectify the inequalities, inequities, the regressive nature of the school tax as indicated by the member for Menihek is simply to eliminate it altogether.

Sir, as far as the free transportation of students to school in Labrador is concerned, in Labrador City and Wabush City, I can certainly see a need for that under the very diverse weather conditions and the cold weather conditions in Labrador, particularly in the winter, but obviously if you do such a thing for Labrador City and Wabush City you certainly have to have a look at places like the Great Northern Peninsula and other parts of the Province, other than Labrador City in Labrador and on the Northern Peninsula and northeast coast where the same weather conditions really do apply. So, in all fairness, we got to have a look at the whole provincial scene before we start making exceptions for any particular part of the Province. I did not get the last part,

MR. F. ROWE: the third part of the member's petition to be presented, Sir, but I repeat that I do whole-heartedly support the petition and recommend to the Government that they look very carefully at the possibility of eliminating school taxes altogether because it is a most unfair tax and, simply put, it is impossible, it is fiscally impossible to apply such a tax equally and fairly and squarely across this Province where you would not be hurting many people and I think that the School Boards can be adequately compensated for that approximately 2 per cent of their revenue through the general revenue of the Province.

MR. SPEAKER: (Mr. Ottenheimer) Hon. member for Placentia.

MR. W. PATTERSON: Mr. Speaker, I beg leave to -

MR. SPEAKER: Is this a separate petition?

MR. W. PATTERSON: Another petition.

MR. SPEAKER: I had thought the hon. gentleman was speaking to the same petition. Hon. Leader of the Opposition.

MR. W.N. ROWE: Mr. Speaker, I rise to support the petition which was presented by the member for Menihek district (Mr. Rousseau) on behalf of thirty-one hundred residents of the area and I rise, Sir, to give it our whole-hearted support on this side of the House. When this matter first came up there was some correspondence between the Chairperson of the Menihek Concern Citizens' Committee, who I believe was the person who really spearheaded this petition and went around, Miss Linda Gilles, and she, of course, sent letters of to the hon. Minister of Education with copies to a number of other people. And in that letter she made some very valid points which I will refer to very briefly, Sir. I can table the letter as well, it makes no difference; most members of the House probably have it already, But, Sir, she makes mention of the fact that, as my hon. colleague did, that the School Tax Authority in the area issued a letter warning people that serious action will be taken against them - a fine of 25 dollars, 14 days in jail or both - if the tax was not paid and she said, "We feel that this sort of tactic is unnecessary as most

MR. W.N. ROWE:

people here are conscientious citizens."

I would agree with that, Sir, it may be a little heavy handed. I do not know all the circumstances but certainly from the uproar that this kind of a tactic has caused, it may certainly be going beyond what is absolutely necessary. She also mentions the fact referred to by my hon. friend opposite that we have the highest school tax in Newfoundland, ninety dollars per working member of a family, fifteen dollars higher than that of St. John's area, with a projected increase this year. She goes on to say to talk in terms of the amount having to be paid for the school bus fares, six dollars per child per month to a maximum of thirty dollars. Then she mentions a number of other things which are really in the nature of questions and shows, Sir, that perhaps the School Tax Authorities may not be operating in a way which is conducive to information going to people in this Province who have to pay taxes. She says, "Who has the final authority in setting the school tax and bus fares for a particular area? Why are there such inconsistencies throughout the Province in the amount paid? Is one area getting a larger grant than another and does one area pay more than another, for example?" And she says, "That there seems to be very little public knowledge about our School Tax Authority and how money is spent. Is it possible to have this made available in a yearly report with highlights available to the press?" Very valid points, Sir, and very valid questions asked by the Chairperson of the Menihek Concern Citizens' Committee.

I replied to the letter, of course, Sir, although it was only a copy to me with a letter also to the hon. Minister of Education setting out our position on it and I reiterated the fact that it is a matter of policy for the Liberal Party, the Liberal Caucus to eliminate school taxes as they are presently instituted and collected and that the cost of education should come out of the general revenues of the Province and our main reason for doing that, Sir, is as my hon. colleague from Trinity-Bay de Verte (Mr. F. Rowe) said, school taxes and that kind of taxes are the most regressive taxes possible and imaginable and are taxes which hit the poorer off people much harder than those who are better off and well able to pay.

MR. W.N. ROWE:

One matter which was brought to my attention was the reply from the Minister of Education to Ms. Gilles, the Chairperson, in which he states that the imposition of a poll tax of ninety dollars was arrived at after a study was made by the Tax Authority of salaries received by residents of Labrador City-Wabush as compared to St. John's and it was found that a tax of ninety dollars

MR. W.N. ROWE: in the Labrador West area was equivalent to a tax of \$75 in the St. John's area.

Well, Mr. Speaker, I do not know how they arrived at that figure. Anybody who spent any time in Labrador West and compared prices, for example, would know that it is not enough to compare the level of salaries which are being obtained by the people in Labrador West compared to St. John's, you also have to look at all other factors as well, including things such as the cost of living, the cost of heating your home in Labrador West during the Winter months, the high cost of the basic necessities of life, like food and clothing, in that particular area. Therefore, Sir, I would say that \$90 as compared to \$75 in the St. John's area, based on the salaries received, or the average salary received, is not the right way, not the equitable or fair way to arrive at the imposition of a school tax in that area, assuming one is going to have school taxes and school tax authorities.

I think there is rank discrimination in this regard. I am not sure if the member for Menihek district (Mr. Rousseau) stated that forcefully or not, but there is rank discrimination. And I think the fact that the tax could be arrived at on such a faulty data basis, faulty informational basis is enough to require the Department of Education to make sure that the tax is, at least for the time being, equalized. And when a Liberal Government gets into power in this Province, Sir, we can assure the people of the Province, in Labrador and on the Island of Newfoundland, that school taxes as they are presently instituted and collected will be eliminated and we will no longer have this albatross hanging around the necks of so many people who are not able to pay it adequately

MR. W.N. ROWE: without cutting into the basic necessities of their lives.

MR. SPEAKER(Ottenheimer): The hon. the member for LaPoile.

MR. NEARY: Mr. Speaker, I support the prayer of the petition presented by the member for Menihek, Sir. I had occasion recently, Mr. Speaker, to visit Labrador West. While I was there I was invited by the Chairman of the Concerned Citizens Committee, Mrs. Giles, to attend a meeting at her house, which I agreed to do. That was before we faced off against the firemen in Labrador City during Mockey Night, when we were attending the Winter Carnival. It was a very interesting meeting, Mr. Speaker. And I want to point out to this hon. House, Sir, that the number of people that signed that petition is an indication of the strong feeling that the people of Labrador West have over this matter. It is almost unanimous, almost 100 per cent of the voting population. People over eighteen years of age signed that petition strongly, vehemently opposing the discriminatory tax that has been slapped on them as opposed to the school tax that is being paid in other parts of the Province by people who live in industrial areas, urban areas and here in the City of St. John's.

Ninety dollars is what they are being charged in Labrador City and Wabush, \$90. The average across Newfoundland is \$75. And the reason they are given, as my hon. friend knows, the reason - and the former Minister of Education, who today was demoted and flicked out of that portfolio, told these people in Labrador West in a letter that the hon. gentleman wrote, that the reason was because their average income was higher than it was in other parts of the Province. The hon. gentleman had no basis for saying

MR. NEARY: that. That was a false statement.

Mr. Speaker, there was a time when you could argue that the income in Labrador West, in Labrador City and Wabush was higher than in any other part of the Province. You could argue that but you cannot argue it today, Sir. The Post Office workers, the municipal employees in St. John's. Bowaters, Price (Nfld), the employees down in Baie Verte are probably taking home as much if not more as the workers in Labrador City and in Wabush. So, therefore, Sir, as the Leader of the Opposition pointed out, it is rank discrimination, it is discrimination of the worst kind. And if this House, Mr. Speaker, that gave the school tax authorities the right, who passed the law in this House to give them the right to collect that tax, if we cannot role it back, Sir, then we are not worth our salt, we are not fit to say that we are members of this House. We gave the

Mr. Neary: School Tax Authorities the right to collect that tax, and if they abuse and misuse that right then it is up to us here in this House to remedy the situation. And God only knows the people of Labrador West have been down-trodden, have been forgotten, have been neglected long enough without letting the school board in that area get away with charging this discriminatory tax, \$15 more than in any other part of the Province. And if we cannot change it we should be ashamed of ourselves. We will all resign and go out and have a general election, if we cannot change that. We have the authority in this Legislature to do it and the former Minister of Education can say all he wants, "Oh, this is not up to us, it is not up to government, it is up to the school board!" What foolish nonsense, Sir!

MR. SPEAKER (MR. OTTENHEIMER): Order, please!

I must point out to the hon. gentleman that he is entering in the area of debate.

MR. NEARY: Mr. Speaker, I cannot help but get emotional over this issue, Sir. I was there and I heard the feeling of the people and I know how they feel about this. They are terribly upset over it and I do not blame them.

AN HON. MEMBER: Everybody is upset.

MR. NEARY: And the minister had the unmitigated gall to write the Chairman of The Concerned Citizens Group to say it is because your income is higher than it is in other parts of the Province. Mr. Speaker, so is the cost of living higher.

AN HON. MEMBER: School taxes.

MR. NEARY: Heating fuel, recreation and sport, housing, the cost of living, the cost of gas, clothing, transportation, everything is higher in Labrador West, and they are paying the highest school taxes in the whole Province. People down there are no better off financially, no better off; they take home no more than the postal workers in the City of St. John's. And therefore, Sir, it is our duty. Sir, we should be ashamed of ourselves if we do not force the school board to roll back that tax.

MR. SPEAKER: The hon. member for Naskaupi.

MR. GOUDIE: Mr. Speaker, I would just like to take a couple of moments of the time of the hon. House to offer my support to the petition presented by my colleague from Menihek district (Mr. Rousseau) in Labrador. I was contacted by Ms. Gilles by telephone some time ago having been in the area at the same time as the hon. gentleman from LaPoile was there. I was not contacted at the time. However, I was contacted by telephone when the lady expressed the concerns which subsequently were expressed in the petition presented.

I might add that in relation to the school busing section of this particular petition, it is not new to me. I as a member of the press six or seven years ago went into the area and did a number of reports on the problem and I think it is a very valid point of the petition, the section dealing with the busing of school children. The temperatures as the hon. member for Menihek suggested are extremely low in the Winter months. You get out in the daytime and you see ice crystals forming in the air. Every bit of moisture is wrung out of it and all you have are ice crystals going down into your body. It makes it a little difficult for young children to cope with as well as the older children attending schools up there. The \$15 above the regular rate, if I can use that term, I think should very well be looked at as well in relation to the school tax and the school tax authority. For these reasons, Mr. Speaker, I support the petition.

MR. SPEAKER: The hon. member for Placentia.

MR. PATTERSON: Mr. Speaker, I beg leave to present a petition on behalf of the residents of Fair Haven, Placentia Bay. It reads:

"We, the undersigned are all voters and residents of the community of Fair Haven in the electoral district of Placentia. We humbly and respectfully request that the road leading to the community of Fair Haven and roads around the community be paved if at all possible this fiscal year. If the entire road cannot be paved, we would appreciate that a start be made and completed in two phases."

Mr. Speaker, I wish to support this petition and to state that Fair Haven is a small community on the southside of

MR. PATTERSON:

Placentia Bay. It is a fishing community and it is approximately nine miles from the Trans-Canada Highway. There is a gravel road in there. It was first built I believe in 1956 and since then it has been upgraded here and there but not enough to bring it up to a good standard.

The children of Fair Haven are daily transported to a Trinity Bay school over hazardous roads in the Wintertime.

MR. W. PATTERSON: I think that we should make an effort to try and bring this road up to grade, up to standard, and have it paved if at all possible this year. I would ask that this petition be tabled and referred to the Department to which it relates.

MR. SPEAKER: Hon. member for Lapoile.

MR. NEARY: Just briefly, Sir, I do not want to delay proceedings, we wish to support the prayer of the petition presented on behalf of the member from Placentia East (Mr. Patterson) on behalf of his constituents in Fairhaven.

I must say, Sir, that people were very gentle and reasonable in the prayer of their petition. They said that if the Government could not see fit to pave the whole road this year they would be satisfied just to see it started and continue on next year and the following year. You cannot be any more reasonable than that, Mr. Speaker, and I cannot see how the Minister of Finance and the Minister of Transportation and Communications can resist a proposition like that that is so fair and reasonable. And I hope, Sir, that they will be able to start that road, at least get part of it done in this coming fiscal year.

MR. SPEAKER: Hon. member for Bay of Islands.

MR. WOODROW: Mr. Speaker, I have a petition also. The prayer of the petition is: "We, the undersigned residents of the Electoral District of the Bay of Islands do hereby petition our Provincial Government to disallow any increase proposed by Newfoundland Hydro 1979-80. Any increase granted due to the increase in the cost of fuel cannot be justified due to the fact that we are charged each month on our Hydro bill for the fuel used by Newfoundland Hydro. This rate

MR. WOODROW: fluctuates each month depending on the amount of fuel used." And, Mr. Speaker, first of all I would like to say that on this petition we have 993 names, taxpayers and/or residents, and there are more to follow. I would like to say, Mr. Speaker, just like to have three points to say about the petition. Number one, that I am deeply concerned and disturbed with the proposed application by the Newfoundland and Labrador Hydro Corporation to increase Hydro rates by an estimated 20 per cent. If such an increase is granted to Newfoundland Hydro, it will place another serious financial burden on individuals who are already finding it increasingly difficult to meet costs of escalating power rates, food and housing price increases. Number two, Mr. Speaker, Newfoundlanders are becoming sceptical about Newfoundland Hydro, which has promoted an image of highly paid executives, expensive offices and executive jets. We simply cannot afford such luxuries in the wake of consistently increasing power rates, particularly in a Province abundantly rich in hydro-electric resources. Mr. Speaker, I think that every Newfoundlander would add his name to the 993 residents who have already signed this petition. In the interest of all Newfoundlanders throughout the Province, I strongly urge Government to place a freeze on any power rate increase proposed by Newfoundland Hydro during the upcoming year. Now, Mr. Speaker, I have the petition placed with the proper department.

MR. SPEAKER: The hon. Leader of the Opposition.

MR. W. ROWE: I rise once more to support this petition so eloquently and forcefully presented by the member for Bay of Islands (Mr. Woodrow), signed by 993 names. 993 people have signed their names to this petition. In doing so, Sir, I must express my regret and disappointment that this eloquent

MR. W. ROWE: member of the House, knowledgeable, experienced member of the House, has once more been passed over as far as the formation of a Cabinet is concerned. I was very, very surprised to see that.

MR. NEARY: He supported the wrong candidate.

MR. W. ROWE: Well, I do not think it should be a matter of support, I think it should be a matter of talent, how articulate a person is in getting out the Government's point of view and the policies,

MR. W. ROWE: experience and the way a member conducts himself in the political forum and this hon. member, passes with flying colours -

MR. S. NEARY: That is right.

MR. W. ROWE: - on all those points. I am very surprised and disappointed -

MR. S. NEARY: One of our pets over there.

MR. W. ROWE: Yes. I am very disappointed to see that the hon. member is still in the back benches. I hope to see him in the Government, in the Cabinet, very shortly.

Sir, I would like to support the hon. member's petition. He said that everyone in Newfoundland would support it. I am sure he is right. I am sure that if this petition had been submitted to the two hundred and fifty - getting up for 300,000 adults in this province, that every one of them with, perhaps, the exception of the officers he referred to of Newfoundland and Labrador Hydro, every one of them would support a petition demanding that there be no further increases in the cost of electricity and, indeed, that there should be decreases in the cost of electricity from here on. I agree, Sir, with him in asking for a freeze on any further increases in electrical rates in the cost of electricity for domestic usage, for the households in this province. We stated that earlier when the House last met; my hon. colleague and I stated that this was part of our policy to push for a freeze on increases in electrical rates, we should keep them as they are now and there should be a subsidy, if necessary, out of the general Treasury of the province.

Now, we have heard some arguments back and forth on that before, and we will probably see further arguments as to where the additional money will come from.

MR. W. ROWE: But, Sir, this is a necessity of life. It is, again, one of those occasions where being a necessity of life, as the price goes up the cost goes up; those who are least able to provide for the necessities of life are hurt hardest. Therefore, Sir, it is necessary that we not see any further increases in this regard in the coming number of years especially since we are likely to see in the next four or five years the Lower Churchill coming on stream, and if the right things are done we should see a recall of power or the value of power from the Upper Churchill which can be used to subsidize domestic usage of electricity in this province. So, there is nothing that I would support with greater fervour and greater enthusiasm than this request by my hon. friend across the House there. I know that his heart is in it. I know that he means what he says when he says that there should be no further increases in electricity because there are many people in this province without adequate shelter, without adequate money to provide for the cost of heating their homes, or lighting their homes, for that matter, who are going to be hurt more and more as time goes on, and we are going to see young people, children, who are going to suffer as a result of this increasing cost of a basic necessity of life. As with food, clothing and shelter, electricity cannot be considered any kind of a luxury whatsoever. It is incumbent on any government which is trying to represent the best interests of the people of the province to make sure that this necessity of life, since it is under their control directly, if the cost of food is not, this cost is under their control directly, Mr. Speaker. They can do something about it, and if they want to represent the people right and properly in this hon. House they should make sure that these costs do not go any higher, that, in fact, they are rolled

MR. W. ROWE: back as my hon. colleague mentioned with regard to the school tax, and that the people who are less well off in this province, the so-called disadvantaged people in this province, are not led to suffer any more than they are now as a result of spiralling costs of electricity in this province.

MR. S. NEARY: Hear, hear!

MR. SPEAKER: Hon. member for St. George's.

MRS. H. MCISAAC: Mr. Speaker, I would like to say a few words in support of the petition. I have a petition right now being circulated in my district for the same cause, or against the same increase, and I hopefully will have it ready to present within the next few days.

There is certainly no way that people can keep up with the rising cost of electricity. A few years ago - in fact, I will go back to when I had electric heat installed, which was in 1970, and at that time, every time you turned on the radio, or television, or picked up a newspaper, all you could see was the big campaign, convert to electric heat and how much cheaper and cleaner it was. Well, it was fairly cheap at that time because the highest bill that I received in 1970 was forty-nine dollars and some odd cents, and I kept them all and I still have them. Last month my bill was one hundred and seventy-five dollars. So, it is certainly

MRS. MCISAAC: escalating, well out of proportion, in nine years my bill alone has gone from \$49 to \$175, which is more than triple the cost when it was first installed, and there is no way in the world that people on low incomes, in low income brackets, can keep up with the cost of living. I cannot do it, and I am not really in the low income bracket, but I do not see any way in the world that the low income people and the people on social assistance can heat their homes and most of them have been led down the garden path by the companies and encouraged to convert to electricity and then up goes the rates, so they just cannot do it. But in the meantime, I think that the Government certainly should look into what is going on with Newfoundland Light and Power and Newfoundland Hydro before any further increases are granted. Everywhere you look you see a vehicle, a Newfoundland Light and Power vehicle or a Hydro vehicle. Every second person working with the company has a vehicle, and what is happening as far as shareholders are concerned? Where is the money going? From what I can understand about 80 per cent of the shareholders in the company are outside the Province, so the money that is being made is not even being invested in this Province, it is going outside. And I certainly support the prayer of the petition and hope that the Governments will certainly take a look at it and put the clamps on Newfoundland Hydro.

MR. SPEAKER: Hon. member for Lapoile.

MR. NEARY: Mr. Speaker, there was a time in this Province, Sir, when if you mentioned nationalization or provincializing an industry or a public utility, you would

MR. NEARY: be branded as a communist; definitely you would be called a socialist as if it was something that you had to be ashamed of. But today, Mr. Speaker, I would submit, Sir, to this House that it is very popular. It would be a very popular thing indeed for this House and elected members of the people of this Province to take a look at nationalizing - oh, I do not know if that is the proper term; probably 'provincializing' - some of the public utilities companies in this Province. And I would think, Sir, that the best place to start would be with the Newfoundland Light and Power Company, who are showing record profits, as well as my hon. colleague's old Alma Mater, the Newfoundland Telephone Company, showing record profits.

MR. SPEAKER: (Mr. Ottenheimer) Order, please! A point of order has come up.

MR. W. MARSHALL: There is no debate in consideration of a petition, but I think the hon. member is ranging very wide in the realm of debate.

MR. SPEAKER: The prayer of the petition, as I understand it, is asking either the House or the Government or both to take necessary action to preclude an increase in the cost of electricity, so it would be to that subject. I think if one were to develop a speech on the policy of nationalization, one would be into a subject somewhat different. I can see they are related but the hon. member must confine his remarks to supporting the prayer of the petition.

MR. NEARY: Mr. Speaker, I thank Your Honour for your ruling. I think, Sir, one of the first steps to be taken in this Province to curb any further increases in electricity rates is to nationalize the Newfoundland Light and Power Company.

MR. NEARY: Now, Mr. Speaker, one of the reasons why electricity rates have doubled since we have had a Tory Government in Newfoundland, one of the reasons, Sir, is that up to a few years ago when the present Premier was minister of Mines and Energy, and it is the hon. gentleman's policy we are following now, Newfoundland Hydro was subsidized from the public treasury and still is to a certain degree. But my hon. friend and the administration of a year ago issued an ultimatum that Newfoundland Hydro either had to break even or declare a profit, and that is the reason for the increases, Sir; we are following a policy laid down by the present Premier who was then the minister of Mines and Energy. And that is why the people out in Bay of Islands are faced with these record increases in electricity rates.

MR. SPEAKER: Order, please! I must point out that the hon. gentleman is straying from supporting the petition and getting into a matter of debate, a matter of debate with respect to a particular policy with which he disagrees. I would ask him to avoid debate and to confine his remarks to supporting the petition.

MR. NEARY: Mr. Speaker, I would submit, Sir, to the House that if we are going to curb electricity rates in this Province that what we have done, this House, the Government of this Province, have nationalized the production of power but we have allowed a private enterprise, a private company, to distribute the power, and therein lies the problem, Mr. Speaker.

MR. W. MARSHALL: Point of Order.

MR. SPEAKER: Point of Order.

MR. W. MARSHALL: The hon. gentleman has been called to order by Your Honour on two occasions for debating. He then continues on to continue to debate and I submit it

MR. W. MARSHALL: is flaunting Your Honour's ruling. Your Honour makes a ruling and it is to be respected by all members of this House.

MR. SPEAKER: The substance of the ruling I gave is quite clear and it was to avoid debate. All I can say is that that obviously is operative, and I re-draw to the attention of the hon. gentleman, I would not be in a position now to say that since giving that ruling and up to this point he has given evidence of disregarding it. I would not be in a position to say that at this time.

MR. S. NEARY: Mr. Speaker, give us back the Minister of Justice, a man who knows the rules of the House. If the hon. gentleman is going to be House Leader, let him go out and learn the rules.

Now, Sir, my hon. colleague, the Leader of the Opposition, made a statement a few moments ago that is a very significant statement, and I hope that it did not fall on deaf ears on members of the opposite side of the House. The statement was this, Sir, that with the change of political tide in this province the people will be almost guaranteed of a freeze on electricity rates for at least a five-year period. That is a firm commitment, Sir, of the party that sits on this side of the House.

MR. SPEAKER: Order, please!

(Mr. Ottenheimer) I must point out that the hon. gentleman has quite clearly strayed from the Standing Orders which require him to support the prayer of the petition, and he is on to a quite different matter now, but the time is up as well.

MR. S. NEARY: Just a point of order, Mr. Speaker. I would like to point out to Your Honour, I am not challenging Your Honour's ruling but I believe in the prayer of the petition, Sir, the people do ask for a freeze on electricity rates, and that is what I was referring to, Your Honour. We will put a five-year freeze on with a change of political tide in this

MR. S. NEARY: province.

MR. SPEAKER: Order, please!

Your time is up. I think the gentleman is aware of the point I made and it is a valid one.

Hon. member for Trinity-Bay de Verde.

MR. F. ROWE: Mr. Speaker, I would like to add my support to the petition presented by the member for Bay of Islands (Mr. L. Woodrow), signed by, I believe, 998 -

MRS. H. MCISAAC: 993.

MR. F. ROWE: 993 people residing in his particular district, Sir.

I represent a district which is very close to the provincial capital, Sir, and I would not have thought that I would get the number of complaints relating to the high cost of electricity as I received from my constituents than when I represented the northern district of St. Barbe North. But, in the last couple of years, Sir, I have received a tremendous number of complaints about the hardships that people have to endure with respect to the high cost of electricity. Sir, I cannot help -

AN HON. MEMBER: From all over.

MR. F. ROWE: And from other districts, as well, of course. I cannot help but stand behind the member for the Bay of Islands district and support him wholeheartedly in his call for placing a freeze on the electrical rates in this province.

Sir, when we talk about placing a freeze on electrical rates we get up here and scream and yell all we wish but, obviously, in the support of such a petition one has to look at possible ways of how one would go about placing a freeze on electrical rates. Obviously, if there was a simple solution to this problem it would have been

MR. F. ROWE: carried out a long time ago.
Obviously, it is a very difficult problem, and my colleague
from LaPoile (Mr. S. Neary) made a few suggestions.

Sir, I believe the hon.
the Premier, either before, during, or after the leadership
convention, made some reference to what he was going to do
with ERGO with respect to the subsidies or the amount that
they are paying for their electricity down there. I hope
that the Premier, Sir, gets up and supports this particular
petition and elaborates on what exactly he was trying to
get across with respect to his policy, or his government's
policy.

MR. F. ROWE: relating to the ERCO plant in Long Harbour in this particular Province. So the Premier has mentioned it; probably he has some idea, so mechanism whereby a formula will be changed, a mechanism will be changed in order that a freeze can, in fact, be put on electricity rates in this Province. Obviously we have to considered ways of doing it. One way, suggested here this afternoon, possible provincialization or nationalization, whatever you want to call it, of the Light and Power Company, amalgamation of Newfoundland and Labrador Hydro and Newfoundland and Labrador Light and Power Company. There are all kinds of alternatives that are available for study. And I would like to hear from the Minister of Mines and Energy (Mr. C. Doody) and the Premier on possible alternative action that can be taken for the purpose of freezing the electrical rates in this Province, Sir, because it has gone way out of sight, the people simply can not afford to pay the electrical bills in this Province. Normally mortgage fees or costs and some other costs would be the highest current cost of a family in this Province. Now we have the very sad situation, Sir, where the electrical fee for a family is amongst the highest fee that a family has to pay to survive in this particular Province, and we are living in a Province which is not exactly known for its warmth, climatically speaking and, therefore, a serious look has to be given at this.

I would like to raise one other point, Mr. Speaker, if I may, and that is the matter of - Mr. Speaker, the hon. the House Leader is awfully edgy today. He is distrubed about time, he is disturbed about whether we are relevant to the point or not. On the first day, Sir, as House Leader, he should relax just a little, Sir, and not show anxieties to the hon. House and the people in the -

MR. W.N. ROWE: And advise the Premier a little better.

MR. F. ROWE: - and probably advise the Premier a bit better -

MR. S. NEARY: We are debating a petition, by the way, introduced by one of his own members.

MR. F. ROWE: Exactly. I am sure the hon. House Leader has some very strong feelings on this particular matter. It was the hon. House Leader, as a matter of fact, who condemned the Government a few years ago for spending, what was it, \$100 thousand, \$100 million, just thrown out for the premature start up of the Lower Churchill Falls, Lower Churchill Development. So I would expect to see the House Leader get up and support this petition, Sir, and give some of his ideas to the House of Assembly for consideration, but, Sir, I do support the House of Assembly, I do support the prayer of the petition, Sir, presented by the member for the Bay of Islands (Mr. L Woodrow). He was very sincere in the presentation of the petition and I think it is one of the most active issues in this Province at the present time. It is certainly one of the most active concerns of the people and it bears serious consideration by all members on both sides of the House.

MR. NEARY: Hear, hear!

MR. SPEAKER: The hon. member for Windsor-Buchans.

MR. FLIGHT: Mr. Speaker, I would like to say a few words with regard to the petition so ably presented by the hon. member for Bay of Islands (Mr. Woodrow). I suppose, Mr. Speaker, in looking at whether or not we can stop Hydro or we should not allow an increase, we have to look at what the purpose of that increase is. Now, Mr. Speaker, I recall a CBC public affairs Programme quite recently when the Chairman of Newfoundland Hydro, Mr. Groom, made the statement that Newfoundland Hydro must maintain its financial integrity and he tried to explain away the increases we have seen in the past and justify the ones we are going to have in the future. And he pointed out, Mr. Speaker, that we are presently subsidizing Erco by \$13 million per year and we are subsidizing Price (Nfld.), Bowaters, and he named several other corporations, by roughly another, I think, \$4,000, a total subsidy to those companies of \$16 million.

Now, it will be interesting, Mr. Speaker, to know that if the increase that Hydro is proposing right now would in effect equal the amount of subsidy that we are indeed paying

MR. FLIGHT:

Erco, Bowaters, Abitibi - Price or any other industry of this Province because I say here, Sir, that we should not be subsidizing Erco, we should not be subsidizing Price (Mfld.) and we should not be subsidizing Bowaters. These corporations are making a fortune and are making it off the backs of the Newfoundlanders who cannot afford electricity -

MR. SPEAKER:

Order, please!

MR. FLIGHT:

- in their homes.

MR. NEARY:

Hear, hear!

MR. SPEAKER: (Mr. Ottenheimer)

Order, please!

I realize that - if the hon.

gentleman would please take his seat - I realize that any area of electricity one can suggest is related to the petition, but really the purpose is to support the petition and general comments upon subsidization of pulp and paper mills and Erco is a bit removed from support of the petition. The hon. member.

MR. FLIGHT: Thank you, Mr. Speaker. Mr. Speaker, the other point that I was going to make is that

MR. FLIGHT: before the House adjourned, this House approved borrowing power for Hydro - \$200 million. Now, Mr. Speaker, we have to assume that when Hydro asked for that borrowing power that they were looking at, they knew then that they would be looking at increasing the cost of electricity in this Province and that is what we are debating here, Mr. Speaker, asking to stop Hydro from further increases in the cost of energy in this Province and the cost of electricity. And, Mr. Speaker, the Premier, the then Minister of Energy, in presenting the bill that approved Hydro to borrow \$200 million indicated that the reason for that borrowing was roughly \$80 million for the Hinds Lake development, roughly \$100 million for the Upper Salmon development. Now, Mr. Speaker, the fact is that top officials of Hydro have told me within this past week that Newfoundland Hydro has not cleared, the Upper Salmon has not yet been cleared for development, that the various reports of feasibility, that it has not been cleared for actual development, that the feasibility studies are not finished. The Upper Salmon may or may not go ahead, but we have given Hydro the authority to borrow \$200 million, \$100 million of which will be spent on the Upper Salmon. The present hon. House Leader objected to that kind of financing. Mr. Speaker, and there was \$30 million of loose ends left lying around and the Premier defended that borrowing by saying that Hydro needed that \$30 million for housekeeping. Now, Mr. Speaker, it would be interesting to ask again the question if the present cost of the increase that Hydro is proposing is equal to the \$30 million that they got for housekeeping, and, Mr. Speaker, I can wind up my remarks by saying with the kind of approach that this Province and this Government have allowed Hydro to operate under, there is no wonder the cost of electricity is going to go up and if we do not stop that

MR. FLIGHT: Kind of approach then, Mr. Speaker, we will get back to where Newfoundlanders will not be able to afford electricity. They will not be able to afford the, not luxuries, but the necessities that come from, are provided by, electricity and the culprit in the arena, Mr. Speaker, is Newfoundland Hydro with the complete co-operation of the Government of this Province.

MR. SPEAKER: Presenting reports by standing and special committees. Notices of motion.

Hon. Minister of Finance.

DR. COLLINS: Mr. Speaker, I have the honour to table the following reports -

MR. SPEAKER: Order, please! May we revert to presenting reports of standing and special committees?

SOME HON. MEMBERS: Yes.

PRESENTING REPORTS

DR. COLLINS: Mr. Speaker, I have the honour to table the following reports: the report of the Auditor General for the financial year ending the 31st of March 1978; also the Public Accounts of the Province for the year ending 31st of March 1978 and also Special Warrants issued since the House last sat in February.

MR. SPEAKER: Hon. Minister of Public Works and Services.

MR. H. YOUNG: I have the honour of tabling the annual report for the Newfoundland and Labrador Computer Services Limited for 1978.

NOTICES OF MOTION

MR. SPEAKER: Hon. Premier.

MR. PREMIER: Mr. Speaker, it is with great pleasure that I give notice that I will on tomorrow ask leave to introduce a bill, "An Act To Provide For Additional

MR. PREMIER: Representation For Labrador In The House of Assembly".

MR. SPEAKER: Hon. Minister of Municipal Affairs and Housing. Sorry, I do not have an appropriate list yet. Hon. Minister to my left anyway.

MR. J. DINN: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, "An Act To Amend The Workers' Compensation Act".

MR. SPEAKER: Hon. Minister.

DR. COLLINS: Mr. Speaker, I give notice that on tomorrow I will ask leave to introduce a bill entitled "An Act to Amend the Crown Guarantee and Loan Act, 1973".

MR. SPEAKER: Hon. Minister.

MR. HICKMAN: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill, "An Act To Amend The Schools Act", a bill, "An Act To Repeal The Teachers Loan Act", a bill, "An Act To Amend The Interpretation Act", a bill, "An Act To Amend The Chairman Of The Board Of Commissioners Of Public Utilities Pension Act, 1974, No. 11". I do not know if that is number 11 or Roman numeral II.

MR. SPEAKER: Hon. Minister.

MR. HICKEY: Mr. Speaker, I give notice that I will on tomorrow introduce a bill, "An Act To Provide For The Registration Of Qualified Social Workers."

MR. SPEAKER: Hon. Minister.

MR. MAYNARD: Mr. Speaker, I give notice that I will on tomorrow ask leave to introduce a bill "An Act To Provide For The Ratification Of The Sale Of The Stephenville Linerboard Mill And Its Conversion to a Newsprint Mill".

ORAL QUESTIONS

MR. SPEAKER(Mr. Ottenheimer): The hon. the Leader of the Opposition.

MR. W.N. ROWE: Mr. Speaker, one or two very moderate questions for the new Premier. When he was giving his Throne Speech a little earlier, Mr. Speaker, he left out a number of things. It might have been inadvertent, or he might have had other intentions, but I would like to ask him a question concerning a matter which was just the subject matter of a debate in this House, or a discussion on a petition. Would the hon. the Premier indicate whether it is his government's policy to freeze electrical rates in this Province, insofar as they are able to, that is with Newfoundland-Labrador Hydro, the wholesale rate? And if not, exactly what their policy is with regard to the electrical rates, the spiraling electrical rates and the proposal by Newfoundland-Labrador Hydro to further increase the electrical rates to the retailer, Newfoundland Light and Power Company, sometime this year?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I thank the Leader of the Opposition for his question because it is a question that is of concern to just about every last individual in the Province of Newfoundland and Labrador today.

The position of the government at the present moment is that we are reviewing, the government will be reviewing the whole question of electrical costs in the Province as they relate to Hydro. I think the Leader of the Opposition recognizes that the whole present debate on electrical costs was sparked by a comment by the chairman of Newfoundland and Labrador

PREMIER PECKFORD: Hydro when he said that he expected that the corporation would be making application.

In actual fact, the corporation has not yet made an application and government, right in the next week or so, will be reviewing the whole question of electrical power costs as they relate to Newfoundland and Labrador Hydro and their application to the Public Utilities Board, and we will be taking a position on it.

At the present moment, we have not had an opportunity to review the whole situation. But I hope to be in a position to take a more definite stand, a government stand on electrical power increases over the next year or so, within a week or two, after government has had an opportunity to review it. I recognize the importance of the issue and will address myself to it as quickly as I can with the Cabinet that was sworn in today.

MR. W.N. ROWE: A supplementary, Sir, if I may.

MR. SPEAKER: A supplementary.

MR. W.N. ROWE: Just to get things in proper perspective here, and recognizing the role of the Public Utilities Board, is the Premier saying that Newfoundland and Labrador Hydro will be given a free hand to apply to, as they in their judgement see fit, apply to the Public Utilities Board which then makes a recommendation which the government can accept or not accept at that point, which would appear to me to be the proper role of government unless they are going to state a general policy with regard to the rates; or is the Premier saying that he is going to forestall if necessary Newfoundland and Labrador Hydro from making an

MR. W.N. ROWE: application to the Public Utilities Board in the first place? What of the two procedures is he intending to do as a government?

MR. SPEAKER (Otteneheimer): The hon. the Premier.

PREMIER PECKFORD: Well, Mr. Speaker, as the hon. Leader knows, there are a number of variables involved there. Because as his colleague, a few minutes ago indicated in debate on a petition, there are ongoing negotiations with ERCO and other corporations in the Province. So whether, in fact, it will be necessary for Newfoundland and Labrador Hydro to actually make application or not will depend largely upon these variables that are still outstanding.

Obviously, there is a process in place for the corporation to make application; then for that application to be scrutinized by the Public Utilities Board; then for the Public Utilities Board to make a recommendation to government; then for government to say yes or no. Whether in fact any of the process needs to be put in place is what I am talking about, and it is that area we will be reviewing as a government, in light of ongoing negotiations with corporations who are now involved in special deals as it relates to power.

MR. W.N. ROWE: Mr. Speaker, if I may have a further supplementary on that.

MR. SPEAKER: A supplementary.

MR. W.N. ROWE: Well, then, I am just wondering if there is a policy change now with the new Premier? When the hon. the Premier was Minister of Mines and Energy a year or so ago, I do not really remember when, in a very spirited speech in this House as Minister of Mines and Energy, he indicated that as head, having overall supervision of Newfoundland and Labrador Hydro, he indicated that electrical rates would be permitted to

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MR. W.N. ROWE: rise to meet costs, with
a margin or profit and so on, for Newfoundland and
Labrador Hydro without subsidy, I believe was

MR. W. ROWE:

the way he termed it in those days, a year or so ago. The reason given at that time was because basically the cost comes out of the same kitty anyway. If the government has to subsidize it, that is the taxpayers subsidizing themselves and since everybody is a rate payer as far as electricity is concerned, is, I believe, the argument presented a year or so ago, and they have to pay for the electricity costs, therefore you are talking about the same people and the money coming out of the same pot. Now without getting into the argument as to whether that is right or wrong that was the policy of the government apparently a year or so ago. Is the Premier now indicating that there may be a change of policy now that he has taken over as Premier? Is this a departure from a former policy of this administration?

MR. NEARY: That is his own policy.

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, what I am saying is we are reviewing the present policy in light of ongoing negotiations with corporations that have existing power subsidies with the government and with the corporation. That is all I am saying, that the government is going to review the policy that is now in effect in the light of ongoing negotiations that various departments are having with industrial users of electricity in this Province.

MR. SPEAKER: A supplementary.

MR. W. ROWE: A supplementary, Sir. I am assuming, which is not hypothetical because the present situation may in fact continue, assuming that the present situation does continue, the question I am asking is is there a change of policy by the government with regard to the subsidy or subsidization of electrical rates as charged by Newfoundland and Labrador Hydro? If the present situation continues on, what is the government's policy? I believe the people of Newfoundland and Labrador have a right to know that now, what the government's policy is if we continue the same way we are going now, if the Premier is not able to get the industrial users to change their contracts and so on. There

MR. W. ROWE:

may be some legal difficulties there, I do not know. But the people have a right to know. What is the existing government's policy? Can they look forward to the government putting a clamp on the rise in electricity costs no matter how they do it, whether by renegotiating power contracts with the industries involved or whether by way of money coming out of the treasury and subsidizing the Newfoundland and Labrador Hydro, the costs of the Newfoundland and Labrador Hydro. No matter which way is irrelevant to the person who has to pay \$10 extra a month for electricity. So therefore the question I am asking the hon. the Premier is not hypothetical. It is very realistic. Is there a policy on the part of the government, no matter how it is done, to keep down the costs of electricity or to freeze the costs of electricity which I believe was mentioned by the hon. the Premier during his leadership campaign as a possibility? Now has the Premier reached the point where he can say what government policy is no matter how it is arrived at but a policy to freeze or not allow to rise electrical rates for domestic users any further or is there no policy on it at this moment?

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: After that brief speech by the Leader of the Opposition, Mr. Speaker, just let me say and reiterate what I have already said; the policy of government at this present moment is to review the existing arrangements that we have, the existing structures that we have in ongoing negotiations that we have with industrial users of electricity that will in large measure determine the direction that we will take on a new electrical policy for the Province as it relates to subsidies to domestic consumers. That is where it stands right now. As soon as that review is completed, as soon as our negotiations are completed with the industrial consumers of electricity, we will be in a position to state whether in fact the present policy which is in existence changes or whether it remains the same or whatever.

So our policy is one of review of the existing situation in light of negotiations that are ongoing. And I cannot guess,

PREMIER PECKFORD:

I cannot predict how those negotiations will end. We are sitting down with Erco, for example, and have been for several months now, and as Minister of Mines and Energy up to a few weeks ago I have been aware of the ongoing negotiations as has the present Minister of Mines and Energy because both departments were involved at that point in time. When those negotiations are finished we will be in a position to know whether in fact changes can be brought to bear on the price to the domestic consumer as it relates to changes in the industrial contract with that fairly large consumer.

MR. W. ROWE: One final supplementary on this topic, Sir.

MR. SPEAKER: The hon. Leader of the Opposition. A supplementary.

MR. W. ROWE: Would the hon. the Premier indicate then how long he is prepared to go in terms of time before action is taken? Negotiations may last a year. Negotiations have a way of dragging out. How long will these negotiations last before the Premier and his government bite the bullet and say, this is the situation, this is our policy no matter what?

MR. NEARY: The day before the election.

MR. SPEAKER: The hon. the Premier.

PREMIER PECKFORD: Mr. Speaker, I wanted to address myself to that issue when the Leader of the Opposition got up first but I was sidetracked by other questions which were somewhat relevant but not on the point. I think the timing is the issue at stake here. There is no question that in the process of compiling a new budget

PREMIER PECKFORD: for the province, that whole question of electrical power increases will be addressed. In other words, what I am saying is in the normal course of events this Spring government will be making a decision as it relates to whether we will increase our subsidy in Newfoundland Hydro, whether we will freeze domestic power rates in the province, and other such issues, because it is a vital issue and we will address it. In other words, I am talking about a 60-day period at the outside before some decision on that whole question.

MR. S. NEARY: Mr. Speaker.

MR. SPEAKER: Hon. member for LaPoile.

MR. S. NEARY: Mr. Speaker, my question is for the hon. the Premier. Will the hon. the Premier tell the House if it is his government's intention to proceed with plans to fire deputy ministers, assistant deputy ministers, and other high-ranking officials in the public service as indicated recently by two or three of his ministers? What time is the axe going to fall on these people?

MR. SPEAKER: Hon. Premier.

PREMIER PECKFORD: Mr. Speaker, I know of no such plan.

MR. S. NEARY: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary.

MR. S. NEARY: Mr. Speaker, will the Premier assure this House, Sir, and thus the employees in the public service, that there will be no purging, there will be no mass firings, or there will be no mistrust of government employees as a result of statements made by some of the Premier's ministers ten days ago?

MR. SPEAKER: Hon. Premier.

PREMIER PECKFORD: I can assure the hon. gentleman that any action taken by the government will be most responsible as regards to public employees of the government.

MR. S. NEARY: Final supplementary, Sir.

MR. SPEAKER: (Mr. Ottenheimer) Supplementary.

MR. S. NEARY: Mr. Speaker, do I understand from the Premier's answer that there will be - and I want a definite statement on this, yes or no - that there will be no witch hunts, no demotions, no dismissals, firings, or discrimination against any employee in the public service as a result of statements made by two or three of the Premier's ministers?

MR. W. ROWE: They are all frightened to death, you know.

MR. SPEAKER: Hon. Premier.

SOME HON. MEMBERS: Oh, oh!

MR. SPEAKER: Order, please!

PREMIER PECKFORD: We, as a government, do not believe in discrimination and, therefore, would have no part of the comments made by the hon. the member for LaPoile (Mr. S. Neary).

MR. SPEAKER: Hon. member for Stephenville followed by Windsor-Buchans and Baie Verte-White Bay.

MR. W. MCNEILL: Mr. Speaker, my question is to the new Minister of Mines and Energy. Could the minister bring this House up to date on the present status of the severance pay grievance with the former employees of the Labrador Linerboard?

MR. SPEAKER: Hon. Minister of Mines and Energy.

MR. W. DOODY: It seems to be a question that should more properly be addressed to the new Minister of Industrial Development. In any event, the present status of the employees, the termination pay policy of the employees of Labrador Linerboard is that there were some 35 to 40 people whose termination pay and severance bonus have been in dispute. These have now been settled to the satisfaction of everybody

MR. W. DOODY: and rather substantial payments have been made to the people. Whether the cheques are actually in their hands or not I could not actually verify, but to the best of my knowledge the matter has been settled to the satisfaction of these people. If there are any further questions along that line, I would suggest that the hon. Minister of Industrial Development be given an opportunity to look at the files as soon as he finds the office. I am going to set out, myself, tomorrow and try to find the office of Mines and Energy, and when I get involved in that I will be in a position to, perhaps, answer questions on a number of things but it is going to take a day or so to get a road map of the city and find out where the various offices are located. Hopefully, we will be more knowledgeable in many areas, given a day or two to acquaint ourselves with the departments.

MR. SPEAKER: Hon. member for Windsor-Buchans.

MR. G. FLIGHT: Mr. Speaker, my question is to the present Minister of Social Services, past Minister of Housing. Mr. Speaker, if you will permit me a short preamble, prior to the House adjourning, Sir, there was a great urgency and priority put on the establishment of a department of housing. The legislation was drafted. We were told by the minister that Newfoundland and Labrador Housing and other housing authorities, St. John's Housing Corporation was in a mess; it could no longer be handled by the present setup and there had to be a department of housing in order to straighten it out. The problems there which were being experienced were unbelievable.

Now, Mr. Speaker, I want to ask the Minister in view of the fact that there is no minister of housing, that housing has gone back to Municipal Affairs under the minister where it has been for the past six or seven years, what happened to the problems that we were being told by every

MR. G. FLIGHT: member of the House that made legislation so urgent prior to the adjournment? Are those problems still with housing? As far as the minister is concerned, are Newfoundland and Labrador Housing and St. John's Housing Authority now manageable under present situation? What are the minister's comments with regard to the establishment of the housing and the need thereof.

MR. SPEAKER: Hon. Minister of Social Services,

MR. T. HICKEY: Mr. Speaker, I thank the hon. gentleman for that short preamble.

MR. HICKEY:

Let me say first of all that I have made no statement in the House that the Newfoundland and Labrador Housing, St. John's Housing, were in a mess. He has got me confused with the member for St. John's West (Dr. Kitchen), his colleague, point number one. Point number two, he is absolutely incorrect when he says there is no Minister of Housing. My good friend and colleague, the Minister of Municipal Affairs and Housing, is the Minister of Housing currently.

MR. NEARY: We all know that.

MR. HICKEY: I am sorry if the hon. gentleman disagrees with the prerogative of the Premier to do whatever he pleases in establishing his Cabinet. You know, that is traditional and as old as time. I am certainly aware of the fact that there was a bill before the House and thanks to the Opposition it did not get passed. If it had gotten passed it would not -

MR. FLIGHT: It is your fault it did not get passed.

MR. HICKEY: Your Honour, may I answer the question -

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

MR. HICKEY: - so I can enlighten my friend? If it had gotten passed it would have in no way precluded the actions and prerogatives of the hon. the Premier from doing what he has done. It would have simply facilitated us to make further progress in streamlining housing, which is already underway and which the hon. gentleman will hear more about from my colleague in due course, of the great job that we have managed to do in a very short time.

MR. MORGAN: Hear, hear! Hear, hear!

MR. FLIGHT: A supplementary.

MR. SPEAKER: A supplementary.

MR. FLIGHT: I wonder would the minister now indicate to the House, Mr. Speaker, the present status of the former Deputy Minister of Municipal Affairs and Housing, one Mr. Peter Withers, who was taken out of that office and made Chairman of the Newfoundland and Labrador Housing Corporation? We were told that he would assume the Deputy Ministership of the new Department of Housing. Now what is Mr. Peter

MR. FLIGHT:

Withers' status right now under the new Ministry of Municipal Affairs and Housing, the ministry in which he served as Deputy Minister this past ten or fifteen years and probably was the most competent man to hold that position in the Province? What is the status of that gentleman now?

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, I will answer that question. At the present moment the whole question of housing policy in the Province is being reviewed, as the hon. member would know from the announcement of Cabinet today, and he can be assured that the present Deputy Minister of Housing and Chairman of the Newfoundland and Labrador Housing Corporation- former Deputy Minister of Municipal Affairs and Housing, Mr. Withers, his position will be reviewed and his ongoing involvement in housing matters will be decided upon by myself and Cabinet in due course. The hon. member can be assured that housing policy in the Province will take no back seat to where it was before, that it will be a major thrust of this government and it will be done in the way as outlined under the Department of Municipal Affairs and Housing.

MR. FLIGHT: A final supplementary, Mr. Speaker.

MR. SPEAKER: A final supplementary.

MR. FLIGHT: Mr. Speaker, it seems to me to be a round-about way of doing things. The gentleman we are talking about, when the announcement was made that he was going to become Chairman of the Newfoundland and Labrador Housing Corporation, members on both sides of the House stood in this House and sung his praises. We accept that he is probably one of the most experienced senior civil servants in this Province and that he was doing an admirable job as Deputy Minister of Municipal Affairs and Housing. And within a period of less than a year the gentleman was taken out of that on the assumption that he was going to be Chairman of the Newfoundland and Labrador Housing. When the problems in the Newfoundland and Labrador Housing became so bad, he was taken out of that chairmanship and made Deputy Minister of a department. Now that department has disappeared. His position is no longer viable. It is redundant in the sense it has been filled with another deputy minister -

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

I must point out that it is stated in Beauchesne that in supplementaries, which are supposed to flow from the previous answer, it strictly states that supplementaries need no preamble, but if they need one surely they must be quite brief. So I would ask the hon. member to bear that in mind in formulating his question.

MR. FLIGHT: Mr. Speaker, I will try to be brief. Will the present Deputy Minister of Housing, past Chairman of the Newfoundland and Labrador Housing Corporation, past Deputy Minister of Municipal Affairs and Housing, will his revised status be that of a deputy minister of a department?

MR. SPEAKER: The hon. Premier.

PREMIER PECKFORD: Mr. Speaker, I thought I answered it earlier in saying that the whole question of housing, the position of the Newfoundland and Labrador Housing Corporation, the various employees that work for the Newfoundland and Labrador Housing Corporation, the position of the St. John's Housing Corporation and the people who work for the St. John's Housing Corporation, is now under review by the government. In due course we will be announcing as a government how we intend to proceed with the positions and the people who are presently in these positions. I am very familiar with the hon. member's question. Mr. Peter Withers, I am very familiar with the man. As a matter of fact, I appointed him Deputy Minister of Municipal Affairs and Housing when I was Minister of Municipal Affairs and Housing. So I am aware of his ability. The hon. member for Windsor-Buchans need not worry, housing policy will go ahead with great force in the Province.

MR. SPEAKER: The hon. member for Baie Verte-White Bay.

MR. RIDEOUT: Mr. Speaker, my question is for the Minister of Transportation and Communications. I realize that the minister is only new in the department, but I would hope that he has had an opportunity to be briefed at least partially by his staff at this particular time. Over a week or so ago I made representation

MR. RIDEOUT: to the then Minister of Transportation and Communications, bringing to his attention the very deplorable situation facing residents of Seal Cove because of the fact that five or six miles of that particular road had been torn up last year under the reconstruction program, had been left to freeze during the winter and is now impossible - nine miles: it takes about two hours, an hour and a half, two hours to get over it. So, I want to ask the minister what action, in view of these specific requests that I have made to his department to correct the situation, what action his department has taken or are prepared to take - they have not taken any yet - to implement the suggestions that I made re having Lundrigans Limited spread some crushed stone over the worse sections so those people can manage to get over a nine-mile stretch of road in less than two hours?

MR. SPEAKER: Hon. Minister of Transportation and Communications.

MR. BRETT: Mr. Speaker, unfortunately I have not been briefed by the staff of the Department of Transportation in this case; therefore, I am not in a position to answer the question but I will be glad to take it up with the officials, hopefully tomorrow morning, and be able to give the hon. gentleman an answer.

MR. RIDEOUT: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary.

MR. RIDEOUT: Yes, Mr. Speaker, okay, I will buy that and I will take the Minister's answer until tomorrow.

I want to ask the Minister another question, Mr. Speaker. In view of the Auditor General's report which has just been placed on the table of the House and in view of the very poor performance of the Department of Transportation and Communications in many areas with regard to public tendering and the payment of vouchers that ought never to be

MR. RIDEOUT: paid and things of that nature, can the Minister tell the House when he expects - number one, does he intend to provide the House with a full and thorough explanation of all points raised in the AG's report and when he expects to be in a position to do that?

MR. BRETT: Mr. Speaker, I would hope to discuss the Auditor General's report with my staff as soon as possible, at which time I will provide whatever answers I can to the House.

MR. SPEAKER: Hon. member for Lewisporte followed by the hon. gentleman for Lapoile.

MR. SIMMONS: He will tell you about the cover-up.

MR. F. WHITE: Mr. Speaker, I have a rather brief question for the new Premier and since I was not here when the House started I would like to congratulate him on his new position.

The question concerns the various Premier's offices around the Province. Previously the former Premier had an office in Grand Falls managed by Mr. Len Simms and one in Botwood managed by Mr. Den Billard and I was wondering what the status of those offices are at the moment and also the status of the those individuals.

MR. SPEAKER: Hon. Premier.

MR. PREMIER: Mr. Speaker, my first obligation was to meet with this hon. House which represents all the people of the Province and put a Cabinet in place; secondly, as I mentioned in my press conference this morning, to deal with the operation of the Premier's offices around the Province. That is my second priority and I will be dealing with that in the next seven days.

MR. WHITE: Supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary.

MR. WHITE: Mr. Speaker, I wonder if the Premier could tell the House whether or not the two gentlemen that I mentioned - they are both in the employ of the Provincial Government - whether or not they took leave of absences during the past couple of months?

MR. SPEAKER: Hon. Premier.

MR. PREMIER: Mr. Speaker, as I understand it both gentlemen took leave of absences during the period that they were working on political campaigns which were outside the ambit of government.

MR. WHITE: Further supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary.

MR. WHITE: Very brief supplementary. Are they back in the employ of the Provincial Government at the moment?

MR. PREMIER: Yes, of course, Mr. Speaker.

MR. SPEAKER: Hon. member for Lapoile, followed by Baie Verte - White Bay.

MR. NEARY: Mr. Speaker, in view of the conflicting statements made by the Premier in connection with oil refinery at Come by Chance and the two proposals that are before the receiver, would the Premier indicate just how he is going to get at the First Arabian Corporation's proposal? I understand that Thorne Riddell will make an evaluation, will make a report on the Shaheen proposal, and the Newfoundland Government will be able to sit down, the Cabinet will be able to sit down and look at that. But how can they make a comparison of the two when the First Arabian Corporation's proposal is not available to the Newfoundland Government?

MR. SPEAKER: Hon. Premier.

MR. PREMIER: Mr. Speaker, as I understand it, both proposals will be available to Government and on the basis of the information, the assessment done by various individuals

MR. PREMIER: involved in the assessment of those proposals, then Government will be in a position to make a decision on who they think have the best proposal to operate and open the refinery.

MR. NEARY: A supplementary, Mr. Speaker.

MR. SPEAKER: Supplementary.

MR. NEARY: Do I understand from the hon. gentleman, Sir, that Peat Marwick, who

MR. S. NEARY: are the ones who evaluated the First Arabian's proposal, not Thorne Riddell on behalf of the Newfoundland Government, that they have agreed to make the First Arabian Corporation's proposal available to the Newfoundland Government? Is that what I understand from the hon. gentleman's answer?

MR. SPEAKER: Hon: Premier.

PREMIER PECKFORD: Mr. Speaker, as I understand, the government will be a second mortgagee; the information on both proposals will be available to the Newfoundland Government.

MR. S. NEARY: A further supplementary, Sir.

MR. SPEAKER: Hon. member.

MR. S. NEARY: Maybe I am the one who is dense.

I just do not understand the hon. gentleman's answer.

PREMIER PECKFORD: I do not mind enlightening you.

MR. S. NEARY: Has the First Arabian authorized Peat Marwick to make their proposal available to the Newfoundland Government? That is the question I am asking. All it requires is a simple yes or no answer.

PREMIER PECKFORD: I do not know if authority was necessary. All I know is that the Government of Newfoundland, being involved in the refinery to the tune of almost \$50,000,000, will be privy to the proposals that now are being put forward for the reactivation of the Come by Chance oil refinery.

MR. S. NEARY: Final supplementary, Sir.

MR. SPEAKER: Final supplementary.

MR. S. NEARY: Will the hon. gentleman indicate if he has, since he became Premier, been in touch with Mr. Shaheen, if he has yet received the Thorne Riddell report and if the hon. gentleman has been in touch with Mr. Tamraz of the First

MR. S. NEARY: Arabian Corporation, or Peat Marwick? There are four questions in one. Has the hon. gentleman, first of all, been in touch with Mr. Shaheen, or Mr. Shaheen in touch with the hon. gentleman? Thorne Riddell made its report, its formal report to the Premier or to the Government? Has the hon. gentleman been in touch with Mr. Tamraz of the First Arabian Corporation, or vice versa? Has the Premier been in touch with Peat Marwick, or, vice versa, have they been in touch with him? Is all this set up that both reports will be laid on the table and evaluated and the refinery given to the person with the best deal?

MR. SPEAKER: Hon. Premier.

PREMIER PECKFORD: Mr. Speaker, has Mr. Shaheen been in touch with me, or have I been in touch with Mr. Shaheen, first question. The answer to that question is yes. Who has been in touch with whom? Mr. Shaheen has been in touch with me. As a matter of fact, I met the gentleman on two or three occasions in the Hotel Newfoundland as I was getting off the elevator, and he mentioned to me the whole question of the Thorne Riddell report, and so on. He has not met me in my office, nor have I met him in his hotel room, but I have met him and been intercepted by him on a number of occasions in the lobby of the Hotel Newfoundland. So, yes, the answer is one of us has been in touch with the other, the initiative being taken, in my mind, on Mr. Shaheen's part.

Number two question, the Thorne Riddell report. It is not in yet. It is due to be presented to government within the next week and a half, as I understand it. So, the answer is no, we have not received the Thorne Riddell report.

PREMIER PECKFORD: Mr. Tamraz - Have I been in touch with Mr. Tamraz or has Mr. Tamraz been in touch with me? The answer is no in either direction. Neither one of us has been in touch with the other.

The third one, has Peat Marwick been in touch with me or have I been in touch with Peat Marwick. The answer in both cases, in both directions, is no.

There is a fifth question -

MR. S. NEARY: No discussions with Peat Marwick.

PREMIER PECKFORD: There is a fifth question that the proposals will be available to the government so an assessment, an objective assessment, can be made. My own opinion on that from the knowledge that I know is that we will have the information on both proposals and that we will be in a position to indicate what our preference is as it relates to those proposals after the assessments on the proposals have been done.

I hope I have answered the hon. gentleman's questions accurately. Suffice it to say in conclusion that the government, Cabinet, will assess very carefully all the information and try to make the decision which is in the best interest of Come by Chance to ensure that the long-term economic future of that refinery is guaranteed for the people of this province.

MR. W. ROWE: Is there time left for a further question, Mr. Speaker?

MR. SPEAKER: A short one. Hon. Leader of the Opposition.

MR. W. ROWE: A supplementary on the same subject. I am informed, I was not listening to it but I was informed that the hon. the Premier indicated on the VOCM talk show - when was it? Monday, I guess, whenever he was on there - that he would be tabling both proposals for the takeover of

MR. W. ROWE: the Come by Chance oil refinery in the House of Assembly as soon as possible. That is my information. First of all, the Premier might confirm or deny whether he ever said that. Secondly, if he did say it, would the Premier indicate when we are likely to be given the opportunity as a House of Assembly to have a full-fledged discussion or debate or report from the government on these proposals, when he intends to table the proposals in the House of Assembly and whether, in fact, the decision will be made by the government as to whether they are going to accept the First Arabian or the Shaheen deal prior to any debate or discussion in this hon. House?

MR. SPEAKER: Hon. Premier.

PREMIER PECKFORD: Mr. Speaker, obviously, I have absolutely no objections to the proposals, after they have been assessed and studied by government, in tabling them in the House, number one.

Number two, the whole question of a

PREMIER PECKFORD:

debate in the House on it, obviously, you know, we are amenable to that. The whole issue now as it relates to Come by Chance is that government has to be in possession of the facts on both proposals, the assessment of the facts on both proposals. Once that is done and we have taken a position on it, then of course, I am quite satisfied that all the assessment and all the proposals be made public so that the hon. House, if it is open, and the people of Newfoundland, will have all the information necessary to ensure that the decision that government made was in the best interest of all the people.

ORDERS OF THE DAY

MR. SPEAKER: The hon. the Minister of Finance.

DR. J. COLLINS: Mr. Speaker, I have received a message from His Honour, the Lieutenant-Governor.

MR. SPEAKER: The following message is directed to the Minister of Finance:

"I, the Lieutenant-Governor of the Province of Newfoundland, transmit estimates of sums required for the public service of the Province for the year ending 31st. day of March, 1980, by way of Interim Supply and in accordance with the provisions of the British North America Act of 1867, as amended, I recommend these estimates to the House of Assembly.

(Sgd) Gordon A. Winter
Lieutenant-Governor

The hon. the Minister of Finance.

DR. J. COLLINS: Mr. Speaker, I move that His Honour's message be referred to the Committee on Supply.

On motion that the House resolve itself into a Committee of the Whole on Supply, Mr. Speaker left the Chair.

MR. CHAIRMAN (Cross): Order, please!

MR. MARSHALL: Mr. Speaker, I move that the Committee rise and report progress and ask leave to sit again.

On motion, that the Committee rise, report progress and ask leave to sit again, Mr. Speaker returned to the Chair.

MR. SPEAKER: The hon. Chairman.

MR. CHAIRMAN: Mr. Speaker, the Committee of Supply have considered the matters to them referred and have directed me to report progress and ask leave to sit again.

On motion, report received and adopted, Committee ordered to sit again on tomorrow.

On motion, the House at its rising adjourned until tomorrow, Wednesday, March 28, 1978, at 3:00 p.m.