



Province of Newfoundland

FORTIETH GENERAL ASSEMBLY  
OF  
NEWFOUNDLAND

---

Volume XL

First Session

Number 66

---

***VERBATIM REPORT***  
*(Hansard)*

*Speaker: Honourable Patrick McNicholas*

Monday

25 November 1985

[Preliminary Transcript]

The House met at 3:00 p.m.

MR. SPEAKER (McNicholas):  
Order, please!

Before calling Statements by Ministers I would like to rule on the point of order raised by the hon. the Leader of the Opposition (Mr. Barry) on Friday. It was in connection with the use of the word 'coward' by the President of the Council (Mr. Marshall) in debate. I have checked that matter over and I would refer hon. members to Beauchesne, Fifth Edition, Page 110, Section (3). "Since 1958, it has been ruled parliamentary to use the following expressions." In the middle of the next page the word referred to is accepted as parliamentary, so there is no point of order.

#### Oral Questions

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

MR. BARRY:  
Mr. Speaker, I would like to ask the Minister of Finance (Dr. Collins), in the absence of the Premier, whether there has yet been any study carried out by the Province with respect to the impact on Newfoundland industries of any -

MR. TOBIN:  
What? What?

MR. BARRY:  
Mr. Speaker, would Your Honour keep the gofer quiet over there? He has started again already.

MR. SPEAKER:  
Order, please!

MR. BARRY:

I would like to ask the Minister of Finance whether the Province has had any study carried out to show the impact of a free trade arrangement upon Newfoundland industries, specifically, how many jobs would be created, how many jobs would be lost, which industries would be affected and where the impact would be felt around the Province?

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

DR. COLLINS:  
Mr. Speaker, this is a very important question. Obviously, in a very important area. As hon members know, there is a First Ministers' Conference in the next day or so and one of the important points on the agenda there will be to see how the free trade matter lies at the present time. The federal government is making up its mind how vigorously to push for free trade with the United States and also what would be the time table in that regard. They have indicated that they will give the provinces considerable opportunity for input into the whole process and the First Ministers' Conference, will, I am sure, tend to delineate exactly the mechanism to be involved there. We ourselves in a number of departments have had some internal studies done on this. There have been exchanges of views, there have been discussions at the official level, and there have been some papers brought forward at the ministerial level. So we will pursue this matter and we will pursue it, of course, with the best interests of Newfoundland in mind, bearing in mind the fact that we are a very export orientated Province and we have a small manufacturing base except in

terms of manufacturing related to our major exports, like newsprints and fishery products. So we are very concerned that there should be every opportunity for us to penetrate the U.S. market with our major exports, which are minerals, fish and forest products.

MR. BARRY:  
Mr. Speaker.

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

MR. BARRY:  
That is a very simplistic approach, just to say that we are export orientated. We all know that our fishing industry and our forest industry as now operating, Mr. Speaker, are too export orientated and we would like to see, for example, more secondary processing developed within the fishing industry. So, Mr. Speaker, I would like to know how is the Province going to be able to, first, decide upon the position it will take at the First Ministers Conference and, secondly, be able to argue for any such position if it does not have the studies done? Maybe the minister could give us a clue. How is the Province going to formulate its position within the next couple of days for the First Ministers Conference if it does not have its work done as to where jobs will be created or lost in the Province and what the impact might be on the Province's plan for creating permanent employment through further secondary processing?

We do not want to be hewers of wood and drawers of water all our lives. We want to see secondary processing, we want to get into some manufacturing. Has the

minister considered that? Has that gone into the equation? And how can he develop a position if he does not have the numbers to indicate what the impact might be on the future of the Province? Would the minister respond to that?

SOME HON. MEMBERS:  
Hear, hear!

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

DR. COLLINS:  
Well, Mr. Speaker, it is very difficult to respond to such a garble. The hon. member opposite makes a statement, then he takes that statement as fact, then he goes on to draw a conclusion from that and, drawing a conclusion from that, then he brings in a criticism. But, of course, the whole thing is based on a statement that he makes himself.

He makes the statement, 'There have been no studies on it' - therefore he concludes there are no studies - 'therefore there is a problem, therefore I am going to criticize you. Now, he is basing all that on the fact there have been no studies done. I have already indicated that there have been considerable discussions, there have been a considerable number of meetings, there have been papers come forward for ministers to review and to try to put in place and have put in place policy decisions in relation to them. And there has been a position developed which we will bring forward to The First Ministers' Conference. So the hon. member should go back to square one before he goes on to all of the other stages and builds up a sort of house of cards or a castle of sand.

MR. BARRY:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the Leader of the Opposition.

MR. BARRY:

I still have to hear the minister say there has been a study done. I know there have been discussions, I know there have been conversations, and I know there have been papers. Has there been any real work done, as requested in my first question, to indicate which jobs will be lost, which jobs will be created, where the impact will be felt, and which industries will be affected? Could the minister answer that? Then, maybe, we would have the foundation for a question that the minister would be better able to answer. He has not answered either question yet.

I would like to go on and ask the minister has the Province considered what the impact upon our social welfare policies might be in this Province and in this country through agreeing to a free trade arrangement? Will we still be able to have our unemployment insurance programme, whether as it is now or an improved one, which we would all like to see continue? Will we still be able to have our regional development policies? And will the minister be fighting for a change of the federal position which right now is to turn money away from regional development policies, to reduce the amount of money being spent on regional development policies?

MR. TOBIN:

Are you for or against free trade?.

MR. BARRY:

Mr. Speaker, the gofer is at it again.

MR. SPEAKER:

Order, please!

MR. BARRY:

So, Mr. Speaker, could the minister indicate have we had any studies to indicate what the impact would be on our social welfare policies if not on jobs, or the impact on the ability to have an appropriate unemployment insurance programme, a workers' compensation programme, or a family allowance programme?

MR. MARSHALL:

On a point of order, Mr. Speaker.

MR. SPEAKER:

Order, please! A point of order, the hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, the hon. gentleman's first question was with respect to studies relating to further processing. He is now, I understand, into free trade, which is another question altogether. But the primary purpose of my rising to this point of order is he is into debate. Supplementary questions may be asked, but they are not to be prefixed by speeches or statements and the questioner is to zero in on a specific question.

MR. SPEAKER:

To that point of order, I think it is well taken. I think the hon. the Leader of the Opposition was getting into debate there at the end. So I would ask him if he would ask his supplementary question.

MR. BARRY:

The question is asked.

MR. TULK:

It requires an answer.

MR. SIMMONS:

There are no answers over there.

MR. TULK:

The question was asked, Mr. Speaker.

DR. COLLINS:

Mr. Speaker, I think we have made some movement here. The hon. the Leader of the Opposition now has gone back to his first premise, has there been studies. He has forgotten all this building up of a case based on his answer to that question. So I am glad he is gone back to reality. Yes, as I indicated, there have been studies.

Now the hon. the Leader of the Opposition (Mr. Barry) termed my first response simplistic. I would like to say that he is now taking an extraordinarily simplistic view to things. He is sort of indicating that right at this stage there should be all the answers about what will happen to the employment profile in this Province, what will happen to the social profile in this Province, what will happen to the industrial base in this Province, and so on and so forth. That is similar to saying, Has the Canadian government which started this whole process, got all the answers in place? Now the Canadian government are going to engage in at least a six months exercise, and that is a very optimistic time frame, with representatives of the United States government to begin to assess those particular areas, and they are going to throw up a lot of information which decisions will have to be made on over the next six to twelve months. So for the hon. Leader of the Opposition to suggest that everything is now

in place is just playing with words, it is just rhetoric. Of course everything is not in place. If everything were in place all you would have to do is go down to Washington, sign something tomorrow morning, and that would be the end of it. Now that is so naive and so incredibly nearsighted on the part of the Leader of the Opposition that it is very difficult to respond in any sensible way. We are undertaking serious discussions at the official level, at the ministerial level, and at the intergovernmental level with the federal government over this whole matter. It will be a matter that will have to be laid out in considerable detail for people to have a look at over the next six to twelve months. There will have to be a number of serious decisions made. We will, of course, bring into play the background information that we have evolved in regard to our social structure in this Province, that we have evolved in regard to the offshore question. We have been studying the impacts of industrial change on this Province in the context of the offshore exploration for quite a number of years now, so we have a large background of knowledge and of studies in place and we will be using that and other information that we have and other resources of government, also to make sure that we get the best deal out of free trade.

MR. BARRY:

A supplementary, Mr. Speaker.

MR. SPEAKER:

A supplementary, the hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, would the minister be

prepared either before or shortly after the First Ministers' Conference to table the studies which support the Province's position? The Premier has taken a position in favour of free trade, but if I understand the minister now nothing has been finalized, there has been no definitive study arrived at, there has been not enough information to draw final conclusions, yet the Premier has drawn a final conclusion. Will the minister table the studies that have been prepared to date and would he make that information available to the people of this Province?

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, my understanding of the matter is that the Canadian government has been pushing to enter into discussion with the United States government on free trade, but there has not been a definitive decision made by the Canadian government to so enter into free trade. There has been a decision made to investigate the matter and this is where we are now. We are strongly inclined to look into the whole matter of free trade. We have not decided to enter into free trade, obviously, even if we could as a Province, but we have not even decided to finally support the Canadian government if they decide to go for free trade. We are at the same stage as the Canadian government and the US government, that is, there has been a decision made to enter into investigation of the matter.

MR. SIMMONS:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Fortune-Hermitage.

MR. SIMMONS:

Mr. Speaker, I want to put a question to the Minister of Career Development (Mr. Power). It relates to information released last Friday by the hon. Flora MacDonald's office relating to Challenge '85, the Summer Student Employment Programme. I would submit to the minister that this report, these figures, put the lie to what he has been saying to the House about the tremendous success of the Challenge '85 programme insofar as it affects Newfoundland. This report from Miss MacDonald's office indicates that there was less money earned by Newfoundlanders, they worked for shorter periods of time, and they earned less money overall.

Now I wonder, Mr. Speaker, if the minister would come clean with the House and indicate to the House that he has indeed done some misleading, perhaps unwittingly, about this issue because Miss MacDonald's report contradicts pretty directly what he said to the House on this subject.

MR. SPEAKER:

The hon. the Minister of Career Development and Advanced Studies.

MR. POWER:

Mr. Speaker, there certainly has been no misleading of the House. Miss MacDonald's report does not contradict what I said to the House last week and what I have said many times, that during last year we had a Summer employment programme for students in this Province which employed 5,600 students or so, which is about 1,600 more students than we employed the year before. Those students worked in many parts of

rural Newfoundland, which is what I said. Obviously, anyone who understands Newfoundland's conditions knows that when you relate our minimum wage to the minimum wage of other provinces, when you relate our private sector involvement to that in some of the industrialized provinces, such as Ontario, Quebec, Alberta, and other provinces, obviously the money that they put in is going to be different and increased above that from the private sector in Newfoundland. Those are all concerns that we have made known to Miss MacDonald. My statement last week was very factual and not misleading. This Province put in \$2 million for a Summer employment programme this year, 1985, the first time we have ever done so. As you know, we have also put money into a fisheries programme to employ fishermen, we have also put \$3.5 million into employment for other persons in the Province, and so far this year we have put \$7.5 million directly into job creation. This year there were more students working in Newfoundland. Albeit they may not have gotten the same rate as the national rate or the same rate as Ontario, that was not our goal, Mr. Speaker. Our goal was to employ as many people as possible for as long as possible.

MR. SIMMONS:

Mr. Speaker, on a supplementary.

MR. SPEAKER:

A supplementary, the hon. the member for Fortune - Hermitage.

MR. TOBIN:

What is your point?

MR. SIMMONS:

Mr. Speaker, I say to my good friend from Burin - Placentia West (Mr. Tobin), we are all critics

when it comes to jobs. All right?

MR. SPEAKER:

Order, please!

MR. SIMMONS:

Mr. Speaker, I say to the Minister for Career Development and Advanced Studies that was not only a fine speech, it is the same one he has given several times before, which is fine in its own respect, but the question I put to him is: How does he reconcile that very fine speech and the content of it with the figures released last Friday? I hear what he is saying about different minimum wages. That is fair ball. But how does he reconcile the information in the report that we word for shorter periods of time? There is an inconsistency, I say to him, between what he is saying to the House and what the report revealed last Friday.

Now, it is either one of two things: either he is correct, and I hope for his sake he is, but if he is correct, then this report is incorrect. Will he disown this report? Will he tell the House what he has done to take exception to the report that was made public last Friday? Secondly, would he undertake to the House to have this redressed for next year? If indeed this is accurate information that Miss MacDonald is giving out, will he ensure that next year we will get our fair share in terms of time worked by young people? Because we did not get it this year if we are to believe Miss MacDonald's figures.

MR. SPEAKER:

The hon. the Minister of Career Development and Advanced Studies.

MR. POWER:

Mr. Speaker, my statement to the



House, and statements that I have made in other places in Newfoundland, and the report are not inconsistent. What the report says - obviously the member read The Evening Telegram on the weekend which outlined the story - is we were the lowest paid and worked for the shortest period of time. My statement did not deal with those parts of the problem. My statement dealt with how much money this government contributed to make-work programmes for students this Summer, what the students worked at, the fact that there was a training component, and the fact that there were over 400 communities involved in those programmes this year. In order to spread the \$7.5 million or so that we had throughout as many communities as possible in Newfoundland, and to give as many students as possible an opportunity to work, obviously we spread those jobs out over the 400 communities, so they worked seven weeks on an average instead of maybe nine or ten weeks if you had worked with a smaller number of students. Our job was to put the programme into as many communities as possible to give students as much income as possible while they were close to home and, at the same time, give them some training component.

That was done with the programme. We have identified to Miss MacDonald, as many other ministers in Canada have, that some of the fishing and agricultural provinces of Canada, which do not have a very large private sector, tend to be hurt by this programme where so much emphasis is put on private sector development. That is why students in Ontario and some of the other industrialized provinces had a higher average wage than we had in Newfoundland. It was not

the fact that they got more per capita money, because we in Newfoundland t exactly the same as the other provinces, but the fact that private enterprise put in some money to top up the money paid by the government. That happened in industrialized provinces. We have talked to Miss MacDonald about it and hopefully we can rectify that situation before next Summer.

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

Thank you very much, Mr. Speaker. My question is for the Minister of Development and Tourism (Mr. Barrett). It concerns the statement he released several weeks ago with regard to increased tourism this Summer and the effect of programmes that they have in place. I understand that the numbers given out are \$21.6 million of spending by out of Province residents during the tourist season. Would the minister care to give us some indication of how much of an increase that has been in comparison to previous years, given that we introduced a major new programme and a tax reduction scheme on sales tax as well?

MR. SPEAKER:

The hon. the Minister of Development and Tourism.

MR. BARRETT:

Thank you, Mr. Speaker.

I do not have any exact figures here to indicate what the percentage increase was over the previous year but there has been an increase. Statistics indicate

that there has only been a marginal increase in the amount of vehicular traffic into the Province, I think something like 2.8 per cent over the previous year. The biggest increases were in airport landings, where I think we have had something like a 12 per cent increase, which reflects in higher per capita spending. It is very difficult to get a statistical base to indicate how much that actually reflects into the spending that might have been made in a specific sector, like in the purchase of crafts or things like that, where the benefit would have accrued as a result of the tax holiday that was given on those crafts. One of the things we did find out from the craft shops themselves was a very positive indication that there was a significant benefit accrued as a result of that move by my colleague, the Minister of Finance (Dr. Collins), but we have not been able to catalogue a specific dollar amount as it relates to an increase factor over the previous year. There is also, of course, the problem that all statistical bases are not yet compiled for the tourism season. We would not probably have that before January.

MR. FENWICK:

A supplementary, Mr. Speaker.

MR. SPEAKER:

The hon. the member for Menihek.

MR. FENWICK:

I can appreciate the problem with the craft sales since there is no sales tax there at all. But, as I recall, the Minister of Finance, when he introduced his budget, said that there would be a rebate for people from out of Province on major purchased items, but I cannot remember the exact list. It seems to me we should have some

statistics on those. Can you give us some indication of how many people have sent back for a rebate of the sales tax and maybe that will give us an idea of how well that programme has worked?

MR. SPEAKER:

The hon. the Minister of Development.

MR. BARRETT:

With all due respects to the hon. gentleman, Mr. Speaker, I think that those are statistical records and basis that would be handled by the Department of Finance because that is where the refund requests would have gone. Unfortunately, I would not have that information.

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. the member for Menihek.

MR. FENWICK:

I am assuming that that means the question has been passed to the Minister of Finance and if it is alright with the Speaker I would like to follow up that question. Just to repeat the question, in case he was having a chat with his colleague in the next seat, we had a rebate programme, introduced in the last budget, which was designed to encourage tourism and spending by tourists in our Province. The question that I posed to the Minister of Tourism (Mr. Barrett) and he referred to you is this: How many applications have been made and how much in terms of dollar value has been applied for in the rebate on sales tax? That should give us an indication of how effective that programme has been.

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, those statistics are still being compiled, but we have enough information already to indicate that it was quite a successful programme. We have more information from the crafts' side than from the tourist side, particularly, because there was no real time limit on individual tourists claiming the rebate, and we may still get some applications in.

There will be some information, hopefully, ready for presentation, perhaps, in this House, if it is not ready by then, certainly to the public. There will be some information ready shortly on the effectiveness, on the craft side of the matter.

MR. FENWICK:

A final supplementary, Mr. Speaker.

MR. SPEAKER:

A final supplementary, the hon. the member for Menihek.

MR. FENWICK:

Mr. Speaker, my final supplementary is that while I was not in the House last week, to see it, I recall a financial statement being tabled by the Minister of Finance in which he indicated what our revenues and our expenditures are. The peak of the Summer tourist season was, I would assume, June, July, August and perhaps part of September, so surely he must have some figures, or is he willing to admit that since we have only had car travel here increase by 3.9 per cent that quite frankly the programme was a failure, much too complicated and that most tourists to the Province did not even know about it because most of the tourist chalets could

not understand it and explain it to them?

My question is, Mr. Speaker, why have you not got the figures for it since you have been able to give us the general figures on the debt increase to this point?

DR. COLLINS:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Finance.

DR. COLLINS:

The figures that I gave in the half-year Financial Review were, firstly, facts that we have, that is facts which are in our hands for the first six months. From that there was a projection made extrapolating those facts out for the full year. We did not, as I indicated, have all the facts in regard to the tourism rebate thing, and we did not expect to have all that information in by this time. We had more of the facts, I would say practically all the facts we needed in regard to the benefit of reducing the retail sales tax on crafts in the Province, and those were built into the projections based on the first half year revenue and expenditures.

MR. LUSH:

Mr. Speaker.

MR. SPEAKER:

The hon. the member for Bonavista North.

MR. LUSH:

Mr. Speaker, I have a question for the Minister of Career Development and Advanced Studies, based on the line of questioning my colleague was just asking. I recall a couple of days ago, when I responded to the statement by the

minister when he talked about the Student Summer Employment Programme, that I said it was self-serving. It looks as though it was not even that, it was self-defeating.

Now, in view of the startling facts that we have been supplied with with respect to the Student Summer Employment Programme, and in view of the fact that the Canada Jobs Strategy Programme is based on the same philosophy - both programmes are based on the same philosophy, the Summer employment programme and the Canada Jobs Strategy Programme, putting a lot of emphasis on the private sector - in view of these facts, in view of the fact that both programmes are based on the same philosophy, would the minister not concede that both these programmes are not geared for the needs of this Province?

MR. POWER:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the Minister of Career Development and Advanced Studies.

MR. POWER:  
Mr. Speaker, no, the minister will not concede that. The assumptions are false. They are simply not valid. I guess the position that the Opposition takes on our Jobs Strategy Programme is exactly the same. They realize, for some reason all of a sudden because we had an average low wage, which anyone could have easily found out had they asked because our minimum wage is different, because we have a small private sector, obviously the average wage is going to be less. What the Opposition should acknowledge is that there was \$7 million spent this Summer on student job Ccreation programmes in

this Province, \$7 million which was not spent before, and \$2 million of that was provincial government money. Now no matter how it was divided up, Mr. Speaker-

MR. BARRY:  
We had the least in Canada.

MR. SPEAKER:  
Order, please!

MR. POWER:  
The per capita share was exactly the same as in other places. We had \$2 million that we put in, and other provinces did not put in, to job creation programmes in this Province this year for the first time. So we divided \$7 million up this Summer somehow between students in this Province who also received a training component while they were at that work. Now, if somebody may think that is a waste of government money. it may not have been enough, it may not have satisfied every single student who wanted to have a job, but it did satisfy needs, and I can show dozens upon dozens of letters that we have on file, both from students and from employers, who say the programme is a very successful one.

Of the Canadian Jobs Strategy money, this government has put in \$3.5 million and the federal government has put in \$35 million for job creation. This year, between now and the last of March, \$38 million is to be spent to a large degree on job creation in this Province. Now if the programmes are suppose to be used simply for job creation, then we can go back to the old style Canada Works, which seems to be what the member wants. We know the old style Canada Works was not as productive a way to spend money for the benefit of the workers as

it should be. There is \$38 million in the new Canada Jobs Strategy and it is going to be used to create jobs in Newfoundland. At the same time being, distributed throughout rural Newfoundland, there is also a training component involved in these projects and those training parts of the project are certainly going to make those work experiences much more valuable to individual workers so they are more employable next year.

And as for the member wanting to know when the projects will be approved, as I said the other day we have sent off 130 of the first approvals to Ottawa and I guess today or tomorrow, when they come back, they will all be ready to be signed and be approved.

MR. LUSH:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the member for Bonavista North.

MR. LUSH:  
Now, Mr. Speaker, for several weeks I have been pointing out to the minister the inadequacy of these programmes to meet the needs of Newfoundlanders. Now what does he want? Does he want to be hit with a sledgehammer? I mean, these are the facts positive.

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

MR. SPEAKER:  
Order, please! A point of order, the hon. the President of the Council.

MR. MARSHALL:  
Mr. Speaker, the hon. gentleman is on a supplementary question and he is making a speech. I realize he

is very upset that the member for Fortune - Hermitage (Mr. Simmons) got in beforehand, but the fact of the matter is, Mr. Speaker, he is on a supplementary and it is just a matter of asking a question.

MR. SPEAKER:  
To that point of order, the hon. member is on a supplementary, so maybe he will pose his supplementary now.

MR. LUSH:  
Mr. Speaker, in view of the inadequacy of this programme to meet the needs of Newfoundlanders and Labradorians, in view of the fact that several requirements of these programmes are discriminatory towards this Province, I am asking has the minister made representation to his federal friends in Ottawa condemning this programme and asking them to change the programme so that it is more geared to the needs of Newfoundlanders and Labradorians?

MR. SPEAKER:  
The hon. the Minister of Career Development and Advanced Studies.

MR. POWER:  
Mr. Speaker, after all the announcements that we have made about job creation in this House in the last month or so, and the new employment statistics that showed 5000 more people working in Newfoundland this month than a year ago in the same month, all they seem to want to do in the Opposition is pick holes and say why it is not perfect. All of sudden, somehow, on the opposite side, although you hear lots of criticism, you have not heard one single suggestion to improve the Canadian Job Strategy Programmes. All they are saying is go back to the old-style Liberal Canada Works.

Mr. Speaker, this government is not going back to the old-style Canada Works. There is a new programme in place and it is better! We are having some difficulties, as you often do when you put new programmes in place, when you have a Provincial government which joins in a programme in which that Provincial government had never been involved before.

Right now my staff are working really hard to have three programmes co-ordinated between ourselves and the federal government, we have not hired a lot of extra staff to do that, it is a new program, and it is much, much more improved than the old-style Canada Works was. We are going to stick with the new programme. There have been some growing pains. We have discussed with the Federal Minister and our counterparts, how to make the programmes better for next year. We are going to continue to do that. But we are not going back to the past, Mr. Speaker, because it was just not an effective way to spend government money for the sake of workers.

MR. SPEAKER:  
Order, please!

The time for Oral Questions has now elapsed.

Answers to Questions  
for which Notice has been Given

MR. DINN:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the Minister of Mines and Energy.

MR. DINN:  
Mr. Speaker, I have the answer to a question by the member for Stephenville (Mr. K. Aylward) with respect to rental increases in the Harmon Complex at Stephenville.

MR. YOUNG:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the Minister of Public Works and Services.

MR. YOUNG:  
Mr. Speaker, I have the answer to the question asked by the member for Menihek (Mr. Fenwick) on November 5, 1985. I am sorry I cannot give him the exact details of the question he asked regarding the amount of money spent to do renovations to the Premier's office on the eighth floor. Mr. Speaker, we did not renovate only the Premier's office, we renovated the whole eighth floor.

Petitions

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

MR. FENWICK:  
Mr. Speaker, I rise to present a petition from the community of Makkovik, on which there are 143 signatures, and the petition is to the Members of the House of Assembly. "We, the undersigned, protest the high rates charged for diesel generated electricity when people in St. John's area are charged a Province-wide rate, even though they rely heavily on oil generated electricity from Holyrood."

I think most people are familiar with the prayer of it, since this is another one of the communities

which is involved in this problem.

I repeat again the argument I have made which is, essentially, that in my opinion, and in the opinion of more and more people in these communities themselves, it is entirely unfair that these individuals should continue to pay for diesel generated electricity at such astronomical rates, especially since more and more they are relying on oil powered electricity in other parts of the grid. It is becoming more and more manifestly unfair that that difference should continue. Without going into any more of it, I just finish presenting the petition on behalf of the people of Makkovik and await some support from the other side.

MR. BARRY:  
Mr. Speaker.

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

MR. BARRY:  
Mr. Speaker, we join with the member for Menihek (Mr. Fenwick) in supporting that petition. As time passes, we see more and more of the problem of people still remaining on the diesel rate and the problem, of course, could be solved if we had a more aggressive approach on the part of this administration to seeing further power developed in Labrador for use in all the Province. Even if it would not be possible, and one would hope that it might be, to hook up some of the isolated communities in Labrador with further hydro development in Labrador, there should be sufficient revenues generated to put towards equalizing rates and putting people now on diesel rates onto the same rate as those served

by Hydro.

And I think it would be well to recognize, Mr. Speaker, the contribution made by the Labrador part of our Province to the energy generation system of this Province.

The people of Bay d'Espoir have the same concern, where they see a great hydro resource developed there, they see the power going out but, from their perspective, they do not see any jobs really being generated for that area. The people of Labrador see the massive Churchill Falls development and, yet, they see themselves stuck with having to pay the higher diesel charges.

So it is time that government started to develop some policies with respect to the development of further hydro projects in Labrador. If that were done, there should be, Mr. Speaker, improved revenues that could see the rates for those now on diesel power reduced.

MR. SPEAKER:  
The hon. the President of the Council.

MR. MARSHALL:  
Mr. Speaker, I just want to respond briefly to the hon. member's petition, and I will respond in exactly the same refrain as I have responded to the others.

Now, I have not seen the petition yet, and I do not know whether it is a duplicate one that the hon. gentleman put three signatures on or not.

MR. FENWICK:  
No, it is not.

MR. MARSHALL:

I do not really care. He has made his point before and I will respond in exactly the same way. The government of this Province already subsidizes to the tune of some \$24 million, the people who are in receipt of electricity from that source.

The hon. gentleman always brings up 'comparable to the rates in St. John's'. As he knows, you could also say on the Coastal Labrador portion of the Province and compare it to Goose Bay, because Goose Bay and area are lower than St. John's. I want to tell the hon. gentleman, as well, that one of the members - I know he will appreciate why we call him the member - the good and worthy member for Torngat Mountains (Mr. Warren), has been in contact with me about this matter on almost a daily basis. It is a matter of real concern, the amount of the money that these people have to pay for the normal amenities of life, but the fact of the matter is, it would cost considerably more if this Province were not putting some \$24 million a year into subsidizing the rates.

As to the other point made by the Leader of the Opposition (Mr. Barry), further power development in Labrador is very much easier to talk about than to achieve. The hon. gentleman should be well aware of that, because he had responsibility in this area for quite a period of time and was not able to bring it about, either.

The fact of the matter is, with respect to further power developments in Labrador, as the Premier has already indicated, it is not a matter that we are just letting lie fallow and not doing anything about. But, as everyone knows, there is presently an

election in the Province of Quebec and, as soon as a government is elected, we will deal with the duly elected Government of Quebec and, at the same time, hope to engage other interests, and will use our best endeavours to see what we can do to unravel that unfortunate situation that has occurred as a result of the unfortunate years that the Liberal Party governed this Province.

MR. FENWICK:

Mr. Speaker, by leave I would ask one more question. The minister always says it costs more. Could he give us a number, as we continue this debate day by day? How many more millions would bring the rates in line?

MR. MARSHALL:

How many more millions?

MR. FENWICK:

Yes, to bring them in line.

MR. MARSHALL:

I could certainly get that, but I know it is quite substantial. It is in the further millions of dollars. It is quite a substantial amount of money.

MR. BARRY:

It is not a lot. The big problem is that you can only expand as you wish.

MR. MARSHALL:

Mr. Speaker, I am responding to one question at a time.

MR. BARRY:

Yes, but you giving the wrong answer.

MR. SPEAKER:

Order, please!

MR. MARSHALL:

Mr. Speaker, we are looking at it,



but it costs in the vicinity of millions of dollars. But I can assure hon. members, and I have assured the member for Labrador, that we are looking at it, we have it in our hearts, and we will do our best with it.

MR. BARRY:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the Leader of the Opposition.

MR. BARRY:

The minister has delivered inaccurate information to the member for Menihek. The actual situation is that as the rates would be lowered the demand would increase and there would have to be expansions on the diesel systems. There is a very minimal cost, Mr. Speaker, for putting them on hydro right now, very small, \$5 million, say. You know, it is large enough in terms of dollars, but very small compared to the overall budget of government.

Mr. Speaker, if the minister spent more time in his office doing his ministerial work, he would be able to give the right information to the member for Menihek.

SOME HON. MEMBERS:

Hear, hear!

MR. MARSHALL:

Mr. Speaker, to that point of order.

MR. SPEAKER:

To that point of order, the hon. the President of the Council.

MR. MARSHALL:

That is not a point of order, it is another point of frustration emanating from the hon. gentleman

because he is no longer a member of government, because he ran away and did not have the courage to sit down. He was afraid of failure, Mr. Speaker, so he ran away rather than try to negotiate the offshore agreement. It is not a point of order, it is a point of frustration.

MR. SPEAKER:

Order, please!

There is no point of order, it is a difference of opinion between two hon. members.

### Orders of the Day

MR. MARSHALL:

Mr. Speaker, motion 6, first reading of that bill, please, bill no. 52.

Motion, the hon. the Minister of Municipal Affairs to introduce a bill, "An Act Respecting The Assessment of Property For The Purpose Of The Imposition Of Real Property Taxes By Councils Of Municipalities And School Taxes By School Tax Authorities," carried. (Bill No. 52)

On motion, Bill No. 52 read a first time, ordered read a second time on tomorrow.

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

### Committee of the Whole

Motion, that the Committee report having passed a resolution and recommend that a bill be introduced consequent thereto,

carried.

MR. BARRY:  
Mr. Chairman.

MR. CHAIRMAN (Greening):  
The hon. the Leader of the Opposition.

MR. BARRY:  
We have had extensive debate on Supplementary Supply. We have not received very much in the way of answers. We have not, for example, Mr. Chairman, received the blueprint for job creation that the member for Bonavista North (Mr. Lush) keeps pointing out as being essential.

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

MR. CHAIRMAN:  
On a point of order, the hon. the President of the Council.

MR. MARSHALL:  
Your Honour called the order and my distinct impression was that you called the Order of the Day, you posed the question and the question was carried.

MR. BARRY:  
Mr. Speaker.

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

MR. BARRY:  
It will be in a few minutes, Mr. Chairman, but not if the hon. the House Leader carries on with that sort of nonsense.

Mr. Chairman, we have thoroughly debated Supplementary Supply and we have had the opportunity to raise some matters of concern but, regrettably, the answers that have

been given by the Minister of Finance (Dr. Collins) or other ministers have been very few and very scanty, indeed.

Now, Mr. Chairman, we will have further opportunity to debate some of these matters as we move on to other legislation, and we are ready now to move on and see what government is going to bring before this House in terms of matters that are going to see some jobs created. We are looking at the Order Paper, Mr. Chairman. Regrettably, we see that most of it is pure housekeeping legislation. We have not seen the Atlantic Accord legislation tabled yet. We have not seen that act with respect to petroleum royalties tabled yet. We have not seen anything tabled here, Mr. Chairman, that would indicate there was anything underway with respect to a programme of job creation. So we will now give the government the opportunity to prove its stuff, we will move on from Supplementary Supply. We have had our general debate on issues generally affecting the Province and while, as I said, the answers are poor indeed from the Minister of Finance and members opposite, we now look forward, over the next couple of weeks, to seeing the Government House Leader (Mr. Marshall) introduce legislation that is going to deal with some of the hard-core problems affecting this Province, the main one, of course, being job creation. We look forward with interest to seeing the approach that the Premier, the Minister of Finance and others will take at the First Ministers' Conference. We look forward to seeing whether they will go to that meeting with a stronger position than they have taken so far, since their blue-blooded buddies went in in

Ottawa. Are we going to see, Mr. Chairman, the Minister of Finance and members opposite fighting for, instead of decreases to regional development programmes, increased funding for regional development programmes? Is the minister going to go up there and fight against the reduction in transfer payments, the reduction in payments for education and for health in this Province, Mr. Chairman? Are they going to set out a systematic strategy with respect to the impact of free trade in this Province? Are they going to know what they are talking about when the matter of free trade is discussed? From the answers that were given by the minister today, I fear that they are drifting into this First Ministers' Conference just the same as they have been drifting around Ottawa since the new government was elected there last September. The wind has gone out off their sails, Mr. Chairman. Their sails are slack, flapping in the breeze, there is no direction.

The reason there is no aggressive thrust towards job creation, towards regional development, towards doing what should be done in the fishery, is because there are no objectives laid down, there are no long-term plans laid down. Mr. Chairman, the approach taken by hon. members opposite at this First Ministers' Conference will be very revealing for the people of Newfoundland and Labrador. We will find out, then and there, whether members opposite are prepared to speak out for Newfoundland, are prepared to tackle tough issues, issues on which, Mr. Chairman, this Province is not being well served now by the approach of the Government of Canada. With that, Mr. Chairman, I will say that we on this side

are prepared to have Supplementary Supply passed. We have not gotten the answers we have been looking forward to receiving from the minister, but we will have other opportunities as debate proceeds between now and December 24.

Motion, that the Committee report having passed a resolution without amendment, and recommend that a bill be introduced consequent thereto, carried.

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

MR. CHAIRMAN:  
Mr. Speaker.

MR. SPEAKER (McNicholas):  
The hon. the member for Terra Nova.

MR. CHAIRMAN:  
Mr. Chairman, The Committee of Supply have considered the matters to them referred and have directed me to report that they have adopted a certain resolution and recommend that a bill be introduced to give effect to the same, carried.

On motion, report received and adopted, resolution ordered read a first and second time.

On motion, resolution read a first and second time.

On motion, a bill, "An Act For Granting To Her Majesty Certain Sums Of Money For Defraying Certain Expenses Of The Public Service For The Financial Year Ending The Thirty-First Day Of March One Thousand Nine Hundred And Eighty-Five And For Other Purposes Relating To The Public Service", (Bill No. 26), read a first, second and third time,

ordered passed and its title be as on the Order Paper.

Motion, second reading of a bill, "An Act To Provide For The Registration Of Psychologists". (Bill No. 12).

DR. TWOMEY:  
Mr. Speaker.

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

DR. TWOMEY:  
Thank you, Mr. Speaker.

The purpose of this bill is to establish a registration system whereby psychologists in the Province may be registered. Also, people wishing to practice psychology in the Province will have to have that credentials assessed by the Board of Examiners before they can practice in the Province.

It will provide for a five-member board appointed by the minister, four members of which will be psychologists and one who will not be a psychologist.

In terms of registration, there are three sections of the Act which deals with registration. Section 10 deals with the requirements for registration in terms of applicants holding a doctoral degree in psychology. The ultimate aim is to have persons who have a doctoral degree provide psychological services.

For a period of fifteen years, following the implementation of the Act, the board will continue to register people who hold a master's degree. This is a transition period in order to phase in the doctoral requirements.

The bill will enable the board to grant provisional licences to applicants who may not be able to meet the full requirements of the Act in order that the services may be provided in certain situations. Provisional registration is a routine normal clause in all professional legislation and it does allow for some flexibility, usually for a short period of time.

An important ingredient of the bill is Section 14 which enables the Board to carry out disciplinary hearings and render appropriate decisions in cases where psychologists may have committed misconduct or malpractice, or conduct unbecoming of a psychologist. Because one of the main purposes of the legislation is to protect the public, assuring the enforcement of adequate standards and assessment of credentials, the right to hear complaints and investigate them and to take appropriate action is a very essential one for the Board. The Act also recognizes the rights of individuals who may be the subject of investigation by the Board and provides appropriate appeal provision and relief to the courts in cases where a person may not agree with the decision of the Board.

In summary, this bill is quite similar to a number of pieces of legislation already in the books of the Province providing for the regulation of professional groups.

In conclusion, Mr. Speaker, I support this bill. I would hope that other hon. members of this House will give their support to the enactment of this bill.

Thank you.

MR. BARRY:  
Mr. Speaker.

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

MR. BARRY:  
Mr. Speaker, this piece of legislation is not going to take too long, particularly, on second reading. There may be a few things in Committee of the Whole we will have to take a look at.

There are two questions that come up whenever you have a Board set up to deal with a professional body. They are whether that Board should be given the right of self-discipline; and secondly, whether the Board should be given the authority to set the fees which the public would be expected to pay.

With respect to self-discipline, again, I think it is time that government looked generally at the creation of some body - and this has been discussed before in this House - a so-called committee on committees, or some form of overseeing body that can ensure that the rules of natural justice are applied and that there is some consistency in the approach of these various bodies to the discipline of members.

With respect to fees, in professional associations across Canada there is a matter of some considerable debate right now with respect to whether or not advertising should be permitted in the legal profession. The consensus seems to be, Mr. Speaker, that that is the trend towards which the profession should move. There are, in fact,

laws which might apply at times that would make it illegal for professional bodies to prevent advertising and to fix fees. These go to the federal legislation dealing with restraint of trade and so forth.

The minister maybe should have given some consideration as to whether it might not be the time to start with respect to this professional group or any group to encourage individual practitioners to put forth their fees to the public. The argument always is that there has to be some sort of guidelines set down to ensure that the fees are not cut down to the level where you get shoddy work because people cannot afford to spend the time that a particular problem might require. But, by and large, I think that all of the professional bodies have erred too much on the side of keeping information away from the general public with respect to the fee scale. They have erred too much in terms of going for an absolutely uniform scale.

I think that in the area of professional services, as in other areas, some good open competition is not necessarily a bad thing. You only get the competition, of course, if a certain amount of responsible advertising is allowed.

I am somewhat disappointed to see that the approach taken here just says that the board may make regulations with respect to the fees that are payable. It says here, 'Fees payable to the board.' I am not sure whether it expressly deals with the setting of fees otherwise. I do not think it does. So that would give the board basically the opportunity to regulate how the profession proceeds on this matter.

So, with those brief remarks, I would say that there is no reason why psychologists should not have a board, just as other bodies do. I think psychologists are generally considered to be people who can supply a valuable service. They are particularly needed for certain members opposite from time to time when the debate gets too heavy.

I would see no reason why psychologists in this Province should not be subjected to a board of examiners; that we have some consistency in terms of the preparation for the profession and; if we are going to go this way with respect to other professional groups, there is nothing wrong with giving that board the right of disciplining the profession, or permitting the profession to exercise self-discipline.

But, on a broader matter, I think we really should question whether we should still be taking this approach with this board or with any professional body. There have been some moves away from it. When the member for Waterford - Kenmount (Mr. Ottenheimer) was minister, I think we had non-lawyers appointed to the Law Society of Newfoundland for the first time. I think that that was a good step for which the minister should be complimented. I think that we should have an opening up of these disciplining bodies. It should not be just a small little clique, a closed group within the profession. We need to throw the doors open and let the general public know what is going on inside these various professional groups.

So with that, there is nothing very significant in this bill

other than these points I have made.

On motion, a bill, "An Act To Provide For The Registration Of Psychologists," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 12)

Motion, second reading of a bill, "An Act To Amend The Fishing Industry Advisory Board Act, 1975." (Bill No. 11)

MR. RIDEOUT:  
Mr. Speaker.

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

MR. RIDEOUT:  
Mr. Speaker, I am pleased to have the opportunity today to introduce this amendment to the Fishing Industry Advisory Board. The amendment itself is fairly simple but, I think, also fairly significant.

In the present act, as it stands today, members of the Fishing Industry Advisory Board, members of the Board of Directors, are appointed to serve at pleasure. What we are proposing under the amendment is that that be amended for all members except the chairperson - the chairperson, of course, presently is Miss Mary Lou Peters - and that all other members of the board would hold office for a period of three years. The reason why we are proposing to do this, Mr. Speaker, is so that we can have some flexibility and continue whenever you wish, if somebody resigns or after a period of three years, to bring new people, new blood and, hopefully, new ideas to the board. That is the reason for the amendment.

The members can be reappointed. There is nothing in the amendment to say that members cannot be reappointed. They certainly can. But, we would like to have the flexibility to ensure that that board always has an opportunity to be updated with new people with new ideas because it is very beneficial for fishermen and the fish processors.

There are five members presently serving on the board. They are Brose Paddock; Ian Strachen; Jim Day; Lester Kean, who is a fisherman, representing fishermen; and Cliff Russell. That is the present compliment of the board.

MR. TULK:

Can you run through those names again?

MR. RIDEOUT:

They Brose Paddock, who chaired a Royal Commission on the Inshore Fishery; Ian Strachen -

MR. TULK:

Who is he?

MR. RIDEOUT:

I think most members of the House know the distinction which the former gentleman served in this chamber.

Jim Day, who was with the Lake Group in the fish processing business; Lester Kean, who is a fisherman; and Cliff Russell. Those are the present members of the board.

MR. TULK:

Who is Cliff Russell?

MR. RIDEOUT:

You have me right now.

MR. W. CARTER:

Who?

MR. RIDEOUT:

Cliff Russell.

MR. W. CARTER:

He was the chairman of the loan board.

MR. RIDEOUT:

Yes, the former chairman of the loan board.

MR. TULK:

What is he doing now?

MR. RIDEOUT:

He is retired. Yes, he is an excellent person.

MR. TULK:

And the chairperson of the board is, as I indicated, Mary Lou Peters, who certainly serves with distinction on that board as well.

I might just take a minute or so, Mr. Speaker, to say that the Fishing Industry Advisory Board, certainly in my opinion, in the five or six months that I have been in the department, really provides a very vital service to the Department of Fisheries, to the Fishermen's Union, and to fishermen and processors in particular.

Their monitoring programme, for example, on lobster prices is very significant as far as fishermen go. Every Friday the Fishing Industry Advisory Board is able to tell whether or not fishermen are getting paid 75 per cent of the Boston price and insures through the department, and in co-operation with the Fishermen's Union, that that is done. So the Fishing Industry Advisory Board is an excellent system for collection of data related to fishermen, related to processors and related to the industry in general. They have an excellent collection

system and a data base for marketing information, not only in the United States, but in the European Economic Community countries and all over the world, in Japan as well. The quality programmes that they try to monitor and enhance are very important. Also, the financial information that they gather from processors and fishermen is very vital to those of us in the department in trying to determine and evaluate programmes and try to determine new programmes to help the fishing industry in general.

So, Mr. Chairman, the board is doing an excellent job under the competent leadership of Miss Peters and the whole idea behind this amendment is to ensure that there can be some flexibility, that there will always be a process of change on the board so that even though you are satisfied, I suppose, nine and a half times out of ten with the degree of representation on the board, I believe that it is nice to have the flexibility of being able to bring in new people so that it does not become stagnant and that it has the capability of reacting to the industry.

So, Mr. Speaker, with that I am very pleased to move second reading.

MR. TULK:  
Mr. Speaker.

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

MR. TULK:  
Mr. Speaker, the minister has brought in another bill in which the basic extent of the bill itself, the content, as he says, is basically housekeeping. It allows him, rather than to have

people appointed at pleasure, to have them appointed over a period of three years and to allow the Chairman of that Board to still be appointed at pleasure.

Mr. Speaker, there is a very important role for the Fishing Industry Advisory Board to play and I suspect that that Board has never played the type of role that it could perhaps play in this Province. The minister just said that the advisory board collects data. I think those were his words. It has an excellent system for the collection of data, an excellent system that watches prices and so on.

This bill, as I said before, is for housekeeping and fails to deal with any of the major issues that are facing the Province. It is typical bill that this government has been bringing in. You will hear the House Leader (Mr. Marshall), in a few days time, talk about the major pieces of legislation and the number of pieces of legislation that has been passed in this House. Of course, we know that basically what this government does is try to bring in the little housekeeping bills and fails to deal with any of the major issues that are ongoing in the Province. Mr. Speaker, having said that, let me just say we are willing to let this bill pass quickly because it has no major content anyway. It is just a piece of housekeeping.

Let me say to the minister that I would like for him, when he stands in his place to close the debate on this bill, to point out to us just how he expects to see this Fishing Industry Advisory Board improved, not necessarily in the content of the persons, although I know some of the names that are



there and that is fair enough. This government is pretty well use to patronage appointments anyway. We do not mind that. That is part of the game, as far as they are concerned. That is part of the payoff for certain people and certain people there are good people. No doubt, most of the people who are there may very well be good people because I am not one of those people who believes that because you necessarily appoint somebody who is either a Liberal or a P.C., that is bad. It may be good depending upon the qualifications of the person.

Let me just ask the minister, in closing the debate on this Bill, if he would stand and tell us is the role all an encompassing as the name, the Fishing Industry Advisory Board, would suggest? Perhaps he could fill us in on just where he sees that Board going.

Having said that, Mr. Speaker, let me say that we are willing to see this Bill slide.

MR. SPEAKER:

If the minister speaks now, he will close the debate.

MR. RIDEOUT:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Fisheries.

MR. RIDEOUT:

Mr. Speaker, to answer the hon. gentleman's question on how I see the role of the Board, I think the Board itself is very often the function of the leadership and the people that are involved with it. I can only speak from the experience of five or six months that I have have in the department. I know that under the

very competent and capable leadership of Mary Lou Peters, that Board is doing a fantastic job, not only for the industry side, but for all people involved in the fishing industry in Newfoundland.

They are down at the level of the fishermen when they need to be there; with the fish processors, when they need to be there; they are into marketing development, market monitoring; they are into price and price development and price monitoring; they are into quality control programs and everything that you can mention. I see this Fishing Industry Advisory Board in the global context, as the hon. gentleman does.

Anything that goes on in the fishing industry, I think, has a bearing on what this Board does and their activity. So I see its role to continue to expand. I see it as vital to the continued expansion and development of the fishing industry in this Province. In terms of the people who are serving on the board, Mr. Speaker, everyone of them, as far as I know, are top quality, top class people.

On motion, a bill, "An Act To Amend The Fishing Industry Advisory Board Act, 1975," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 11).

MR. MARSHALL:

Order 11, Bill No. 6.

MR. TULK:

Mr. Speaker, on a point of order.

MR. SPEAKER:

On a point of order, the hon. the member for Fogo.

MR. TULK:

I realize that the Government House Leader on the other side is not required -

MR. BARRY:

Which bill is it now?

MR. TULK:

Bill No. 6, I think he has called now - is not required by any Parliamentary technique or any Parliamentary law to give the Opposition an agenda of what is going to happen in this House, but supposedly the government, this Fall, in October, outlined the programme that was going to take place in this House. Today we find ourselves in a situation where it seems that we are operating on an ad hoc basis, where we have a couple of housekeeping bills that passed rather quickly. Yet, we find the Government House Leader over there sitting down calling bills that he has not yet informed the Opposition that he was going to call. He is shouting them across the floor.

Now surely, if this government set an agenda this Fall, it will follow it. But that, I suppose, was a charade too that this government was carrying on. The Premier called the press this Fall and announced that there was going to be an agenda for this House; that it was going to be run in a logical fashion; and that they has some things they wanted to bring in, some major bills they wanted to bring in. I suppose that too was a charade, the same kind of charade that we saw with the FFTs that went on over there. Or is it all ad hoc? Is it a result of somebody on that side not doing their work? The Leader of the Opposition (Mr. Barry) had attempted to point out for some

time, through the Conflict of Interest Guidelines, that if you are going to be a minister in this government, if you are going to be a Government House Leader, then surely you need to pay some attention to that job. This place, it seems to me, is being run on a basis of come see, come saw.

No later than this afternoon I went to the Government House Leader to find out what the agenda for the House was. I was told Bill 11 and 12. What do we get? That is really a nothing piece of legislation. The people in Fogo and the people in Stephenville are not going to be jumping in the streets this evening because of those two bills being passed. Surely the government can do better than that. While they are not required, as I said, under any Parliamentary jurisdiction to do it, surely they should have the decency and the planning, if they are going to carry on a public charade like it carried on this Fall, to do that in this House. I would ask the Government House Leader if indeed we could not have that kind of co-operation.

MR. MARSHALL:

To that point of order, Mr. Speaker.

MR. SPEAKER:

To that point of order, the hon. the President of the Council.

MR. W. CARTER:

To that point of order.

MR. SPEAKER:

I have already recognized the hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, if you are going to make an observation, it is just as

well to respond to the hon. gentleman.

MR. W. CARTER:

If you could respond maybe to my observation and the point of order at the same time.

MR. SPEAKER:

The hon. the member for Twillingate.

MR. W. CARTER:

Mr. Speaker, my colleague from Fogo (Mr. Tulk) is right. While the House Leader does not have, maybe, any legitimate responsibility under the terms of reference of his office and role in the House to tell the Opposition what bills are coming up, certainly it is something that does happen in other jurisdictions. Those of us who have watched the House of Commons debates on television and those of us who have been there, I am sure will understand that on every Thursday, regularly, the Opposition House Leader will be informed by the Government House Leader exactly what bills and what the agenda is for the coming week. Surely that is not asking too much in this jurisdiction. It would not take the House Leader too long, I am sure, to stand in his place on a Thursday and inform the Opposition exactly what is on the agenda for the coming week.

If that is not going to happen, then how can we, as members, especially the Opposition members, properly prepare ourselves for the bills that are being presented? So I would suggest, Mr. Speaker, to the members of the House and to the House Leader (Mr. Marshall) that maybe it should become a regular practice that on every Thursday the House Leader should stand in his place and tell the

House just what is on the agenda for the coming week.

MR. MARSHALL:

To that point of order, Mr. Speaker.

MR. SPEAKER:

The hon. the President of the Council, to that point of order.

MR. MARSHALL:

Mr. Speaker, if some of the niceties were observed in this House were observed as apply in other Houses perhaps, you know, you might be able to do that kind of thing, but the way the Opposition has responded I mean, let us face it. I want to say to the hon. gentleman you all have had notice of it. On September 24, 1985, the Premier and myself gave a detailed list of the bills that would be considered. At the same time, Mr. Speaker, we gave copies of the bills to everybody, those that were not circulated. Those that were not given from that list would not be called. I mean, I would not call them until they had been circulated and members of the House had an opportunity to study them and see what they were.

I do not think it is too much to expect members to come here after getting notice September 24 with respect to a large, a fairly substantial number of bills, that they should be able to come here to debate anything.

Now, on the other side of the coin, you talk about co-operation in trying to get some kind of order of business in the House, for twenty-one days the hon. gentleman had been on Supplementary Supply. Now, do not get on your feet in your clarion call saying, 'that is our right.'

Sure, it is your right. But the fact of the matter is, Mr. Speaker, I do not think that there was one single bit of press or media that saw it necessary to give any kind of reporting on it, because, by and large, most of the debate was irrelevant.

If you want to get in that area, also the Opposition usually tell the Government House Leader approximately how long they need to debate a certain issue. I am afraid there is not that discipline in the Opposition. So you give them a number of bills and they just take it to act in their usual immature way with respect to it.

We have put this programme, as I say on September 24, and to call a bill like "The Insurance Companies Bill", I mean, it has been circulated in this House, I believe, last Spring. The Opposition critic with respect to those matters is here, the member for Burgeo, so it should not be too onerous for the gentlemen to respond.

MR. TULK:

To that point of order, Mr. Speaker.

MR. SPEAKER:

To that point of order, the hon. member for Fogo.

MR. TULK:

Mr. Speaker, I would suggest to the hon. gentleman on the other side that he himself does not even know the schedule that he is going to call those orders in. He talks about, I believe, it was sometime in September, the schedule that they put out. I would suggest to him that many of the bills that now appear on this Order Paper, and possibly some that he is even

calling, do not appear on that list itself.

I would also suggest to him that when he stands up on the other side he is going to punish the Opposition or he is going to talk of punishing the Opposition, that will not work either because he is not going to scare us under our seats. Let me also say to him that while there has been no reporting to the press on Supplementary Supply, I suspect that largely comes about as a result of some of the non-answers that we have been getting on the other side from the Minister of Finance (Dr. Collins). There has been nothing forthcoming from the government except some sort of bile and some sort of nastiness.

MR. MATTHEWS:

Not true.

MR. TULK:

How long is needed on a particular bill? We will tell the Government House Leader (Mr. Marshall), that when he calls it and it will depend entirely on just how flexible the government is to accept certain recommendations that are made, certain worthwhile recommendations, and again he will not use that to punish the Opposition to force them through. But surely as the person who is responsible for seeing that this House functions, it is largely his responsibility. Surely he has the decency to tell the Opposition just what the agenda of this House is going to be. Otherwise, we are going to find ourselves in this type of situation day after day after day. We will not be kowtowed and we will not be pushed under by the kind of tactics that the Government House Leader (Mr. Marshall) is inclined to use.

MR. SPEAKER (McNicholas):

Order, please! To that point of order, there is no point of order. The hon. the President of the Council can call the order of business.

Motion, second reading of a bill, "An Act To Amend The Insurance Companies Act," (Bill No. 6).

MR. SPEAKER:

The hon. the Minister of Consumer Affairs and Communications.

MR. RUSSELL:

Mr. Speaker, it is with much pleasure that I rise to move second reading of this bill. At the present time, of course, provincial insurance companies, which are not incorporated in Newfoundland, cannot do business in the Province. They, therefore, must register their company federally. At the same time, other provinces will not allow extra-provincial companies to do business unless that province allows extra provincial licencing itself.

Therefore, the purposes of the amendments are twofold; one is to allow companies who could not obtain a licence in Newfoundland to do so; and secondly, it removes one restriction from Newfoundland companies to operate in these other provinces. In both cases, the financial solvency and requirements for deposits must meet the requirements of the province involved. There is to be set up a compensation fund -

MR. BARRY:

Did you say Newfoundland companies can now operate on the Mainland?

MR. RUSSELL:

They will after these amendments.

AN HON. MEMBER:

After tomorrow?

MR. RUSSELL:

Yes. Recently there were three-federally registered companies, PIPPS Insurance Company, the Strathcona General Insurance Company, and the Northumberland General Accident Insurance Company which became insolvent in the last number of years. This, of course, has left policy-holders and claimants in a very tenuous situation, to say the least. To protect the public in the event of this happening again, a compensation fund is being developed and it is proposed that contributions to this fund be a prerequisite to licencing. This fund would be similar to the one protecting bank depositors. To date, no Newfoundland insurance company has become insolvent but the fund is being created to protect the policy-holder and the claimant should the occasion arise.

There is to be set up a Facility Association for high risk drivers particularly. In providing a market for the high risk driver, the insurance industry initially created the assigned risk plan which proved cumbersome and expensive which, in practice, did not meet the needs of the marketplace. Facility allows insurers to transfer all or part of a risk to this facility, but the insurers pay administration costs and claims expenses themselves. The insurers can select the risks they wish to accept and can refuse insurance if they applicant does not meet their underwriting guidelines.

From the complaints that were received in my department, and discussions with the facility

committee, drivers with poor accident records or conviction records in certain classes of operations, for example, taxis have been encountering increasing difficulties in obtaining insurance. The Facility Association is being formed to solve this problem.

Under the plan, the agent or representative decides whether a risk is to be placed with the Facility Association. The servicing carrier has no right of refusal of a risk as new business, endorsement or renewal. The servicing carrier has a right to business for the agencies in the Province and must abide by the rules and the regulations of the association. The book of business, written through the association, is totally separate from their business on the open market. Both agents and servicing carriers must comply with all the requirements of the association, while at the present time there will be only four servicing carriers and all insurers in the Province contribute to the plan.

MR. BAKER:

A point of order, Mr. Speaker.

MR. SPEAKER:

Order, please!

A point of order, the hon. the member for Gander.

MR. BAKER:

Mr. Speaker, -I was wondering if the hon. minister was going to table the ministerial statement he is now reading. Could we get copies of it?

MR. SPEAKER:

To that point of order, there is no point of order.

MR. RUSSELL:

The member for Gander must realize that I am introducing a Bill in principle and I am looking at some very copious notes. I hope he will bear with me.

MR. FENWICK:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the member for Menihek.

MR. FENWICK:

Will he then table the notes that he is reading from? I think that is required.

MR. DINN:

No, you do not table notes.

MR. FENWICK:

Yes, if he reads from them.

MR. RUSSELL:

If the hon. members would like to have copies of these copious notes, I will distribute them.

The Facility Association is certainly a new concept and has been in operation in other Provinces for some years. With regards to investments, under the present legislation Newfoundland insurance companies are restricted in their investments of surplus funds and it certainly felt that these restrictions are more severe than originally contemplated. Investment opportunities have developed that did not exist when the present act was drafted so this amendment to the act allows Newfoundland insurance companies to utilize their surplus funds more effectively, in line with the opportunities of other Provincially and Federally licensed companies. It also restricts Provincial insurance companies from making loans to

directors or officers of the company.

Mr. Speaker, these are the copious notes of the introduction to the principal of this Bill and it is a pleasure that I move second reading.

SOME HON. MEMBERS:  
Hear! Hear!

MR. BARRY:  
Mr. Speaker.

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

MR. BARRY:  
Mr. Speaker, again there is very little that we would raise issue with in this Bill.

I guess one thing, Mr. Speaker, that the minister should be dealing with that is not dealt with - it is really the Minister of Finances responsibility - but the minister should take note and talk to him about whether this tax on insurance premiums is bringing in enough money to the coffers of the Province to make it worth the trouble of bringing in a tax which has not been accepted as legitimate in other Provinces and which has caused a lot of concern amongst members of the insurance industry. Basically it is a tax that is passed on to consumers in this Province who are purchasing life insurance. The minister has or is supposed to have as one of his obligations the desire to fight for the consumers of this Province. The question is whether that retail tax insurance premiums should be reviewed. The minister probably has the figures there as to what is being brought in. There is tax on car insurance, and there is tax on fire insurance, I

believe, but this is passed on directly to the consumer as the cost of insurance for the consumer. It is a necessity basically, particularly when one cannot drive without having motor vehicle insurance. Maybe the minister, when he is wearing his hat as the one responsible for looking after the consumer, might speak with the minister and see whether in this day and age this is something that is worthy of continuation.

Apart from that Mr. Speaker, it seems to be giving Newfoundland companies the opportunity to spread their wings and fly. There will be come increased competition from outside but that is not necessarily a bad thing. As far as the consumer is concerned, there may be an improvement of rates as a result and we would support the principle of the bill.

On motion, a bill, "An Act To Amend The Insurance Companies Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 6)

MR. MARSHALL:  
Order 28, Bill No. 48.

Motion, second reading of a bill, "An Act To Amend The Management Accountants Act." (Bill No. 48).

MR. RUSSELL:  
Mr. Speaker.

MR. SPEAKER:  
The hon. Minister of Consumer Affairs and Communications.

MR. RUSSELL:  
Mr. Speaker, I do not think there is very much earth-shattering about this piece of legislation. The Society of Management

Accountants has asked the Province to grant the right to designate Certified Management Accountant from the CGA. I move second reading.

On motion, a bill, "An Act To Amend The Management Accountants Act," read a second time, ordered referred to a Committee of the Whole House on tomorrow. (Bill No. 48)

MR. MARSHALL:

Order 29, Bill No. 47.

Motion, second reading of a bill, "An Act To Convey Certain Trusts And Properties In The Province From Crown Trust Company To Central Trust Company." (Bill No. 47)

MR. FENWICK:

A point of privilege, Mr. Speaker.

MR. SPEAKER:

A point of privilege, the hon. the member for Menihek.

MR. FENWICK:

It is a point of privilege, I think, because quite frankly I find it very difficult to contribute anything valuable to a debate like this when the legislation is going through so quickly.

In the past, we have not been given any indication whatsoever the order of bills. Now, all of a sudden, there are a whole bunch going through here. In the last several months since I have gotten copies of these bills I have made some notes on them, I have passed them out to other organizations and people to give some comments back on them, I have files on them and everything else. If this is the way in which they are going to be pushed through the House like

this, it is virtually impossible to make any kind of contribution to it.

It is a problem that I have had in the past as well because we do not get any indication from the Government House Leader (Mr. Marshall) what particular legislation will be debated that afternoon. It makes it virtually impossible to contribute effectively. That is why I say it is a question of privilege.

MR. OTTENHEIMER:

To that point of privilege, Mr. Speaker.

MR. SPEAKER:

To that point of privilege, the hon. the Minister of Intergovernmental Affairs.

MR. OTTENHEIMER:

Mr. Speaker, obviously I do not think it is a point of privilege. I think the hon. gentleman is communicating his reservations or apprehension or general criticism or whatever one would call it. Number one, for his information, we will be proceeding now from Order 28 down to Order 34 seratim. I would point out to the hon. gentleman, of course, the House has been open about a month. The Order Paper is there. The legislation has been distributed. Hon. members have it. Nobody knows for sure when something is going to be called because nobody knows for sure when a preceding matter is going to be disposed of. Nobody knows that.

MR. BARRY:

(Inaudible).

MR. OTTENHEIMER:

No, we are going from 28 to 34. Everybody has had the legislation for, more or less, the past month



since the House has opened. The hon. gentleman says that he gets some notes back from other organizations or this or that, that obviously is a private matter. As far as the House of Assembly is concerned, it is the members who are elected to the House, not other organizations who participate in the voting in here. With the legislation having been distributed the past month, I do not think that there is any great hardship on anybody that the legislation came today. We are going now from 28 to 34 in that order.

I do not think that the government or the majority is being, in any way, unfair. Legislation has been distributed for quite a period of time.

MR. BARRY:

To that point of privilege, Mr. Speaker.

MR. SPEAKER:

The Leader of the Opposition, to that point of privilege.

MR. BARRY:

Mr. Speaker, I find it a shocking admission that the member for Menihek (Mr. Fenwick) would stand in the House and say, basically, that he has not received his instructions yet as to how he should proceed on this legislation.

Now, if the government members wanted to, I would be willing to adjourn for five or ten minutes so that he could give Mr. Cashin a call and call a couple of the union leaders to find out what his approach should be - call Mr. Parsons, call Mr. Cashin. It is a waste of time calling any members of the union, the union grass roots because they take their own

stand, they take their own position.

MR. TULK:

They call us.

MR. BARRY:

They have been in steady contact with ourselves. I would be willing to adjourn the House for a few minutes to permit the member for Menihek (Mr. Fenwick) to obtain instructions from the union bosses, who also seem to be his boss, to give him time to decide on what approach he should take with these bills.

MR. SPEAKER:

Order, please!

I have heard enough on that point of privilege. There is no prima facie case of a breach of privilege.

MR. FENWICK:

Mr. Speaker, a point of order.

MR. SPEAKER:

Please sit down.

AN HON. MEMBER:

The Speaker is standing. Sit down.

MR. SPEAKER:

There is no prima facie case of a breach of privilege. That was very similar to a point of order that was brought up a short time ago and was ruled as not being in order.

MR. FENWICK:

Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. member for Menihek.

MR. FENWICK:

My point of order is this, Mr. Speaker. If we are worthy of what

we are in here for, then we have a right and an obligation to contribute to the debate.

AN HON. MEMBER:

Then why do you not just do it.

MR. FENWICK:

I have spent the last couple of months getting ready for the debate on the legislation that is coming in here. I am not calling anybody, as the Leader of the Opposition (Mr. Barry) intends, I just want a chance to know which bills are to be debated today so that I could bring the research material I have up here and have ready when the particular piece of legislation comes up. I do not think that is an unreasonable request. I am not asking to delay anything. Just tell me what you are going to do. If you would tell me what was going to come up today, if I was able to contact the Government House Leader (Mr. Marshall), who is never in his office in the morning, in order to find out what was going on, we would never have this problem. Invariably you get referred to his law office and you can never find out what is coming down.

Mr. Speaker, I raised it as a point of privilege before because I do not really feel that I can contribute what I should to this legislature because of it. But, quite frankly, it is also a point of order because this kind of nonsense where we spent a month debating one bill and then all of a sudden the log jam eases and now we are going to have ten or twelve pieces of legislation at the same time, is just a sham and it is a travesty. We are not doing anybody in this Province any justice whatsoever this way.

MR. SPEAKER:

Order, please!

I am just wondering what the point of order was. Would the hon member state his point of order?

MR. FENWICK:

My point of order, Mr. Speaker, is that if the legislation is coming up for second reading, then it is time to have debate on it and to contribute to it. I have material that I would like to use in contributing to it, yet at the rate which the legislation is going through, it is virtually impossible to go down to the fifth floor, dig out the files and come back, especially when you do not know what is coming up.

MR. OTTENHEIMER:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Intergovernmental Affairs.

MR. OTTENHEIMER:

Mr. Speaker, responding to the point of order, I think it is important that the record be set straight. Number one, a communication of sometime around October 9 made known to all hon. members, and I think the general public, what the order of business was going to be in the House. That was settled last week. The hon. gentleman was not here, and I am not criticizing that, but last week, I recall, the opposition asked what legislation would be coming up and either I or my colleague to my left said, that when we finish -

MR. BARRY:

Two bills was all you gave us.

MR. OTTENHEIMER:

Yes, I realize that, the psychologists' bill and one other,

whatever it was. We did not go through an entire list and I think that was based on when Supplementary Supply was completed. There were only two bills, but the gentlemen were informed what the two bills were. We have now said we are going to go from twenty-eight to thirty-four. The fact is, for the past month all of these matters have been on the Order Paper. I mean, nobody is stopping the hon. gentleman from debating any bills. Nobody is stopping him from doing that. None of this legislation is appearing on the Order Paper out of the blue, it has been there for weeks, and if anybody wants to get up and speak on it, they have a perfect right to do so.

But, I mean, the hon. gentleman says he cannot find his notes, or they are downstairs and he cannot get them up. Well, surely, we have to be able to carry our own notes around. You know, everybody is in that position; they have some notes and they are supposed to bring them, or, if not, have a secretary bring them and give them to the page. But, really, I think it is a little bit - I do not wish to be offensive - crybabyish. I mean, the hon. gentleman has as much right to speak as anybody else. Nobody is stopping him from speaking. That is about all we can do about it.

MR. SPEAKER:

To that point of order, there is no point of order.

MR. RUSSELL:

Mr. Speaker.

The hon. the Minister of Consumer Affairs and Communications.

MR. RUSSELL:

Mr. Speaker, the explanatory notes kind of explain what the bill is about, but perhaps I should give a little bit of background as to what led up to the necessity for bringing in this legislation.

On January 7, 1983, the Registrar, under The Loan and Trust Corporations Act in Ontario, took control of the assets of a company known as Crown Trust Company. On February 1, 1983, the Ontario Legislative Assembly enacted The Crown Trust Company Act. In essence, what this bill does is transfer the assets of the Crown Trust Company to Central Trust Company. This, I understand, is being done in practically every other Province in Canada so that the assets will be transferred to this one company. In order to do that, this piece of legislation is necessary here in Newfoundland so that the assets of the company here could be transferred as well. So it is really an act in compliance with similar acts that have been passed or will be passed in other provinces of Canada.

Mr. Speaker, I move second reading.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER:

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, I know what the bill is doing, but we are not sure why it is being done. Where is Crown Trust now? I am sorry, the minister might have said but I missed it. I wonder if by leave we might have the minister indicate - we could expedite it if we could - where Crown Trust is now?

MR. RUSSELL:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the Minister of Consumer Affairs and Communications.

MR. RUSSELL:  
I mentioned - I think this answers the question of the hon. the Leader of the Opposition (Mr. Barry) - that on January 7, 1983, the Registrar, under the Loan and Trust Corporation Act of Ontario, took possession of all of the assets of the Crown Trust Company. They went into receivership, as I understand it, and this is to transfer their assets to Central Trust Company. As well, similar legislation has to be enacted in each of the other provinces to do that.

MR. BARRY:  
All right.

MR. FENWICK:  
Mr. Speaker, I would like to speak on this bill.

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

MR. FENWICK:  
By the way, Mr. Speaker, could you tell me how much time I have to speak on this bill?

MR. SPEAKER:  
A half an hour.

MR. FENWICK:  
A half hour, is it? Okay, thanks. That should be plenty of time.

Mr. Speaker, when I see a piece of legislation like this, to transfer assets from a bankrupt company to another company, it raises, I think, a very large question for us all here. The question is:

How secure are these financial institutions, and what kind of inspection service do we have in them? Are we really telling people that these are secure institutions, places where they can put their money and it will be in place where they will certainly always have the opportunity to have their retirement and their old age looked after if they actually do go ahead and put their money into them?

I think, Mr. Speaker, we can look now over the last - what is it? - couple of months, maybe the last six or seven months at a number of other financial institutions similar to Crown Trust and Central Trust which have had in the past a reputation of being a secure place for money, but, in fact, have not been. I think a good question we can ask ourselves in this Province is, are we going to sit around and allow these institutions to exist and are we going to allow them to continue to operate without any kind of close supervision of them at all? I think that is a germane question, especially when we are looking at a particular bill, Bill 47, in which we are transferring the assets from one particular trust company, which has obviously gone broke, to another trust company. I think that is what the minister said, and I think it is a worrisome thing. Because the Northland Bank and the Canadian Commercial Bank, both of which were financial institutions that I think even our Provincial government had money into, people felt confident about them and they felt confident about the Canadian banking system. They felt confident that as a result of inspections by the Federal government, in this particular instance, we would have guaranteed investments for the Province, and

the credit unions, and the businesses, and so on, which had money in there.

Rather than just simply going and passing this by plunking it through with a whole bunch of other Bills, I think we should spend a bit of time thinking about the whole question of how secure our financial institutions are. Are they indeed worthy of the trust that the people of this Province have given them? Are they worthy of the trust that our corporations have given them? Are they worthy of the trust that the Provincial government has given them? I think this is something that we should think about closely rather than just automatically taking the assets of a company that has gone down the tube and allowing them to be transferred over to another company. So in the form of questions, which the minister when he finishes the debate on this Bill can perhaps address, what I would like to know is what kind of staff do he have in his department to look into these kinds of operations? Are we in a position where we can assure the people of this Province that their assets are well looked after? I can think of the fact that we have an abysmal pension plan. We have Canada Pension Plan and a lot of people have private ones, but, in our Province, we really do not have large numbers of private pension plans for people to retire with. We have, for example, large numbers of people in the inshore fishery and in the fish plants, none of whom have pension plans and who may be relying on trust companies, just such as this, to secure their investments and to make sure that in the long run they will be able to have a little bit to retire on.

As a matter of fact, that whole question of pensions is one that I think we have been very negligent on. For example, I have had some correspondence with the Minister of Finance (Dr. Collins) and I continue to insist that the abysmal habit of his Provincial government of contracting out services has always led to a lack of pension plans on the part of the employees who eventually work with these services. For example, the individuals who come in here after six o'clock and vacuum the carpet and polish off the tables and clean everything up, these individuals are in a contracted out service, Mr. Speaker, and, as a result, they have very, very, very few benefits that they can rely on. They are getting paid the minimum wage, usually \$4 an hour - not even the \$4.09 that those lucky individuals got on the student programme this Summer, on average - and these people desperately need pension plans. I do not know if from their \$4 an hour they will have enough money to put into Crown Trust or Central Trust, or whatever we are going to call this particular institution later on, but, the fact is, these people have a real need to make sure that their old age is looked after and that they are secure.

Continuously I wrote the Minister of Finance and asked him why the Provincial government acts as one of the worst employers in the Province. Why, for example, would a janitor who is working for Memorial University, or a janitor working directly for the Provincial government, make \$7 or \$8 or \$9 an hour, why would those janitors receive a group life insurance plan, why would they have a pension plan that they can contribute to, when the poor wretches who clean this Chamber

when we leave get minimum wage, no pension plan at all, other than the Canada Pension Plan, which is provided by law? And, of course, in their cases they are also going to have to get the old age supplement, because if they work for this Provincial government through a contractor, for the next twenty or thirty years, they will end up in a position where they will not have any kind of a pension.

So it is for these people that I am worried about these trust companies, worried about the trust companies failing, worried about the lack of supervision from the minister's department which does very little to examine these individual companies, as I understand it. My understanding is, by the way, that the Ontario Securities people are one of the only ones which look into these particular institutions, that we wash our hands of them, just as the Minister of Finance has washed his hands of all the people who are working for the contractors out there. I think that that is a very lamentable thing and it shows the classical kind of Tory thinking that we are getting from the government opposite, a kind of thinking that says, 'If we can save a buck or two by having the rug vacuumed each night by someone who is working for a contractor, then we are not interested in that persons security, we are interested in saving that buck. We are not interested in providing pension plans for them, we are not interested in group life insurance plans for them, and we are not interested in supplementary health plans. We are not even interested in the fact that if they are sick a day they can stay home and get better rather than having to come to work because the contractors

will deduct a full days pay from them, they will give them no sick pay whatsoever.' Mr. Speaker, that is a very, very lamentable thing and one that I think this government should be held totally responsible for. That is the reason, Mr. Speaker, we have to be concerned about these trust companies, because these are the only places they have to go, although it defies me how the woman who comes in here and cleans this Chamber, who gets four dollars an hour, by the way, works twenty-five hours a week - I thought I would mention that she does not work forty hours a week - gets \$100 a week minus UIC premiums and Canada Pension Plan, I guess, although I wonder if they go down that low, and be expected to live on that \$100 a week and save whatever pennies she can to put in her RRSP, that would be in Crown Trust or Central Trust or whatever the particular company would be.

I think, Mr. Speaker, that we have got to hold this government up to the shame that it must bear, for, in the long run, it is responsible for those poor wretches who have to come in here and clean the carpets. It is they who have said, 'We will give those jobs to the lowest bidders.' They will find businessmen, and I hate to use the word 'businessmen', because, as far as I am concerned, the people who are involved in the contracting out business are not businessmen, they are white slavers, they are people who traffic in human misery. That is really what they are. What we have here is a government which uses that whole system to try to shave a few pennies off its costs.

And it is not only here, Mr. Speaker, it is not just in the

Confederation Building, although they are five or six or seven employees who clean this building, and they are the ones that I get to see late at night, sometimes, when they drop into my office, and these are the people who ask me continuously why they do not have any fringe benefits. It is not only here, you will see them at the Government Building in Grand Falls, you will see them at the Government Building in Corner Brook, at the Sir Richard Squires Building, named after the biggest Liberal crook that ever ran this Province. And I hate to say it, because there are a lot of people here who are vying for that title, but, in my opinion, he probably was the worst one. But it is happening in the Sir Richard Squires Building, it is happening in all the vocational schools in this Province, that all the cleaning is done by people working for contractors, all making four dollars an hour, usually, or maybe four dollars and nine cent an hour, if they are lucky enough to get up to the average of the Summer Works Programme.

This is a lamentable thing, because these people have to rely on these trust companies, these trust companies that go broke, in order to accumulate any kind of a decent income for themselves. That, of course, is accumulating an income when they are only making four dollars an hour and working twenty or twenty-five hours a week. That is a very lamentable thing to see.

Well, Mr. Speaker, it is not only that that is wrong, there are other things wrong with it, too. In some instances, those individual employees have, through dint of hard work, gotten their salaries up to four dollars and

ten cents an hour, or four dollars and fifteen cents an hour, or maybe up to the astronomical sum of four dollars and twenty-five cents an hour. I have actually heard of people who made that much money. Not for long, though. Because what happens when they make four dollars and twenty-five cents an hour? The contract is let out again and the employer, because his salaries are twenty-five cents an hour above the minimum wage, loses the contract and these employees who have worked two, three, four, five or six years for the provincial government, through a contractor, through these white slavers, I call them, are forced to go out and look for jobs again. All they will have is the money they have put in these trust companies. That is all that there will be for them to live on. Yet, we cavalierly want to pump this bill through the Legislature in just a few minutes. I mean, it is inexcusable to do anything like that.

Obviously, we must care about these people a lot more than we ever have before. I stand here and I accuse the Minister of Finance (Dr. Collins) over there of being uncaring about it. Because these trust companies are undependable, they are the kind of institutions we cannot depend on because they may go out of business, and we have proof of it right here in bill 47, because of that I asked him would he be willing to allow the people who work for these contractors, these poor wretches who work for four dollars an hour for twenty-four hours a week to make the princely sum of \$100, \$5,200 a year, Mr. Speaker - you cannot even find the poverty line at that level, you do not even know where it is. Most

of them, of course, have to hold down several jobs, working in several different buildings, because there is no way they can possibly keep body and soul together on that.

I wrote the minister and I asked him, 'In all good consciousness, why can you not allow those poor wretches who have to rely on these trust companies to be covered by the Public Service Pension Plan?' It is a big pension plan, about 10,000 or 20,000 members or whatever, I forget the number, a lot of them, anyway. We have a different plan but a similar plan, paid for out of provincial government coffers and our donations and so on. Why could not these poor wretches be included in our Public Service Pension Plan so that we would not have to force them into these insolvent trust companies, we would not make them sink to this level of poverty by having to save their dimes and nickels and pour them into these trust companies which are only interested in making money and making a profit and so on? The Minister of Finance (Dr. Collins) wrote back and said they would not do it, that their kind of largess, their kind of humanity did not extend to them. It would extend to a Minister of the Crown making \$30,000 as a minister and another \$23,000 to \$35,000 as a member of the House, making \$50,000 or \$60,000 a year. Their generosity would extend there but not to those poor wretches who make \$5,000 a year cleaning the carpets here.

And I argue to you that that is just as important in the overall scheme of things as most of those ministers over there. As a matter of fact, I would argue that it is

a heck of a lot more important than most of those ministers over there, because they have abdicated their responsibility and they have forced these people into the depths of poverty. They are not even concerned that they have forced them into these trust companies which will scandalously rip them off in terms of their registered retirement savings plans, as if they could afford them at \$5,200 a year.

Mr. Speaker, that is why we have to examine these kinds of bills very closely. We have to look at the fact that there is a human injustice being done here, that these people who work for the Province every bit as much as the member for St. John's North (Mr. J. Carter) - no, no, a lot more than the member for St. John's North, because the member for St. John's North has not had an original thought since the Fifteenth Century, or the Sixteenth Century. I am not sure which was the darker of the ages.

MR. J. CARTER:

A point of order, Mr. Speaker.

MR. SPEAKER:

Order, please! A point of order, the hon. the member for St. John's North.

MR. J. CARTER:

It has been the accepted practice in this House that if misinformation is supplied to the House that someone who has knowledge of that misinformation should set the record straight, and that is the basis of my point of order.

The member for Menihek (Mr. Fenwick) has been talking about poor wretches who earn \$5,000 year. In this Province, because



of the minimum wage laws, even someone earning the minimum wage will make \$8,400 a year. And I am not suggesting that that is even necessarily adequate, but it is rather more than \$5,000. So if the member is going to bandy around figures, I wish he would bandy around the right ones. It is like people quoting scripture, if they are going to quote it they are free to quote it, but they should at least give their sources.

MR. SPEAKER:

To that point of order, there is no point of order.

The hon. the member for Menihek.

MR. FENWICK:

Thank you very much, Mr. Speaker. Of course if the member had been in the House at the time I started this particular expose of the government and its callous attitude to its employees, he would have realized that I had explained that, that the people who work here, the people who clean this rug - I will repeat it for the member for St. John's North so that he can get it straight, because obviously he has it wrong - work for contractors and they work twenty-five hours a week at four dollars an hour.. That is what the individuals have told me, because that is what the contractors works them for. Now, if the member for St. John's North wishes to interject at this point -

MR. J. CARTER:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the member for St. John's North.

MR. J. CARTER:

It depends upon the number of hours a person works, obviously.

If you do not work a full week, you do not get a full week's pay. If the Leader of the Opposition (Mr. Barry) gets \$50,000 for doing some research and only works two hours, he does get \$25,000 an hour, that is certainly true.

MR. BARRY:

And I deserve every cent of it.

MR. J. CARTER:

That is possibly another issue. But the point is you do not pay people high wages just because they work short hours, you try to pay them a reasonable wage. I appreciate what I think is the member for Menihek's concern about people. I doubt very much his sincerity, but I am not allowed to say that.

MR. SPEAKER:

To that point of order, it is a difference of opinion between two hon. members. There is no point of order.

MR. FENWICK:

Thank you very much, Mr. Speaker.

I should thank the member for St. John's North. I felt a tickle in the back of my throat and there was a possibility my voice would wane in this most important debate, so I appreciate the fact that he gave me a chance to sit down and spell myself.

The fact of the matter is, Mr. Speaker, that these people work after we finish here at six o'clock. They come in around 7:00 p.m. and they work five hours. That is taking them to 11:00 or so this evening, anyway. This is the kind of work that they are involved in. I fully appreciate the point, Mr. Speaker, that the member for St. John's North (Mr. J. Carter) has made. These

individuals can make more money if they can find another part-time job somewhere else that will dovetail with it, and in many instances they probably do. Because, obviously, \$5,200 a year is not enough to keep body and soul together and since I assume the fact that they come back day after day to continue doing the work and doing it admirably, I might say, that on those grounds we must argue that they have kept body and soul together and it is certainly possible that they have made more money elsewhere.

But the fact of the matter is, Mr. Speaker, that in that job they deserve more, but they get none of the benefits that we take for granted in here. Members of the House here, after five years and two elections, are eligible for a member of the House of Assembly pension. These individuals can work fifty years in the position they are in and would receive none and, as a result, as I keep on saying, would have to rely on these - well, I am not going to call them fly-by-night outfits because I do not know anything about them, but obviously one was in trouble or it would not have been taken over by the other - trust companies for their pension plan. And at four dollars an hour there is just no amount left over whatsoever to put in it. But if they did put any money in, or if anybody put any money in, they would have a hard time to know whether this company was solvent or not, whether or not it was safe.

Now, I know later on when the minister gets up, he is going to tell me about insurance on deposits and RRSPs and all that sort of stuff, and I agree there is insurance and all the rest of that stuff involved there.

Although there seems to be a really interesting insurance scheme if we go by the recent failures of some trust companies and some banks, well, the banks especially, the Canadian Commercial Bank and the Northland Bank. Here we have a situation where the insurance company, which I assume, by the way, was getting premiums - I mean, it is an insurance company, it was probably getting premiums, even with the Unemployment Insurance Act you have to pay premiums - so that everybody who deposited money into that bank got a certain amount of interest. Instead of getting a little more interest, a little bit was taken off and was paid in insurance premiums. Am I correct? That is what happens? If I put money in a bank, say the Canadian Commercial Bank, and I were getting a certain interest rate, I am probably getting a slightly less high interest rate because a little bit went to the insurance company, the master insurance company which secures all these things. Well, that is money we paid out. And what happened? The people who were putting more than \$60,000 in these banks, they were putting in \$1 million or \$2 million - am I correct, in listening to the Minister of Finance (Dr. Collins), that we were brilliant enough to put money in both the Northland Bank and the Canadian Commercial Bank? Am I correct in assuming that? This is one of our wise decisions in terms of investing? Am I correct in that? Which one? Was it one or both? Did we pick both?

SOME HON. MEMBERS:

Oh, oh!

MR. FENWICK:

Oh, I am sure of it. They have no

edge on brilliance either. I mean, they are people in labour unions. What do they know about the fantastic vagaries of finance that we have in our minister over there, who is always able to put our money in the safest investments. I just throw that out here.

But the point is this: If you had \$60,000 in there, you paid premiums. You paid premiums by lower interest rates to secure your money to the insurance company. People who put in over \$60,000, since it was not insured, I assume the insurance company could not take premiums from them. I am just assuming that. I am waiting for the minister to correct me if I am wrong on it, but it seems to me that they got probably a little higher interest rate because they did not have to pay the premium. Is that a reasonable thing, would you say, to expect to happen? I mean, it seems reasonable to me and I am throwing it out for information purposes. And when the minister gets on his feet I am sure, in a masterly rebuttal to everything I have said, he will include that information.

But the fact is, they got insured as well. Eight hundred million dollars for starters - sounds like some poker game, \$800 million for openers, and they are going to get \$800 million. These are all the unsecured creditors, the people who put over \$60,000 each into it. And that is not all. The total bill could be as high as \$3 billion to all these people who never paid insurance premiums - at least, I think never paid insurance premiums.

And these are the people whom we have to start worrying about. I

do not know how many members opposite have enough money to go up in the hundreds of thousands of dollars and the millions of dollars in this particular company, but we should be very concerned that these companies are solvent, that the minister's department is inspecting them on a regular basis and is making sure that their loans portfolio is of high quality and not of the quality of the Northland Bank or the Canadian Commercial Bank, or any of those trust companies which seem to me to have gone to their just deserts over the last number of years in Ontario and other places, as well. That is why, Mr. Speaker, we cannot possibly allow this kind of bill to just go sliding through the Legislature. We have to raise these questions. We have to ask ourselves if these people are protected. Are people who have over \$60,000 in them guaranteed something? I am going to say something that is practically heresy here, and I do not want to be quoted again, I am saying it within the intimate confines of the Green Chamber here. I know people who are not rich who have estates over \$60,000. It can easily happen, a family house is sold and because of land values and so on - not like Labrador City, of course, where land values are dirt and you cannot get anything for any of the houses up there.

AN HON. MEMBER:

It will not be for long, though.

MR. FENWICK:

Well, let us hope. With this mines minister here, though, I have no confidence whatsoever in the mining industry.

MR. DINN:

I will see you up there.

MR. FENWICK:

Well, let us just say that I hope the mining companies are more competent than the minister, but I am not entirely sure. But the fact of the matter is, you can have an estate than can very easily go up to \$100,000 or \$200,000 just by having a property down in St. John's somewhere that you bought for a reasonable amount years ago. So we could have people who are not wealthy, people who are not well off particularly, who maybe have an estate of \$100,000 or \$125,000 and they ask themselves where they are going to find a place to put this money: 'Where are we going to find a place so that we can get our 7 or 8 per cent interest and not have to worry that the stockmarket will fall, not have to worry that there might be a bad loans portfolio in that trust company?' That is why, Mr. Speaker, I think the minister here is abdicating totally his responsibilities by not telling us in detail, when we discuss this bill, exactly how these trust companies are inspected by his department, how we know that all these loans portfolios are at least what they say they are and not like the Canadian Commercial Bank or the Northland Bank, where we had a \$100 billion bail-out by, unfortunately, the members' counterparts in Ottawa. That is a very important reason why we should get answers from the ministers. I think in the debate on second reading we should get those kinds of answers.

In the last five or six minutes I have, Mr. Speaker, in my half hour, I would like to return to the poor wretches I started with, the people who run the vacuum cleaners over this rug, the people who really make government buildings worth habitable, the

people who are absolutely downtrodden by the minister and his government's total neglect of their responsibility in telling people, no, you cannot have this as a permanent job, you have to work for these contractors, who, quite frankly, are synonyms for white slavers. That is the only expression that could be given for them, and even that is probably generous, these people who hire people for four dollars an hour, work them for several years and then, when finally they give them maybe a small raise, or maybe it is yanked out of their hands by the fact that the members have actually gone and joined a union - it is heresy in this House to even suggest that you join a union - what happens after that, Mr. Speaker? After a year or two, Public Works, headed up by our friendly undertaker, decides they will go and bid the contract out again. So it is put out on tenders again and they say, no, the salary that these poor people are making who are cleaning this rug is four dollars and fifty cents an hour because they have been here ten years - no other benefits, by the way - so the next guy goes and puts a bid in and he says, no, I am going to return them all to the minimum wage, four dollars an hour, which is a scandal in the first place, as far as I am concerned, four dollars an hour minimum wage.

The fact is, Mr. Speaker, that the unionized outfit will lose the job, they will lose it. They will not be able to keep it, because at \$4.50 an hour, it is bid on a number of hours and so on, they will lose the job. And now the new contractor will come in. And in a lot of cases this is the famous double-breasted, one company incorporated in maybe the

Leader of the Opposition's law firm and the other one incorporated in maybe the House Leader's law firm, but basically two companies which toss their contracts back and forth, and when it gets up a little big they decide, to heck with it, we are going to bid a little bit high. We know we are going to lose the contract, but we will go bid on the Grand Falls building and we will get that and we will clean that one for the next couple of years. And the guy who is contracting out in the Grand Falls building scurries over here and puts in a bid and gets the Confederation Building. They pass them back and forth like that, continuously, and the poor wretches continue to work at minimum wage, yet they do every bit as much important work as any person who works for the government.

And the Minister of Finance continues to refuse to allow them to join the pension plan, and he continues to insist that that work will continue to be contracted out again and again and again so he will save a few bucks here and there. It is unconscionable. It drives them into the hands of these trust companies in order to set up their retirement incomes, and that is not fair and it is not right.

MR. FUREY:

Do they clean Buckingham Porch, too?

MR. FENWICK:

God knows! But, Mr. Speaker, in this debate all I have tried to say to you is it is not fair for us to take legislation that is important, it is not fair for us to ram fifteen pieces of legislation through in a single

day, not after we have spent four weeks of useless, silly debate on that supply bill. And it was useless and silly. I came back last night and I picked up six copies of Hansard for the last week and a day and read through it. My God, I missed nothing! You sat here and insulted each other. That is all you did in that whole period of time and there were thirty-five pieces of legislation on the Order Paper. Now you want to flush them down like going through a toilet, and you are blaming me for holding you up. Well, you are damn right I am going to hold you up because you should be held up, held up to ridicule.

Do you know what the reputation of this House is out there now? Do you know what our reputation is? People are laughing at us. I am hoping they are not laughing at me, but they are laughing at all of us because they have heard from the media the kind of nonsense and foolishness we have been getting on with. I look back and we started the debate on Supplementary Supply about October 25, and that is all we have been doing.

MR. TULK:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the member for Fogo.

MR. TULK:

I do not know why the hon. gentleman is so upset about the fact that we stayed on Supplementary Supply. The same points that he is now making on this bill, if he had wanted to get into debate he could have certainly made them all on the Supplementary Supply Bill.

MR. BARRY:

He does not understand that, I do not think.

MR. TULK:

Is it possible that the member does not understand it? Because his argument is totally illogical. Presumably, if he had wanted to make all the points he is making now, he would have kept the Supplementary Supply Bill going this afternoon. Nonsense!

MR. BARRY:

And with much greater freedom.

MR. FENWICK:

Mr. Speaker, is that a point of order or the usual nonsense we get from the Leader of the Opposition?

MR. SPEAKER:

Order, please!

To that point of order, it is a difference of opinion between two hon. members. There is no point of order.

MR. FENWICK:

Thank you, Mr. Speaker. Anyway, we have another minute or two and I will just finish up. What I want to say to you is this -

MR. TULK:

He could have made all those points on Supplementary Supply.

MR. FENWICK:

Quite frankly, I thought there was some legislation that should have been debated. I really did. It astounds me. I went on this Committee for about two months, going through it trying to say that we deserved a raise here. After this last month, I am not entirely sure I was right, because we have failed abysmally the people of this Province in the way we have behaved over the last

month. If you want to take thirty-five pieces of legislation, crank them through the toilet just like they are used toilet paper, then that is your job. But I am not going to sit here and allow you to do that without objecting to it.

MR. BARRY:

A point of order, Mr. Speaker.

MR. SPEAKER:

A point of order, the hon. the Leader of the Opposition.

MR. BARRY:

Sanctimoniousness can be carried just too far. Could we ask the member for Menihek -

MR. FENWICK:

What is your point of order?

MR. SPEAKER:

Order, please!

MR. BARRY:

If the member would keep quiet for a minute and observe the rules of the House, he might find out.

What is this we, 'Tonto'? He gets up there and says, 'We should be ashamed of ourselves.' What is this we? Where was the member? If he did not like the way debate was going, why did he not interject? Why was he sat there like a lump for the last month, Mr. Speaker? Why does he not speak about his district problems and his district concerns? We are getting letters from the people of Menihek expressing concern about the location of a manganese smelter which, indications were, they might see located in Wabush, but all indications are it is going to Quebec now. Mr. Speaker, there is the problem of electricity rates within Wabush and what should be done there to

ensure that the system is improved properly. The level of the minimum wage, the adequacy of the minimum wage, all of these issues the member could have been on his feet and debating instead of now moaning and groaning because the debate did not go the way he wanted it to go.

Now, the member has some responsibility and liability in this House for the way in which the debate is carried out, let us see him participate and stop this Sunday morning quarterbacking, Monday morning quarterbacking, Thursday morning quarterbacking - what day is this, anyway?

MR. SPEAKER:  
Order, please!

There is no point of order, and I would like to inform the hon. member his time has now elapsed.

The hon. the Minister of Finance.

DR. COLLINS:

Mr. Speaker, I think that as sinners we are now seeing the wages of our sins. In this House for many, many years, we had P.Cs and Liberals and we got on in our own way here, but at least we did not have to put up too much nonsense. Then our attention wandered a little bit in the by-election a little while ago and we allowed the N.D.P. member to come into the House. Mr. Speaker, we have only ourselves to blame. These are the wages of our sins. We did not pay attention; we should have kept it P.C. and Liberal, more P.C. than Liberal, but we should have kept it that way, we should not have let our attention wander. Now we see what the wages are.

We have had to put up with a lot

of rubbish, a lot of ancient, disgarded, fousty, anachronistic, socialist rubbish. That is what we have had to put up with, a socialist polemic for the last half an hour or so. Once we allowed the N.D.P. to beat us in an election and come into the House we, of course, had to face this. We knew this would come up. Now, how did we know this would come up, Mr. Speaker? We knew it because it came up in any number of places.

We knew, for instance, that the N.D.P. took over in B.C. a number of years ago and they practically drove one of the richest Provinces in Canada into the poor House. They are so screwy in their economic notions. They are totally out to lunch in terms of how to handle things economically and financially.

Mr. Speaker, we also know that the N.D.P. were the Party in power -

MR. SPEAKER (McNicholas):

I think maybe the hon. minister is getting away from the second reading of the Bill.

DR. COLLINS:

Mr. Speaker, if I may just very briefly show my relevance. The hon. member that just sat down made the point that this government is not running the government as it should in terms of the poor people in this Province. I am trying to make the point that he is going on one theory, which I am trying to show is a screwy theory, and we are going on another theory, which I hope to mention in a few moments to show that our theory is a much better theory of government. So, Mr. Speaker, if I could just continue, I will try to be as relevant as possible.

As I mentioned, the N.D.P. were the Party in power in Saskatchewan for quite a number of years and if anyone has travelled throughout Western Canada, you know that it is populated by people from Saskatchewan. Scratch any Albertan, scratch any British Columbian, scratch a Manitoban and say 'where did your family come from?' About ninety per cent of them will say that they come from Saskatchewan and the reason for that is that the Saskatchewan economy was so poorly served by the N.D.P. that they scattered all over the place. Now, there has been a P.C. government in Canada in recent years and Mr. Speaker, did you know that Saskatchewan is a 'have Province'. It is one of the few 'have Provinces' now.

In the same way, I could mention Manitoba. There has been a change there, but in Manitoba, I will say this for them, they have been in power long enough now to have some sense about economic and financial management and they only partly screwy.

Mr. Speaker, let us get back to the argument that the hon. member brought up. He mentioned the cleaners in the House of Assembly and what was his answer, Mr. Speaker? He said they should be government employees. Now, that is hoary, old, antiquated, discounted, socialist theory. In other words, make everyone a government employee and you solve the economic problems. That goes back, I do not know how many years, but it goes back at least to the early eighteen hundreds. That is the discredited socialist theory. Make everyone an employee of government and we see the millennium.

I always remember the example that

was given to me once, the difference between the P.C., Liberal and N.D.P. You take a community where there are some people in the poorhouse and some people in older houses and some people in very rich houses and when the P.C. gets into power, what does he try to do? He tries to have everyone move up the scale so that they are all in a very luxurious house. What does a Liberal try to do? He tries to let all his friends move up the scale until they get in a luxurious house. What does the NDP decide to do? He tries to get everyone down the scale until they all live in the poor house, but at least they are all equal. That is the hoary, old, socialist attitude that the hon. member is bringing into this House.

Mr. Speaker, if we follow the hon. member's argument all the way through what we should do, we should take everyone, not just the cleaners - why just take the cleaners - we should take everyone on the minimum wage and say that, "You are not earning enough so we are going to make you an employee of government. We are going to make you an employee just so you can get hold of the pension benefits." The hon. member seems to think that we employ people in government for the purpose of giving them pensions. It is not that we employ people in government to do the necessary things that government has to do with services or programmes or whatever, the reason why we employ them is to give them pension benefits. I mean that is the sort of screwy attitude that the hon. member, and I am not talking about him individually, his type, the NDP, that is the sort of mind set that these people have.



In time, if they are exposed enough to the governmental process, they will get over that sort of strange mind set of theirs. Anyway, that is what he is implying. He says, "If you are on minimum wage, you should be made an employee of government so you can get benefits." I am sure there is no reason why you should only do that for cleaners who are on the minimum wage. Why not the shop keepers who are on minimum wage? Why not the helpers on trucks who are on minimum wage? Are they not as good as the cleaners? Are the people in shops on minimum wage not as good as the cleaners? So that is his argument. Make everyone in low remunerative jobs government employees.

Of course that is a foolish theory. It does not bear examination at all and I will say this for my Liberal friends opposite, even they know that it is a foolish theory. They do not have too much insight on how to do things, but at least they have that insight on how to do things. You do not do that.

How does anyone sensible handle those people who are on low incomes? You do not bring them all into government employment or you would have such a range of people taking money from the public purse that you just would not be able to do anything else. There would be no education almost; there would be no social services otherwise; there would be no health care; there would be no industrial development and so on. You would have such long-tailed government employee roster that you would not be able to do anything else. So what do you do? You cannot leave these people. What do you do with

them?

Any sensible governmental management arrangement or economic system says you recognize that these people are out there so you give them a social safety net. That is what you do. You do not take them all into government employment as a means of securing their future when they no longer working and when they are retiring. You understand that you cannot do that. It is a strange, foolish, cracked theory. What you do you put in place a social services safety net.

You give them publicly-funded pension benefits. You give them other support when they are sick or when they have excessive number of children or whatever, and that is what we do here. These individuals do not need to be public servants, as was mentioned. It is very difficult to even conceive of them being full-time public servants, even if you wanted them to do so. They tend to work a shorter number of hours than your average public servant, so their jobs are not really appropriate for the public service. So we do, as commercial firms do, as any number of people outside the government do, we take those on on a contractual basis. We go to public tender for the contract. We pay promptly, as any government does, to the contractors so that he can pay his employees and that is the way it is sensible to work things. We have in place, not only we as a provincial government, but the federal government too, we have in place an arrangement so that these people on not a very high scale, no one says that, they do not work during their working life on a very high scale of income and that is a shame, but nevertheless that

is a reality of life. When they are no longer working, when they are retired, they get certain benefits, again, not on a very high scale, but at least those benefits they get have some clear and close relationship with their earning power before retirement.

So the hon. member gets on there with all his sort of thumping of the desk and raising his voice and all the rest of it saying, I accuse, and, you know, you are white slavers over there and all this sort of thing. This is all polemic, all rhetoric, all rubbish that has been discounted any number of times.

Everyone would like people on low incomes to earn more and to have more benefits but you do not do it in the stupid way that the hon. member suggests. You do not make them all government employees. You put in place as fair and as good and as generous a social services safety net as you can out of the public purse, or at least matching from the public purse, and that is what we have done in regard to these individuals. The system is working very, very well.

AN HON. MEMBER:  
Right on.

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

SOME HON. MEMBERS:  
Hear, hear!

MR. RUSSELL:  
Mr. Speaker.

MR. SPEAKER:  
The hon. the Minister of Consumer Affairs and Communications.

MR. RUSSELL:

Mr. Speaker, during the course of the remarks made by the hon. member for Menihek (Mr. Fenwick) he mentioned the word 'toilet' several times. I think that is fairly relevant, Mr. Speaker, because we could certainly describe his speech as a diarrhea of words and a constipation of thought.

SOME HON. MEMBERS:  
Hear, hear!

MR. RUSSELL:  
One of the questions he asked was about the auditing and the supervision of trust companies. If you were to take out that 2 per cent or 3 per cent of his speech, it was a little bit relevant perhaps to this particular piece of legislation.

He must know, for example, that Central Trust Company and some of the other larger financial institutions are federally incorporated and audited and come under the auspices of the federal authorities.

In terms of my department and the provincial companies, we do have a person on staff who is a chartered accountant who -

AN HON. MEMBER:  
You only have one?

MR. RUSSELL:  
We only have one, yes. We certainly could use more. But he does his best to go around the Province to try to see that the provincial companies are adhering to the various pieces of legislation.

AN HON. MEMBER:  
Are they insured too?

MR. RUSSELL:

Yes, they are.

AN HON. MEMBER:

(Inaudible) St. John's?

MR. RUSSELL:

I am not sure, I will have to check that out. I think they are, yes.

Anyway, Mr. Speaker, most of what the hon. the member for Menihek (Mr. Fenwick) had to say was certainly not relevant to this specific piece of legislation. So I move second reading.

SOME HON. MEMBERS:

Hear, hear!

On motion, a bill, "An Act To Convey Certain Trusts And Properties In The Province From Crown Trust Companies To Central Trust Company," read a second time, ordered referred to a Committee of the Whole House on tomorrow (Bill No. 47).

Motion, second reading of a bill, "An Act To Amend The Public Utilities Act". (Bill No. 51).

MR. RUSSELL:

Mr. Speaker.

MR. SPEAKER:

The hon. the Minister of Consumer Affairs and Communications.

MR. RUSSELL:

Mr. Speaker, this bill was given notice of by the Minister of Justice (Ms. Verge) as the Public Utilities Board reports to her department.

MR. TULK:

Do you have her notes?

MR. RUSSELL:

No. As the subject matter of this bill pertains mostly to a study

that was carried out by my department, she asked me if I would introduce the bill on her behalf.

Mr. Speaker, this bill, of course, deals with the rates that were being charged to cable television companies and the method by which the cable companies pay and thus the amounts which they pay. The rates, of course, that the Newfoundland cable operators pay to attach their cable to the poles are more than double, as is brought out in the report, the next highest in Canada.

Earlier this year, as hon. members are aware, government commissioned an inquiry into this matter and received a report from Professor Andrews at Memorial University which included a number of recommendations. I think there were six in total. Government agreed to five out of the six and the five, the first five I think it was, really dealt basically with accounting matters and procedures and rates and formulas for the rates being charged to the cable companies.

This bill will, in essence, give government the procedure, if you will, to implement the five recommendations of the report. It would allow the Lieutenant-Governor in Council to give direction to the Public Utilities Board on matters pertaining to the compensation for phone attachments for cable companies. It is the intention of government to make this amendment and thus require the Public Utilities Board to change the formula and thus the rate being charged.

For many years the government encouraged the cable industry and

made representations, I suppose, to the CRTC to extend the cable television services throughout the Province. The industry basically, I think, has done a reasonably good job over the years. But in responding to the needs of the smaller communities, it was kind of difficult to do that because of the high rate that was being charged by the telephone companies for pole rates.

On October 31, I am pleased to say that there was an application made to the CRTC to provide television service to 151 communities in the Province. The people who made that application have indicated to me that if this piece of legislation, which I am introducing today, had not been contemplated or not been passed, then they probably still would have made an application, but the number of communities would have been significantly less than 151.

The formula, of course, proposed by the Commission of Enquiry would effectively see the rate presently being charged to the cable companies reduced by approximately 50 per cent. The new formula, like the current one, continues to be based on actual cost to the utility companies for maintaining that part of their plant which ensures that the utility companies nor their customers will not at any time be subsidizing cable television services.

AN HON. MEMBER:

Will this apply to telephone poles as well as Light and Power poles?

MR. RUSSELL:

Yes, both. Whatever poles they happen to be using, telephone poles or power poles.

AN HON. MEMBER:

(Inaudible).

MR. RUSSELL:

If the hon. member speaks to this piece of legislation and pose some questions, I will do my best to find the answers and provide the answers to him.

The net effect of the reduced rates on the utility companies is minimal. Without getting into the details of the report, this is one of the arguments put forth by the utility companies, that they would lose all this revenue. In essence it is a very minimal amount which they will lose.

Mr. Speaker, that is the gist of this piece of legislation. What it does, in essence, is give the government a vehicle by which to implement the first five recommendations of the Commission of Enquiry into pole rates for cable companies and thus proceed to ensure that the Public Utilities Board carries out this instruction, if you will, or this recommendation, as contained in the report.

It was a good report and I would perhaps be remiss if I did not thank Mr. Andrews at the university for the excellent job he did in preparing and presenting this report.

I move second reading.

MR. BARRY:

Mr. Speaker.

MR. SPEAKER (McNicholas):

The hon. the Leader of the Opposition.

MR. BARRY:

Mr. Speaker, there are several points that should be made about this bill.

First of all, it seems that it is somewhat of an admission of an inadequacy in the existing Public Utilities Act and the Public Utilities Board. It may very well be that the approach that should be taken here is to set out more appropriate guidelines or directives within the legislation, as to what the members of the Public Utilities Board should consider. This is providing for the Lieutenant-Governor in Council to issue directions from time to time in specific instances and that is a somewhat dangerous approach. I think it is called an ad hominem approach, directed to a specific individual or situation. That is Latin, for the benefit of the member for Menihek (Mr. Fenwick), Mr. Speaker, although I am sure it is Greek to him.

It may very well be that the minister should be looking at the adequacy of the wording of the existing Public Utilities Act with respect to the factors that the board should consider, not just with respect to this particular application, but applications of this nature, the factors that they should take into consideration. If it is in the public interest to have the Lieutenant-Governor in Council issue a direction, the Public Utilities Board should have enough common sense, if it is a good board, to conclude what is in the public interest. That is what they are generally there for in these matters.

I think it is a bit dangerous, and I can understand the problem that is there because the board has made a decision with respect to the compensation that is supposed to be paid to utilities for hooking up cable television. Mr. Speaker, I think the indications are that they are being charged

more than is being charged in other provinces.

I think that cable television is something that has come on big in Newfoundland. It is something you cannot keep away from people. If you do not supply cable television, they will get their little discs and they will bring it down themselves. There is a great craving for entertainment, for information, and cable television gives a couple of extra channels that people would be interested in. A lot of it is junk, but I think there are one or two good additional channels available.

The big question however is will the Lieutenant-Governor in Council, before issuing this direction to the Public Utilities Board, ensure that it has a commitment from the cable company to have that reduced cost passed on to the consumer? We are not here, Mr. Speaker, to look after the profits available to a particular cable TV operator or one or two companies, even though some of them may be of assistance to government from time to time. We are not interested here, Mr. Speaker, in putting additional profits into the pockets of those individuals who are operating cable television companies. What we are interested in is having a fee that is fair for the consumer of the cable television service. The minister, who has a responsibility for looking after the interests of the consumer, I would ask that minister to give a commitment to this House that he will ensure that any reduced cost here is passed on to the consumer and not stay in the pockets of the shareholders of the cable television companies.

Mr. Speaker, let us be honest about what is happening here as well. I think the minister has to agree that any reduced charge to the cable television companies is going to mean some impact upon power rates and telephone rates. It may be minimal because the pot is so big in terms of expenses and revenues in the case of the telephone and hydro utility companies that it will not appear to be any significant increase. But what we are doing is passing on a cost, when we do this, from the subscribers of cable television, to those who pay the rates that will be laid down for Newfoundland Light and Power and for Newfoundland Telephone.

Mr. Speaker, the minister should address this directly. In all fairness, I am not saying that that is the wrong thing to do. I think that maybe the power utility and the telephone utility can absorb more of the cost than they are absorbing now because of the benefits that can be obtained from cable television and the additional information and additional entertainment that will be brought out, particularly to rural Newfoundland.

Those light poles are there and you can get economists in and talk about how they should be amortized and how the life of the pole is going to be affected by putting an additional cable on there. I am not really sold by those arguments. What you are really talking about is an additional source of revenue, as far as I can see, to Newfoundland Light and Power and to Bell Telephone, an additional source of revenue. The poles are there and if it is a Newfoundland Light and Power pole, they are getting a fee from Newfoundland Telephone and if it

is a Newfoundland Telephone pole, they would get a fee from Newfoundland Light and Power. Since cable television came on the scene - whoopee! - there is more revenue that can be obtained because we have got one more guest at the feast, one more wire that is going to be added to the poles to supply revenue.

Technically and theoretically what the debate was all about was to find a charge that will compensate them for the wear and tear on the poles. Well, the experts go into the Utilities Board and they give their statistics and they give their background information about how long a telephone pole or a power pole lasts, but by in large, Mr. Speaker, it is very, very difficult to say that the charge that is being levied against the cable television companies now is something that just purely affects the wear and tear on the poles.

I should, by the way, Mr. Speaker, declare some conflict of interest here. Maybe it is something that I should not vote on. I probably will not vote on this because I understand the procedure, Mr. Speaker.

When you have a conflict of interest, which means either a potential clash between your private and public duty or an actual one, you are supposed to get up in this House and declare your conflict and then avoid voting on the issue. So I will avoid voting on this issue. The reason is I think the law firm with which I was associated acted for one of the utility companies - the Newfoundland Light and Power Company - on a rate hearing involving the charge to be made to cable television companies. I had no involvement with that case

myself. I have no private information that came from the fact of that file being in our firm, but it should be noted that the law firm with which I was previously a partner, where I am now counsel, - I am no longer an active practitioner. I am no longer a partner in the firm. I am no longer receiving fees for work done at that firm - but because of past involvement I should express the fact that I had that connection and I should not vote and I will not vote in the House on it.

I want it stressed that I do not have any private information for the course of this debate. I am just expressing my basic approach, even though, I think, in that case the law firm ended up, in a sense it could be considered winning the case or making the case for the power utility before the Public Utilities Board.

I believe there has been a report has there not? Has that been tabled in the House? Would the minister indicate if there was a subsequent enquiry was carried out with respect to the appropriate rates to be charged? Have we received a copy of that?

MR. RUSSELL:  
By leave?

MR. BARRY:  
If we could by leave, Mr. Speaker?

MR. SPEAKER:  
By leave, the hon. the Minister of Consumer Affairs and Communications.

MR. RUSSELL:  
The House was not in session when the report was presented to me so I did not have the opportunity to table it. It has been made public

and certainly I can get a copy for the hon. gentleman if he wishes.

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

MR. BARRY:  
I think, Mr. Speaker, we have seen reports on it. I think before this debate concludes, so that we will have the opportunity when it comes to Committee of the Whole to discuss this a little bit more, maybe we could have that report and possibly distribute it to members before that. There has been new information, obviously, that has been obtained as a result of that. Presumably, this is why the Lieutenant-Governor in Council now wants to have the opportunity to give some more detailed specific direction to the Public Utilities Board as to how to deal with this issue.

The minister should acknowledge, I think, that to a certain extent there will be costs passed over to the general pool of Newfoundland Light and Power subscribers and to telephone subscribers. Maybe the minister might indicate just how great that will be?

DR. COLLINS:  
A point of order, Mr. Speaker.

MR. SPEAKER:  
A point of order, the hon. the Minister of Finance.

DR. COLLINS:  
I am not sure if I should not term it a point of clarification, but I suppose there is no such thing so I will have to make it a point of order.

The hon. Leader of the Opposition (Mr. Barry) says that he is in a conflict of interest situation and

he cannot vote on this bill or at least he will not vote on this bill. What I am just wondering, Mr. Speaker, is if the hon. member should be talking on this bill? Is he not entering into the decision-making regarding the bill by taking on it if he is in a conflict of interest situation?

Secondly, Mr. Speaker, if he is not voting on the bill, can he effectively do his job if he has to withdraw from dealing with the important matters in the House?

MR. BARRY:

On that point of order, Mr. Speaker.

MR. SPEAKER:

On the point of order, the hon. the Leader of the Opposition.

MR. BARRY:

You see there is a specific provision here set out either here in the Standing Orders or by Legislation - I have not been able to put my finger on it in the Standing Orders. I just started looking when the minister stood up - but the minister is overlooking something. What I am doing is complying with the procedure laid down by law, Mr. Speaker, which indicates that a member is able to speak provided that he or she has made the conflict of interest known. The provision is that the member is not entitled to vote. By speaking, Mr. Speaker, I am fulfilling whatever duty I have to the general public. I think it is in the, I will have to check this in the statute, maybe the Legislative Disabilities Act or some other act relating to the Legislature, but this is set out by law. My recollection, Mr. Speaker, is that we are entitled - and it has come up on a number of occasions before - to speak, but

we should not vote. That is the approach I am taking and only because, Mr. Speaker, there is a potential clash, as I have said.

There is nothing here in the approach that I am taking that is going to benefit any client, where I now have any involvement, where I am going to obtain any legal fees from how that client performs or where it gives its business, but because there is a potential with respect to the perception of where I was involved with the law firm when this matter first came before the Public Utilities Board, then, Mr. Speaker, I feel I should make my comments but I should not vote on the matter.

I will be happy to try and find for the minister, Mr. Speaker, the specific legislation with respect to that specific point of order.

MR. SPEAKER:

To that point of order, I will also check into the matter and examine these two points raised about voting and about speaking.

MR. BARRY:

If the minister is unclear as to how I can perform my duty as an MHA, the point is, Mr. Speaker, that it is contemplated by the legislation that this will come up from time to time and that members will have to do this. But, Mr. Speaker, there is a procedure laid down, as in the Conflict of Interest Guidelines, there is a procedure laid down there, where ministers give written letters to the Premier.

MR. TULK:

Or they are suppose to.

MR. BARRY:

If that procedure is followed, Mr. Speaker, and if it is not a matter



of where they rising on - I think the word is 'innumerable' occasions, I think that is the word the Premier has used - innumerable occasions, then there is not that interference with a member's performance, because it is not innumerable times when this happens. Whether or not it happens in other situations on numerable occasions or innumerable occasions, Mr. Speaker, determines whether or not a particular individual can be effective in disqualifying himself for conflict of interest reasons.

Mr. Speaker, I think before we indicate whether we can support this bill we are going to have to have - maybe the minister could be aware of this - we are going to have to hear whether the minister is prepared to see the benefits passed on to the consumer of these cost savings that are being presumably going to flow from these directions that the minister is now going to be giving to the Public Utilities Board.

MR. TULK:

He is the Minister of Consumer Affairs.

MR. BARRY:

He is the Minister of Consumer Affairs. He does have some responsibility for looking after the consumer. Maybe the minister can - and we get into this in Committee of the Whole in terms of the questions we ask when the bill comes up in Committee of the Whole - but maybe the minister could obtain some information as to what the benefit to the consumer might be in a particular case. What will be the saving for the consumer if the direction is given? As I said, we are not here interested just in doing something to put profits in the pockets of

the owners of the cable company. If it can mean savings for the consumer, we will be happy to assist the minister in his job of helping the consumer of cable television services in this Province. We will be happy to do that, but we would like to see that these savings are going to be passed on to the cable television consumer.

I might add that from the perspective of the telephone company, from the perspective of the Newfoundland Light and Power, they do not really care. My understanding is they do not really care because if there is a smaller fee available from the cable television company all that means is that the rate goes up for the consumer of light and power and for the consumer of the telephone service. It does not impact upon the profits of Newfoundland Light and Power or Newfoundland Telephone. It does impact, however, upon what rate the consumer of hydro electric power or telephone service might pay.

Just a related matter, with respect to Bell Telephone, Newfoundland Telephone, this reorganization that they entered into over the Summer, I am surprised that we have not heard anything from the minister with respect to this matter because, as far as I can see, it is going to consist of the executives of that telephone utility, who are being paid to do the job of bringing down the cost of telephone service and of improving telephone service, they are going to end up devoting more of their time now to other unrelated matters.

They have put, as I understand it, the telephone utility in a holding

company and the executives are going to be involved in operating that holding company. So a certain proportion of their time and their energy is going to be devoted to speculating in land or getting into high tech industries unrelated to telephones or whatever, wherever they can see a way of turning a buck. They are going to use the cash flow from the telephone company to expand and get into other services, the same way that Canadian Pacific presumably did with respect to money from the railway utility that they originally had.

I see risks and dangers in this and since we are talking about a public utilities company, maybe the minister could spend a moment or two, not a long time, on whether or not he has any concerns about the approach that Bell Telephone or Newfoundland Telephone has taken this Summer, and whether the minister made any intervention or has had any discussion with the telephone people to find out whether they are going to be devoting less time to keeping rates down for the minister's consumers, the individuals that the minister has a responsibility to look out for.

So, Mr. Speaker, with these few words I think we can let this legislation pass. On the constitution of the Public Utilities Board, the minister, we were happy to see, accepted the concept of appointing a consumer representative to the Public Utilities Board. We were not so happy to see that the consumer representative is, sort of, in a position of dependency upon government. It is sort of a tame representative now in that the -

AN HON. MEMBER:

He is very tame is he?

MR. BARRY:

Yes. Well, let us say, the golden threads that bind are there, the golden threads of the revenue to come from the Commission on Employment and Unemployment, the golden thread from that Royal Commission, Mr. Speaker, is something that would dispose, I guess, that individual kindly to government, but also the fact that that individual is now an elected politician or has run again for office and has an obligation of looking out for the needs of his constituents, which is a very particular segment of the general consuming public, it seems to me that there could be problems.

Now, we will wait. I heard the gentleman this morning say, "Let us give him a chance." That is a fair comment. Let us give him a chance. But we will wait and see his decisions that come from the Public Utilities Board, see whether they do fight for and stand up for the consumer in this Province. But we do have some concerns, Mr. Speaker, as to how this has transpired and what has transpired here with respect to the numbers of jobs that the gentleman has and the golden ties that he has with the present administration.

So we will be looking closely, Mr. Speaker, but I see the time has expired and I would adjourn the debate, Mr. Speaker.

SOME HON. MEMBERS:

Hear, hear!

MR. SPEAKER:

The hon. the President of the Council.

MR. MARSHALL:

Mr. Speaker, I move the House at its rising do adjourn until tomorrow, Tuesday, at 3:00 p.m.

On motion, the House at its rising adjourned until tomorrow, Tuesday, at 3:00 p.m.

Index

Answers to Questions

tabled

November 25, 1985

QUESTION: Mr. Aylward (M.H.A., Stephenville) - To ask the Minister Responsible for Housing to lay upon the Table of the House the following information:

- (1) (a) What is the survey based on that was used to determine rental increases for the Harmon tenants in Stephenville?
- (b) How many places were surveyed?
- (c) The documentation of the survey.
- (2) (a) What NLHC is seeking for a return on their investment for their apartments at the Harmon Base in Stephenville?
- (b) What percent of return on equity is NLHC looking for and, what was the profit made last year?
- (3) (a) Provide the House with documentation on where all renovations were made to NLHC housing units in Stephenville.
- (b) Also describe the types of renovations done and the dollar figure of these types of renovations.
- (4) Does the Minister have intention of transferring any other employees out of the Stephenville office?

ANSWER:

- (1) (a) The survey to determine rental increases for the Harmon tenants in Stephenville was based on market rental information for rental accommodation in the private sector within the Town of Stephenville.
- (b) Seven (7) structures which were representative of some 100 privately rented units in Stephenville were surveyed to determine current market rates.

- (c) The survey conducted in September of this year, revealed that for all Corporation market rental units increases of from \$32 - \$128 per month (9% to 38%) were in order to bring rents in line with the private sector. The survey further determined, for those units for which the Corporation is providing heat and a variety of other services, that increases of from \$44 - \$112 per month (12% to 31%) were necessary to equate to private market rates. While increases of this magnitude were indicated, the Corporation is proceeding to increase rents for these particular units in two stages i.e. up to 15% effective February 1, 1986, with the balance to be implemented August 1, 1986.

The survey undertaken showed that for those Corporation units for which tenants are responsible for the payment of services, increases of from 9% to 38% were required in September to bring rents to market level. While increases of this extent were in order the Corporation is proceeding with rental increases for these units, again in two stages i.e. 10% effective February 1, 1986, and 10% effective August 1, 1986.

- (2) (a) NLHC is seeking \$789,000 as a return on its investment in the Harmon Base apartment buildings.
- (b) NLHC is seeking a 6% return on its equity.

During 1984/85 NLHC incurred a revenue deficiency or loss of \$1,179,000 after charging the above-noted \$789,000 as a required return on its equity.

(3) (a)&(b)

1984/85:

In addition to normal maintenance and interior painting, major renovations have been completed as follows:

452 Units

Exterior Painting and Repairs	\$120,000.00
Prime Window Replacement (6 unheated units)	210,000.00
Storm/Screen Door Installation	30,000.00
Installation of Smoke Detectors	12,000.00
Parking Lot Extensions, installation of Walkways and Steps	25,000.00
Roofing Repairs	40,000.00

86 Units:

Exterior Painting and Repairs	40,000.00
Prime Window Replacement	88,000.00
Parking Lot Extensions	13,000.00
Installation of Exit Signs in Basements	<u>7,000.00</u>
	\$585,000.00

1985/86:

In addition to normal maintenance and interior painting at a cost of approximately \$850,000.00 major renovations are either complete or in progress as follows:

452 Units

Exterior Painting	\$110,000.00
Parking Lot Extensions	8,000.00
Roofing Repairs	8,000.00
Prime Window Replacement (Unheated Units)	340,000.00
Insulation of Basement Walls	150,000.00
Storm/Screen Door Installation	20,000.00

86 Units:

Exterior Painting	6,000.00
Prime Window Replacement	<u>95,000.00</u>
	\$737,000.00

- (4) As a result of the reorganization of the Western Newfoundland operations of the Corporation, there will be up to three positions with incumbants transferred from Stephenville to Corner Brook. There is no intention of transferring any other employees from the Stephenville office at this time.



QUESTION NO. 16  
ORDER PAPER 52/85 - November 5th, 1985  
QUESTION FROM: M.H.A. DISTRICT OF MENIHEK

---

QUESTION (1)

Please detail the amount of money spent to do renovations to the Premier's Office on the 8th Floor:

ANSWER It should be noted that these renovations are for the entire 8th floor of Confederation Building which comprises some 571 square meters. The Premier's personal office is 47 square meters (8.2% of the total) which remains unchanged from the days of Premiers Smallwood and Moores. The Correspondence Registry occupies a further 37 square meters, a new Boardroom occupies 29 square meters, two waiting/reception areas comprise 53 square meters, and 11 individual staff offices average 15 square meters each. The remaining 200 or so square meters are comprised of general office space, corridors, washrooms, service areas, etc.

While the 8th floor is referred to as "The Premier's Office", it should be realized that it is really a small self-contained Government department with fifteen staff members in addition to the Premier himself.

The total amount that had been expended or will be expended on the costs for the renovations to the ~~CONFEDERATION BUILDING~~ 8th Floor is \$427,675.66.

The details are as follows:	
Work orders issued to service contractors (Service Contracts are publicly tendered)	27,526.96
Purchase orders through Government Purchasing Agency (publicly tendered)	188,570.57
Public Tenders for sub-contracts	202,404.00
Material used for inventory	243.80
Direct Purchase Orders - individual items less than \$500	8,513.67
Items from petty cash	<u>416.66</u>
TOTAL	<u>427,675.66</u>

QUESTION (2)

Also give the name of the contractor who performed the work, an indication of when this particular job went to tender, plus the lists of other tenders received.

ANSWER This project was done on a construction management basis where many tenders were called for materials and for contracts to supply and install materials.

Certain portions of the work were done by Department of Public Works and Services' tradesmen. Initial contracts were called in early July, 1985. Attached are lists of all subcontracts awarded indicating the successful bidder and other tenders received.

<u>Supply and Installation of Ceiling</u>	Ronald White Accoutic Ceiling St. John's	Guilford's Limited Donovans Industrial Park
<u>Supply and Installation of Floor Coverings</u>	Baker Floor Contracts Limited St. John's	Urban Flooring Contracts Limited Torbay
<u>Supply and Install Wall Finishes</u>	Eastern Contracting Limited Newtown (Mount Pearl)	Colourtone Painting Company Ltd. St. John's
		Whittle Brothers Limited St. John's
<u>Supply and Installation of Glass &amp; Glazing</u>	Henry J. Thomas & Sons Limited St. John's	Window World Limited St. John's
		P.P.G. Canada Incorporated St. John's
<u>Supply and Installation of Quarry Tile</u>	Del Tile & Terrazzo 1975 Ltd. St. John's	Rosatile & Terrazzo Limited St. John's
<u>Supply and Install certain HVAC Systems &amp; Plumbing Systems</u>	Air-Tite Sheet Metal Limited St. John's	Superior Plumbing & Heating St. John's
		Anco Limited St. John's
<u>Supply &amp; Install Sprinkler System</u>	A 1 Fire Protection Limited Mount Pearl	Cir-mac Sprinkler Limited
		Vipond Automatic Sprinkler Company Mount Pearl
		Viking Fire Protection Limited St. John's
<u>Supply &amp; Install certain Electric Systems</u>	EMT Electric Limited St. John's	Anco Limited St. John's
		Squires Development Limited St. John's
		Accord Maintenance Limited St. John's

All of these tenders were called through the Department of Public Works & Services.

















