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VERBATIM REPORT

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SPEAKER: THE HONOURABLE GEORGE W. CLARKE

The House met at 10:30 A.M.

MR. SPEAKER: Order!

Answers to Questions:

HON. J. R. SMALLWOOD (Premier): Mr. Speaker, in answer to question No.(461) on the Order Paper of April 17, in the name of the hon. member for Burin. The answer to the first part is; "yes." The answer to the second part is "yes, both in the Press and within Government departments generally. All Government departments. And in answer to (c) the answer is; "yes. For example the 'Financial Post, the Bank of Montreal in London were asked to refer any Chartered Accountants who may enquire. And the answer to the last part is: "Twelve, during the year 1969-70." And the answer to the final part Section (3) This can be of course only a matter of opinion.

HON. L. R. CURTIS (Minister of Justice): In answer to Question (499) May 5, by the hon. member for Humber East. The equipment has been delivered and is being put into operation in certain Magistrates Courts, not in all. It is just being put in now, being installed.

The hon. member for St John's East Extern, Question asked March 9, Question No.195; I am tabling the answer.

ORDERS OF THE DAY

Motion,"that the House go into Committee of the Whole on Ways and Means"-

Debate on the Budget:

MR.J.C. CROSBIE: Apparently nobody wants to debate on the other side, Mr. Speaker, so I guess I have a few words to say.

So far everybody can agree with what I have said, Mr. Speaker.

Mr. Speaker, this budget speech, or so-called Budget Speech is a eighty-eight page document in Reader's Digest form, which of course is much more significant for what it omits than what it includes, because it does not include very much as pertinent for the financial position of this Province. Now Mr. Speaker, when this Session of the House opened, I tabled a question which asked for information on our financial position. It asked for example - yes, it was question (44). As of January 1, 1970, what was the amount of the gross funded debt of the Province less any sinking funds? And as

of that date, what was the amount of the net funded debt of Crown Corporation involved in leasebacks? At the same date, what was that position with respect to bank overdrafts, temporary borrowing, due on new road machinery, road building contracts, hospital equipment contracts, other unfunded debt? And it asked what our position was with respect to guaranteed debt, debenture debt with reference to Newfoundland municipalities. With respect for other than Newfoundland municipalities, bank loans for municipalities, bank loans for other than Newfoundland municipalities, guaranteed by the Government, any other guaranteed debt. And what was the amount of any commitments?

Mr. Speaker, the answer given to that question, a contemptuous answer, and no answer at all. The answer given is that this will be in the Budget. That is what the Minister of Finance said, that the information asked for in that question - Question (44) and in other questions that the Leader of the Opposition tabled, would be in the Budget. Mr. Speaker, you can look through all eighty-eight pages of this Budget Speech, and you will see not one iota of information with respect to those questions, as to what the debt position of the Government was at January 1, or at the end of March this year. What was the amount of its direct debt, bank loans, debentures, guaranteed debt and so on. Not one word is said in this so-called Budget Speech about any of those matters. And it is financial matters that a Budget Speech is supposed to deal with. This Budget Speech is in the same category as the Budget Speech that we had last year, except that it is shorter. But it omits far more than it includes, and it only includes certain selective things. This Budget Speech for example Mr. Speaker, says that there will be a surplus, or that there was a surplus in the last financial year on current account of \$1,996,000 for the year ending March 31, 1970. That is what this statement says. We will know the correct position when the Auditor General gives his report next year. But even if that is the case Mr. Speaker, it should be remembered that the Government included in its revenue for last year, \$1,900,000 which

were pension contributions from Civil Servants. \$1,900,000, pension contributions from Civil Servants - that is six percent of the earnings of Civil Servants, their money. It is their money that they are paid in wages, or entitled to have in wages - was taken by the Government as a pension contribution and included in the general revenue, \$1,900,000. And \$865,000 pension contributions of teachers, was handled in the same way. This money was taken from the salaries of teachers, not put in any trust fund, taken from the Civil Servants, not put in any trust fund, and put in the general revenue of the Province of Newfoundland. It is not our money. It is not the Government's money. It is money that is owned by all those Civil Servants and teachers. So \$2,765,000 - the revenue of this Government last year is not really revenue. It was money that the Government in effect has borrowed from the Civil Servants and teachers of this Province. Money that did not go into a trust fund, that went into the general revenue and that the Government spent. So there was no surplus last year -

MR. SMALLWOOD: It is not revenue and should not be counted as revenue.

MR. CROSBIE: Yes, the whole plan should be funded

MR. SMALLWOOD: That is the hon. gentleman's opinion.

MR. CROSBIE: The money should go - but if it is not funded, then the monies owned by the teachers and Civil Servants of this Province should go in a trust fund and earn interest until such time as it is paid out. This Government is building up - I was a member of the Government, and when this matter came before the House of Assembly, I was not in the Cabinet, and opposed it. The legislation was brought forward in May 1968, and I oppose it now.

MR. SMALLWOOD: It was a case of funding it or not funding it, and the decision was not to fund it.

MR. CROSBIE: These are trust monies that should go in a trust fund and should not go in the revenue of this Province.

MR. SMALLWOOD: Similarly with the Unemployment Insurance fund.

MR. CROSBIE: Because the pension scheme is not funded, this Government is building up an accrued liability for the Civil Servants and teachers of this Province.

MR. SMALLWOOD: Talking nonsense.

MR. CROSBIE: And in five or ten years time the strain on the Treasury of this Province, of meeting the pensions of teachers and civil servants who go out at much higher rates of pay, getting two-thirds or three-quarters of their annual salaries for the last three years of service, when they start going out on these high rates of pay there is going to be a terrific burden on the Treasury of this Province to meet it. So that is \$2,765,000 last year, that should not have been included in the revenue of this Province.

MR. SMALLWOOD: Utter trash. Trash. It is contemptible.

MR. CROSBIE: One would not expect anything else from the hon. the Premier. He is too old to learn Mr. Speaker. \$2,765,000. The Government states that it had a surplus last year of \$1,996,000. The Government neglects to point again that some eight or nine million dollars last year was shifted out of current account sinking fund payment. Moved out of current account and put up in capital account. For nineteen years, sinking funds payment - payments made to sinking funds to meet the obligations to repay debt of this Province was in the current account. Last year it was changed, and went up from the current account to capital account, taking at the time, I think it was seven and a half, eight million dollars expenditure out of current account, and put in as capital account. If the accounts of this Province were treated the same way last year as the previous nineteen years, there would have been a deficit on current account of at least nine or ten million dollars. But that is being hiked out and put up on capital account. The cost of servicing the public debt this year shows in capital account \$10,137,000. That is the Estimates for this year, Mr. Speaker, show \$10,137,000 in sinking fund payments as capital account expenditure, where for nineteen years it was treated as

current account, and the Government tries to say of course, again this year, that there is going to be a little surplus, or there was going to be a little surplus in current account. If the accounting treatment had remained the same, the deficit this year on current account would start out \$10,137,000 of sinking fund payment. So the pension contributions of Civil Servants and teachers, trust funds are taken by the Government and put into the general revenue. The Government estimates or estimated Mr. Speaker, a surplus in current account this year of \$1,547,000. That surplus is now gone. We will have more to say about that later, but that is now gone for the salary increases. So there is no surplus estimated by the Government in current accounts this year, none. And the Government has estimated increased revenue of \$19,940,000 this year without any tax increases, without any changes in the rates of taxation - \$19,940,000 additional revenue, which I think includes about \$5 million additional equalization payment from Ottawa. Tremendous increase is expected in a personal income tax and other taxes, which seem to be overly optimistic. Mr. Speaker, I prophesy now that when the accounts for this year are brought in next year, this Province is going to have a substantial deficit on current account. A substantial deficit. At least four or five million dollars at the very least on current account, and that is forgetting capital account. The Government tries to pretend that a surplus on current account is all that matters, which is tripe. It is putting the current account and the capital account together, that counts Mr. Speaker. And the Government's financial adviser, Mr. James Thompson, I can give as one authority for that - there are a hundred authorities for it. How can you say you have a balanced budget Mr. Speaker, when there is a deficit and money has to be borrowed to meet the deficit. Now James Thompson who was a financial consultant to the Government for eighteen, nineteen years, reported to the Royal Commission on Economic Prospects, that is Page 427. He pointed out how the Provincial Budget put expenditures into two categories, current and capital, and shows a surplus on current account

available for capital expenditures, and then I quote what he says: The financial consultant to the Government - "this is an artificial distinction, and for the purpose of its exercise, current and capital expenditures have been combined in order to determine net general expenditures which after reduction of current revenues show net financial requirements to be financed by borrowings, receipts under the Canada Pension Plan new bond issues and so on. This is an artificial distinction." And for his purposes he combines current and capital expenditures to get net general expenditures which after reduction of current revenue show your net financial requirements. That is the net amount you must borrow. And the Economic Prospect Report Page 427. If you look at the reports of the Bonding Houses Mr. Speaker, it is no good looking at the Budget Speeches of the Government of Newfoundland to get financial information on Newfoundland, not at all. But if you look at the prospectives issued by the bonding houses who act as agents for the Newfoundland Government you then get some financial information on the financial state of this Province, because they have to reveal the facts. One that was prepared last year in connection with an issue of bonds of the Newfoundland Municipal Financing Corporation, this is January 1969, this particular prospectus, had it tabled showing what the consolidated deficits of a Newfoundland Government were for certain financial years. 1964 - none of this nonsense about surplus and current account and what not and this is wonderful. Consolidated deficit putting them both together, 1964 - \$21,200,000. 1965 - \$25,348,000. 1966 - \$20,388,000. This was small stuff Mr. Speaker, small stuff up until 1966. \$20,388,000. 1967 - The consolidated deficit - \$75,921,000. 1968 - this was said then it was subject to audit - \$88. million. The Public Accounts show that the deficit for the year ending March 31, '69 was \$72.8 million. And the Estimates for this year show that there is going to be a deficit of \$53 million, that is what is forecast now Mr. Speaker. It will be more than that. So never mind the current account surpluses. Never mind the trying to cover up and make things look better. 1967 - \$75 million. 1968 - about \$88 million, that was subject to audit. That is \$150 million. 1969 - \$72 million, that makes it about \$225 million. And this year the estimate is about \$53 million and that is just the estimate.

MR. CROSBIE: the estimate, and this is only direct borrowing, Mr. Speaker, direct not indirect, not guarantees. And the Budget Speech tries to pretend the Acting Minister of Finance tries to pretend that everything is rosy in the garden, that there is a little surplus, that the Newfoundland Government says in its Budget Speech there is a surplus.

What we have to worry about is this, Mr. Speaker, it is the cost of servicing the public debt in this present year the direct debt of the Government and the lease-back, which is the same as direct debt, is \$52,971,000. It is going to cost the people of Newfoundland and the Government this year to paid interest on the debt, to make payments to sinking funds, and other cost in connection with our debt are going to total \$52,971,000, and of that \$10,137,000 is going to sinking funds payments direct, and then there is so much in there for lease-back and so much for interest, \$52,971,000. That is a very high percentage, Mr. Speaker, of the Government's net revenue. It is certainly about twenty-five percent, I have not got the exact figures. And there will be other speakers in this debate that will have them. But it is at least twenty-five percent, the net revenues of this Government. And it is growing increasingly every year.

This Government, Mr. Speaker, is in the position where, the Government, just to stand still, the Government performing no new services at all, no new services providing nothing new, just trying to keep where it is today, that the Government must have a deficit to accomplish that. This Government must have a deficit just to stand still. The only thing that is keeping us going at all is increased monies from Ottawa. The new tax equalization formula that was instituted in 1966 or 1967 saved the Government's bacon, Mr. Speaker, the Government in that year had a tremendous deficit despite the fact they got some \$30-odd million more from Ottawa unexpectedly, when the tax equalization formula was changed.

Now on Page 8 of the Budget, the Government admits that out of a total revenue of \$300,978,000 this year, over \$160 million of it comes from Ottawa, 54.3 percent of our revenue is coming from Ottawa.

The Budget Speech contains some really peculiar statements, Mr. Speaker. "The reputation of our Province stands high in the financial circles of North America, British and Europe." It is certainly well known.

MR. C. WELLS: It does not stand very high.

MR. CROSBIE: I would not think it stands very high, interest rates stand high, its interest rates are among the highest, that is what stands high, the interest rates and the cost of the debt is very high, the highest of any province. The surplus mentioned for this year on Page 6 is gone now. Is gone. And on Page 7, the cost of servicing the public debt is given. It is a deception, Mr. Speaker. Page 7 - Servicing the public debt the cost is given as \$32,114,000, which is not correct, which is untrue. The actual cost is almost \$20 million higher, \$52,971,000. That is only the amount in current account and does not include, Mr. Speaker, what is in the current for the lease-back. The cost of servicing the public debt is \$20 million higher than is stated on Page 7. Payment to sinking funds and the lease-back, when you take the interest and sinking funds and lease-backs.

Mr. Speaker, just to follow the Budget Speech, pages 15 to 32 deal with the Government power policy. Pages 15 to 32 are deliberate deception, the Government's power policy, The Government refuses, Mr. Speaker, to answer any questions tabled in this House that would elucidate the fact behind the Government's power policy. This policy of subsidizing the delivery of power to large industries at a price less than the cost to the Power Commission. Pages 15 to 32 deliberate deception:

When the policy was first enunciated by the Premier, I do not know when three or four or five years ago, Mr. Speaker, his policy was going to be that the revenue to come to us from the Upper Churchill, from BRINCO to this Province would be used to subsidize the cost of supplying power to industry, large industries, at a cost less than it would cost the Power Commission. That was the theory. But that theory had to be thrown out Mr. Speaker, because when it was looked into it was discovered that to sell power at two and a-half mills here in Newfoundland would require far more money than all the revenue we are going to get from BRINCO over the next twenty or twenty-five years. And the theory was foolish any way, it was trash, because you

MR. CROSBIE: do not decide what to do with revenue like that, if we had revenue coming from BRINCO, well in the years ahead you just do not say you are going to use that for one purpose, Any sensible Government, Mr. Speaker decides what is the best purpose, what is the best use for that money. It does not take a decision years earlier and say that, that money is going to be used to subsidize power and nothing else. It was a silly theory, it sounded good, but did not stand up to analysis.

Now, the hon. the Premier in his Budget Speech says that there is a different policy, there is going to be a cost-benefit analysis, and there must be a net cash gain to the Treasury over a period of twenty years from all the industries that it subsidizes. That theory will not hold good either Mr. Speaker. The Budget Speech says there does not have to be a net cash gain to the Treasury from every individual industry involved. Why not? And then it takes twenty years to assess the benefits and the costs. In twenty years time, Mr. Speaker, if this policy is continued as it has been in the past, we may very well be bankrupt. We cannot wait for twenty years to get the net benefits over the next cost, because the greatest expense is going to be in the first few years, That is when the costs are going to be incurred and the benefits are going to come much later. And if this policy is carried out, this two and a-half mils policy is carried out, the Province might very well be bankrupt before the twenty year period is over.

MR. WELLS: The whole world will be bankrupt.

MR. CROSBIE: Yes, the whole world could be bankrupt, In twenty years time the whole world could be destroyed, but how is that relevant to the issue?

Here is an interesting statement, Mr. Speaker, on page 17, fortunately the Premier says, not too many power subsidizes were agreed to be paid to industries at that stage. He says that the power policy, subsidy policy of the Government, was adopted at a time when interest rates and money were low, the cost of materials were much lower, the labour rates were lower. It did not matter at the time, Mr. Speaker, what interest rates were, what the cost

MR. GROSBIE: of materials were, what labour rates were, the Premier was going to fanatically institute that policy no matter what. He did not care whether it made economic sense or not, but now the Premier says he admits in this Budget Speech that the earlier power subsidy policy was wrong. Fortunately not too many power subsidies were agreed to be paid to industries at that stage. No, Mr. Speaker, it is very fortunate, the Government agreed with ERCO two and a-half mil power to ERCO, and it is costing the Power Commission at least twice what they are charging ERCO, and the taxpayers of this Province are paying the difference the \$3 million odd a year for every Newfoundland~~er~~ employed down at Long Harbour, the Government and the taxpayers of Newfoundland are spending seven to eight thousand dollars each year and every year to subsidize the sale of power to ERCO. It is fortunate there were not too many ERCO's, we are very fortunate, before the policy was changed. Two and a-half mil power was promised to Mr. Shaheen and the Come-by-Chance Oil Refinery, that was in 1967 or 1968. And interest rates were high then and the rest of it was all high. But he has been promised it, and that is going to cost the taxpayers of Newfoundland about \$1 million a year at least. This power if sold to the Oil Refinery is two and a-half mils kilowatt hour, the taxpayer will have to make up the difference for possibly three or four hundred jobs at Come-by-Chance along with all the other things that are involved there.

Power was promised to Mr. Doyle for the fourth mill at two and a-half mils per kilowatt hour. By the way, Mr. Speaker, when I criticize this ERCO deal, I am not criticizing ERCO, it is not the company's fault. The Electrical Reduction Company of Canada was ~~made~~ available to come to this Province by the Premier who offered them two-and a-half mils. It is not their fault they are getting power at two and a-half mils. They do not bear any share of the odium, they came in response to advertisements and entered into agreement, so none of this criticism has anything to do with ERCO itself, it is not their fault, it is the Government's policy that is at fault, not ERCO, Doyle and Shaheen.

MR. CROSBIE: On Page 17 on this power subsidy business, it said every authority consulted has confirmed and approved the methodology used by the Government in preparing studies of the cost to the Newfoundland Treasury of giving power subsidies to industry. The methodology that only means, Mr. Speaker, how you go about doing the studies, that does not mean that they have approved the actual studies done. I say now that any study done that does not bear out what Mr. Smallwood wants it to bear out is ignored, thrown away or redone. I have seen it happen.

Why will the Government not give the members of this House of Assembly the results of the studies done and proudly announce a year or so ago by Mr. Smallwood, Stone and Webster, the Energy Board of Canada, International Engineers of California, all of those studies were being done to show whether the Government's policy was right or wrong, and the Government will not let us or the public see the results. The only reason can be, Mr. Speaker, that the result are against this mad power policy of the Premier's.

Last year, Mr. Speaker, April 22nd. 1969, Question 226, I asked had the Government of Newfoundland, not this year, last year, received reports from the Energy Board of Canada, Power Commission of Newfoundland, International Engineers of California, Myers and McClellan of London, England, the Economic Division of the Department of Finance, Stone and Webster, Department of Finance of Canada, Department of Energy of Canada, the Department of Regional Economic Expansion of Canada? The Premier said, then yes, some had been received.

I asked was it the intention of the Government to make available to members of the House of Assembly copies of reports and studies received from the firms and persons mentioned in Question 1 hereof. The answer was, yes, in due course. Yes, the answer was last year, it was the Government's intention to make them available to members. When would they be made available? In due course. Would the Government recommend a select committee to consider a study of them? Government policy would be announced in due course, in the normal way, that was last year. Last year the Premier said, they would be

MR. CROSBIE: made available. The same question asked this year, the hon. the Premier says no, they will not be made available. They will not be made available to the members of this House. Why not? The answer is that these studies show his policy to be wrong. At least that is the only conclusion that one can come to, unless these studies are produced. The future of this Province is at stake in this matter, Mr. Speaker, yet we are not given the fact, we are given camouflage, we are given misrepresentation in the Budget Speech, in the methodology.

The Budget Speech pretends to give an analysis of the power subsidy policy as applied not to one enterprise, but to seven; Liner Board Mill, Mohawk Hockey Sticks, a Sawmill at Stephenville, a Sawmill at Hawkes Bay, Oil Refinery, Come-by-Chance, and a Paper Mill at Come-by-Chance, the Phosphorous Plant at Long Harbour. Each has been studied individually, page 18. But the House is only given the aggregate picture, it is not said who studied them. In other words the Government would not give the picture for each individual one. Obviously not, Mr. Speaker, because the study of the ERCO Plant at Long Harbour shows the cost far out-weighs the benefits to this Province. The cost of subsidizing the power, building roads, building houses, guaranteeing bonds, far out-weighs, Mr. Speaker, the benefits gained by workers employed at Long Harbour, on the taxes they pay, or the commission they pay on beer and all the rest of it, far out-weigh it. So everything else is taken and heaped together. We did not know before that the Government has agreed to subsidize power to Mohawk, it must have, if they are included in this study. Apparently the Government is subsidizing the cost of power to the Mohawk Hockey Stick Enterprise, and the Sawmill at Stephenville, and to the Sawmill at Hawkes Bay, otherwise why are they included in the study? We knew that it was two and a-half miles at Stephenville, at the Oil Refinery, at the supposed Paper Mill at Come-by-Chance, and at ERCO, but apparently this has been agreed for these other three enterprises. And then the Budget Speech pretends to give the result from the studies of these included altogether. Page 19, we know how much each of these industries will buy, says the Budget

MR. CROSBIE: Speech. But the Government will not tell this House, will not tell this House how much power they are buying. The Government will not answer a question tabled as to how much power ERCO is using every year. Mr. Shaheen and his cohorts would not answer a question here several weeks ago, as to how much power the Oil Refinery is going to use at Come-by-Chance. The Government says they know how much. But the Government will not tell us and the public how much. The Government says, we know the cost of producing and delivering that power to each plant, but will not answer questions in this House asking for that information. Contempt for the public of Newfoundland, we are taking our money and spending it in subsidizes and power, but we are not going to tell you how much it is costing you. What contempt, what arrogance! This is the most arrogant Government, Mr. Speaker, that this Province has ever seen, and probably that the whole of Canada has ever seen, in its refusal to give information.

So the rest of this analysis in the Budget Speech cannot be believed at all. Page 21, their separate identities have been merged and lost in the aggregate picture, quite by intention, that is certainly right, that was certainly the intention. Now, Mr. Speaker, Page 21, the Premier was very pleased to report that the only year in the twenty that showed a net loss to the Government was 1969. Peculiar. The only year for which the figures are available. But according to this study every other year is going to show a surplus. What tripe, what nonsense, who believes it? An insult to the intelligence of anybody who reads it.

Then there is a discussion about the Upper Churchill revenue, the revenue to the Newfoundland Treasury, and all kinds of figures are included in here, revenue from construction workers. Really weak. The first revenue from the Upper Churchill is not until 1972, Mr. Speaker, a million dollars according to the Budget Speech on page 28. That is the only thing real about that table on page 28. The revenue does not come until 1972. And then there are figures given for Labrador, Wabush and Labrador City.

Now, Mr. Speaker, on Page 33

MR. CROSBIE:

Page 33, the budget speech shows conclusively the absolute failure of the Smallwood policy for economic development, that is page 33. The Government admits, DBS figures show us that in March month of this year fifteen point three per-cent of our work force was unemployed, fifteen point three per-cent and it is actually much higher than that, at least twenty per-cent. After twenty-one years of howling and screeching and screaming and oratory by the Leader of the Administration, Mr. Smallwood, the jobs are carved on his heart and nothing but talking about jobs, Mr. Speaker. This Province has an unemployment rate in excess of fifteen point three per-cent and tens of thousands unemployed because the Government Economic Development policy has been an absolute failure, a complete failure. What we need is a Government that will go about developing jobs and will not be out wasting all its time talking about it, a Government that will actually create jobs, sensible jobs, liable jobs, not just going blindly assisting a plant here and a plant there without any investigation, plants which after years of subsidization fall and close down. That does not create jobs, that creates talk, it does not create jobs and this Government has not and the Government in the budget speech has to admit it.

It says in the budget speech, the main fact is that we have the highest rate of unemployment in Canada today and that our need for jobs is accordingly higher than any where else in the nation. The facts point unerringly to Newfoundland's need for new job giving industries, wage paying industries, productive industries, yes, Mr. Speaker, productive. All that points up to the fact that with the slim resources we have in Newfoundland we have to get the most for every dollar we spend, not the mad approach of this Government, the monumental egotistical approach that because a certain party wants an industry it is going to go no matter what it costs the Treasury and the people of Newfoundland, that is the present approach.

AN HON. MEMBER: You cannot keep a good man down.

MR. CROSBIE: What man is that? Just look at some of the industries, Mr. Speaker, and what they have cost us that they should not have cost us. In the supplementary supply debate the steel mill at Donovan's was mentioned, the Newfoundland Steel Company and the Premier got up and said how well it was doing now and we

MR. CROSBIE:

all hope he is right and it seems to be improving now but look what happened there. This is the illustration, Mr. Speaker, of the bankruptcy, of the failure of this Government's economic development policy, the steel mill originally supposed to cost \$2. million or \$2.5 million and a group of people come to the Premier with the suggestion for it and the Government is to guarantee \$1. million. What happens? They go ahead with this steel mill, the Government does not have anyone investigate it, no feasibility study done, no investigation made, no supervision of construction so the group go ahead with the steel mill and it turns out they cannot get an ADA grant because they used second hand equipment. Then it turns out that they have to have more assistance and it gets up to \$5. million or \$5.5 million which the Government has to guarantee, \$6. million. Then the Premier has authorized the studies to be done by Kates, Peet, Marwick two years or a year and a-half after the whole thing started, after \$4. million or \$5. million was spent, after we were involved in it and if we did not follow up the money we had loaned we were going to lose it all and we had to give more. Then they were appointed, Kates, Peet, Marwick Management Consultants, Atkins, Hatch, Steel experts and engineers and they do studies. They should have been asked to do the studies before the whole process started so what happened was the Government had to follow along and had to arrange more money, Mr. Speaker. It did not want to lose \$4. million, \$5. million or \$6. million. There was a slim chance that if more was put in it could work out so now we are up to \$8.5 million that the tax payers of this Province have in the steel mill, something that should have been there and could have been there probably for \$2.5 million or \$3. million or \$4. million.

Is that the way to have economic development? Mr. Speaker, it is not. It is not enough to want to develop this Province economically there has to be a rational approach to it, the steel mill is a classic case. The Third Mill at Come by Chance, over three years ago the Government guaranteed \$2.5 million for that enterprise at Come by Chance and some of the money is spent on the site and buildings that are on the site there or parts of buildings or clearing the site and it is still no further ahead. If this Government is going to advance monies like that then, Mr. Speaker, I say the Government should own the

MR. CROSBIE:

project or should share the ownership. What is the good of a promoter to us when we have to supply all the money and take all the risks? If we do that we should own the project so that if it is successful the people of Newfoundland will get all the gains from it, not just the jobs but the profits, if successful.

\$2.5 million gone down at Come by Chance on that third mill and no chance of ever getting it back unless the Third mill goes there. The Government is hooked in on the third mill, whatever Mr. Shaheen proposes to this Government about the third mill to get it going the Government will accept, the Premier will accept because so many times there have been announcements that it was going ahead, so many times the sods have been turned, money is being advanced and Mr. Smallwood is powerless, he is in the hands of Mr. Shaheen on that third mill as well as the oil refinery and Mr. Smallwood will do whatever Shaheen tells him he must do to get those projects going.

MR. SPEAKER (NOEL): Order please! Before the hon. member continues, I know it is inadvertent but the naming of members of the House is not in order.

AN HON. MEMBER: (Inaudible.)

MR CROSBIE: Thank you, MR. Speaker, I am going to follow the hon. Minister of Welfare's good advice.

AN HON. MEMBER: (Inaudible)

MR CROSBIE: That is what I need, yes.

MR HICKMAN: I think we need a Minister of Sodturning.

MR. CROSBIE: Yes, a Minister of Sodturning is needed.

Another enterprise, Mr. Speaker, that illustrates this hopeless approach the hon. the Premier has is the sea mining plant at Aguathuna. Last year the Newfoundland Industrial Development Corporation had to pick up \$300,000 in interest that ^{the} Sea Mining Corporation was unable to pay. The Government has loaned the enterprise \$2,800,000 and it has been said in this House that they are looking for more money. Mr. Speaker, I say now that the Sea Mining Enterprise was never investigated by the Government before the guarantee was given, that there were no technical consultants asked in to advise on it, there were no management consultants asked in, that it was just gone ahead with on their say so and with the Premier's backing. If we are in trouble with Aguathuna or Sea

MR. CROSBIE:

Mining is in trouble there is no wonder. That is the way economic development is conducted in this Province, money wasted, money put in jeopardy, jobs created which are far too expensive that a sensible rational Government could have created four or five times the number of jobs that the present Minister of Economic Development has created four, five or ten times. A Bourassa approach or a Stanfield approach competent, not blowing their horn all the time talking jobs, proceeding with proper organization, the proper people involved, with planning, with studies, feasibility, management consultants that is how you create the jobs and small industry is not forgotten which this Government has forgotten altogether.

There is no one in the Department of Economic Development that you would be bothered wasting your time with discussing a loan for a small industry.

MR. CHALKER: What about the heavy water plant in Nova Scotia?

MR. CROSBIE: The heavy water is a mistake they have made in Nova Scotia and this Government is delighted that they made the mistake so they have this illustration of what is a fiasco and Manitoba's policy with reference to that Pulp Mill is exactly like our approach and it is a disaster in Manitoba and it is disastrous here.

International Fish Meal Plant at Stephenville, Mr. Speaker, another crazy project of the Leader of the Government, that Fish Meal Plant. Two of the largest corporations in the world, Litten and Grace, with hundreds of millions in assets and this Government of this small Province with its limited resources putting up all the money for this Fish Meal Plant at Stephenville and now that Fish Meal Plant has to be moved, Mr. Speaker. For the fourth mill to operate at Stephenville the Fish Meal Plant must move unless engineering has changed it in the last year because the fourth mill cannot have its cardboard product impregnated with the smell from a fish plant so the fish plant has to move. Another crazy project with two of the biggest corporations in the world involved the Government of Newfoundland is putting up every cent, buying trawlers and subsidizing the cost of operation of the trawlers.

Marystown Ship Yard, Mooring Cove Fish Plant, both good projects costing at least one third more than they should have because they were built in a

MR. CROSBIE:

rush as there was an election coming up. The fish plant estimated the cost as \$4. million or \$5. million eventually costing some \$8. million. The Ship Yard at Marystown estimated the cost as \$8. million or \$9. million eventually costing \$15. million. Mr. Speaker, this is a Province that cannot afford that kind of approach. The ship yard that should have cost \$8. million or \$9. million costing \$6. million more, that is \$6. million we could have borrowed and spent on some other enterprise or another enterprise, the fish plant costing \$2. million or \$3. million more than the estimate because of the way construction was gone about, the great rush - 1966 the election year.

This gives those enterprises a very high, they have to have a very high revenue now to repay that debt, to pay the principal and interest on \$15. million instead of \$8. million or \$9. million. It is much more expensive and the same with the fish plant. So you can go, Mr. Speaker, over most of these enterprises, Brigus Knitting Mill who knows what that has cost over the year, Koch Shoes and so on and what it has cost to be subsidized over the year or what could have happened had it been gone at differently or what will happen now. Well, that is the sad story, Mr. Speaker, everywhere you look because this Government does not have a Department of Economic Development. It has one uneconomic developer, the hon. the Premier, no department. There was a question ask in this session, does the Department of Economic Development employ an economists? The answer is no, the Department of Economic Development does not employ any economists. It is fantastic.

We have no Department of Economic Development, we have no industrial estates as they have in Nova Scotia, we have a one-man uneconomic developer, who does not know how to negotiate, Mr. Speaker, a hopeless negotiator who gives everything away at the start and is then completely in the hands of the promoters, from then on. Everything given away, public announcements made, Before any agreements are entered into an announcement is made. An announcement was made about the oil refinery at Come by Chance days after it was suggested to the Premier by Mr. Shaheen or at the most only weeks, before any detailed agreements were entered into an announcement is made there will be an oil refinery at Come by Chance 1967. Because the Premier has made that public

MR. CROSBIE:

announcement from then on you are in ^{the} claws of those promoters who know how embarrassing it will be to the Government if the Government has to announce it is not going ahead. So they come to the Premier and they say, "Premier this cannot go ahead great powerful interests are bucking it and trying to stop it, it cannot go ahead unless you give us this guarantee extra, unless you give us power subsidized or unless it is all done by Crown Corporation so there is no taxes," and so and so, on it goes.

This Province is in no position to bargain because public announcements have been made and the Government politically or the Premier politically cannot afford to back-track on them. So from then on the promoters are in the driver's seat and it is the same in practically everything that the Department of Economic Development has done. How can you bargain with your two hands tied behind your back? Bargaining, what we need in the Government now is some people who are good at bargaining, some more businesslike type, not the type who are emotionally caught up in it, who is all emotion, all blind faith that no matter what has to be paid out it is all for the good anyway.

AN HON. MEMBER: Turn it back to the merchant prince.

MR. CROSBIE: Yes, turn her back to the merchant prince that is right where they are going, Mr. Shaheen, the modern day merchant prince and Mr. Doyle, the merchant prince and there are others. That is the merchant prince today not the retail merchants on Water Street, let us face it.

MR. NEARY: More lawyers in the House, that is what we need.

MR. CROSBIE: You know that Mr. Bourassa has eight lawyers in his Cabinet, I happened to notice it in the paper the other day. There is nothing wrong with lawyers, some of them are good and some of them are bad and so on, the same as everybody else, the same as union people, not much difference.

Well, this has been the tragic record of our economic development, Mr. Speaker, and anyone who wants to suggest how we could go about it better is painted as a traitor for the Province, is painted as somebody who is too cautious and does not believe in Newfoundland, too conservative with a small "c". This is the kind of nonsense that has been talked in Newfoundland for the last twenty-one years but now the people of Newfoundland have to realize it is

MR. CROSBIE:

their last chance to put a stop to it and get us back on the right course, get a Government who will go about developing Newfoundland economically not just talking about it and making poor deals with everyone who comes along with a good-sounding story and who is a smooth talker.

Yes it is fortunate, the budget speech is right that not too many power subsidizes were agreed to be paid to industries at that stage but we do not know today, Mr. Speaker, what subsidizes the Government is agreeing to pay. What is it now? Is it two-and-a-half mills, two mills, three mills, three and a half, what is the hon. the Premier holding out to the aluminum company he is dealing with, Kayser Aluminum? What are they being promised? Are they being promised power at two-and-a-half or three or three-and-a-half mills? We have not heard about that yet and the other people that he is negotiating with. They do not want to tell the public, they do not want to tell the members of this House anything, give them no facts, nothing, just blind faith in a Government whose record over twenty-one years is a dismal failure in economic development, The greatest failure of the Government is in economic development and it is the greatest failure of the Leader of the Administration.

Now we are going on to even more grandiose projects, Mr. Speaker, \$165. million at Come by Chance, our credit involved \$155. million, direct guarantee \$30. million and the rest the Crown Corporation which means it is our credit to employ 350 or 400 people. A fund of \$165. million, Mr. Speaker, if we had that put into a fund and used the revenue from it each year to develop industry in Newfoundland to assist smaller businesses and industry in Newfoundland we would create in a year thousands of jobs with that money, not just 300 or 400 for the whole \$165. million. We could create 1,000 to 1,500 a year in small industries alone, develop a smaller possibility, in just the income from it, the income from \$165. million at nine per-cent these days that would be about \$14. million a year. If the Government just had a fund or voted each year \$1. million to assist people without equity but with suggestions for small business and so on we would create more than 300 or 400 jobs a year.

Mr. Speaker, the unemployment rate is fifteen point three per-cent admitted by the Government, DBS statistics. If it takes \$165. million, Mr. Speaker to

MR. CROSBIE:

create 350 to 400 jobs, that is what this Government is doing, that is \$400,000 a job it is costing. To create 10,000 jobs in Newfoundland at that rate it would require an investment of \$4. billion. \$4. billion at that rate, \$165. million for 350 to 400 jobs, 10,000 jobs \$4. billion.

MR. BARBOUR: Is that not important to help people find jobs?

MR. CROSBIE: Is the member for Bonavista South not listening? My remarks are all about the importance of creating jobs and that this Government is not creating them and there is much better ways to create jobs. Yes, my whole speech is about the importance of creating jobs.

MR. BARBOUR: I do not care how much it costs so long as the people find employment.

MR. CROSBIE: Exactly, exactly, and neither does the hon. the Premier. You do not care how much it costs but what about when we run out of money. You do not care if it is \$400,000 a job. If \$400,000 can create 100 jobs instead of one is that not better, is that not a better use of the money.

MR. CROSBIE: If \$400,000. cannot create, spent in another way 100 jobs is that not better than using the \$400,000. to create one job.

MR. BARBOUR: You said if

MR. CROSBIE: I not only say if, I say it can be. What nonsense, you do not care what is costs to create a job. We have to care, we are not made of money here in Newfoundland. The Government has not unlimited resources. You must care. If \$10,000. can create a job that is much better than having to pay \$400,000. to create it, because, then you can create 400 more jobs or 40 more.

MR. BARBOUR: But as time goes on all this money comes back into the pockets of the people.

MR. CROSBIE: Ohhhh, the member for Bonavista South is

MR. BARBOUR: The member for Bonavista South is very much alive, when it comes to finding employment for the people of not only Bonavista South but of the whole of Newfoundland and Labrador.

MR. CROSBIE: If the member for Bonavista South will continue to listen I hope that he will see my point. If he does not, we will just have to disagree and I still like the hon. member anyway.

Now Mr. Speaker, the credit of Newfoundland and the money that this Government is spending on economic development is being mis-spent. That is the tragedy of it and we do not have it in Newfoundland to mis-spend. That is the tragedy of that. Now we have a chance with this DREE program, we have a chance with the DREE program to improve the public services of Newfoundland and to create the conditions so that jobs can be created here even more easily. Is that opportunity to be wasted also? Is this opportunity that is coming up in the next year or so going to be wasted by this administration continuing in power with the crazy policies it has now? We are not going to have more than one more chance Mr. Speaker. We are not going to have more than one more chance. Our resources are limited. We have to use them to the best advantage.

We have to develop our natural resources all industries and the rest of it.

Not on all large capital intensive industries like the oil refinery. The oil refinery would be wonderful Mr. Speaker, if that refinery was being established with the promoters money, wonderful. But, when it ties up \$155 million of our credit, when involves us in building roads, when it involves us in subsidizing electricity, when it involves us in providing water and sewage and housing and all the rest of it, then the costs outweigh the benefits.

The Premier has been captured by the promoters he deals with. He is a prisoner of Mr. Shaheen and Mr. Doyle and any one else who he deals with. Well that is enough on the power policy in industry.

Then as the Budget Speech goes on with the usual "hoopla" and nonsense, false figures about what is being spent and what is being spent on education and the rest of it the Government, there is so much foolishness in the Budget Speech it is hard to know what to pitch on next. I will leave education to someone else because as the member for Burin pointed out the other day, the only meanful figure is the figure per pupil and not the figures given on page 39 and 40.

Salaries I will come to a bit later Mr. Speaker. You see in the whole Budget Speech there is hardly anything, there is nothing to get your teeth into, no solid facts, all misinformation. The Government is going to go into collective bargaining and I will come to that later. On page 75 Mr. Speaker, the Government tries to pretend that it is only going to borrow during the year \$29 million. The Government is only going to borrow \$29 million by the sale of debentures, when in actual fact the Government has to borrow some fifty odd millions. Canada Pension Plan \$15 million, DREE \$11 million, C.M.H.C. \$561,000., and so on. What a pitiful attempt to fool the people of this Province Mr. Speaker, to claim you are only going to borrow \$29 million when in actual fact you are going to borrow \$56 million, and have to borrow \$56 million, and when in actual fact Mr. Speaker I will prophesy now that when the results of this year are turned out it will show that the Government has a deficit of over \$60 million at the end of this year.

Will you listen to this Mr. Speaker, page 83. Perhaps more than in any other Province in Canada today our Province shows more encouraging signs of economic progress and expansion at this very time. That Mr. Speaker, is just utterly untrue. There has never been such unemployment in this Province as there is at the present time.

MR. STRICKLAND: Go back to the thirties, go back to the thirties man

MR. CROSBIE: I am talking about recent times. Go back to the thirties.

We all know that during the thirties there was practically no one employed.

MR. SMALLWOOD(J.R.): Go back ten years

MR. CROSBIE: Hundreds of people Mr. Speaker as every member of this House knows are contacting members looking for jobs today and in the last few months and cannot get them. Yet there were never more encouraging signs of economic progress and expansion. Pipe dreams, pipe dreams. The only expansion this year will be the money that the Government is going to spend here and the money that this Government can scrape up because an election is coming.

MR. STRICKLAND: When?

MR. CROSBIE: It is coming between now and the end of 1971.

MR. NEARY: That is the hon. members swan song

MR. CROSBIE: This maybe my swan song, that will be up to the electorate to decide. Any one of the hon. members on the opposite side can come and run against me. There is none of them that I am worried about that can run on the other side.

MR. WELLS: There will be a lot of swans singing before long

MR. CALLAHAN: He can run against me, I will

MR. CROSBIE: I will accept that challenge

MR. WELLS: The hon. gentleman is not going to run in Port au Port again is he?

MR. CROSBIE: Is it Port au Port or St. Barbe North? We hear that the hon. gentleman is fleeing to St. Barbe North, to a safe berth.

MR. CALLAHAN: No, it is Port au Port and I will welcome any one to run against me.

MR. CROSBIE: In Port au Port he will not come to port the next election. He is going down, he may as well take an anchor with him and jump into the harbour out there.

MR. CALLAHAN: Come out and see

MR. CROSBIE: I would love to run out there but there are other people out there who want to run against you.

Mr. Speaker it states in the Budget Speech that the major expansion program at St. Clare's will be concluded within the next year or so. If it say or so it may be true. It is going to end up with a total of 320 beds the hospital there at a total cost to the Province of some \$14 million. About \$8 million of that money will have to be found in the next two financial years. What we have to look at Mr. Speaker is the obligations building up which this Government has to meet.

St. Clare's hospital alone in the next two years about another \$8 million. The Government has promised to build, to improve the hospital at Corner Brook that is an expenditure of three, four, five million dollars in the next couple of years. The Government has promised to build a new hospital at Carbonear that is four or five million dollars in the next couple of years. The Government has promised to put a new hospital in Twillingate that is three or four million dollars at least over the next couple of years. The Government has promised to build a new hospital at Carbonear that is four or five million dollars over the next couple of years.

The Government has promised and must do substantial work at the General Hospital in St. John's, that is at least two or three million dollars over the next couple of years. The Government has itself tied to the medical school at Memorial University and I noticed an article in the paper last night that said that capital works had to be put off till 1971. But that medical school Mr. Speaker, and the University hospital if it ever goes there is going to cost us fifty or sixty million ^{and} less a Federal contribution of about twenty or thirty million dollars over the next three or four years.

On every side there are these big obligations building up and the Government's revenue decreasing. The Government in a position where is has to

borrow money just to stand still. Ottawa is not always going to perform miracles for this Government by giving it money. The Government has to face realities. There is nothing in the estimates for a new hospital at Carbonear. There is a very small amount in connection with the hospital at Corner Brook, just for plans, some few thousand. There is not a cent in the estimates for Twillingate hospital. A very little amount for the General Hospital at St. John's. All of these things.

Now we will be told that it is all going to be done next year like the teachers are being told. They are going to get a salary increase next year. They are not being dealt with this year, they are going to be dealt with next year. Mr. Speaker, how is the Government going to increase the pay of teachers next year, all the teachers of the Province, and give a general five per cent increase to all public servants, non-Government hospital workers and the rest, do all that next year without raising taxes, when the Government said this year repeatedly, "we cannot give more than 4.3 million, we cannot give more than \$6 million, we cannot give more than \$7 million without raising taxes." Yet, next year, after the election the Government hopes, next year the Government pretends it is going to increase the teachers salary and give a general five per cent increase without having to raise taxes.

If taxes had to be raised this year to meet the salary demands then they certainly will have to be raised next year to meet the promises the Government has now made in connection with salaries. The tax increases are coming but not until after the election. Not till after the election. They have to come, the Government has no choice.

MR. COLLINS: They do not propose to increase taxes.

MR. CROSBIE: Yes, but the Government plans to do it if it gets back in.

Do you promise not to.

MR. NEARY: Sure

MR. CROSBIE: Well the new Government may find it has commitments that it cannot avoid.

MR. ROBERTS: Put it down for coalition

MR. CROSBIE: The new Government may have committments that it cannot avoid. So the members of the new Government should be worried about that.

MR. NEARY: The hon. member from Humber East had a grievance last night on television but it did not work.....

MR. WELLS: What is he talking about, what is he talking about

MR. CROSBIE: Mr. Speaker, we do not mind these interuptions from the nursery. Every now and then we hear a few squeals and squawks and baby talk from the nursery corner of the - there is a kiddies corner in the Cabinet but the hon. minister was just a bit too old for that so he is in the nursery corner. The hon. Minister of Community and Social Development, and the hon. Minister of Supply, and the hon. Minister of Health they are in the kiddies corner, but the hon. Minister is in the nursery corner. There is somebody there too who is in his second childhood with him. One of the middle age, one older but both in the nursery corner.

Now Mr. Speaker, I do not want to discourage the interjections by the Minister of Welfare

MR. NEARY: Social Services and Rehabilitation

MR. CROSBIE: So it is not changed yet is it? Social service and rehabilitation. No it is not changed yet.

Now let us get on Mr. Speaker time passes. Mr. Speaker here is a little item that the hon. member for Gander is going to have to worry about if his party forms the Government next year or this year.

MR. CALLAHAN: No need to worry

MR. CROSBIE: No need to worry, the hon. gentleman has no more in Port au Port than the hon. the Premier has in Humber West and that is none. No hope, nil, not a chance of being elected. The hon. Premier is going to leave Humber West and the hon. gentleman is going to leave Port au Port.

MR. CALLAHAN: Come out and see, we will show them

MR. CROSBIE: Now Mr. Speaker, here is something that these hon. gentlemen are going to have to worry about.

MR. COLLINS: The hon. member is going to try one of the St. Barbes next time.

MR. CROSBIE: Yes, St. Barbe North. The hon. Minister of Public Works will be retired and the hon. Minister of Mines, Agriculture and Resources is going to try St. Barbe North. But there, the people of St. Barbe North will solve that problem too.

Here is a problem Mr. Speaker that the Government has that the Government is not concerned

MR. CHALKER: I think I heard my name mentioned and that I was going to be retired. It is an excellent idea, but I have no thought or intention of retiring or releasing my district to the hon. member at my left.

MR. CROSBIE: We do not want to see that hon. gentleman retired Mr. Speaker, we want to see him over here in the next House.

Now Mr. Speaker, quite seriously, here is something that the new Government must worry about that the old Government does not worry about, because, the hon. the Premier does not worry about little matters like this, it is only \$100 million. Mr. Speaker, between this year 1970, well 1970 is only \$2 million, but really, in the year 1972 or 1971, 72, 73, and 74, in those four years the Government has to repay, this Province has to repay \$98 million in indebtedness. In money borrowed by the Government in the last couple of years which has no sinking funds, which is unfunded, \$98 million. In 1971, there is \$32,260,000. coming due. In 1972, there is \$2 million plus two is four, plus five is nine and another twenty-seven. There is no use in giving the individual figures, but in those three years \$98 million of indebtedness of the Province of Newfoundland is coming due unfunded, without any sinking funds to help meet that obligation. The Government is going to have to go out and borrow the money again to repay that \$98 million.

While it is doing that the Government of that day is going to have to be borrowing money for its own purposes and it is going to have to be guaranteeing money for other purposes. For municipalities and the rest of it. I have heard the Premier say on that great program "monologues with the master" or conversations with the Premier some call it, I have heard him say "we will just roll over this money. This is no problem, we will roll it

over." The theme song of the Government seems to be "roll me over" with respect to the funded debt of this Province. We will just roll it over, but, while that is being rolled over Mr. Speaker, the Government of the day is going to be unable to borrow money in the same amount for purposes of that time. That is \$98 million that the Government must borrow in three years, from 1972 to 1974, or 1971 to 1974.

The Government is not worried, just roll it over. Yes, but while they are arranging to borrow that \$98 million again how is the Government going to be able to borrow the \$50 million or \$60 million that it needs each year just to keep the Government services going without doing anything really new?

The period from 1964 to 1970, deficits are around \$290 million and the red debt was incurred by the Government, \$290 million. That is forgetting altogether Mr. Speaker, about the guarantees given to everyone under the sun. The Government is not worried and it is not worried about the \$98 million borrowed without sinking funds. Four to five year loans over in Europe in Euro dollars, and what they are costing us. They are costing us nine and ten per cent a year, and the fact that is all has to be rolled over and repaid in a three year period.

The Royal Commission on economic prospects were worried about it, was concerned about it, but not this Government, not at all. Look at Supplementary Supply. Contempt, the Government has nothing but contempt for the rules of Parliamentary democracy, nothing but contempt. Deliberately the Government keeps the estimates low, knowing that it does not have enough in the estimates just to carry the Government for the year, thinking with its great majority it is able to blast through a Supplementary Supply Bill when the next year comes along. That is what the Government has done this week, and what it has done every year for the last ten and probably before that.

Interim Supply, complete arrogance in Interim Supply. The Government does not worry about Interim Supply or how much it needs. It has the majority, it is going to force it through anyway. Interim Supply, like

this year, \$60 million bullied through this House in one day and a night in March so the hon. members could go off to Paris and the rest of it. Nothing but contempt, and then Mr. Speaker, they will not even give you the order of business. They will not let the Opposition know what business is going to come up next. We were lucky we learned yesterday that the Budget Speech was going to start today. What time did we get to prepare for it? Last night if we had the strength after being here all Tuesday from 10:30 a.m. to 11:00 p.m., and this morning up to 10:00 o'clock.

AN HON. MEMBER: Is this not the twenty-third of April?

MR. CROSBIE: Oh the twenty-third of April Sir, we have been in this House and getting ready for other debates and reading legislation. It is a darn good thing we did read legislation. The trustees Act has been changed because we pointed out deficiencies in it. The Department of Supply and Services Act, the Newfoundland Teacher's Association Act, and the Ombudsman Act, and one or two others have been changed because we spotted clauses that even the Government did not want in them.

MR. CHALKER: Other Oppositions in the last twenty-one years pointed out mistakes.

MR. CROSBIE: I am not saying anything about other Oppositions. I am telling the hon. minister what we have been doing for the last several weeks. The hon. minister suggests we could have spent the couple of weeks getting ready for the Budget Speech. Well we are not all supermen.

MR. CHALKER: They are all on this side.

MR. CROSBIE: There was an editorial in the Evening Telegram last night. That is all I will say about that. Supplementary Supply. Who was upset, the hon. minister? When I asked the other night what museum \$3,000. was for, I was told by the Premier with supreme arrogance "the museum" and he would say nothing else. The minister of the department concerned would not even tell me when I asked him what museum it was.

MR. CHALKER: Does the hon. gentleman need to be told?

MR. CROSBIE: Why does the hon. gentleman think I was asking?

MR. SMALLWOOD (J.R.): That is another.....

MR. CROSBIE: Ah! there is the great dictator on the other side. When the dictator says "do not give them any information" that is it, nobody is allowed to say a word. He is going to go down with the ship in the next election.

MR. SMALLWOOD: The hon. gentleman does not say that in private, he only says that for public effect. Privately he says something very different.

MR. CROSBIE: Mr. Speaker, I think that the hon. gentleman got me bugged. Apparently I cannot whisper around this Province but he hears what I say.

MR. SMALLWOOD: Do you know what the hon. gentleman says privately about the next election? Who is going to win it, and how many seats?

MR. CROSBIE: After the conference in Gander on April 25, the very successful, the truly liberal conference, the hon. the Premier had a list of everybody who attended. Imagine, he was so interested in the conference Mr. Speaker, that he had a list showing who was there, from what district, and he got on V.O.C.M., and he said there was so many from this district and that. Intense interest.....

we would have invited the hon. the Premier to come and he could have met them all personally, and taken the details down personally if we had known he had such intense interest in the Reform Liberal Movement. He should have because his party needs to be reformed. And the biggest reform needed is the replacement of the Hon. the Premier by someone like the Minister of Health who has saved the Government the last few days, despite, despite the ultimatums thrown out by the hon. the Premier.

MR.HECKMAN: There is a plot - it is coming out now - there has been a meeting between the Minister of Health and the hon. member for St. John's West. We have heard about it -

MR.CROSBIE: I am not going to confirm or deny.

MR.HICKMAN: I knew it. I heard about it tonight. The secret meeting between the Minister of Health and the hon. member for St. John's West.

MR.SMALLWOOD: The hon. gentleman, going to the Tory Convention tomorrow?

MR.HICKMAN: Yes, are you coming along? Yes, I am going.

MR.SMALLWOOD: The hon. gentleman is going to the Tory, what about the NDP Convention?

MR.HICKMAN: No. no they have not invited me.

MR.SMALLWOOD: Just the Tory so far?

MR.HICKMAN: Just the Tories, yes, that is right, that is right just the Tories.

MR.CROSBIE: Mr. Speaker, I hope you will deduct a couple of minutes from my time. Now, Mr. Speaker, I want to refer to the report of a speech that was made -

MR.HECKMAN: That is what they call in football, injury time, in soccer it is referred to as injury time, they deduct it.

MR.CROSBIE: This is a speech made on January 14, 1970 by one of the ministers of the Crown. And how he could stay in the Government if these are his beliefs is beyond me. Because what he said is sensible and sound, he said refusal to face realism, great danger in the seventies. Now Mr. Speaker, just what the Government opposite refuses to do is to face realism, and that is the great danger in the seventies. He says that the Province has reached turning point. The Minister of Health made a speech at the Kiwanis Club of Cabot in the Battery Motel, one of the most sensible he has made and

I quote from him: "Mr. Roberts stressed the answer to jobs does not lie in massive industrialization or resource based industries. The answer is not to pin our hopes on some miraculous intervention in the form of an industry. We might get one but the cost might be so high as to leave us further back than when we started, Mr. Roberts said. Exactly! Exactly! Exactly! when I resigned from the Cabinet, when I resigned in May of 1968 the letter says something exactly the same as that. The answer is not to pin our hopes on some miraculous intervention in the form of an industry. That is what this Government is pinning its hopes on the miraculous oil refinery or the miraculous third mill or the miraculous aluminium plant, That is not the answer. The cost of those things are going to outweigh the benefits to Newfoundland. They are not going to create enough jobs, to meet the costs that we are suffering, to get them.

ERCO, not Erco's fault, but Erco on any cost benefit analysis cost Newfoundland more than we gained from it. He said the resource based industries must be developed more highly. But this development is not the solution to the Province's economic problems. True, not resource based industries alone. Increasingly our effort and our money must go into that great middle area. It is hard to be specific. But it is easy to see in the advanced modern economies that the real pay off, the pay off in jobs comes in the soft industries and in the finishing and processing he said. That is a very sensible statement. And how the hon. gentleman could stay in the hon. Premier's Cabinet if these are his views baffles me. Or how the hon. the Premier can keep him, because his views and the hon. Premier's are diametrically opposed.

The Hon. the Premier believes in miracles. That something must come here to Newfoundland because the hon. the Premier wills it. After twenty-one years he believes the hon. the Premier, that if he wills something it will happen. It must happen. It shall happen. The resources of the people of Newfoundland and the Government will make it happen no matter what it costs. That is what he believes. But that is not what we need Mr. Speaker. We need

something much different from that. We need a government that will use all of our resources in the best and most effective and efficient way. A government that will decide on priorities, which this government hates, The budget speech last year laughed at priorities. The Government hates priorities. That will cease/attempting to bluff the people of Newfoundland like the recent highway programme Mr. Speaker. A monumental bluff delivered in this House by the minister of Highways. A highway programme outside DREE areas costing about a hundred million dollars, to be implemented. And estimates for that minister's department are \$29 million which is \$10 million less than last year. Stop that kind of bluff. Stop using DREE as a milch cow, as a milch cow for each district. Use^{it} for the purpose it is meant for. Stop scheming^g up white papers quickly, March and April, for the Northern Peninsula instead of leaving it to the Minister of Community and Social Development. in whose jurisdiction it should be.

The park is in the Mines Agriculture and Resources the rest of those proposals should be with DREE. And if we ever get those things that are going to come through DREE, not through Dribble. And Dribble is the Minister of Mines Agriculture and Resources Department. DREE is where it should be. Stop trying to bluff the people of this Province. Get a department of Economic Development that has a staff capable of performing research and investigation functions and supervisory functions and the rest of it. Let us have the feasibility studies and the management consultant studies before we assist the industry, so we know whether it has got a chance for success or not. Let us cut out making announcements about new industries until everything is agreed and we have them tied down, the legal binding agreements covering every point. So they cannot come back later on and embarrass us and say now it is going, we have to stop unless you do more for us, Because that is happening, it has happened in the third mill, the fourth mill, the oil refinery and everything else that I know about. That same kind of thing has happened.

MR. NOLAN: Mr. Speaker, would the hon. member permit a question?

MR. CROSBIE: Yes.

MR. NOLAN: Mr. Speaker, surely the hon. member is not suggesting that in the negotiations for any or all industries, or is he, that all the negotiations be carried out and when all of it is finalized and everything, only then should this House hear about it?

MR. CROSBIE: Mr. Speaker, what I say is practically that. All the negotiations and all the important points should be decided and agreed upon and signed before it is announced publicly. Now then to implement them you may have to come to this House and get its approval. The Government has a majority; it is going to get approval in the House anyway. But the important points should be covered and signed and agreed to. So that the promoters cannot then come weaseling in, as they do now, saying how much more they need and you feel that you have got to give it to them because of being public announcements before these things were settled. That has been the history in the past. I am sure the hon. gentleman knows it. That is the kind of approach. Now industrial estates perhaps it would be best to have an industrial estates corporation as they do in Nova Scotia, as they have in Manitoba, perhaps it would not, but we need a department with a minister who spends his full time at the job. Not the Premier, the Premier should not be minister of Economic Development. The Premier has enough to do, supervising and directing and coordinating the whole policy of the Government, without being minister of a department also. We need an active minister in that department with a staff, economists, commerce graduates, people experienced in management consulting. People experienced in doing cost benefit studies all capable of doing all these things before a project is approved.

We need a division of that department that has competent engineers and chartered accountants whose whole job is to supervise what the industries are doing that we are helping. Watching what Sea Mining is doing. Watching what the Steel Plant is doing. Watching what the Newfoundland Hardwoods is doing, although that been a long time in operation probably not necessary. Watching what is happening at the fourth mill in Melville, day by day watching, are they coming within their costs, or are the contracts they are letting all right. So on all these details it has to be watched for

by the Government and all that should be done in Economic Development and we should have good trained competent people to do it, hard-nosed, tough, who make sure they stick to their agreements and obligations. This is what we need. And this is what we do not have. This is what we do not have. But the Government needs. It is not going to get it unless there is a change of administration. The leopard does not change his spots, Mr. Speaker. And there is no sign of any change since the member of Humber East and I left the Government.

Now, Mr. Speaker, have you ever heard that song I have been a wild rover. "I have been a wild rover, diddle, de, dum, di, da. I have done my roving see." The wild rover has settled down over here with the Liberal Reform Party and that is where he is staying until there is a change of Government and the Liberal Reform Group forms a new Government. That might be next year, five years, ten years, twenty, I might be as old as the minister of Public Works then.

Now, Mr. Speaker, my ninety minutes will soon be up so I want to move, seconded by the member for Humber East, in connection with the resolution that we are now debating on the motion.

MR. NEARY: You were trembling a long time ago.

MR. CROSBIE: There is nothing to tremble about. You are an arrogant Government, you are a contemptuous Government there is nothing to tremble about. It is only good, common sense we are going to move now. You do not want to worry about it. I wish I had had time to prepare my budget address. Now, Mr. Speaker, I move, seconded by the member for Humber East, that all the words after the word "that" to the end of the question be omitted and the following substituted therefor. This is rather lengthy because it covers an empty situation Mr. Speaker. It covers the greatest retreat since Napoleon left Moscow. The retreat from Moscow. The greatest retreat since then has been the Premier's retreat from his ultimatums in connection with the salary question over the last three weeks. In view of the fact that for some months there was obvious government employees and non-government employees paid from government funds especially hospital workers, the

Newfoundland Constabulary, Fire Department and other security personnel were expecting an increase in pay and improvements in working conditions, That with respect to non-government hospital employees at Corner Brook and Grand Falls conciliation boards had unanimously recommended pay increases and improved working conditions retroactive April 1 1969, That the Government fails to negotiate with the employees or their representatives before the budget speech was brought down April 23, 1970. That in the budget speech the government declared that the government can only allocate an amount of \$4,700,000 for wage increases in the present year. With a new classification programme to be implemented from April 1 1970. And on April 29, the Government declared \$6 million could be made available for wage and salary increases, with police, firemen and other security personnel to receive an increase of \$100 a month across the board. Other custodian employees \$50 a month across the board. With the remainder of government and non-government workers to receive \$35 a month across the board, as well as the annual increment now restored by government. That the Government from April 23, 1970 until May 7, 1970 failed to communicate with or to negotiate with the Canadian Union of Public Employees and other duly constituted representatives of the workers involved. But rather make statements only in the form of ultimatums, that on May 6 1970 Premier Smallwood stated that the said amount of \$6 million was all that would be available for salary increases but that otherwise the full weight of the law would be invoked if any strike occurred in hospitals.

On May 10, 1970 the Government again reversed its position stating that \$7.25 million would now be available for wage and salary increases with the result that public service employees including non-government hospitals workers were then offered salary increases of \$45 per month across the board together with the annual increment of approximately \$8.33 per month for the present fiscal year. That the Government has continually misrepresented and obscured the true financial position of the government and its ability to meet the requested wage and salary increases. That the Government has stumbled from crisis to crisis in connection with vital public services since April 9, 1970.

thereby creating great hazard to the public interest from the possible cessation of vital public services. Through withdrawal of services by employees. And that all of these matters could have been resolved if the Government had bargained collectively, with the representatives of all the workers involved previous to the bringing down of the budget on April 23, 1970 since reasonable improvements in working conditions and wages were obtainable without any increase in provincial taxes. Be it resolved that this House declare that it has no confidence in the ability of the Government to administer the affairs of this Province. That is the motion I move Mr. Speaker. Now, Mr. Speaker, I wish to speak on the non-confidence motion.

MR. SPEAKER: The hon. member's time is up. He has finished his speech on the non-confidence motion. He has no right, as I understand it, to speak on the non-confidence motion. He has not been recognized by the Chair anyway, as yet. If any hon. member thinks that I can look at this for the first time and say whether this amendment is in order -

MR. SMALLWOOD: Your Honour, is a member supposed to be standing while Your Honour is speaking?

MR. SPEAKER: I will say again that I do not think that any hon. member or the House collectively can expect the Chair to take two pages of an amendment to the motion that I do now leave the Chair, and to accept it just like that as to whether it is in order or not. I will have to take the amendment under advisement and look it over to see if in my opinion it is an appropriate amendment at this particular time.

MR. CROSBIE: Well then what do, that being the procedure do we go on with the main question now Mr. Speaker?

MR. SPEAKER: May we proceed with another order while we are waiting, I cannot make a decision on this now.

MR. SMALLWOOD: We could go to the main motion, the debate on the debate Mr. Speaker.

MR. SPEAKER: We can continue the debate on the main motion, I think, but I

have to make up my mind whether I can accept this motion or not. And until I accept the amendment, and until the amendment is accepted and put before the House there is to be no debate on it anyway.

MR.CROSBIE: When Your Honour makes that decision then I can speak on this amendment I have introduced.

MR.SPEAKER: I will give my ruling on that -

MR.CROSBIE: Oh yes, it is in Beauchesne.

MR.SPEAKER: I will give my ruling on that at the same time.

MR.MURPHY: Mr. Speaker, on that point I do not see how we can go on now with the regular debate when there is an amendment before the Chair and the amendment should be debated in my opinion and it has always been the custom in this House -

MR.SPEAKER: The amendment is, I will remind the hon. member the amendment is not before the House yet, it has not been accepted by the Chair. I have not had an opportunity to look it over and see if it is in accordance with the rules. Therefore the amendment is not before the House and I ask the House to defer consideration of this matter until I have had time to look at it at leisure and in the meantime it would be more appropriate to continue with the debate and I will give my ruling later.

MR.MURPHY: An amendment has been proposed, the Hon. Speaker has to consider whether he will accept it to put before the House and before that is done I suggest that we go on to another order because I do not see any purpose in continuing the regular debate until the amendment has been brought before the House to be voted on and that is -

MR.SPEAKER: The question is this. That when we go, when this

MR. SPEAKER: The Amendment has been made and proposed, it is not before the House until it has been proposed from the Chair. I am not in a position to do that as yet, until I have read the motion and looked it over to see if it is in accordance with the rules, at which time, we can resume debate on the Amendment. But in the meantime, the Budget Debate a person can speak on it, it will not bar him from speaking on the Amendment when it is proposed from the Chair.

MR. SMALLWOOD: Mr. Speaker, I take it an hon. gentleman having occupied the time that is permitted him under the rule, and within that time toward the end of it moves an amendment, he has exhausted his right to participate in the debate.

MR. SPEAKER: I will make remarks concerning that when I have considered whether the amendment itself is in order. I suggest in the meantime to return to the debate on the Budget.

MR. CROSBIE: Mr. Speaker, on the point raised by the hon. the Premier who is now trying to impose closure on me, if you Honour is considering that point, then I suggest that we address some argument to Your Honour on that point, if Your Honour is considering that I cannot speak on his non-confidence motion that I move. Or if the hon. the Premier is going to argue that, then there should be ...

MR. WELLS: He has argued it.

MR. SPEAKER: There will be an opportunity for all hon. members, I already said that. There will be an opportunity to decide this question after I look over the Amendment to see whether I consider it to be in order or not.

MR. WELLS: On a point of order, I am a bit lost. How can we intelligently discuss the main motion, when there is a motion to amend it before Your Honour. I agree it has not been accepted by Your Honour, I agree that, that is so. But how can we now intelligently discuss, when we do not know whether we are going to be debating an amended motion, or debating the amendment or what, the idea is changed as soon as the motion is put, and perhaps...

MR. SPEAKER: Continue to debate the main motion, that the Speaker do now leave the Chair, if the motion is accepted, if the amendment is accepted then every hon. member will get an opportunity to speak to the amendment when it is proposed and put before the House from the Chair.

MR. SMALLWOOD: Every hon. member who has not spoken.

MR. SPEAKER: Any hon. member who has not already spoken.

MR. CROSBIE: Mr. Speaker, I point out that I am speaking now, I have not concluded my address. The time was up after I moved the address, not only that, Mr. Speaker, but it is customary to allow a member to continue his speech as the hon. Minister of Education and others.

MR. SPEAKER: Order, order please.

MR. CROSBIE: Ignorance.

MR. SPEAKER: Well I suggest now we have no further debate. I will take this amendment under advisement, and when I make the ruling I will comment on whether the person is speaking on the amendment or on the main motion, in the meantime, we can continue with the main motion that the Speaker leave the Chair, which is the debate on the budget, and when that decision is made, we will then put the amendment before the House, I think, it is in order and then a person who is permitted to do so under the rules will be able to talk on the amendment, but in the meantime we could go on without wasting time by talking on the main motion that the Speaker leave the Chair. Nobody is deprived of his right to talk.

MR. WELLS: On a point of order, Your Honour, something just came up and again I do not know what is going to be the situation. If for example, I now speak to the main motion while Your Honour is considering this amendment, when the amendment is being discussed will I not be able to speak to it.

MR. SPEAKER: Surely, of course.

MR. WELLS: Of course, fine. Well this is a statement made by somebody that it was not possible.

MR. SPEAKER: We will now continue with the debate on the Budget.

MR. CROSBIE: I will continue with my address on the Budget. Do I have the consent of the hon. Premier. The hon. the Premier will not consent, ah? Will not consent.

MR. SMALLWOOD: Ask Humber East?

MR. CROSBIE: Will not consent.

MR. SMALLWOOD: Ask Humber East.

MR. CROSBIE: Closures. He hates to hear the truth. He is afraid to hear it.

MR. SPEAKER: Order, order, please. This is completely out of order now. We will continue with the debate on the Budget Speech, and the only way for the hon. member for St. John's West to continue is with unanimous consent of the House. May we continue with the debate on the Budget?

MR. SMALLWOOD: Contrary "nay"

MR. MURPHY: Mr. Speaker, I do not know if I am in order, but to my knowledge it is the first time I have seen this happen in the hon. House, that the amendment was not debated before the speech went ahead. I would like to move that the House recess for sufficient time to give the Speaker ample opportunity to try, in his wisdom whether this amendment is in order or not. It has been established that the amendment was debated before the main order of business was discussed. I would like to make the motion that the Speaker now recess the House to give him sufficient time to bring back a judgement on whether this amendment is in order.

MR. SMALLWOOD: Mr. Speaker, on this matter, may I say this categorically, that in the twenty years prior to this session, the House has debated amendments and the main motion alternately throughout the debate, and members have stood and said, "I wish to address myself to the amendment" or they have stood and said, "I wish to speak to the main motion." This has happened at least in half the sessions. It is not a rule that the amendment has to be debated first and disposed of before the main motion is resumed, that is not so. It has happened repeatedly in this House in the last twenty years, that when an amendment is

MR. SMALLWOOD: made to a main motion, the debate may be on the amendment or on the main motion, and each member is allowed to speak twice, except for the one who moves it. So that is what has happened, so we oppose this motion.

MR. SPEAKER: There is no amendment before the House at the present time. The motion has been proposed and it has been given by the hon. member for St. John's West, it is not before the House for discussion until it is proposed from the Chair and I have not said whether I am going to accept the amendment or not.

MR. MURPHY: Mr. Speaker, this is the point I am speaking on, if it were before the House, whether it is allowed or disallowed, then we could carry on. But the Speaker is reserving the right to rule on this thing, this has happened a dozen times on the amendment. Everybody knows what I am talking about whether it ^{is} an amendment or constitution or anything, Mr. Speaker. And I would move that this House recess to give the Speaker time to bring in a judgement as to whether this amendment is in order at this time. It is a motion, that is all.

MR. SPEAKER: Moved and seconded that this House recess. I might say it is twenty after twelve, and I presume we rise at one. Will the House recess for any ^{time?} I am not going to say how long it is going to take in order to do this.

MR. MURPHY: Well, why not recess until 3 o'clock.

MR. SPEAKER: Is it agreed? Those in favour -

MR. CALLAHAN: Mr. Speaker, it is a fact that in this present session of the House in the debate from the Speech from the Throne there were at least on three occasions amendments which were debated concurrently with the main motion. Now there is the precedent the hon. gentleman is asking for.

MR. SPEAKER: This is not the question now, the question now is that this House recess. Those in favour "aye", contrary "nay".

MR. CROSBIE: Divide.

MR. SPEAKER: Call in the members.

MR. SPEAKER: Will all those in favour of the motion, please stand:

The hon. the Leader of the Opposition, Mr. Collins, Mr. Earle, Mr. Hickman, Mr. Wells, Mr. Crosbie, Mr. Myrden. Those against the motion, please stand:

The hon. the Premier, the hon. the President of the Council, the hon. Mr. Lewis, the hon. the Minister of Highways, Mr. Noel, the hon. the Minister of Labrador Affairs, Mr. Strickland, the hon. the Minister of Education, the hon. the Minister of Public Works, the hon. the Minister of Mines, Agriculture and Resources, the hon. the Minister of Community and Social Development, the hon. the Minister of Provincial Affairs, the hon. the Minister of Public Welfare, Mr. Barbour, the hon. Mr. Hill, the hon. Minister of Supply, Mr. Saunders, Mr. Wornell. The motion is lost. May we continue with the motion before the Chair, that the Speaker do now leave the Chair, or some other order.

MR. HICKMAN: May I first direct a question to the Chair, I was unavoidably out of the House for the passed five minutes, Are we now debating the motion that is before the Chair, by the hon. member for St. John's West, or the motion that is before the Chair.

MR. MURPHY: Mr. Speaker, this information now is it in order to put the question with a motion that is being proposed and to be ruled on by the Speaker, is it in order for the hon. Speaker to put the question or shall we have to wait until?

MR. SPEAKER: You have to wait until I put the amendment before the House, I have not ruled whether it is acceptable to the Chair or not at the present time.

MR. MURPHY: Well the question cannot be put at this time.

MR. SPEAKER: The question cannot be put or cannot be discussed at the present time. We concur. Any hon. member has his right to return to the main motion and debate that, after the motion is put, and I have made my decision on it, and it is put before the House, that will not bar any hon. member his right in speaking to the amendment.

MR. SMALLWOOD: Mr. Speaker, is Your Honour telling the House that the main motion cannot now be gone forward with Your Honour is not. That is right?

MR. SMALLWOOD: Your Honour has not.

MR. SPEAKER: What I am trying to say, you are perfectly right to go ahead with the main motion.

MR. SMALLWOOD: That is right. Now then if there is no one who wishes to speak to the main motion now, does Your Honour not put it?

MR. HICKMAN: No, no.

MR. SMALLWOOD: I asked Your Honour the question, I did not ask the hon. gentleman across, I asked Your Honour.

MR. SPEAKER: I have reserved my judgement, I cannot give the judgement as to whether the amendment is acceptable before I put the main motion.

MR. SMALLWOOD: Your Honour, if no one wishes to speak to the main motion, that completes the debate, does not any question of an amendment fall?

MR. WELLS: I would like to address Your Honour before there is a ruling made on that.

MR. SMALLWOOD: I have the floor.

MR. WELLS: I would like to address Your Honour on those remarks.

MR. SMALLWOOD: I have the floor. Is Your Honour not obliged when the debate is completed to put the motion?

MR. WELLS: No.

MR. SMALLWOOD: Is Your Honour not obliged, is Your Honour not bound and obliged when the debate is completed on a motion to put the motion, when no one else wishes to speak to the motion, is Your Honour not bound to put the motion? And if no one wishes to speak to this motion, I ask Your Honour to put it.

MR. WELLS: I want to address Your Honour on that, the main motion, an amendment has been moved by the hon. member for St. John's West, so it is quite obvious from our own rules, from Beauchesne, there is no way that the main motion can be put until the amendment has been disposed of. Now I

MR. WELLS: Appreciate Your Honour's position that he cannot decide whether or not it is acceptable at this stage and he needs time, it is quite sensible and quite understandable. But the main motion cannot possibly be put, as the Premier is now suggesting, until that amendment has been disposed of. Now if Your Honour cannot make a decision now, then we will wait, if no one wants to proceed *now* to debate the main motion, then presumably we will go to another order of business or we recess or we will adjourn, but there is no way that the main question can be put, and all the Premier has to do is look at Beauchesne, it is quite clear, I can refer him to section 208, from 203 right down through to 208, and it makes it quite clear that any amendment or sub-amendments, the amendments to the amendments, must be dealt with before the main motion can be put. He is trying to close of the debate now, what nonsense!

MR. SMALLWOOD: Mr. Speaker, all that is applicable when there is an amendment. There is no amendment.

MR. WELLS: There is an amendment.

MR. SMALLWOOD: There is no amendment, Your Honour, there is no amendment, there is a motion. If no one wishes to speak to the motion, is Your Honour not bound to put the motion? If the debate on the motion is completed, completed in the sense that no one else wishes to speak to it, is Your Honour not bound to put a motion, and is he barred merely because someone has suggested an amendment? Which amendment to Your Honour, he would have ample opportunity to put on another occasion?

MR. WELLS: No.

MR. SPEAKER: No.

MR. SMALLWOOD: He would have ample opportunity to put the same motion of lack of confidence, it is only a lack of confidence motion, this can be done. If it is not done now, it is only an amendment that the House go into Committee of the Whole, that is not the only time a lack of confidence motion can be put. I suggest strongly, Your Honour, that when there is this ^a motion

MR. SMALLWOOD: and the debate on it has completed, Your Honour has no choice under the rules, but to put the motion to the House. And is not barred from so doing merely because an amendment has been proposed which Your Honour has not yet accepted. And especially in the light of the fact that the same motion, lack of confidence that is all it is, can be put at any time. At anytime for the remainder of the session, this same motion can be made, No one is being stopped from making that lack of confidence motion whether it be put as a motion or as an amendment. No one is barred, Your Honour would not be barring that opportunity, the opportunity would still be there, in the meantime there is this motion which no one wants to debate. What can Your Honour do but put the motion.

MR. MURPHY: Mr. Speaker with reference to the Premier's remarks, there is no one being barred from discussing this if they want too, there are twenty members over there to carry on with this. But we are standing on our rights that we have proposed an amendment.

MR. SMALLWOOD: We, we, we, who is the we? We have.

MR. MURPHY: Us.

MR. SMALLWOOD: We, us. We, us and company.

MR. WELLS: The people who sit on this side of the House, do not be naive.

MR. SPEAKER: Order, please, the hon. the Leader of the Opposition has the floor.

MR. MURPHY: An amendment has been proposed, that the Speaker is not prepared to rule on at this present time. We are on this side, and I am going to take part in this debate, we are waiting for the Speaker's ruling and as I see, if we want to move to the motion itself, there is nothing to prevent anybody from on that side of the House, but on this side, and I speak for my colleagues and myself, that we would prefer to wait for the amendment, and I do not see how we can go on and discuss it without our concurrence in this thing. Because I think we have as much right as anybody else for the ruling of the hon. Speaker. There is nothing to bar any member on the Government side from debating this, we will not object.

MR. CROSBIE: Mr. Speaker, I have moved this amendment, it is in the form that is given in Beauchesne, there is nothing wrong with the amendment that I know about in any event, but in the meantime, Mr. Speaker, you want to consider whether this is in the proper form or not, and the perfectly logical thing to do is that if the Government do not want to move on to another order, that we adjourn while Your Honour makes your decision. What is happening now is that the Government is trying to force the closure of this Budget Speech or else force all members on this side of the House to speak first, so that all Government members are left to speak afterwards. On this side of the House, I have started the debate. The normal practice and custom in this House is that I would be followed by a member from the Government side of the House.

MR. SMALLWOOD: On a point of order, what is this? What is this?

MR. CROSBIE: This is a cowardly attempt of the Government to force everyone on this side of the House to speak first,

MR. SMALLWOOD: It is a political argument.

MR. CROSBIE: so that Government can follow.

MR. SPEAKER: Order! order, please!

MR. CROSBIE: The Government called -

MR. SPEAKER: To a point of order, please.

MR. CROSBIE: Mr. Speaker the Government called the order today for the Budget Speech, there are members of the Government prepared to speak on it, and we stand on our rights in this side, we do not wish to be forced to speak until Government members have spoken also. And my point of order,

MR. SMALLWOOD: What kind of -

MR. CROSBIE: I am speaking to a point of order. Page 176 of Beauchesne, Section 208, when a motion, an amendment to the amendment has been proposed the Speaker will first of all take the census of the House by saying; Is it the pleasure of the House to adopt the amendment to the amendment? After this has been disposed of, another may be moved as soon as the Speaker has

MR. CROSBIE: proposed the question, "is it the pleasure of the House to adopt the amendment, or the amendment as amended to the main motion?" After this has been disposed of, the Speaker will propose, "is it the pleasure of the House to adopt a motion or the motion as amended?" Then a member may move another amendment, any number of amendments may be proposed in this way. Now Mr. Speaker it is quite clear that Your Honour cannot put the motion before first deciding whether this amendment is in order, and then before first putting the amendment. And that is our position, it is substantiated in Beauchesne, there have been no authority cited by the hon. the Premier except his own word, and we do not accept that as being a Parliamentary authority.

MR. SMALLWOOD: Mr. Speaker, all that the hon. gentleman has cited from Beauchesne has to do with one simple thing, the order in which Your Honour must put these motions and amendments, and sub-amendments, not the order of speaking. Not the order of speaking, not the order of debate, it has only to do with the order in which the Speaker puts the motion or amendment or amendment to the amendment, but not the order of speaking in the debate on them.

MR. WELLS: Nobody suggested otherwise.

MR. WELLS: Your Honour it is quite clear from Paragraph (208) that the main question can in no way be put onto an amendment that had been proposed, has been disposed of. That must be done first.

MR. SMALLWOOD: That is as to voting on it, not as to speaking on it. Carry on with the main motion, go ahead.

MR. WORNELL: Mr. Speaker, may I suggest without being presumptuous, that the previous question may be called and that would preclude any amendment.

MR. WELLS: On what authority?

MR. WORNELL: Standing Orders, read it, read it.

MR. WELLS: What paragraph?

MR. CROSBIE: In connection with the amendment.

MR. SPEAKER: The hon. member from St. John's West in my opinion, has concluded his speech. The time is up, and unless he has unlimited time when he concludes his speech, when he concluded with his amendment, his time was up.

We have had this before. I would ask all hon. members when I am making a ruling, would they please sit down so we do not have to have the matter questioned. Has the hon. member unlimited time? This is the question that I talked about just now.

MR. CROSBIE: The point is this, that under the rules in speaking on the Budget Speech, there is a time limit of ninety minutes, unless you are the leader of the Government, or the leader of the Opposition. During my ninety minutes, I have moved an amendment to the non-confidence motion, an amendment to the Motion, and under the Standing Orders, as the mover of a non-confidence Motion, I have unlimited time to debate. I just have to look up the Section here now. Standing Order Number 49 says, "no member except the Premier and the Leader of the Opposition, or a minister moving a government order, and a member speaking in reply immediately after such minister, or a member making a Motion of no confidence in the Government, and a minister replying thereto, shall speak for more than ninety minutes at a time in any debate." Now Mr. Speaker, I have moved a Motion of non-confidence, and I therefore submit that I can continue on with the debate of this Motion.

MR. SPEAKER: A person in Opposition replying to the Motion, the original matter - I agree to the fact that the person replying immediately after - if he is speaking in opposition to the Motion that is before the House, then his time is not limited to the ninety minutes which is set down in our Rules.

MR. WELLS: Mr. Speaker, and I would like this clarified. It seems to me Your Honour, and I ask Your Honour for an interpretation of Rule 49. That under that heading the hon. member for St. John's West has unlimited time from two points of view. He is the first member replying to a Government motion, the first one. He is the first speaker in this House that is replying to a government motion. And under Rule 49, he has unlimited time for that reason. He is also a member moving a no-confidence motion, and again under Rule 49, which limits ordinary debates to ninety minutes, does not apply, because it is an exception. So I ask Your Honour to interpret Rule 49 to mean that the hon. member for St. John's West has unlimited time on both those counts.

MR. SPEAKER: I think Rule 49 is quite clear. I do not think the hon. member for St. John's West - I do not think his time is limited.

MR. CROSBIE: Well Mr. Speaker, this non-confidence Motion is in relation to the whole situation which has occurred since the beginning of April in this Government, or in the House. Mr. Speaker, what it refers to is this, it is my submission - it is our submission that the event of the last month, or the last five weeks, demonstrates I think beautifully, that this Government does not have the necessary competence or ability to administer the affairs of this Province. That the events of the last four or five weeks in connection with Government and non-Government workers, and their salary position in relation to the Government - the salaries that are paid by the Government, prove beyond the shadow a doubt that even in the ordinary administration of the business of this Province, this is a Government that is lurching from crisis to crisis, that is incapable of even the most rudimentary actions of government. And this is a Government that has lost the confidence, should lose the confidence of all the members of this House, that has lost the

confidence of a great majority of the people of Newfoundland. We have no confidence in the ability of the Government to administer the affairs of this Province. Why not? Now I will come to the why not. Mr. Speaker, and it was known for months, it was known for months that Government employees and non-Government employees were expecting substantial wage increases and improved working conditions from the Government. It was known since last Fall that the Newfoundland Constabulary for example were expecting increases in pay and improvements in working conditions. In February of 1970, that was known indisputably because there was a cessation of services. They were through their services for a day or two in February, because of the incompetence of the Government in dealing with them, and failing to negotiate with them. And at that time, the Government of Newfoundland promised them substantial wage increases, and in fact they were told the Government was not afraid of \$150 a month. The hon. the Premier told them \$150 a month did not scare them. But it later scared them. It scared them to a much different proposal but he got scared up again to \$100 a month. So it was known that the Newfoundland Constabulary and the Security Employees of the Government were expecting substantial increases. Then Mr. Speaker, non-Government hospital workers, what^s the position with respect to non-Government hospital workers? The position with respect to the non-Government hospital workers, represented in this Province by the Canadian Union of public employees, was indisputably known. The Canadian Union of public employees is certified as a bargaining agent for the Central Newfoundland Hospital at Grand Falls as bargaining agent for the employees at the Western Memorial Hospital and at Twillingate Hospital. Mr. Speaker, on November 4, 1969, the Minister of Labour appointed a conciliation board to consider the matter of the Central Newfoundland Hospital Corporation and the Canadian Union of public employees, Local 990. And this board reported not too long thereafter, the 17 of December, 1969, the board reported. I cannot figure out all the names there, Mr. Mackenzie - it looks like Mr. Smith was the chairman. I have a copy of their report. The board reported that the parties to the conciliation was in complete agreement in principle. The Union had

asked for wage increase of thirty dollars per month for each classification mentioned in the agreement, plus a percentage increase equal to the percentage increase in the consumer price index for the previous years reported by DBS. The Hospital Corporation believe the request of the Union to be fair and reasonable, however it could not conclude an agreement for reasons explained to the Board. And these reasons were; that the source of funds for the Central Newfoundland Hospitals was mainly Provincial Government, and they did not have any money - they could not have the money unless the Government provided it. Page 2 of that Report, the Corporation, the Board says has been informed by the Government that the monies available to it in 1970 this year, will remain at 1969 levels. And those facts meant that the Corporation could not give an increase, the wage increase. The Board unanimously recommended Mr. Speaker, unanimously recommended when collective agreements be entered into, on the basis that for the first year the workers should get an increase of thirty dollars a month for all classifications, plus a percentage equal to the percentage increase and the cost of living index for 1968. And in the second year a similar percentage increase based on a DBS figure for '69.

They agree on overtime, recommended overtime, the work week be reduced to thirty-seven and a half hours. And said, these recommendations are subject ^{to} funds being made available to the Corporation by the Provincial Department of Health. Now this is interesting Mr. Chairman. The Board heard evidence from Dr. Leonard Miller, Deputy Minister of Health, who explained that as a matter of policy, wages to persons in hospitals are frozen until a report on wages and classifications is made to Government by a firm of consultants now engaged. The minister later denied that that was the Government's position. That is what the Board said. So the Board in the case of the Newfoundland Hospital reported on December 17, recommending the wage increases that the Union had asked for. In connection with the Western Memorial Hospital, a conciliation board was appointed November

7, 1969. The report is dated December 16, 1969, long before the Budget was brought down. And the Board was deciding the position between the Western Memorial Hospital Corporation and Local 488 of CUPE. The collective agreement had expired March 31, 1969. The Board pointed out how peculiar the negotiations were between the hospital and the Union. They said the history of negotiations between the Union and the hospital has been one of frustration not only for a Union but for the hospital as well. This frustration stems directly from limitations which the Minister of Health in implementing certain aspects of government policy placed upon the hospital in negotiating this particular selective agreement. While the hospital apparently ^{was} to negotiate in certain areas, it is not free to negotiate on financial matters without the consent of the Minister of Health. That is the position. And on Page 3, they go ^{on} to say the Government would not consent to the hospitals bargaining on wages. Now Mr. Speaker, this is tragic, because how can you collectively bargain, how can two groups collectively bargain when (1) the employer has to get his money from the Government, and the Government would not consent to them bargaining on wages - a complete waste of time. And the Conciliation Board Report goes on to show how poor this system is and to recommend changes. It is an excellent report, this Conciliation Board. The Chairman by the way was Judge P. Lloyd Soper in the District Court in Corner Brook. They point out that these anomalies depend and require legislation and the initiative of the Government to change. So the hospitals told the Board that it could only confine itself to a statement of why it could not negotiate. And there was again mention of this great survey of positions and salaries under way at all hospitals. Now the Board recommended unanimously that the wages requested by the Union be given. A general increase of thirty dollars a month, plus a percentage increase equal to the increase in the consumer price index for 1968-69. The Union also asked that the increases be retroactive to April 1, 1969, which is when their previous agreement had expired, and the Board agreed to that.

The Corporation agreed to the Report or to the proposals. The Corporation agrees to pay the Union employees at the rate that the Board is reimbursed by the Government. In the meantime the Board accepts the Union's demands as being reasonable and has agreed to notify the Government to that effect, and to request reimbursement at that rate. So in this case too, Mr. Speaker, a Conciliation Board recommended what the Union has sought, thirty dollars a month plus percentage increase based on the cost of living increase. And that it be retroactive April 1, 1969. So that was the position. That was the position as far as non-Government hospitals workers were concerned. The Government knew this Mr. Speaker. The Government knew it, the Minister of Health knew it, the Minister of Labour knew it. They had the reports, the press knew it - the Conciliation Report release to the press. So this was all known, and

MR. CROSBIE:

this was all known and it was known or should have been known that the Laboratory Technologists had put in a brief to the Minister of Health eighteen months earlier looking for increases in pay. Laboratory Technologists and X-ray Technicians, without them, Mr. Speaker, you cannot operate hospitals today. Eighteen months ago they put in a brief pointing out that they needed increases and if we are to keep them in Newfoundland they must be paid an equivalent at least of what they can earn on the Mainland.

MR. WINSOR: Who has been the Minister of Health?

MR. CROSBIE: The Minister of Health for the last year has been the hon. member for White Bay North.

AN HON. MEMBER: Who was the Minister of Health before that?

MR. HICKMAN: Oh, I was.

MR. CROSBIE: The Minister of Health then was apparently the hon. member for Burin.

MR. NEARY: The hon. member for Burin had a habit of putting things in his top drawer and locking them up.

MR. CROSBIE: The hon. member for Bell Island has a habit of talking nonsense.

MR. HICKMAN: Let me deal with that. The hon. member for Burin put nothing in his top drawer and would you like for me to tell this hon. House where I put it? Right! Then I would be very happy too. Just open the door just a little tiny bit.

MR. CROSBIE: I suggest you discuss that when you speak on this motion; Now, Mr. Speaker, the hon. Minister for Rehabilitation always gets me confused. Now I was on hospital workers. Right, so that was known, the Minister of Health knew about the Laboratory Technologists brief and the X-ray Technicians request and the Government knew that the NGEA were looking for increases and the Government knew that the teachers were also anxious to have increases but the teachers agreed to wait until next year. So it was known by everybody, Mr. Speaker, that they were expecting increases. Now what happened, what happened? The Government did not get in touch with CUPE, it did not get in touch with representatives of the hospital workers before the budget was brought down, the Government did not get in touch with representatives of the

MR. CROSBIE:

Constabulary not from February on, after the crisis arose in February. There was never any bargaining between the two parties since the strike got settled in February there was no bargaining. They were not told anything about what they were going to get, they were led to expect \$150 a month which the Premier said he was not afraid of, nothing frightens the Premier even \$165. million. He said he certainly was not frightened by \$150 a month so nothing was said to them that they were not going to get \$150 a month increase. NGEA, I do not know if any negotiations were held with them or not but certainly CUPE which represents the hospital works and who had received conciliation board reports in December were waiting anxiously to see what was going to come of it all. Then what happened?

AN HON. MEMBER: Why did it happen?

MR. CROSBIE: Because it shows the total incompetence of the Government and why this cannot be allowed to happen again. The Government must be changed to prevent it happening again. Mr. Speaker, on April 9, collective bargaining - ~~collective~~ bargaining, and people will not be allowed to strike and there will not be binding arbitration, and you call it collective bargaining. The Premier's ultimatiums on television, is that collective bargaining? April 9th, 1970 the statement delivered in this House by the Premier, the first statement, during the whole course of the last five weeks the Premier has made seven major statements each one contradicting or each one retreating from the previous statement he has made. He must be twisted almost like a cork screw he has had to twist and turn so much in the last few weeks making these statements. April 9th, 1970 in this House, Mr. Speaker, he points out to the employees of the Government that they are not going to get their annual increment this year, this fiscal year. They are not going to get their annual increment of \$100 or \$180 that is being traditional but they are going to get something else, they are going to get a great new classification and pay plan system and here is a fatal error that the Premier makes because all he can think of is politics.

He ties in this new classification system with wage increases when the two have nothing to do with one another. The classification system stands on

MR. CROSBIE:

its own, it is not tied in with the Government giving wage increases. If it is done properly then they decide what the salary range should be for all these positions but they are not tied in with any general wage increase, nothing to do with it. The Premier pretends, Mr. Speaker, trying to fool the Government employees that although they are not getting their annual increment they are going to be better off with this new classification system. We have adopted the Premier says new classification and pay plan systems for the public service of Newfoundland and Labrador, not only that but it was with a great deal of pleasure and pride that he announced it. Public administration services are mentioned, comprehensive classification system introduced, 550 classifications, it will be two or three months before pay adjustments can be made, these new pay arrangements replace the present scheme of annual increments, accordingly these increments will not be paid in mid-April as was formerly the case. All of this is reversed, every point there has been reversed since April 9th.

No employee will suffer any reduction in salary as a result of the new classification, collective bargaining, collective suicidal cliff hanging not collective bargaining. The hon. Minister is a trade unionist long enough to know that you do not ^{have} collectively bargain by delivering ultimatiums and statements contradicting one another day after day and week after week.

MR. NEARY: Is the hon. member disappointed because there was no strike?

MR. CROSBIE: The hon. Minister is so ignorant that I do not want to bother to answer that nonsense. This was the statement of April 9th and the classification system was going to be extended to all hospitals, it is going to take a month or more to do that. All pay adjustments for hospital employees will be retroactive to the 1st of April 1970 not 1969. So there was the first indication, Mr. Speaker, to the Canadian Union of Public Employees that they were going to be ignored or the conciliation board reports were going to be ignored. Do you call that bargaining? Do you call that administering a public service to this Province properly when the Government knowing it has conciliation board reports that have recommended retroactive pay increases says nothing to the union involved but makes a statement saying that whatever increases there are will be retroactive just to April 1st, 1970. That is collective bargaining yes, that

MR. CROSBIE:

is dictatorial bargaining and that is the only kind of bargaining the hon. the Premier knows, the mail fist, the mail fist. Thank God he has a Minister of Health that has some brains and is conciliatory enough to sit down and negotiate with people because the Minister of Health has saved the bacon of the Government.

He has performed well, he had to bargain with the hospital workers in the one hand while in the other hand forcing the Premier to some reason and some common sense. He had to bargain in two fronts, one with the workers to persuade them not to go on strike and to accept the \$50 offered afterwards and the other with the Premier who had given his ultimatiums on television. Yeah, he was not going to, \$6. million, that is all they were going to get not one cent more, no sir, go on strike, go ahead and go on strike and the full implementation of the law will deal with you. That was conciliation that was but he had to depart from that too and thank God the Minister of Health could bring him to his senses. I do not know what it took but whatever it was he is a great service for this Province and for the Government because he saved the Government who were headed into disaster, a general strike, a hospital strike and God knows what else would have followed. April 9th that statement was made, Mr. Speaker, then came the budget, April 23rd came the budget.

Now, no bargaining going on at all with all these groups, none, everybody waiting for the budget, led to expect by the Premier that they were going to get what they had looked for and what conciliation boards had recommended. So along came the budget and the budget a tissue of deception, and the increases that the budget proposed, minusculed, an insult to them.

MR. WELLS: It was less than they would have gotten had there been nothing proposed in the annual incremental increase.

MR. CROSBIE: Yes. Here is the first piece of deception in the budget, here is the first piece of deliberate deception, page 50 of the budget, Mr. Speaker, brought down on April 23rd. The increases in pay requested for these 20,415 persons are as follows, where is the deception? The deception is -

MR. ROWE: Mr. Speaker, on a point of order. Is it parliamentary for any hon. member to use the words in reference to any other hon. member, deliberate deception?

MR. SPEAKER: Most definitely not. Anybody who attributes to somebody else intention to deceive or words such as "deliberate deceit" or "deceit" these words are not parliamentary and should be explained or retracted.

MR. CROSBIE: I can explain these statements quite easily and that is what I am doing, Mr. Speaker. On page fifty it says, the increases in pay requested for these 20,415 persons are as follows: Government employees 12,300 -- \$7,930,000, teachers 6,400 - \$3,100,000, why are the teachers included in this 20,000 persons when the speech says -

MR. SPEAKER: The objection and point of order raised -

MR. CROSBIE: - it was negligence or it was carelessness.

MR. NEARY: Withdraw, withdraw.

MR. CROSBIE: No, I will not withdraw, not at all and I say this budget speech is deceptive.

MR. SPEAKER: Order please!

MR. ROWE: Mr. Speaker, I understand and I have always understood that there are certain words that one may not use in this House because they are unparliamentary and if one does use them he withdraws them. I cannot call any hon. member on the other side a liar, I may think in my own mind he is a liar, I may even have evidence which would indicate that he did state a mistruth but I still cannot call him a liar in the House. It is unparliamentary and I understand the same thing applies and Your Honour confirms that the words "deliberate deception" are also unparliamentary whether or not, it is not a matter of whether or not the hon. member can explain it, I may be able to offer evidence that someone has told a lie but I cannot call an hon. member in this House a liar and there are other terms as well that we may not use. This is my understanding, Mr. Speaker, and if so I think at least we should observe these rules.

MR. CROSBIE: Mr. Speaker, if the hon. Minister is upset I will withdraw whatever that was and I will just say that the budget deceives with disrespect. I am not saying it is deliberate but it is deceptive because in the 20,000, in fact I will say it is not deliberate if that helps the hon. Minister but it does deceive. The impression is given on page fifty that the increases in pay requested this year totaled \$12,560,000 and that, Mr. Speaker, is wrong because as the budget speech says, teachers, the NTA were satisfied, they may not be

MR. CROSBIE:

satisfied, but accepted the fact that they would get no increases this year, they would be dealt with next year and that reduces the amount involved by \$3,100,000 immediately.

Your Honour, it is now 1:00 o'clock so I would adjourn the debate.

MR. SPEAKER: I now call it 1:00 o'clock and I do leave the Chair until 3:00 o'clock.



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SPEAKER: THE HONOURABLE GEORGE W. CLARKE

The House resumed at 3:00 p.m.

Mr. Speaker in the Chair:

MR. CROSBIE: Mr. Speaker, when we stopped this morning I was just, I had referred in connection with this non-confidence motion which states that this House declares that it has no confidence in the ability of the Government to administer the affairs of this Province. I am now outlining some of the reasons why this House should not have confidence in the present administration, particularly in relation to the events of the last five weeks to do with salary increases for public and, or government and non-government employees.

I refer to the statement made in the House on April 9th., by the hon. the Premier which was the first of a series of statements, all of which contradict one another, in all of which ultimatums are laid down and then changed afterwards, concessions made afterwards so that we end up with the situation where we are today. There is this statement that was made on April 9th. that summarized, the employees of the Government would not receive their normal annual increments for this year, but that there would be a new classification and pay plan system inaugurated for the public service, and in fact, not only for the public service, but for non-government hospitals as well. In connection with this pay plan, there would be raises for all public servants retroactive to April 1st., 1970, and that the classification plan would extend to employees of hospitals and their pay adjustment will be retroactive to April 1st., 1970 also.

This Mr. Speaker ignored the conciliation board reports that had been made unanimously by impartial conciliation boards. They had recommended unanimously that hospital workers at Western Memorial and Grand Falls should receive the pay increase recommended retroactive to April 1st., 1969 when their contracts had expired.

Now Mr. Speaker, after April 9th. of course, it was obvious to the Canadian Union of Public Employees, that the Government was not going to implement the reports of these conciliation boards. The flat statement was made that any increases would not be retroactive beyond April 1st. 1970. The Budget was delivered on April 23rd., Mr. Speaker, three weeks ago. The Budget debate only started today, three weeks after the Budget Speech was

brought down. I believe that a search of the records of this hon. House will disclose that this is the longest period between the delivery of a Budget Speech and the debate on it ever, certainly since 1949. The reason for this delay was that despite the attempts made by the Opposition to have us move to the Budget Speech, or to have us debate this situation in the public service as an emergency matter, the Government repudiated all those attempts.

In the Budget Speech of April 23rd, the question of salaries start to be dealt with on page 46, perhaps there is some preamble leading up to it, probably, really page 49. The Government have a number of requests for increased salaries as stated on page 49 of the Budget Speech. From the Newfoundland Government Employees Association, we have received requests for increased pay. From the Newfoundland Teacher's Association we have received requests. From nurses, from the constabulary. The number of workers involved is said to be as follows. Government employees 12,300, teachers 6,400, nurses 1,500, constabulary 215, total 20,415. This number includes employees of non-government hospitals who of course, received their pay indirectly from this Government and the Government at Ottawa.

Under the hospital insurance program Mr. Speaker, the Government of Canada supplies about fifty-three per cent of the money that is used to operate hospitals in this Province. Practically all the money used to operate hospitals in this Province comes from the Treasury of the Government of Canada, and from the Treasury of the Government of Newfoundland. The increases in pay requested as I was mentioning before lunch, on page 50 of the Budget Speech, is said to amount to \$12,560,000. for all of these 20,415 people. We must take that to mean Mr. Speaker, that if the increases in pay they requested were granted, the total amount would be \$12, 560,000. That would mean that if the constabulary got the \$150. per month increase that they were requesting, if the laboratory technicians got the \$1,500. to \$1,800. they were requesting, if the N.G.E.A. employees got what they were requesting

if the non-government hospital workers represented by CUPE got what the conciliation boards recommended, and which they requested, and if the teachers got whatever it was that they requested, and the nurses got what they had requested, which I think was \$100. a month, I have not seen their brief, if all these 20,415 employees got what they asked for it would cost the Government in the one year, \$12, 560,000.

Mr. Speaker, that was a wrong impression to give at the start, because, the Budget Speech stated that teachers were not going to receive an increase this year, this financial year, they would get an increase next year. That eliminated \$3, 100,000. If these figures are correct, if all of the other employees Government, non-government, hospital, nurses and police got what they were asking for, according to these figures it would have cost the Government \$9,460,000. in the year if these figures are correct. I doubt whether these figures are correct, but perhaps they are. Not \$12,560,000. which the Government used thereafter as the figure, not \$12,560,000. \$9,460,000. because the teachers were not included. The only reason for adding them in there was to make the figures look bigger. That was the position.

In the Budget Speech the Government states we will come to it later, that the maximum it could give all of these employees, without either reducing present services, or increasing Provincial taxes was \$4.7 million. That was the statement made.

Mr. Speaker, then there is some fancy reasoning as to where the \$12.5 million was to come from. The next few pages, an attempt to convince everyone that it would require the Government to take fifteen cents out of every dollar to give this increase. If the average wage or salary of thousands of people working in Newfoundland amounted to \$4,000. a year, and the Government received fifteen cents out of every dollar it would require the creation of the following new number of jobs in Newfoundland to yield at fifteen cents to the dollar the amount of money needed, and on page 52 the staggering total is given according to this reasoning, (what stuff to put in the budget Speech) according to this reasoning there would have to be 18, 233 new jobs created in Newfoundland the Budget Speech says to provide the Government with enough money to make these increases.

Mr. Speaker, 18,000 new jobs would have to be created in Newfoundland and they would have to pay an average of \$4,000. each per annum for a total of \$72 million per year, with the Government receiving fifteen cents to every dollar if the Government were to provide the 20,400 persons with the requested additional salaries. This is the kind of tripe the Government used in the Budget Speech to try to justify the position that they could not give more than the \$4.7 million.

Number one, the first glaring error in that is that the 6,400 teachers were not receiving the increases this year anyway. That eliminated 3.1 million and brought the bill down to \$9,460,000. If all the requests made were fully fulfilled, remember that Mr. Speaker, \$150.00 a month to the police. \$100.00 a month to the nurses. \$1,800. a year to the lab technologists. Whatever the N.G.E.A. was requesting, what CUPE had ^{been} recommended to get by the conciliation board, according to this Budget Speech \$9,460,000.

This Budget Speech went on to say that nothing would give the Government greater joy than to find this amount, large amount of nearly \$13 million to pay these increases, by means of receiving fifteen cents to the dollar of all the earnings of 18,200 new jobs, when we all knew that this was impossible for this Government to do Mr. Speaker. I do not believe that the programs of this Government has created 18,200 new jobs in the last twenty-one years.

MR. STRICKLAND: Oh come on, what nonsense

MR. CROSBIE: It is not nonsense at all. There is a question on the Order Paper asking how many jobs were created last year through different Government endeavours not answered yet. The only jobs the Government has created in the last twenty years really are the jobs in the expanded civil service and Government agencies.

MR. STRICKLAND: (Inaudible)

MR. CROSBIE: The hon. gentleman will have his turn in the Budget Speech. 18,200 jobs, 400 jobs at Come by Chance and that is going to take \$165 million.

MR. ROWE (F.W.): The Government had nothing to do with Churchill at all.

MR. CROSBIE: That is temporary, temporary construction jobs at Churchill now for two or three thousand people. How many jobs are going to be there

when construction is over, 200, 300?

MR. ROWE: The Government had nothing to do with Wabush at all or Labrador City.

MR. CROSBIE: 18,200 and that is nonsense. If we had to wait for this Government to create 18,200 jobs there would never be an increase in pay for the civil servants or public workers. This is what this Government tries to argue in this Budget argument. It is hard to dignify it by the title Budget Speech.

Then the Budget Speech went on about the classification survey. I wish to make it abundantly clear that the classification survey was not designed primarily to provide salary increases. That is the truth of it, it was not designed to provide salary increases. But, this worthwhile endeavour, this classification survey, was twisted from its real purpose so that the Premier, the hon. the Premier could pretend that the whole purpose of it really was to be a salary increase for the civil service. We can do away with the annual increments that is what he said on April 9th. because under this new classification system there will be pay increases for practically everyone. Instead of leaving the classification to fall or stand on its own merits Mr. Speaker, it is a desirable thing to have a modern classification system both in the hospitals and in the civil service, but it should stand or fall on its own. It has nothing to do by itself with salary increases or decreases.

The Public Administration Service of Chicago was engaged and they have been at it for a year. Page 56, every position in the service is being classified. As far as employees and non-government hospitals are concerned the classification survey is still in progress. It is hoped to have it completed in the very near future.

Here is a statement we disagree with. Sizable increases in revenue can only be achieved immediately through additional taxation. Mr. Speaker, that is entirely contrary to what has been argued in the House this week, where it was argued time after time by the hon. the Premier that the reason why the Government could spend extra money and had to come back for Supplementary Supply was because the Government's revenue increased every

year more than they thought it was going to. In fact, it increased last year nine or ten million dollars unexpectedly. But, in the Budget Speech this year the hon. the Premier says, "sizable increases in revenue can only be achieved immediately through additional taxation." Bunkum! The hon. the Premier is either right when he argued in Supplementary Supply that unexpected increases in revenue during the year, tax equalization and so on were available for extra expenditures last year, either that is right or this statement here is right. They cannot both be right.

There was a sizable increase in revenue last year according to the Government without any additional taxation. Nine or ten million dollars of it. So that statement is wrong on page 56. The Government do not propose to ask the House to increase the rates of existing taxes, or to impose new taxes. That is understandable Mr. Speaker, the Government should not ask the House to raise rates of taxes or increase taxes because, they are already as high as they can go in this Province. We are about the most heavily taxed Province of Canada. The most heavily taxed in relation to our income, to our per capita income.

Well the Government did not need to raise the rates of taxation or to put on any new taxes to meet the reasonable salary increases requested by these employees Mr. Speaker. That is the point.

Page 57, an intensive effort has been made however, to reduce expenditures for 1970-71. Uh! the estimates show increased expenditure of twenty odd million, and this has been effected to the extent that it has been possible to allocate the amount of \$4.7 million to implement the new classification program with effect from April 1st. 1970, and to provide the salary increase which the program involved. That either means what it says Mr. Speaker, or it does not. We have seen since that it does not. The Government cannot be right. The Government is either right in the Budget Speech that these, that it is only \$4.7 million that can be afforded without tax increases, or, it is right when the Premier said it was \$6 million, or the Government is right when the Premier said it was \$7.25 million. It cannot be right in all.....

MR. CROSBIE: right in all three places. Obviously this Budget Speech is wrong. That is a wrong statement, that was an untrue statement. And the Budget Speech went on about the classification system. No employee will suffer any loss of salaries, it said on Page 58. It is not possible in this speech to indicate the specific amount of increase which employees will receive. They may vary. They could not indicate in the speech Mr. Speaker, but they should have indicated it to the public employees before they brought the classification scheme in. That is one of the great causes of the difficulties of the last few weeks.. These employees did not know the specific amount of increase which they would receive, and no one was negotiating with them to tell them. They see the Leader of the Government making a speech in the House of Assembly or a statement, or going on TV, and that is all they would hear. No communication. You see, the trouble is Mr. Speaker, that the day is done in any democratic society, certainly in North America, where a Government can just say, "take it or leave it" to the public employee, because the public employees of the day are living in a different society. This is not twenty years ago. This is not fifty years ago. This is 1970 and the Government of the United States had to learn it with the Post Office. The Government of Canada learned it several years ago, and have collective bargaining now. The Government of New Brunswick has learned it. Other Provincial Governments. All except this Government Mr. Speaker, have learned it, because this Government is led by a leader who does not believe in negotiations, who believes in order, ultimatums, take it or leave it, the law - it is me. "L'etat c'est moi." General DeGaulle said it, and Napoleon said it. Napoleon is a man who retreated from Moscow, and I think Napoleon said, "L'etat c'est moi." State, it is I. The Premier corrects me, he is a better historian than I am. The hon. the Premier will have plenty of time to research history when he retires after the next election. And I readily agree that - and he is right, it was Louis XIV. I am getting mixed up between emperors and kings and Protonotarios

and Parties. We are not mixed up in what Party we want to support. The Reform Liberal Party is the one Mr. Speaker. We are going to reform the Liberal Party once the hon. gentleman is gone. And we have our next leader picked out. There is a member of the hon. Premier's Cabinet who we feel is a very promising man to lead this country, as soon as the hon. Premier retires.

MR. MURPHY: Any secret negotiations going on there now?

MR. CROSBIE: There are. Secret and delicate negotiations proceedings. The hon. the Premier has possible successors, because the hon. the Premier does not intend to let anybody succeed him. Now Mr. Speaker, New Brunswick, the Labour Gazette, Louis Robichaud, a Reform Liberal, not Louis XIV or Louis 1 of New Brunswick. The Labour Gazette, February 1970. New Brunswick's 30,000 Provincial Government employees have been given the right to collective bargaining. The legislation came into effect in December. Paul LaPaige, president of the New Brunswick Federation of Labour said that this development should create a new era in labour management, relations in the Province. He voiced the hope that Civil Servants would become members of National Unions, that could fight for wage parity and so on. That is the new approach Mr. Speaker. That is the modern approach. Collective bargaining even with Government. Because it does not matter any longer that it is a Government. The employees of Government have rights or think they do in today's age, and although they are forbidden to strike, although they are not permitted to strike, they are not going to work in intolerable conditions any longer Mr. Speaker, and if driven to it they will strike and that is the end of it. We have to accept that fact. You can pass all the legislation you like. You can pass legislation for ten thousand a day fine, fifty thousand, a hundred thousand - when people are driven to the extremity they will say, "the hell with it, a hundred, ten or whatever it is, we are going to strike to get our rights." You cannot stop them today. President Nixon found that out with the postal workers. Mr. Kierans is finding it out. The Federal Government led the way two or three years ago. They introduced

collective bargaining in the Federal Civil Service. And I remember the hon. the Premier saying, "never, never would that happen here in Newfoundland." Now how could this House of Assembly the Premier says, how could this House of Assembly - the House of Assembly would be done away with. That was the argument the Premier presented. The House is a great power of the purse which this House of Assembly has would be done away with if we had collective bargaining in the Civil Service. The financial power of this House of Assembly Mr. Speaker, was done away with a long time ago. This House of Assembly does not have financial control. The Government has financial control. The executive has it through the Party system and Party discipline. This House of Assembly has no financial control over the affairs of the Province. We saw that this week, when the Supplementary Supply wanged through, and we saw it in March when Interim Supply wanged through. This House has not financial control - it is the Government that has it, and the public servants are going to obtain some of it through bargaining. This House Mr. Speaker, in the final analysis does what the Government wants it to do. Let us not deal with fiction. And the hon. the Premier's argument was wrong. Are the public servants going to tell the House what to do. No Mr. Speaker, they are going to tell the Government what to do, and of course if there is reason on both sides, they will reach some reasonable compromise as has happened with the hospital workers last week. They may vary. The Budget Speech stated, "the Government would shortly set up an appeal board to give those employees who are still dissatisfied with their classification a further opportunity to question us." What is the good Mr. Speaker of an appeal board when I asked a question - when that statement was made in the House and I asked the Premier, "will the decisions of this appeal board be binding?" And it is an excellent board. Professor Hugh Whelan, Mr. Reg. Sparkes is on it, the former secretary to the Minister of Justice. Essau Thoms, an excellent board. Would the decisions of that appeal board be binding on the Government? No, no, no, no. The Government

would not be bound by anything but what the Government decided. Now what is the good of an appeal board Mr. Speaker, an appeal board to decide these issues, these disputed issues, if the board has not got the final power of decision. The state, it is I. The state will not be bound by what anyone else says, about what any arbitration says. No. So the board is just a facade. How can the employees put their trust in us, when the decisions are not binding, even just on a matter of classification. What is your right classification?

Salaries paid by the Government constitute a very great part of our Province's economy, the speech said. The figures are as follows: In 1967-68, \$74 million, that is the teacher's, the whole lot, public service, the hospital workers. 1968-69 - \$90 million. 1969-70 - \$97 million. 1970-71 - the estimate: here was \$106,350,000 paid out by the Government in salaries to hospitals, Civil Servants, teachers. Twenty-seven percent, the speech said, of all spending by the Government, is for salaries. Now Mr. Speaker, that is a sizable amount. It is a sizable amount, and we were told that this year there would be no increases other than the \$4.7 million without a tax increase. Later on there is a five percent annual increase promise, five percent annual increase promise to all public service and Government employees next year. The Government threw this in later when the heat got on. The Government threw in a promise of five percent next year, an automatic five percent on salaries next year, and five percent the year after and the year after. Five percent on these salaries next year is going to amount to at least \$ 6 million. If the Government could not provide \$6 million this year without increasing provincial taxes, or putting on new taxes, how will it be able to find this increase, this automatic increase next year without putting on additional taxes? Ah yes, says the Government, but next year the election will be over. Next year the election will be over. We will deal with taxes after the election is over and we are back in. \$6 million is being promised automatically next year Mr. Speaker, and the teachers are being promised their normal increase next year. There is another four or five

million - ten or eleven million next year the Government has to find. It could not go beyond \$4.7 million this year without increasing provincial taxes. How then will it go to ten or eleven next year without increasing provincial taxes? So the tax payers of Newfoundland, beware! If this Government is returned after the election, you will have tax increases next year if the Government carries out its promises made in the last few days. If the Conservative Party forms the Government, they are going to have that commitment to deal with. And if the Liberal Reform Group wins the election, we will have the problem to deal with. It is going to be between now and December of 1971.

MR. NEARY: That is the first true statement the hon. member made today.

MR. CROSBIE: Well there is the nursery corner again Mr. Speaker. There are two members of the Cabinet in the nursery corner. One the hon. Minister who never got out of the nursery, and the other another hon. gentleman who is in second childhood. And there is the kiddies' corner

MR. NEARY: And kindergarten on the opposite side

MR. CROSBIE: I do not where we are on the other side. I say we are now in a post graduate. We have been in the kiddies' corner, and graduated.

Mr. Speaker, it is always delightful to josh with our friend the Minister of Social Services and Rehabilitation, from whom we expect a lot in the coming years as an acute social critic writing in the newspapers. He will not be in any position in government to carry out his plans. The Appeal Board he is formulating will be operated by somebody else. He will be able to watch back on Bell Island. He might be restituting the N.D.P. Party. He was an NDP at one time.

MR. NEARY: That is right.

MR. CROSBIE: Talk about wild rovers. The hon. member once said that I needed roller skates to go back and forth across the floor. I just want to point out that the hon. minister is wild rover himself.

Now to get on with the serious business at hand. \$11 million about, for increases next year have been promised to teachers and Government and

non-government hospital workers and if taxes cannot be raised this year, if we went beyond \$4.7 million, those increases cannot be given next year without tax increases. So, public of Newfoundland, beware! If you were worried by the threatened tax increase this year, this attempt to put the taxpayer against the public servant, the police and the hospital workers. If you were worried by that, you should be much more worried about what is going to happen to you next year, when that election is over. You will see the taxes. The taxes are going to take a quick jump up, and the hon. member for Bonavista South is going to have some explaining to do if he is re-elected.

My guess is this, that the hon. member is going to be re-elected as long as he runs.

MR. BARBOUR: You can say that again, I will running for quite some time.

MR. CROSBIE: I thought the hon. member was retiring. Mr. Speaker, I campaigned vigorously with that hon. gentleman last year when we were both candidates in the leadership race. I will testify that he is quite a youthful - youthful in his activities. In fact I think I heard him say

MR. BARBOUR: I will tell you what I will do. I will tell you what I will do. I will tell you what I will do.

MR CROSBIE: What.

MR BARBER: I invite you to oppose me in the next election in Bonavista North -

An Hon. Member: Here! Here!

MR BARBER: When it comes to debating, I also am a child of the MCLI.

MR SPEAKER: Order please!

MR CROSBIE: Mr. Speaker, I am going to sit down I think.

MR MURPHY: I said; the baby talk.

MR. CROSBIE: The hon. member is a masochist. He is inviting punishment.

I am not going to run in Bonavista South and defeat the hon. gentleman. Not at all. I have thousands of telegrams asking me to run down there. Thousands.

MR. SMALLWOOD: "Tousands and thousands."

MR. CROSBIE: Well at least one anyway.

MR BARBOUR: From Mr. Hillier? From Mr. Charlie Hillier?

MR CROSBIE: Several from him.

MR BARBOUR: The great know-all, the greatest of all.

MR CROSBIE: Now, Mr. Speaker, the hon. gentleman is abusing the Secretary of the Bonavista South Liberal Association, who is a Reform Liberal.

MR BARBOUR: He is a Reformed Liberal. They are not true Liberals. The only true Liberals are the ones on this side.

MR CROSBIE: Mr. Speaker, the hon. gentleman is trying to make me retort harshly after our years of friendship. I refuse to do it. Once he gets into the Cabinet he is fair game, but he is only part way there yet. He has only gotten the big toe in. There is still an Acting-Minister of Fisheries. Anyway the hon. gentleman knows that he is going to be looked after by the Reformed Liberals. We have had our meetings. He will confirm that. Now Mr. Speaker, Page 61. Page 62, to get down to the real business. A detailed table of statistics follows which show that 3.6 percent of the public service will receive no increase at all. That was not popular with the 3.6 percent. 334 employees. 306 were to get under twenty dollars a month. 4,273 to get between twenty and twenty-five dollars a month. 2,017 were to get twenty-six to thirty dollars a month. 1,873 were to get thirty-one to fifty dollars a month. 459 were to get fifty-one to eighty dollars a month, and 74 were going to get an increase of eighty-one dollars a month or more. That made a total of 9,300 public servants. That was not what the public service expected Mr. Speaker. This was not the rosy picture that they had been led to expect. And then to rub it in even more, on Page 63, a

table was given of the whole thing. Then Mr. Speaker, the Budget Speech said a special word about the police, firemen and prison warders. Their salaries were going to be taken care of. Taking the group, they were going to get - sixty-five men were going to get forty-nine dollars each. Fifty-eight men, forty-three dollars. Thirty-five men, fifty-five dollars. Fifty-three men to going to get fifty-nine dollars. Thirty-six men were going to get seventy-two dollars. Seventeen men were going to get seventy dollars. And 116 men were going to sixty-nine to seventy-seven dollars.

Now Mr. Speaker, this was a group of men who had been assured in February that an increase of \$150 did not scare the hon. the Premier. He was not frightened by \$150 a month, not frightened, nor not taken aback. Now they are going to get less than half that, according to the Budget Speech, less than half. And Mr. Speaker, the even more criminal part of it was this, that between February when the police struck in St. John's and withdrew their services. And April 23, when the Budget came down, the Government did not communicate with them at all. It did not go to the police or their representatives, Mr. Wells and the committee. It did not go to them and say, gentlemen here is our position, this is we feel we can do. Here are the economic facts of it. We can only offer you between forty-nine dollars a month and seventy-seven. No, that did not go on at all. The first that these men heard about it was in the Budget Speech on April 23. Ultimatum. The Government can give you this and no more. More taxes will have to be raised. Now all the trouble caused subsequently Mr. Speaker was caused by this kind of ultimatum approach instead of bargaining. As I understand it, they were not consulted, not negotiated with. No wonder there was trouble after the Budget was brought down. Now there were 380 men altogether in this group Mr. Speaker. Just remember that, 380. Not thousands. The public security employees were 380. Then a word was addressed Mr. Speaker to the employees of non-Government hospitals. They were told they were going to be placed in the classification. Hot-diggity-dog! They were going to put in a classification. They were supposed to jump with joy. They will not know

what scale of pay they are to receive - after waiting since April 1, 1969, the Budget Speech tells them until each individual employee knows what classification he or she will be in. They will not know what scale of pay they are to receive. Can you imagine? The men and women working in our hospitals who had waited for over a year - a year and several weeks, who had waited since December when the Conciliation Board brought in their report, which did not recommend any fortune. Thirty dollars a month and a cost of living increase. Can you imagine them reading that Budget Speech that they are not going to know what scale of pay they are going to get until they know what classification they are in. And told also that it is only retroactive to April 1, 1970.

It is a marvel Mr. Speaker, that they did not strike the next day.
Thank God

MR. CROSBIE: they can thank God they kept cool heads. Low paid men and women workers who had waited a year to get their low wages increased, learning in a Budget Speech, not that they were going to get what the concillation boards recommended four months earlier, no. They were going to be classified and they would find out what they were to receive when they were classified. And then they were told that nursing assistants would get an increase of not less than \$31.00 a month, utility workers not less than \$31.00, operating technicians not less than \$31.00, laundry workers not less than \$20.00, laundry workers are the lowest paid, not less than \$20.00 a month they are going to get, domestic workers are among the lowest paid, not less than \$20.00, occupational therapist a minimum increase of \$20.00, social workers a minimum increase of \$20.00, that is what they were told after waiting all this time. They waited a year.

Is there any wonder there was a hospital open on the day after the Budget Speech. All increases to begin on April 1st. 1970, but to be retroactive. And then the author of the Budget Speech this year, who this year was the same gentleman who delivered the Budget Speech said he wanted to add another important fact. All increases granted in the Budget were salary adjustments made as a result of a new classification plan, that is a dandy, because the new classification plan got scuffered about a week later. Annual increments will be made across the board exactly the same for each individual scale.

Page 68 of the Budget Speech said that the Government is going to adopt sweeping changes in its labour policy. What needs to be adopted, Mr. Speaker, is sweeping changes in the Government, the Government needs to be swept out, that is the only way, that is the only way that real changes are going to come in the labour policy of this Province, when this Government is swept not when it makes changes in its labour policy. The state, it is I, that is the slogan of the Government. Sweeping changes are needed in the Government, the whole Government needs to be swept out, with a few exceptions.

The new system will give full and complete recognition of the principle

MR. CROSBIE: and practice of collective bargaining and will involve establishment of appropriate facilities for continuous negotiation between Government and Government employees. The details will be announced in due course, they are not announced yet, Mr. Speaker, How can anyone have any faith in that statement, when the Government demonstrated during this whole period that it would not negotiate in good faith. And it gives no sign that it ever will, unless it listens to the Minister of Health. The Minister of Health has shown that he would do it.

Existing legislation prohibiting strikes of Government Employees will be repealed, other provisions will be advanced, a limit number of categories will be prohibited by law from striking, a limit number. Now what happened, Mr. Speaker, when CUPE the locals of CUPE decided they would not accept this and voted to go on strike. The only sensible position for the Government to take then was that the Government had decided to repeal that legislation, and that they would not enforce a punitive features of that legislation passed here in 1967, but no rather than that on May 6th. I think it was the Premier went on television to show the iron fist, if the hospital workers go on strike the full law would take effect, large fines will be imposed on the union, it will automatically be decertified, its officers will be fined, we may not fine the hospital workers, by the attempt to drive a wedge in between a union and the hospital workers; we might not fine the hospital workers. And that is called collective bargaining by the Government. Collective bargaining!

A limited number of categories, it would be interesting to know what categories these are going to be and how many thousands there are. With these exceptions prohibition of all strikes will be ended. Mr. Speaker, I prophesy now that the Leader of this Government could not stand this situation in which public employees had true rights of collective bargaining and the right to strike. Could not stand it.

It is interesting to see on page 59, there will be certain categories of strikes with whom strikes are barred by legislation and such emergency power as are required to protect the public interest in every situation. This

MR. CROSBIE: legislation, Mr. Speaker, is to have emergency power. The Government is not going to surrender the power. The Government is going to have emergency powers to crush the union, if there is really a strike in the public service. That is what this implies, and it will be very interesting to see if the legislation is any different, if and when it comes in.

This Government just cannot leave out the mail fist, you see, it cannot leave that out. The Government has got power and it is going to use its power, Now we are going to allow you collectively bargain, we are going to pass the law that most of you can go on strike, but we are going to keep emergency powers in case you do go on strike, and then the implication is if you do go on strike, we will use those emergency powers, this cannot go all the way, it will not go all the way because the centre and font of all the power does not want to share that power with anyone. It is not shared with the members of the Cabinet. It does not want to share it with the public employees. It does not want to share it with CUPE, it does not want to share it with the N.G.E.A. Page 69, well that ends I believe the part of the Budget Speech that has to do with wage increases. Then we go on to dramatic success for the Government, so called, which I would not mention, which I will not mention at this point.

So that was the position on April 23rd. when the Budget came down, Mr. Speaker, ultimatum \$4.7 million is all the Government can afford without raising taxes. You can see the thinking behind it, ~~except~~ the ordinary taxpayer of Newfoundland who cannot afford the taxes he is now paying against the ten thousand or twelve thousand public employees, making the ten thousand or twelve thousand public, appear to be selfish people who want their wages increased despite the fact that the poor taxpayer of Newfoundland will have to pay up. Get the taxpayer where it hurts, convince him, that if the hospital worker gets more than say \$225 a month, or \$250, it is going to cost the man down in Ming^e Bight another \$20, \$30, \$40, or \$50 a year with an increase in the S.S.A. That was the thinking behind this, and ^{the} very statement made. Step up the public service employees against the taxpayer, that will get the

MR. CROSBIE: Government the sympathy of the taxpayer, who is already in this Province hard pressed, low per capita income and the rest of it. What a way to proceed with things, Mr. Speaker. What a cheap way to go about this problem. Try to convince the taxpayer that workers who are making a couple of thousand dollars a year, if they get an increase of \$50 or a \$100 a month it is going to cost the taxpayer more. Not to talk of the fact that is in the Budget now, the programs that are unnecessary, the Expo Buildings, The Government Bulletin. The Expo Buildings, Sir, is a waste of funds in any man's language no matter where it is going, because the building in Grand Bank would have been put there, a decent building if they want there the museum and the rest of it for perhaps a-half a million dollars and now it is going to cost them \$1 million or \$1.5 million for a worn out old expo building brought from Montreal in 1967. That was April 23rd. Mr. Speaker.

Now what happened next, Mr. Speaker, there was a tremendous amount of trouble.

MR. WELLS: A fuss, and so on.

MR. CROSBIE: Thank you. This was after April 23rd. Oh, yes, the fire department, the constabulary, the prison wardens, and even the prisoners were going to go on strike. They all threatened to strike. and they were pretty serious about it, Mr. Speaker, and one could not blame them, the way they have been treated. No negotiations, no face-to-face meetings, led to believe they were going to get what they had asked and the Budget Speech a flat ultimatum, no. And a cheap attempt made to put the taxpayers against them.

Well on April 28th. I think that is just about the time when the police were going to go on strike, I believe, there was another statement made by the Premier on April 29th. in this House. We are thoroughly convinced that the work of the past year in classifying every job or position in the civil service is one of the most useful things ever done by the Government of Newfoundland. Then I skipped a few lines. Most certainly we have not the slightest intention of dropping it, and it was dropped a few days later.

MR. SMALLWOOD: Not dropped.

4269

MR. CROSBIE: It was postponed a year, a few days later.

MR. SMALLWOOD: That is not dropping it.

MR. CROSBIE: Most certainly we have not the slightest intention of dropping it.

MR. SMALLWOOD: Right!

MR. CROSBIE: Let us go on with that statement, there are as there is bound to be anomalies, inequities, even injustices and certainly many inconsistencies. Unless they were perfect no group of men could examine the jobs of 13,000 individual persons in this Province without making some errors of judgement or facts. Some errors have doubtless been made, a few have been drawn to our attention, and so on. We have set up an Appeal Board, which I have already mentioned, consisting of citizens of outstanding ability and integrity, yes and these citizens are asked to consider all classifications disputes and their recommendations and decisions are not to be final. **Farcial!** In the second place, we are instituting a modern system of collective bargaining.

Now, Mr. Speaker, that system was still not enforce on May 6th. when the Premier went on T.V and gave another ultimatum. That new system of collective bargaining went into force when the Minister of Health took a stand, and started collective bargaining in two directions, with the workers in front of him and with the Premier on the back. He had to convince the hospital workers to be reasonable, he had to convince the Premier to stop his madness, or we would have had in this Province the most serious crisis of our twenty-one years of Confederation.

The check off was given to the N.G.E.A. all of these things taken together when added to the Government's decision to record the check off to the N.G.E.A. represent a great improvement in the bargaining position of Government employees. They did not think so, Mr. Speaker, not when they got to the Prince of Wales Arena, not when the leadership heard what the members just thought. Page 3 of the same statement, the Government have announced the amount in the Budget Speech, the precise amount is \$4.7 million. This new scale will giving varying rates of increase. When all members of police, fire and penitentiary services are counted they number just under 500, and then it repeats the increases.

4210

MR. CROSBIE: In the Budget Speech some examples were given salary increases to hospital workers, and these are mentioned again, page 4. It has been suggested that the surplus of about \$1.5 million for which we have budgeted in the present year could be used to increase the amount of money for salary increases. Yes, that was suggested. I will tell you who suggested it, Mr. Speaker, I suggested it on April 23rd. when ask to comment on the Budget Speech. Unfortunately this is not so, now listen to this Mr. Speaker, April 29th. unfortunately this is not so for \$1,100,000 has already been spent as the Budget Speech explained, this leaves \$500,000 of this year's surplus and the Government had planned to spent it on capital works for the improvement of public services in the Province.

So, Mr. Speaker, on April 29th. we were told that the surplus of \$1.5 million, \$1, 100,000 of it was already spent. We were told on April 29th, and the other half-million the Government would use to beef up the salary increases, and the Government was going to get another \$800,000 by savings, did not explain where the savings were, to make up another \$1,300,000 .00 to give \$6 million for increases, that was April 29th. So \$1,100,000 was already spent according to the statement made to this House to go against the previous year's deficits. You know that \$1,100,000 got unspent, last week it was unspent again, it turned out not to be spent. That is where the Government ^{got} the \$1 million to add on to make up \$7.25 million last week.

Mr. Speaker, was there ever a government that contradicted itself so much, that made such contradictory opposite statement all in the space of two weeks as the present administration, staggering from crisis to crisis, stumbling, blundering, the \$1,100,000 has already been spent, the Premier said.

MR. SMALLWOOD: Spend the year before last.

MR. CROSBIE: Right. But it came up out of the air two days ago.

MR. SMALLWOOD: But we still owe the bills.

MR. CROSBIE: It turned up again.

MR. SMALLWOOD: We are not using that money to pay those bills, we are just

MR. SMALLWOOD: letting the bills stand.

MR. CROSBIE: So on April 29th.

MR. SMALLWOOD: We are giving it to the employees.

MR. CROSBIE: I am glad that you are, I am glad the hon. the Premier is. Now on the bottom of page 4, it said again in the same statement, it would take more than a \$1 million a month, every month of the year, to give the employees the increases they requested, that Mr. Speaker was not correct for the reason I explained earlier, that is only correct if the teachers, the 5400 teachers were to get their increases this year. It would not take a million a month, that is \$12 million, all it would just take was \$9 million. That is quite a bit less than a million a month.

So in this statement on the 29th, the Premier said, that they would get \$500,000 from the surplus projected for this year and \$800,000 savings to endeavour to obtain some money from the various departments, by asking them to spend somewhat less than they felt they must spend. Now the joke of that Mr. Speaker is this, that next year if the Government is still in office, it will come in with a Supplementary Supply Bill with the Lieutenant-Governor's warrant, for I will guess between \$20 million or \$30 million and now they are talking about savings here \$800,000 the department are going to save. Those departments are going to over-spend in the next twelve month by \$20 million to \$30 million, and we got the history of the past ten years to go by. Every year supplementary supply in excess of \$20 million.

So now, Mr. Speaker, the amount available for salary increases is up to \$6 million. What should we do with it? We have decided to use this money in part to restore the annual increment, the annual increment dropped on April 9th. restored. We have decided to make this a flat increment of \$100. And they are going to remedy certain other anomalies. And then Mr. Speaker page 6 goes on to hold out another carrot, page 6, But, Sir, it must be understood equally clearly that in the coming year it is our intention to propose to

MR. CROSBIE: this House that the annual incremental increase in the new classification scale will not be less than five percent. The Government has promised the employees, the public service employees of this Province an automatic percent a year from now on forever, and to do it they are going to increase taxes next year. Not a shadow of a doubt in it, if the Government is correct if they had to increase taxes this year to come up with more than \$4.7 million. That was a statement on April 29th.

And then the Government tried to toss the ball into the employees lap, they said, now boys here is \$6 million, have a go at it, get together, fight among yourselves, who is going to get the biggest part of this \$6 million. That is what the Government tried to do, tried to absolve itself of all responsibilities, the Government that is suppose to be responsible for the administration of the Government of this Province said in effect to all these workers , boys here is \$6 million, get down into the arena

slug her out and see which of you is going to get the biggest pile of it. That is what the Government did, and they called that collective bargaining. They called that responsible Government - responsible Government, we have not got responsible Government in this Province, Mr. Speaker. We have irresponsible Government - the Government staggering and lurching from crisis to crisis, hoping to get over the next election to have another four or five years to finish us off altogether. That was a statement on April 29th. Another great ministerial statement. What happened next?

Friday, May 1st., now, Mr. Speaker, I suggest strongly to this House that Friday, May 1st. is two days after Wednesday, April 29th. I think that statement will be unchallenged.. May 1st. was two days after April 29th. On Friday, May 1st., Mr. Smallwood announced - I am sorry, the Premier, announced in the House of Assembly that police, firemen and penitentiary warders would receive this year, an across the board increase of \$100 per month. Certain mental hospital warders would receive an increase of \$50 per month across the board. All other public service employees, including hospital workers, would receive an across the board increase of \$35 per month. All of the various groups involved would have to agree to this arrangement. That was Friday, May 1st. No collective bargaining.

The police were meeting that day. The police were going to go on strike that day. The Government had to come up with something to stop the police from striking, the firemen from striking, the penitentiary warders from striking, the mental hospital security attendants from striking - they came up \$100 a month and \$50 for the mental hospital people, but all of the various groups would have to agree. Now the \$6 million have been increased, but the Government have now made a decision that \$100 a month was going to go to the police, firemen and so on. Do not forget that the police, firemen and prison warders is only 380 people - at \$100 a month increase, that is \$38,000 a month, about \$400,000 odd a year.

MR. SMALLWOOD: \$500,000..

MR. CROSBIE: \$500,000. Now that left - do not forget that the hospital workers who were the worst off, were still left with an increase of \$35 per month across the board.

On the same date, May 1st., Mr. Speaker, which is two days, forty-eight hours after April 29th., the classification system which the Government had not the slightest intention of dropping - it was announced that the classification system for the public service of Newfoundland would not be implemented but would be withheld for a further period of a year. So much for the budget speech. So much for the budget statement of April 9th. So much for the statement of April 29th. It is gone for a year - request of the N.G.E.A., who had not been negotiated with up to that date. I do not know who else. They all requested it presumably. Now this was a sensible thing for the Government to do, mind you. All I am pointing out is the irresponsibility of the Government getting itself in that position and not doing the bargaining first before it made the unilateral, unshakeable, unassailable, Rock of Gibraltar statements that were made.

Now on this side of the House, Mr. Speaker, our heads were to starting spin. We did not know what kind of a statement, contradicting an earlier statement, was going to come up the next day. It felt like you were on a top in the Chamber here. The Chamber was twirling and wirling around and around and around. It was like the old shell game. You know, Mr. Speaker, where you get the three shells and there is a pea under one of the shells, and the slight-of-hand artist is doing this with the old shells, and you have to guess which one the pea is under. Well nobody could follow where the pea was. The hon. the Premier was flicking those shells so quickly in statements, we could not see where the pea was. We still cannot see where it is. The old shell game. Shell games should not be

played with the public service of a province, Mr. Speaker. May 1st - May 1st., this was announced, complete reverse of the Government stand.

Now from the 1st of May, Mr. Speaker, this is when the hospital employees really got upset, \$35 a month. From the 1st. May, 1970 to the 7th. May, did the Government negotiate with CUPE - Canadian Union of Public Employees, the union who represented the workers, who were going to strike at Grand Falls, Corner Brook and Twillingate. No the Government did not negotiate with CUPE. Why not? Because the Leader of the Government does not like CUPE. The Leader of the Government does not want a real tough active union representing the hospital workers and would not negotiate with CUPE. All that CUPE heard, all that CUPE knew about what the hospital workers were to get was what they saw in the papers and what they read about in the papers and what they heard in the air. Well unless there was a mainland man in on the know, this is true.

Now I am coming to the 7th. That is where they get in the act. I do not think they were in the act before. They may have been talking privately. You see, Mr. Speaker, this union is certified for Grand Falls, Corner Brook. The Leader of the Government does not want that union in Newfoundland not certified for any Government employees or hospital employees. He does not want it. He did not want the IWA. He does not want CUPE. He would not talk to them. All they heard, unless the minister has some knowledge that I do not know about, but certainly the local people did not know, between May 1st. and May 6th. was what they saw and read in the papers.

On May 4th, we are advancing towards the date that they had set for the strike. I think the strike was set for Friday, May 7th. I do not have the calendar. We are headed for the strike, but the Government would not talk to CUPE who represented the workers. On May 4th., Monday,

May 4th., the Canadian Society of Laboratory Technologists erupted. They came into this House, in the galleries in this House, Mr. Speaker - why? Because they had put a brief into the Government, eighteen months earlier, asking for increases of \$1500 to \$1800 a month, and what happened to the brief. It was buried. It had cobwebs on it. It was lost somewhere. They were being offered \$35 a month according to all the Government statements. No wonder, they came in the gallery. It was a wonder, they did not chain themselves to the rails - like the women did the other night in Ottawa. The ladies that want the abortions.

MR. HICKMAN: Retroactive.

MR. CROSBIE: That has been suggested. That has been suggested.

On May 4th - when I look at the hon. Minister of Education, I think of many things. I will not say what they are, because it would be unparliamentary. No we want to see the hon. minister around for many years yet. I would like to see him lecturing up at Memorial - things I have done and seen, or ~~or~~ I' had more departments than anyone else or lost in the constant shuffle. Anyway the minister has done a good job wherever he has been.

On May 4th., the laboratory technologists - the 8th was the day that they were going to strike. The laboratory technologists on May 4th., laboratory technicians, all because, Mr. Speaker, there was a complete breakdown of communication. Now today, people will not just accept ultimatums. They will not do it. My wife has not accepted an ultimatum from me now in at least a year. In fact she has given me an ultimatum. If I do not get out of public life, I am going to be living by myself. That is her ultimatum, but I am hoping to collectively - I am afraid she will, but it will not be for the reason the Premier says. I am bargaining collectively on that one, Mr. Speaker. When she hears that the hon. the Premier would like for her to get her wish, she will reverse the wish. I can assure you of that. As a matter of fact - well I will not go

into that. The Premier has me bugged anyway.

Now that was the laboratory technologists. On May 4th., the hon. Minister of Labour made an announcement that the annual increments were going to be paid in addition to the other pay increases and would range up to \$180 a year.

Now all of this situation, Mr. Speaker, everything that we have been involved in since April 9th., the crisis in this Province caused by the Government, caused by its failure to negotiate, caused by its failure to tell the public of Newfoundland the truth and the true facts. That was what caused it all. Failure to negotiate with anyone. Failure to act responsibly and that is what it was caused by. Failure to exhibit any capacity to even administer the affairs of this Province.

Now, Mr. Speaker, from the start we maintained that the Government could give the necessary and reasonable wage increases, without increasing taxes, and we have been proven to be right. From the first day, the budget came down, we said that this was a fraud, this was a force - the Government can give reasonable increases without raising taxes, and we are right, because the Government has now offered reasonable wage increases, and it is not increasing taxes and it does not have to increase taxes.

Now what happened then, the lab. technologists came in, and they were put in touch with the Minister of Health and the x-ray technicians. May 6th., the hon. the Premier went on television, now this is collective bargaining according to the hon. the Premier. You take this or go to jail. That is the hon. the Premier's conception of collective bargaining. He went on television. The hon. the Premier would not go on CBC, why not? Because CBC had the audacity to permit me on the CBC, Tuesday night for eight minutes, as a member of the House of Assembly, to do what? As the Premier so childishly said, "spue my poison on

the air waves." Can you imagine the Premier of the Province getting on like that. It would not happen in Disneyland. It does not happen in any other Province. The CBC were to be punished for allowing a member of this House to go on their program that they have two members a week on, and they had the Premier on. I never protested about him spuing his poison. He is on VOXM every morning spuing poison and God knows what else, every morning for fifteen minutes. I have lived in Nova Scotia, Mr. Speaker, and you would hardly know that there was a government or a politician in the province. The House of Assembly is in session and you would see a little paragraph of about that big in the paper saying that the premier said such and such, and the hon. the leader of the opposition said, nonsense. That is all. You do not hear them constantly on the air waves. The premier is not on bombarding your ears. He is not on to say what poison his opponents are throwing out. The stuff we have to listen to and then to go to the CBC and say, you will not carry this public statement. I am punishing you for having Crosbie on Tuesday night. What an atrocity. What an insult to the members of this House. Thank God the CBC has some backbone. They have not had me on since, and I hope they are not scared off. I am ready to go anytime they call. Wowie; right up there! I will not be spuing poison. I will be just telling the truth, the facts. The facts - the truth is poison to this Government. This Government cannot stand the truth and the facts. If you equate truth and facts with poison, then it is poison.

Now, May 6th., CJON, the hon. the Premier goes on to make an official announcement and he attempts to confuse the whole issue by giving figures that comprise the increase that is promised for this year together with the five per cent they are told that they are going to get next year. Add those two figures together to make it look better. It makes the public think that they are getting a bigger increase so the poor

taxpayer is going to be more aroused and angry with the public servants and hospital workers. The Premier did not explain to the taxpayer how he could give the five per cent next year without increasing taxes. No, he has not explained that. Next year, when the tax increases come in, if this Government is still here, you will hear that we have to give the increases because we made these promises and so on and so forth and the one per cent or two per cent will go on the S.S.A. That is after the election. He did not explain that. The Premier said that the Government could not provide more than the \$6 million. It could not, in no way, the Government could not provide more than the \$6 million. It would make the rocks weep to see how pitiful the hon. the Premier looked, when he made that statement. He just could not come up with more than \$6 million. Was he to do away with Education? Was he to do away with hospitals? Was he to do away with the Welfare? Were all these good things to go just to raise up that \$6 million? No, they could not. There could not be a tax increase. Services could not be cut. Could the old Expo buildings be discontinued? No. Could the Government Bulletin be cut out? No. Only \$140,000. That could be cut out. Six million was the maximum and if the hospital employees strike, the full majesty of the law will be applicable. They will get the fines provided for. They will be discertified and so on.

Now on that same day, CUPE contacted the Minister of Health. They spoke to the Minister and wanted to arrange a meeting. The Minister of Health agreed to arrange a meeting with them and other representatives of the hospital workers the next day. There had been no meeting between CUPE and the Government up to that time - no meeting.

AN HON. MEMBER: Not true. Not true.

MR. CROSBIE: If the minister knows of some secret meetings: they were meeting with him, then perhaps he will tell us. The hon. the Premier never announced any meeting with CUPE and if the hon. the Premier met with CUPE, well he did it

secretly. May 6th. the Minister of Health agreed to meet the officials of CUPE. The hon. member knows whereof he speaks and I say that on May 6th., when CUPE contacted the Minister of Health, he agreed to see them with representatives of the other hospital workers.

MR. SMALLWOOD: Has he forgotten that it was because, I, in my television statement invited CUPE and the N.G.E.A. and the other representatives of various civil servants and others who get their pay from the Government to approach the Government, that we will be glad to meet them. It was entirely as a result of that does he not know that CUPE telephoned the Minister of Health that very night. Does he not know that that it was in response to my invitation?

MR. CROSBIE: No, Mr. Speaker, the hon. member did not know that.

MR. SMALLWOOD: No. He knows it now.

MR. CROSBIE: I think, if the hon. the Premier checks further, he will discover that on the morning of the day, the Premier made his statement which was Thursday, May 7th., I believe the hon. the Premier was on CJON television or was it Wednesday 6th? May 6th - a statement on Wednesday, May 6th and my understanding is that on Wednesday morning, May 6th., CUPE contacted the Minister of Health who said he would meet with them Thursday morning and other hospital workers or whenever the meeting could be arranged. This is a nonconfidence motion. The hon. minister can speak, and if I have given any facts incorrectly, which I do not know about, then he can correct me. That is all.

MR. ROBERTS: Correct.

MR. CROSBIE: But this is what I have been able to piece together. Anything that I say which is wrong can be corrected. This is the record as I remember it and I was here in the House. The Minister of Health was to meet with them on Thursday. Now, Mr. Speaker, what was the point of the Minister of Health meeting with CUPE or any other employees, if the

Premier's statement of Wednesday, May 6th. was the final word.- \$6 million and no more, no tax increases, we will not cut Education and so on, and that is what the Premier said. The full penalty of the law will go. What an inflammatory statement to make at that time. Well luckily, the Minister of Health took it in his hands to negotiate with those workers or to persuade the Premier...

MR. SMALLWOOD: He did not.

MR. CROSBIE: that they should negotiate with them.

MR. SMALLWOOD: He did not. He carried out the Cabinet's instructions.

MR. CROSBIE: He forced the hon. the Premier to negotiate with CUPE.

MR. SMALLWOOD: He did not.

MR. CROSBIE: That is what he did, Sir.

MR. SMALLWOOD: He did not.

MR. CROSBIE: The hon. member hears just as much about what the Premier is doing, as the Premier hears about what he is doing, and the hon. member knows that the hon. Minister of Health had to force the Premier to permit him to negotiate with CUPE.

MR. SMALLWOOD: Untrue.

MR. HICKMAN: Now, do you believe me, when I say that the hon. gentleman is meeting with the Minister of Health secretly.

MR. CROSBIE: In any event, the Minister of Health met with CUPE and the rest ..

MR. SMALLWOOD: At the Cabinet's instruction..

MR. CROSBIE: Well a minister cannot act without the Cabinet authorizing him..

MR. SMALLWOOD: Not only authorizes..

MR. CROSBIE: If the hon. the Premier authorized it, then the Cabinet would go along and authorize it to. First the Minister of Health had to persuade the Premier that ..

MR. SMALLWOOD: He did not.

MR. CROSBIE: I say this that on Thursday, May 7th., the hon. Minister of Health had to twist the Premier's arm so he could negotiate with those people ..

MR. SMALLWOOD: He did not.

MR. CROSBIE: The hon. member for Bonavista South..

the hon. member for Bonavista South must realize that the Hon. the Premier is not going to confirm this even though it is correct.

MR.SMALLWOOD: Right. He certainly is not.

MR.CROSBIE: Now, the hon. Minister of Health met with these groups, these representatives and they put off their strike because negotiations were going on. In other words serious collective bargaining was starting for the first time with CUPE, the only body who represented these workers. The NGEA had nothing to do with those workers at Grand Falls, Corner Brook and Twillingate.

MR.ROBERTS: But the NGEA represented hospital workers.

MR.CROSBIE: Yes they represent others at the Mental Hospital and so on and perhaps the General wherever. The people who are going to strike you see were the ones organized by CUPE. The workers at the General Hospital and the Mental Hospital could not strike and so on they were not certified etc. The crisis, the immediate crisis was CUPE and Corner Brook, Grand Falls and Twillingate. If the government had worse crisis that was right the others would have gone too.

MR.SMALLWOOD: There was much worse crisis than that. Much worse.

MR.CROSBIE: We may hear all about this now, we may -

MR.SMALLWOOD: The hon. gentleman, if he followed it he must have heard, he must have known it.

MR.CROSBIE: When the Hon. the Premier speaks on this motion, if he speaks and probably the Hon. the Premier will not, but if he speaks he might let us in on it all. This is what we know about it. So the Minister of Health starting to bargain collectively Mr. Speaker, for the first time, there was direct negotiation with CUPE not the Government hiding behind these hospital boards at Western Memorial and Central Newfoundland. Not hiding behind the facade that these boards can negotiate with CUPE. The boards have no money if the Government does not give it to them. For the first time the Government came out behind the woodwork and negotiated with CUPE. That is why there was no strike and the Minister of Health negotiated a sensible, reasonable compromise with them. The one that was an innuendo afterwards \$45 per month plus the

annual increment of \$8.33. \$53.33 per month which was more than the conciliation board recommended but on the other hand it was not going to be retroactive from April 1 1969. And this settlement, the Hon. Minister of Health was able to persuade the Premier to backtrack again publicly once more. Now the Premier had retreated and backtracked so much since April 9 that I presume that one more retreat did not matter. And the Hon. Minister of Health persuaded the Premier to backtrack again, the greatest retreat since Napoleon retreated from Moscow. It was done between April 9 and May 10. A good thing it was.

MR.SMALLWOOD: Not a diabolical distortion. I would say Mr. Speaker, not a diabolical distortion. It does not mean he is the devil.

MR.CROSBIE: A good thing it was, a good thing it was Mr. Speaker. And then on Sunday . on Sunday, Wednesday 6, 7,8,9, Sunday 10 we all hear another great announcement. The Hon. the Premier is going to be on CJON not that bad old CBC. The CBC lets on people who disagrees with the Premier's views. And CJON is going to make another announcement. And on CJON on May 10, that afternoon the Premier made his last retreat, at least for a week or a few weeks, and announced that the Government had now gotten together \$7.25 million for wage increases and that the Government was able to offer everybody else apart from the security people \$53.33 a month across the board. That the Government was going to get the extra \$1.25 million, one million from the surplus that the Premier had said a few days earlier was already spent. A million from the surplus prophesied for this year. And \$250,000 from health insurance. So from \$4.7 million in the budget, that 4.7 could not be increased without increasing taxes so the budget said. We got up to \$.25 million how much more is that? That is two and a half million dollars more, without increasing taxes. And to meet the full demand of all the workers there was only \$9.4 million required, two million more. Not the false \$12 million set out in the budget speech, pretending that the \$3 million for teachers was this year instead of next year.

Now Mr. Speaker, what does all this lead you to? It leads you to the obvious conclusion that this administration cannot administer. That this

Government cannot govern. That it is staggering and floundering from place to place, almost caused a strike in the hospitals, almost caused a general strike in the public service. Almost caused a general strike in Newfoundland except the minister of Health brought the Premier to his senses somehow. It must have been a hard struggle. Negotiate with the hospital workers on one side and on the other having to twist the Premier's arm and say: "For Heaven's Sake listen, for Heaven's Sake do not cause a disaster." Some how the Minister/got the Premier to agree. He worked fast when he got that. And I would not doubt that the Hon. Minister of Social Services and Rehabilitation was there working too. He is a reasonable man. He should get credit. And the Hon. the Minister of Supply and Services, and there are a few other members of the Cabinet are on the ball.

MR. NEARY: The Hon. the Premier who in his wisdom decided not to wait for legislation for collective bargaining but -

MR. CROSBIE: The Hon. the Premier did away with collective bargaining on April 23 and resurrected it again when he was forced to on May 6, and whether the collective bargaining promised in the budget speech is of any value at all depends if there is a new administration, because one lead by the Hon. the Premier will never bargain in the true sense of collective bargaining, never with CUPE or any other union that gets certified down here. Not on your life.

MR. NEARY: The hon. member is very disappointed because there is no strike.

MR. CROSBIE: This hon. member is delighted that there is no strike. Do you know why? Delighted that there was no strike. For many reasons. One reason is this. If there had been a strike it would have set the ordinary people in this country who are not public servants or government employees against the public servants and government employees. Falsely, for a false reason, for a rocking political reason, and that would have been a tragedy. That is just one reason why I am glad there was no strike. Another reason is because the hospital patients, are the people who use the public services a dozen reasons. And we had no strike just luck and the pluck of the Minister

of Health. Pretty good Government. If the Hon. Minister is listening to me for the few short moments since I have spoken and still thinks that it is a pretty good government well, really he is just not listening. The member for Bonavista South I was persuading him so much that he had to leave the Chamber to restore his faith. He had to get out and listen to a tape of the Hon, the Premier or something, restore his faith in where he was sitting.

Now, I want Mr. Speaker, to establish the justification for this non-confidence/^{motion}so that once in this House we will see members vote quickly, strictly in accordance with the justification of the motion before us. And if there is a member on the other side except the Hon. the Premier does not support this motion I am going to be amazed. Because I can see the Hon. the Minister of Public Works now poised to jump up and support this motion.

Now Mr. Speaker -

MR. SMALLWOOD: (in french)

MR. CROSBIE: "L'etat c'est moi," Ah we are boiling within this House Mr. Speaker. The Hon. the Premier used to pride himself on being a bayman. And now somebody says, our Government he gets all upset. And I was not even born around the bay. I was not even born around the bay Mr. Speaker, I am a better bayman than the Hon. the Premier, I can tell you that.

Now where was I, we are up to \$7.25 million. One million from the surplus that had been spent on April 29, now once spent and resurrected. "Mandrake the Magician, see out of this sleeve comes the million, out of that sleeve comes a million, out of this sleeve a half a million, and out of that sleeve comes a quarter of a million. Talk about the shell game. Mandrake the Magician produced magically. Two and a half million dollars, between April 23 and May 10. And in supplementary supply next year he is going to ask for another twenty-five or thirty million. And all this nonsensical talk in the budget about the surplus and increasing taxes will turn out to be so much guffaw, so much to fool the public with. I am sorry the Minister of Health is not here today Mr. Speaker. The hon. member for Bonavista South

can be assured that when I speak of him, I speak with a high regard. And as far as I am concerned the hon. gentleman should be in the Cabinet. Not with a toe in the door, that toe is going to get gangrene, if it does not get out of the door and get in the Cabinet.

MR. NEARY: That tongue is going to get gangrene if the hon. gentleman does not sit down.

MR. CROSBIE: Well I have always been a man of few words. But Mr. Speaker, I find that in recent days I can get lengthier and lengthier all the time. Now to go back to the motion of non-confidence Mr Speaker, why it has been moved. It is because for months as I illustrated earlier today it was known by Government that government employees and hospital workers, police, security employees, were expecting increases in pay. It was known and conciliation boards had reported recommending this. It was known that the constabulary were in a state of dissatisfaction and would withdraw services if they did not get it. It was known that the Government led them all to believe that in the budget speech, the budget speech was going to be the magic, the magic wand that would meet all their requests was going to be the budget speech. And then from the time the budget speech on Mr. Speaker, this Government misled the people of Newfoundland day by day. It misled them first by saying the increases could not be given without tax increases. That was not true. That was an untruth. They could be given, they were given without any tax increases. And even more increases could be given now without increasing taxes. And they could be given without reducing any essential services. Because this Government believes every service has got to be essential. The Newfoundland Government Bulletin \$140,000. The Hon. the Premier will get up in this House and maintain and argue that that is an essential service to send out his picture and the minister of Welfare's picture and the minister of Health and the minister of Community and Social Affairs, to send their pictures out once a month to the highways and byways of Newfoundland in the Newfoundland Bulletin. And Mr. Shaheen's picture Mr. Doyle's picture has not been in it not recently. Who else's picture?

NOT a picture of a member of the Opposition. No. Has anyone read the Newfoundland Bulletin and seen an article on these were the arguments advanced by members of the Opposition last month. Not on your life. Brother Thoms would have to look for his head if anything like that appeared in the Newfoundland Government Bulletin. The Newfoundland Government Mr. Speaker, is not just the members on that side, we are part of the administration of this Province on this side. If that Bulletin is to go out there should be at least a page every month, articles on members on this side and down to our left here. And quite seriously there is one place for a saving, and there are dozens more, as we go through the estimates we will see them.

Ombudsman, Mr. Speaker ombudsman. The Government wants to appear to the people of this Province as though it believed in civil rights and civil liberties. We are going to have an ombudsman. They have them in New Brunswick and Alberta. The ombudsman will cost \$60,000 or \$80,000 a year. If he is to do anything. We can afford that sixty or eighty thousand. We have a legal aid system started now, costing \$10,000 a year that we should expand if it is going to perform a real function. And we have a dozen other areas where not enough money is being spent. Where the Government says that certain things are going to be done or not done, consumer affairs The division of consumer affairs has not even started yet in the department of Provincial Affairs, despite the Government's announcement a year and a half, two years ago that it was going to be done. This Government does not believe in priorities.

It went to \$6 million then it finally went to \$7.25 million. Mr. Speaker, I submit that I have already shown beyond all doubt that the Government has continually misrepresented and obscured the true financial position of the Government and its ability to meet these wage and salary increases. Those points are proved by the statements I have quoted from today. All of those matters Mr. Speaker, could have been resolved if we had a Government that would negotiate with the employees. This is why I have moved this amendment

that the House declare that it has no confidence in the ability of the Government to administer the affairs of this Province. The House should have no confidence. Members on this side do not. The public of Newfoundland I suggest Mr. Speaker, has no confidence in this Government, none. When the election comes we will see, we will see that, that will be proved beyond the shadow of a doubt. The public has lost all confidence in this Government. So what is the situation now, Mr. Speaker? The latest Government offer is \$53.33 per month, retroactive to April 1 1970, an annual increment for this year of \$100, that is included in the \$53.33 and a promise of a 5 per cent increment beginning April 1971, that is the most dishonest aspect of this whole business. The promise of that 5 per cent increment. A promise that the Government knows will increase taxes next year if the Government is right in telling the truth in the budget speech, which it makes despite that..

The latest wage increase for all cabinet negotiations spearheaded by government employees following weekend meetings between Health Minister Edward Roberts and hospital representatives Thursday. There was going to be a statue of Dr. Valdmanis. I suggest the Premier should erect one down in front of the building to Mr. Roberts who saved the Premier and his whole Government from going down into disgraceful exodus in the last few days.

Mr. Roberts, the member for White Bay North who I do not agree with on many occasions but I must congratulate him on his latest activities, and I quoted a speech of his this morning that was eminently sensible, and that is a hundred per cent opposed to the present mad economic/policy of the leader of the Government across there. If there is a coup d'etat Mr. Roberts needs it across the House.

MR. HICKMAN: The truth is coming out I knew all about that.

MR. CROSBIE: He will get the response that he will be pleased with. Now, what happened after May 10, when this reasonable offer was made Mr. Speaker? CUPE Local 960 accepted it. The CUPE Local in Corner Brook accepted it. The CUPE Local in Twillingate accepted it. And presumably negotiations are still

going on with the NGEA. William Noseworthy is the newly elected president of the NGEA. There was a change in the presidency while all this was going on and he says, he personally feels the organization may have to modify his rigid demand for a minimum increase of seventy-five per month across the board, plus the five per cent increment. That is a reasonable attitude, because there is no point in the NGEA being rigid, we must have seventy-five dollars a month and that is it that is not the way to negotiate. That was caused by the Government saying that we will give so much and no more. But now presumably they are both going to do the reasonable thing the Minister of Supply and Services was negotiating with them I think the Treasury Board, the Minister of Health, the Minister of Labour, and we hope that we will soon hear that there is a settlement there.

Now the laboratory technologists Mr. Speaker, and the x-ray technologists are still negotiating with the minister. And there is this much to be said about them. By the way, are you on our list, the latest addition of our Liberal Reformer Mr. Speaker, the Liberal Reformer issued May 3, 1970, Gander Conference huge success. This is the one that the Premier knows all about although he was not out there. Anybody wanting a copy can contact a member on this side of the House -

MR. WELLS: Any of the reformed liberals.

MR. CROSBIE: Oh no, we give them out free. We are going to start charging now though people are sending money in spontaneously. We will charging later on. Ideas ~~about~~ ^{for} economic development proposed. I am going to send that one over to the Premier.

MR. SPEAKER: Order please.

MR. CROSBIE: The Hon. the Speaker does not want to hear about our paper. alright Mr. Speaker, it is not quite relevant I agree. Now the laboratory technologists and the x-ray technicians are negotiating with the minister or with his committee. Mr. Speaker what we have to remember in connection with laboratory technologists and x-ray technicians is that they are highly skilled people that in Newfoundland in comparison to the mainland their pay is low. That they are people that we cannot afford to lose from this Province because without them the modern hospital today, a modern hospital without these people cannot function, you must have them -

MR. CROSBIE:

you must have them and it may therefore be necessary for the Minister to agree on a better settlement for them and for the rest of the workers. They are in a different situation, they are highly trained, skilled people who are irreplaceable to us if we lose them and I am sure the Minister is keeping that in mind. They are not people that you say \$35.00 a month and that is it, you cannot say that to those people. We need them here and we cannot keep them unless they are paid a comparable amount at least to what they would be paid on the Mainland. Now these are not any large numbers of people, there is probably a few hundred of them altogether and I hope that the Minister of Health will be successful with him.

Then there are the nurses, I do not know what their position is. I remember in this House, Mr. Speaker, in 1967, I believe, when the registered nurses filled the galleries. They were negotiating with the Government on a wage increase and I can tell you I was glad I was not Minister of Health that year. They were in those galleries looking down at the members and if they had not gotten the increase they wanted that year we would all have needed a registered nurse or a doctor. They are still to be dealt with. They want \$100.00 a month and I am sure they will be reasonable to if they are negotiated with as the Minister is now doing. There is going to be a lot more of this in the future, Mr. Speaker. This is why we need a Government that can administer the affairs of our Province because in the future there is going to have to be a lot of collective bargaining with hospital employees. CUPE is going to be certified for St. Clare's Hospital, CUPE is going to be certified for the Janeway Hospital, they have a majority^{of} employees, other units will be certified for the General and the Mental and other parts of the public service and, Mr. Speaker, unless we have a Government that can reasonably negotiate with these groups we will have nothing but chaos in this Province in the future. That is another reason why a change of Government is so necessary, a change of administration in this Province.

The nurses submitted their brief to the Government last fall.

MR. HICKMAN: After I left the House.

MR. CROSBIE: The association, after the ex-Minister of Health left, last fall

MR. CROSBIE:

the nurses submitted their brief to the Government and heard nothing about it at all until just recently, the last week or two weeks. So, Mr. Speaker, it is now three weeks since the budget speech and time after time members on this side were prevented from discussing these issues and it is now exactly three weeks since the budget was brought down.

We have seen a Government staggering, a Government with the blind staggers, staggering from crisis to crisis, making contradictory statements, getting ultimatums and having to change its position. Thank Heavens! Sanity prevailed in the Cabinet. Thank Heavens! Some or all of the hon. gentlemen opposite persuaded the Premier to be reasonable and to drop his arbitrary ultimatums. Thank Heavens for that! The Minister of Social Services may have been one of them, the Minister of Health certainly was one and the most serious crisis in the public service of this Province in the last twenty-one years now appears to be over, no thanks to the Government. In fact the Government caused the crisis, created it and failed to remedy it until at the last moment the Minister of Health and others perhaps in the Cabinet got it back on a rational, reasonable track again.

This is one of the reasons why, Mr. Speaker, there are many reasons why we lack confidence in this Government, many, as have been illustrated during this session. So this whole debacle, this latest debacle is a further overwhelming reason for this Government to go, for this Government to leave office, for this Government to retire from office so that this Province can be taken over by new people with the new approach, new capacities and some kind of administrative ability by a team approach, by a group of people all having some authority and able to carry out certain things in their own jurisdiction. We do not want De Gaulles any more, we do not want the emperor approach any more, we cannot have it, it is too complicated, Mr. Speaker. Government is too complicated and too dangerous to have one man running everything any more. That has to go, we have to have a Government in tune with the times. We have not got that now, Mr. Speaker. Hopefully we will have it after the next election and hopefully that next election will not be too long. So, Mr. Speaker, we are hoping that if enough hon. members opposite will take off the blinkers and just look at this resolution that they will support it, that they will withdraw their

MR. CROSBIE:

confidence from the administration and help bring about the change that Newfoundland needs so badly.

MR. HICKMAN: Mr. Speaker, the only reason why I rise to support this motion of non-confidence is because the hon. the member for Bell Island is urging me to do it and I certainly would not want to disappoint him.

MR. NEARY: Do not disappoint me because I am always listening and anxious to hear what the hon. gentleman has to say.

MR. HICKMAN: I know you listen, the hon. the Minister he listens with great content. He tells us all about -

MR. NEARY: (Inaudible).

MR. HICKMAN: That is right, he still has not been able to find enough money to open that welfare office in Burin again but somewhere amongst it, somewhere deep down there must be money to be found I am sure for that very worthwhile cause.

Mr. Speaker, the hon. the member for St. John's West has detailed very, very accurately indeed the events which have occurred during the past few weeks with reference to the public service of this Province and I do not propose to repeat what the hon. the member has said. Fortunately as far as we can see now, with the exception of the technicians, any crisis that was eminent in so far as the public servants are concerned has now disappeared and that is as it should be. I think what is causing concern to our people at this time is not that the crisis has simply disappeared but rather it is quite obvious to them that we will be faced with a similar crisis next year and the year after be it in the public service or in some other field of Government.

Mr. Speaker, we have been listening and we have been treated to many a debate and many a comment by eminent constitutional lawyers and others in this House on the power of the purse and that in the Parliament of Westminster the power of the purse is all supreme and if we once take away from this hon. House the right to spend the people's money as we as elected representatives are supposed to do then you might as well abolish Parliament. But, Mr. Speaker, I submit that you can live within that so-called principle and you can live within that tradition and at the same time confer upon our public servants the

MR. HICKMAN:

same rights of collective bargaining that other employees, that other workers are entitled to in this Province. But, Mr. Speaker, you are not going to do it by this nonsense that I find in the budget speech where it says that there will be certain rights of collective bargaining and then these rights will be restricted to certain services. Who is going to make the judgement decision then as to who can strike and who cannot strike? Collective bargaining, the hon. the Premier said in this Chamber during this crisis that this Government will not submit to compulsory arbitration, if it does not submit to compulsory arbitration and it simply has collective bargaining and it takes away the right to strike then collective bargaining and the legislation setting it up is not worth the paper it is written on, Mr. Speaker.

MR. CALLAHAN: No, the essential services will be determined by mutual agreement.

MR. HICKMAN: Well, if that is what it is that the essential services will be determined by mutual agreement then, Mr. Speaker, there will be very little, very few branches of the service that will not have the right to strike. But, Mr. Speaker, how does that conform with the principle of the supremacy of Parliament, how does that jive with the supremacy of Parliament in so far as the purse is concerned. The simple thing, Mr. Speaker, is this that you do not have to take away at all from Parliament the right to vote expenditures on people's monies if you give collective bargaining to public servants. Would anyone suggest that Prime Minister Trudeau has taken away from the House of Commons its sacred responsibility to control the purse by giving the postal workers and by giving the public servants the right to collective bargaining? Of course not. The simple fact is this if you start your collective bargaining long, long before you start preparing the estimates for Government because what is the difference? Government prepares its estimates and then comes to the House, uses its majority to pass the estimates that it presents to this House.

MR. WELLS: It would not be a Government otherwise.

MR. HICKMAN: That is right, it would not be a Government otherwise. That is why you have the majority rule in any House of Assembly or in any House of Parliament but the commitments that have now been made, the commitments that

MR. HICKMAN:

should have been made before the budget speech was handed down and delivered, the commitments that have been made in the past two weeks are going to be brought before this House and the House because it is a Government commitment will approve of it.

Now what I am saying, Mr. Speaker, is this that if the collective bargaining and the trade union, who certifies to represent the public employees are reasonable at all and they will be, decide to start their collective bargaining for next year in May or June or July then long before the estimates are prepared and brought to this House the Government will know precisely what its commitments are for the ensuing year. It still comes to the House and says in the exercise of your responsibility to control expenditure we recommend to the House that you honour the commitments that we have now made, this does not at all infringe on the power of the purse.

Mr. Speaker, there are two ways that we can bring these new concepts of Government about, one is we can sit back and wait for the crisis, one we can sit back and wait until everything gets completely out of hands and then with great reluctance come in and do it.

MR. NEARY: The hon. member do not know anything about that, Mr. Speaker.

MR. HICKMAN: I know all about it, not as much as the hon. the member for Bell Island but I will explain it to him in baby talk and I will get through to him just as sure as I am sitting here, Mr. Speaker, I will get through to him.

Mr. Speaker, if you sit back when once you see the trend established and this trend was established in Canada four years ago there is no point in fighting, no good purpose will be served, you are not going to get the public to support you on this, this has been proven beyond all reasonable doubt. The day has passed when you can simply say to the people of Newfoundland, you know these people are public servants and you do not want us to pay any more because we will have to take it out of your pocket but they now realize, the voting public of this Province realize that if you have a strike on the part of the public service that the whole process of Government comes to a halt and there is not an individual today in Newfoundland whose everyday life is not governed

MR. HICKMAN:

to some extent by the Government and Government policies and policies that could only be implemented and can only be carried out if you have a co-operative, happy, efficient, reasonably well paid public service. This is why I think that the public servants and the public and certainly the hon. members of this House are entitled to look with a great deal of suspicion on the statement contained in the budget speech that there will be collective bargaining but then you look at the fine print and you see where the right to strike is going to be restricted and at the same time you hear a statement from the Leader of the Government that compulsory arbitration will not be accepted.

Compulsory arbitration is a great improvement over what we have now and compulsory arbitration, if the hon. member will think back, is what we had three years ago in respect to the hospital workers and the hospital workers at that time, the unionized hospital workers accepted the decision of the board but then the legs were cut out from in under them.

MR. NEARY: The hon. member will agree that the ideal situation is the right to strike.

MR. HICKMAN: Strike. Compulsory arbitration but the employees do not want it but in the services when a judgement decision is reached that certain services presumably hospital services, public safety, these services that strikes will have to be prohibited.

MR. NEARY: But this would be done by mutual agreement.

MR. HICKMAN: Surely going hand in hand with that sort of policy decision and hand in hand with that legislation there will have to be a firm undertaking on the part of Government that these services that are deprived of the right to strike will at the same time have the right of compulsory arbitration and that this compulsory arbitration will be binding on the Government otherwise they are going to be no better off than they have been in the past, Mr. Speaker.

Not all, Mr. Speaker, of the uncertainty and unhappiness that we find particularly amongst the highly trained hospital workers is due to the fact that they did not receive the salary increase that they had hoped for and that they had been asking for prior to the bringing down of the budget. A large number of the hospital workers had been sold on the idea of reclassification

MR. HICKMAN:

because these men and women knew that with their training and with the year or two years that a laboratory technician spends at the Trades College or some other similar institution that with reclassification there would be a proper recognition of the services that they are performing and their disappointment was just as great when they heard that the reclassification was postponed as it was when they heard that they did not get the salary and were not going to get the salary that they had hoped and that they had asked for.

This morning the hon. the member for Bell Island made reference to the fact that or the hon. the member for St. John's West and this aroused the ire of the hon. the member for Bell Island about the brief of the laboratory technicians that had been submitted eighteen months ago and it was a first class brief. This is why I know what I am saying when I suggest to this House that that group of people, that association based its hopes on reclassification because they met with, it was not in the desk drawer then, there were some very lengthy and good and frank meetings involving, as my hon. friend on my left is well aware, PSA, officials of the Treasury Board, officials of Health and officials of Finance and they were told categorically that the reclassification process was now on-going, that sometime before the end of 1969 this process would be completed and they felt quite certain that when this reclassification was finished that they would get the increases in salary and the recognition for their job that they had been seeking for five or six years. This, Mr. Speaker, is what is causing the great concern, the great unhappiness and the great displeasure as much as anything else with these highly skilled and highly essential hospital workers.

Mr. Speaker, the part of the budget speech which deals with this particular motion of non-confidence is a bit confusing to say the least. On page fifty-four when the budget speech was being read the hon. the Premier said, "I wish to make it abundantly clear that the classification survey was not designed primarily to provide salary increases" but then, Mr. Speaker, when we go over to page sixty-one we find this in reference to this classification, "Until it is settled what classification each individual employee will fall into it is quite impossible to state the size of his salary increase. The reason for this

MR. HICKMAN:

of course is quite clear that the rate of pay depends upon the classification." Page sixty-one says the rate of pay depends on the classification, page fifty-four says that one is not related to the other and it has to be made abundantly clear that classification survey was not designed primarily to provide salary increases. Now is it any wonder, Mr. Speaker, that when this budget speech was delivered, when the budget was brought down that immediately discontent and confusion broke out amongst our public servants because the time surely has passed when any employee of Government has to wait until the budget speech is read to find out where he or she stands for the next year or the following years if they are going to remain in the Government service.

It reminds me, Mr. Speaker, of not too many years ago when at the end of the voyage when the fishermen would stand out in the merchant's shop waiting in breathless anticipation until the master of the land walked out and said, "You have made \$200.00 and this is what you are going to get." The public servants have to wait in breathless anticipation until the master says this is what you are going to get, nothing more and then we ask ourselves why there has been this discontent, why there has been this unhappiness, why Government services are not functioning and they cannot function if our public servants are unhappy. Mr. Speaker, the motion of non-confidence is before this House is that -

This type of approach, obviously, is an invitation to crisis. When once Government settles the last crisis in that of the laboratory technicians - can you blame the rest of the public if they are going to, then, say the only way we can get what we deserve from Government is to create a crisis? Could you blame the widows in St. Lawrence if they decided that the time of crisis has now arrived and the time has come to force the Royal Commission's Report to be implemented - could you blame them? Crisis seems to be the order of the day. Create the crisis, create the demand, pound the desk, threaten to strike, threaten to break the law, threaten to do anything, but create the crisis, and we will get what we want. This is not the way you govern a Province. If you are going to set up Royal Commissions, if you are going to set up the PSA or whatever they call themselves from Chicago, surely, Mr. Speaker, when once you get the report, if it is worth the paper it is written on, you can rationally and sensibly implement it. While I am on this PSA report, Mr. Speaker, that report, according to public announcements emanating from the Minister of Finance was completed sometime in November. I do know that the public servants of the Province received notification of their classification sometime in late October

Now in the Speech from the Throne or the Budget Speech it says that undoubtedly some members of the public service will be unhappy with their classification, others will feel that an injustice has been done, and they will have the right to an appeal. Tragically, the decision of the appeal board will not be binding on the Government, but at least there is a recognition in the budget speech that some unhappiness will flow from the classification.

Mr. Speaker, I draw to your attention the fact that this report was in the hands of Government in November of 1969, and I would think that we are entitled to assume that if Government anticipated unhappiness in April, that they could just as easily anticipate unhappiness in November,

and that is where collective bargaining should have started, right then and there, whether it was done through a recognized union or whether it was done through the committee of the N.G.E.A. and the Cabinet committee that was set up and try and take care of these things.

The simple fact is, Mr. Speaker, that without disclosing one item that would be contained in the budget speech, every group could have been told or their deputy ministers could have been told and in turn the public servants could have been told what their classification was going to be, and there was the time to have the meetings in good faith, then and there and any inequities, any injustices, any cause for unhappiness could have been eliminated as far as the classification was concerned long before the budget speech was brought down, but that is not the way Government does things. Build up the suspense, build up the crisis and lower the boom on budget day and then wring our hands for two or three weeks, wait and see which way the public is thinking, find out as was found in this case that the public were on the side of the public servants and then we will go and dig up some money, without increasing taxes.

Mr. Speaker, next year, a part from facing this \$6 million that will result from the five per cent annual increment, we will be faced with, at least, and I suggest, Mr. Speaker, that the amount the Newfoundland Teachers' Association asked for last year, which they have decided to wait apparently until the next fiscal year, before implementing their demands and the amount, according to the budget speech, that they are asking for, the amount of the increase is \$3,100,000. We can probably assume that it will be at least that. We can also assume with the annual increments, it will come to something more, so we are not talking about, Mr. Speaker, finding another \$6 million next year, without raising taxes. We

are talking about raising an additional \$10 million, without increasing taxes plus the annual increments that accrue anyway to people, by virtue of length of service and people also who improve their qualifications.

Mr. Speaker, I find that I have to agree with the Government when they say they cannot increase taxes. There is nothing left to tax. You cannot tax the people of Newfoundland who have the lowest per capita income in Canada, any higher than they are being taxed now. You cannot whack anymore money on S.S.A. - anymore taxes on by way of S.S.A. There is only one province in Canada that has a comparable S.S.A. tax and that is the province of Quebec. The economy of this Province cannot afford it. The people of this Province will not tolerate it, so where are all these commitments going to come from? They either will come from a tax that will crush our people to death or alternatively, they will result in the cutback of essential services, one or the other.

We cannot assume that next year or this year the gross Provincial product - next year will increase to such an extent to take up the fat. Indeed, Mr. Speaker, when you look at the statistics that are coming out, not written by some reporters who come down and spend a few days in Newfoundland and go back. They make a pretty good assessment of it, but statistics that are provided by services such as the one I referred to in this House yesterday, the data service and you see that where the rest of Canada is increasing where the construction industry went up twenty per cent than the rest of Canada, and we were down sixteen per cent September past. There is no point in pinning your hopes on a substantial increase in the gross Provincial product over and above what it was this year. In fact, Mr. Speaker, if we are realistic, we will assume that the increase will be somewhat less. The

hon. the Premier on opening day of this session said that 17,000 new jobs will be found for Newfoundlanders this year, not 17,000 jobs - 17,000 new jobs. If 200 people were working on road construction last year, they will not count. It will be new jobs on road construction that will go to make up this figure, but we are now, Mr. Speaker, into May. The winter is supposed to be over and the construction season is supposed to be upon us. Employment is supposed to pick up in the Province of Newfoundland. The simple fact, Mr. Speaker, is that it is not picking up, that we have never experienced the rate of unemployment compared to other Canadian provinces since we became a part of Canada that we are experiencing right now and in the face of that, how can we sit here and blithely assume that come next year all of these commitments are going to be met and if they are going to be met, they are going to be met without increasing taxes.

We are now the most heavily taxed people in the Dominion of Canada. We are, also, the people who can least afford that kind of taxation. Was this not what Confederation was all about, Mr. Speaker? Do you not remember those of us who were very actively involved at that time, talking about the inequities of the excise duties that were paid - this is where the commission of government and the responsible government got most of their money. They took the tax from the people who could least afford it, because the tax was on food, clothing and everything else that you bought. It was another form of S.S.A. tax. That is all it was. It was called, excise duties, but the consumer paid it. Now we are back where we started. We have the second highest S.S.A. tax in Canada, and the end is not in sight.

Mr. Speaker, what I say in support of this motion of nonconfidence, is not based on the simple crisis that we have gone through from day to day during the past three or four weeks, the avoidable crisis that we have gone through, but simply that there is no indication, no indication at

all that we are not going to be faced during the long, hot, dreary summer with the highest rate of unemployment that we have ever seen since 1949, this summer, that we are going to face this summer going from crisis to crisis that the word has now gone out throughout all Newfoundland. If you want a new road, create a crisis. Why not? You have just been promised \$25 million^{worth} of roads, and yet there is nothing in the budget for it.

Now we have been told that all these increases can be granted without an increase in tax. Why not everyone else? Why, as I have said earlier? Why not, if you want the Royal Commission Report on St. Lawrence implemented? Why not have another crisis and keep going? The greater the crisis, the more likely you are to get what you are looking for. If this is an open invitation to crisis, then surely the people of Newfoundland are going to accept the invitation and we are going to be in for the most disrupted and disrupted governing that we have seen in half a century.

AN HON. MEMBER: The hon. gentlemen would like to see that.

MR. NEARY: The hon. gentleman invites that?

MR. HICKMAN: I did not invite it. The Government invited it. The activities etc.

MR. SPEAKER: Is the House ready for the question on the amendment?

MR. BARBOUR: First I want to say this, I am not going to support the amendment. Secondly, I want to say that I do not believe one word that the chief said, that is the hon. member for St. John's West, when he said that the Minister of Health, so good a minister as he might be, forced the hon. the Premier, twisted his arm, to get on the ball, and listen to him, the Minister of Health. I do not believe that either. Neither do I believe that the Minister of Health, on his own, met with any people, any bodies of people, first without conferring with the Cabinet and the Cabinet

with him, and when he went and interviewed and argued and debated the wages, the salaries of the people concerned, he went there and I am not in Cabinet, he went there with the full authority of the Cabinet to do so. He did not go on his own. It seems to me that all the Opposition is trying to do is to tear down and not to build up. It seems to me that the Opposition is afraid that our people are going to find jobs. It seems to me what we are interested in, Mr. Speaker, is one thing only and that is saving money, regardless of trying to find work for the people of this Province. My chief concern is to find work, and I go on record now, and I challenge any hon. member of this hon. House, apart from the Premier himself, that there is no member in this House who finds as many jobs as I do for the people of Newfoundland and Labrador, not only my own district. Why do I do this? Because I like helping those who need help and why do I believe in helping people? I believe employment comes first. Every job we get, so far as I can see, helps to feed at least eight people and that is a good thing. What difference does it cost the Government, if we can find employment for the people, and because I am a believer in finding employment, I cannot, I will not support the amendment.

Those in favour of the amendment, please say "aye." Contrary "nay." In my opinion the "nays" have it and the motion is..

AN HON. MEMBER: On division, Mr. Speaker.

MR. SPEAKER: Divide. Call in the members.

All those in favour of the amendment please rise:

Mr. Collins, Mr. Hickey, Mr. Hickman, Mr. Wells, Mr. Crosbie, Mr. Abbott, Mr. Myrden.

All those against the amendment please rise:

The hon. the Premier, the hon. President of the Council, the hon. Mr. Lewis, the hon. Minister of Highways, the hon. Minister of Municipal

Affairs, Mr. Noel, Mr. Smallwood, Mr. Hodder, Mr. Strickland, the hon. Minister of Public Works, the hon. Minister of Mines, Agriculture and Resources, the hon. Minister of Community and Social Development, the hon. Minister of Provincial Affairs, the hon. Minister of Public Welfare, Mr. Barbour, the hon. Mr. Hill, the hon. Minister of Supply, Mr. Saunders and Mr. Wornell.

MR. SPEAKER: I declare the amendment lost.

Is the House ready for the question? We are now back to the main motion.

MR. HICKEY: Mr. Speaker, I did not anticipate speaking in the main debate..

MR. SMALLWOOD: Come on brighten it up.

MR. HICKEY: This afternoon I felt that..

MR. SMALLWOOD: He just suffered enough.

MR. HICKEY: I felt that there would be some.

AN HON. MEMBER: He is going to suffer a lot more.

MR. HICKEY: I felt that there would be some speeches from the other side other than the hon. member for Bonavista South. I am glad to see, at least, that he came to the defense of the Government, but I did anticipate some other speakers.

Mr. Speaker, while we were debating the Bill for Supplementary Supply, I was almost convinced that the Government had a good case and what was being said in connection with projecting expenditures and revenue was fairly close to being correct, but, Sir, when I looked over the list, to my dismay, I found an amount of \$21,500 for the Department of Welfare as compared with amounts of \$12 million, \$2 million and so on. This led me to ask some questions as to whether or not, really, we were getting the facts, or was this just a justification for this Bill coming before the House? One obviously realizes that it is rather

difficult to project what the Government is going to spend in any given year, but, Sir, it is even more difficult to project how many people are going to apply for Welfare or for some other kind of assistance during any given year and yet we find that

MR. HICKEY: we find that the Government did an excellent job or close to it, or almost close to perfection in determining the number of people who would be seeking assistance. Now this might have been by coincidence, but if it was not, Mr. Speaker, then certainly there are a lot of questions obviously have to be raised as to why they could not have kept closer to their budget or in fact have budgeted for more in the beginning.

On page 1 of the Budget itself, there are some figures which raises a number of questions. We were told that the estimated expenditure for the coming year, or for the last year I should say, Mr. Speaker, was \$272,344,500. We over-shot that by some \$6 million.

Now, Mr. Speaker, maybe someone on the Government side may enlighten me,

MR. SMALLWOOD: If the hon. gentleman (inaudible)

Try to keep us awake. Stop thinking about who is going to win. Tell us about the convention. How many delegates will there be at the convention tomorrow who were delegates at the Liberal Convention?

MR HICKEY: I will not object to some accordion music to accompany something like that, because I think it would add an awful lot to it.

MR SMALLWOOD: Would the hon. gentleman join in the chorus?

MR HICKEY: I could tell the hon. the Premier about the convention.

MR SMALLWOOD: Yes, do. How many candidates are there?

MR HICKEY: In the convention which you are about to see this week, as compared with the convention

MR SMALLWOOD: They are very flexible, are they not?

MR HICKEY: You see, Mr. Speaker, it is impossible for me or for any other hon. member in this party to even go near to predict who is going to win.

MR SMALLWOOD: I believe that, you know. I really do believe that. I think that is so. I know one who is hoping, strongly hoping.

MR SPEAKER: Order! I think the hon. member is getting entirely too (inaudible).

MR HICKEY: Thank you, Your Honour! But I did not ask the questions, at any rate: will just close off that subject by my saying that, the Convention

MR. HICKEY: coming up is a purely democratic one and nobody can even hit at who is going to win, and this is why we are so proud of the Convention that we are going to take part in over the weekend.

Mr. Speaker to get back to where I was before I was interrupted.

MR. SMALLWOOD: Inaudible.

MR. BARBOUR: Inaudible.

MR. HICKEY: Mr. Speaker he is even still in contact with the party, I swear his heart must be over on this side. Ah! Mr. Speaker, I am glad the hon. member saw the light, because I really believe that the people of Newfoundland are going to see the light this year, they have been in darkness for sometime, but then again, it is difficult to see the light when so many goodies are up in front of you.

MR. BARBOUR: I will be here for another decade, it will not be in my time that they will be over here, they will be still over there.

MR. HICKEY: Mr. Speaker, I am not going to engage (inaudible) I am going to leave that to some other hon. gentleman. Mr. Speaker the question I want to raise in connection with the statement, we are told that the expenditures for last year were short some \$6,697,500. Now Sir, I would hope

MR. SMALLWOOD: The expenditures were up that year, up not down.

MR. HICKEY: The expenditures were put, but the amount budgeted for was out by some \$6.5 million. I said, I would hope that someone would enlighten me because I cannot seem to reconcile the figure of \$6 million or \$7 million to use a round figure for which we over-spent in expenditures, when in fact we bring in a Bill for supplementary supply for \$21 million.

MR. SMALLWOOD: Cannot understand it? I knew that, I knew that right along. He is not alone over there over there not understanding it.

MR. HICKEY: There are some explanations, Mr. Speaker, in connection with that Bill which are acceptable, but I would not go so far as to say they cover the total distance. Does the Premier have an explanation, does he want to give me an explanation.

MR. SMALLWOOD: No, I am glad I wanted to hear, I am glad the noise came off.

MR. HICKEY: You could not hear me before.

MR. SMALLWOOD: Yes, but I had to strain.

MR. CALLAHAN: The hon. member had a cold.

MR. HICKEY: What member was that?

MR. WELLS: The rocky harbour rooster, I think.

MR. HICKEY: We are also told in the Budget that the Government has finally adopted a course, in so far as their finances are concerned. They are becoming very realistic, they sort of foresaw the tight money situation and the hard times that were coming, and they adopted a course of retrenchment and economic. Mr. Speaker this could also make one cry when you consider that while we are saying this in one breath we are involving ourselves in two major projects, one at Come-by-Chance in the amount of \$155 million, and another one at Stephenville an untold million\$. And in each case this Government and thereby our people -

MR. SMALLWOOD: That is better.

MR. HICKEY: are involved to a great degree by guarantee or other means. Can this be classed as retrenchment? Or can this be classed as tightening the belt? I would think, Mr. Speaker, that this Government despite what it says about becoming more realistic so far as the financial arrangements the Government are concerned, and the various financial agreement that they enter into have become more careless than ever, for surely the concessions which have been given to the Come-by-Chance project in the form of various concessions for Mr. Shaheen and his group have without a doubt surpassed any or all prior to that date. It is surprising, Mr. Speaker, that while those gentlemen were here so few questions were answered. As I recall saying to Mr. Shaheen, and his friend, I had never witnessed a better job of managing the news in my life than that episode. The amount of power that the Province was subsidizing for example, we could not even get questions answered so far as that matter is concerned. Sir, I would suggest, as I heard one old gentleman

MR. HICKEY: a very old gentleman say a few days ago in relation to the visit of Mr. Shaheen and his friend and he was not blessed with any college degrees or any great degree of education, but a very wise man. A very wise man inasmuch as he said, when somebody does not answer a question his question, there must be only one of two reasons, either they are too stupid and do not know the answer or there is something which they have to hide. Mr. Speaker, he qualified it and said, he is so sure that Mr. Shaheen and his friends were not at all stupid. The obvious conclusion that one has to draw is that they did -

MR. WORNELL: Mr. Speaker, if the hon. gentleman will allow, I do not think that remark should be allowed to stand, because I am sure the hon. gentleman does not mean to imply that he did not hear Mr. Shaheen and other members of that group state that there were specific reasons why they could not answer the questions.

MR. HICKEY: Can I answer that question now, Mr. Speaker? I will gladly answer that question. What I implied, Mr. Speaker, is exactly what I meant, and I will say it and I will make no apologies, because I am not any expert on the Come-by-Chance project, I am the first to say that, but I do know a little bit about Oil Companies. I was employed by one of the major Oil Companies and I do know what class is competitive information and what is not. And the amount of electricity used at Come-by-Chance is not competitive information, is not and each and every occasion that an hon. member on this side of the House raised that question, he got the same answer as I did on two occasions, that ^{is} competitive information. I say it is not competitive information and there is reasonable truth to justify it. I will make the only assumption that I can make, for the people of Newfoundland to make their own. I can only come to the conclusion that Mr. Shaheen and his friends did not feel free to give that information because the amount of money, had they answered, would have been such, that it would have been embarrassing to the Government, in a project ⁱⁿ which we have been over-generous already in terms of concessions.

Mr. Speaker, I stated while those gentlemen were on this floor that indeed it was unfortunate that they should have travelled so far to come here and to

MR. HICKEY: have given such little information. Because the public of Newfoundland did not find out too much about the detailed of that project, but one thing unfortunately, and it was unfortunate and I say it in no partisan way, it is unfortunate in this respect that in my opinion the people of Newfoundland were left with a bad taste in their mouth about the Come-by-Chance project after those gentlemen left this Chamber, whatever they thought before, whatever questions they might ^{have} had in their minds before, they had double the amount when those gentleman left.

Mr. Speaker, there is another statement in the Budget which covers the reputation of our Province in the financial world, and it is worth reading, and says the reputation of our Province stands high in the financial circles of North America, Britain and Europe in the economicies that we have instituted in these past two years, and additional tax rates that this House imposed at Government's request have been continued favourably and will continue to be applied. The gratifying results that we have had are such as to encourage us to follow the same road now and in the future. Mr. Speaker, one can only assume that this is the opinion or this is an opinion expressed by the Government insofar as the reputation of our Province in the financial world. One would hardly expect the Government to say anything other, but I find it is difficult to understand why the statement was even included. Because both Government and Opposition realize only too well, that there have been times in the past when indeed the reputation of our Province from a financial point of view was very much in question. And as a result of our involvement in the Come-by-Chance Refinery and in the Liner Board Mill project our financial reputation will be questioned much further and much more

MR. JONES: Our sanity will also be important.

MR. HICKEY: That could well be true.

MR. JONES: There is no question about it.

MR. HICKEY: But, Mr. Speaker, the sanity of hon. members of this House while it might be important, is not as important as the financial reputation that we have in the financial world, because all of us here can be replaced if we

MR. HICKEY: go too far in the wrong direction, and should lose our sanity, but it is not too easy to improve our financial reputation if it gets too bad. It has been said, and hon. members who have said it have been accused of being unpatriotic, it has been said that this Government is on a course which will only lead to bankrupt. Mr. Speaker, one should never, any hon. member on the other side should never refer to an hon. member as being unpatriotic when he makes that statement, because one can only call the shots as they see them. And if hon. gentlemen on the other side have some information, that we do not have, which can change the overall picture, the overall financial picture of this Province to such a great degree I am sure that hon. members on this side will be only too happy to change their minds. But it appears quite clear that we do not enjoy the kind of reputation in the financial world that we should after twenty-one years of Confederation, and after all the money that has been pumped in here by the Federal Government in its many forms.

Indeed, Mr. Speaker, if one were to examine the financial arrangements in detail of the Come-by-Chance project and the Liner Board project there would be no

MR. HICKEY: There would be no doubt in their mind as to what must be our financial reputation in the financial circles. A lot of questions must obviously be asked as to whether or not we are becoming insane by involving our people to such an extent as we are.

We are told Mr. Speaker, that the amount of \$20 million approximately will be spent in the coming year more than we spent in the last year.

AN HON. MEMBER: (Inaudible)

MR. HICKEY: Who is going to be? I do not know, have to wait until Monday. Would the Premier be able to tell us, would he have any idea? Would he like to wager a guess.

MR. SMALLWOOD (J.R.): I know who will be the next Premier, but I do not know who will be the new Leader.

MR. HICKEY: Mr. Speaker, I think if the Premier was really honest with me he would admit that the Leader of the party that is chosen over the week-end will be the next Premier. I was tempted yesterday, except for the fact Sir that I was not sure that I would get away with it, and I sort of changed my mind from taking chances now. I am becoming a little more, I do a little more thinking before I jump up, and of course my doctor tells me to, not to talk so much. I have a throat problem.

AN HON. MEMBER: Does your wife have anything to say about that problem?

MR. HICKEY: No, no, no. But I saw a button in the Premier's lapel yesterday with a question mark, and I was so curious as to what

MR. SMALLWOOD: Did the hon. gentleman see what was under, besides the question mark, did he see the word that was up?

MR. HICKEY: No, this is what I was going to ask the Premier because I obviously could not make it out.

MR. SMALLWOOD: May I tell the hon. gentleman, I am helping him stretch his speech. I know he has nothing to say and that he is just trying to occupy time. I was called on by two members of the National Committee of Youth appointed by Mr. Pellettier the secretary of state of Canada, and two of the

local representatives of that national committee, the young Angligan priest at the university and a young lady who is here, two of them, that made four. They came to tell me all about this youth movement. We had a long conversation, and I told them of the four or five young men that the Government had sent all across Canada to study what was happening, what facilities might exist across Canada for the youth movement.

Then they told me that they are all wearing this button, and they told me that it had been designed locally by the local representatives of this national youth council or committee and presented me with one. I told them that I thought it was a great honour, it just has the question mark and the word youth. It is a local invention, a local badge. Purely Newfoundland meaning to say that youth is full of curiosity, inquisitive mindedness, open mindedness, and want they answers.

I was very proud to wear it here in the House and if the hon. gentleman wants to borrow it for a day after the convention on Monday, I will be happy to lend it to him for one day.

MR. HICKEY: Mr. Speaker, I should thank the hon. Premier for giving me that answer. I did not anticipate such a long one. As he says, if he feels like he is helping me go on to six o'clock well that is fine. I am sure he would not mind if I told him what I thought that button was.

MR. SMALLWOOD: If the hon. gentleman is finished now let us move the adjournment.

MR. HICKEY: If I will move the adjournment now?

MR. SMALLWOOD: No, no, no, no, just finish now and I will move the adjournment.

MR. HICKEY: Oh my goodness, Mr. Speaker, I could not possibly make a concession like that.

MR. SMALLWOOD: The hon. gentleman has nothing to say

MR. HICKEY: Because you see I am saving all the goodies for

MR. SMALLWOOD: For monday

MR. HICKEY: For tomorrow

MR. SMALLWOOD: For tomorrow, at the convention

MR. HICKEY: For Monday I mean

MR. SMALLWOOD: Is the hon. gentleman going to make a speech at the convention?

MR. HICKEY: Before I get off the subject I think I should tell the hon. Premier what I thought that button meant. Well :

MR. SMALLWOOD: What does the button mean?

MR. HICKEY: Well I thought the question mark

MR. SMALLWOOD: The hon. gentleman thought it was wondering when the election was taking place? Is that it, the date of the election?

MR. HICKEY: No Mr. Speaker, that was not it.

MR. SMALLWOOD: No

MR. HICKEY: I sort of sat here

MR. SMALLWOOD: Who is going to win the convention?

MR. HICKEY: And looked and when I saw this big question mark on his lapel, I said to myself it is a shame. It is a sin to have a man his age who has made such a contribution to politics in this Province and indeed to the Province to be sitting there now wondering how long more have I got. I thought it was a crying shame.

MR. SMALLWOOD: I am the one person in this House who does not have to wonder. I am the one person, the one member of this House who does not have to wonder that. Everyone else may, but I do not have to wonder that. I know.

MR. HICKEY: Ah now Mr. Speaker, that is a little too much for him to say. Because really, the people of Newfoundland will decide his fate as well as mine and as well as every other hon. member.

MR. SMALLWOOD: That is right, that is right.

MR. HICKEY: And I felt that this is what he was asking himself, and that, well I could have given him an answer, but I decided that I would not. I could wager a guess.

MR. SMALLWOOD: Ah, a guess yes, but does he know?

MR. HICKEY: I would say Mr. Speaker, the next election. When ever that is but, we are having a job to find out when that is.

MR. SMALLWOOD: Should I call it on Monday?

MR. HICKEY: The election?

MR. SMALLWOOD: Yes. The hon. member for Labrador West is going around telling people that I am going to call the election on Monday. Should I do that?

MR. HICKEY: Are you going to call it?

MR. SMALLWOOD: Does the hon. gentleman ask me to call it, does he suggest that I call the election on Monday. Not to hold it, but to call it.

MR. CHALKER: Not the following Monday, because, that is a whole holiday.

MR. HICKEY: Well Mr. Speaker, really I do not expect this kind of concession as to whether or not I will dictate when the election will be called. But, it is all right with me if the Premier will announce it on Monday. It is all right with me.

MR. SMALLWOOD: What district

MR. HICKEY: For all of them, for every district in the Province.

MR. SMALLWOOD: Except say, for St. John's East Extern

MR. HICKEY: Ah Mr. Speaker,

MR. SMALLWOOD: The hon. gentleman would not want one there would he?

MR. HICKEY: The kind I am Mr. Speaker, I am always ready and I always take what is coming.

MR. SMALLWOOD: Like the British Navy

MR. HICKEY: That is right. Well Mr. Speaker, after that little exchange we should get back to the finances of the Province.

MR. SMALLWOOD: Back to it?

MR. HICKEY: Mr. Speaker, before we got back on the convention I was talking about the amount of money that we will spend in the coming year over what we spent last year. I believe the amount is quoted as some \$20,400,000. more.

MR. SMALLWOOD: Which is about seven per cent. The increase is about seven per cent this year over last year.

MR. HICKEY: Right

MR. SMALLWOOD: Seven point something, which is the lowest increase, the smallest increase for many, many years.

MR. HICKEY: Mr. Speaker, is the Premier really serious when he say that?

MR. SMALLWOOD: Yes. It is the smallest increase, per centage increase of expenditure this year over last year for many years.

MR. HICKEY: Mr. Speaker, as I was going to say

MR. SMALLWOOD: I may have the figures here I am not sure. It is seven point something per cent.

MR. HICKEY: I do not normally engage in prophecy, but I would go so far as to say that by this time next year or there abouts, I am not sure who will be sitting where, but I would say that if the present Government were in the same place they are in now, and if they did not call an election, they would undoubtedly be bringing in another Bill for Supplementary Supply and telling us that instead of spending \$20 million more in the coming year than they did the year before, they spent \$50 million. I would say that that is a fair estimate if we can go on previous years.

Mr. Speaker, there is an amount in the Budget for \$32,114,000. and it is under the heading of servicing the public debt. Again Sir maybe I am wrong.

MR. SMALLWOOD: Not paying it off, not reducing it, but servicing it.

MR. HICKEY: Right. Now to me

MR. SMALLWOOD: Is there anything in for reducing it?

MR. HICKEY: There is nothing here

MR. SMALLWOOD: No

MR. HICKEY: At least not that I can see

MR. SMALLWOOD: Not on that page

MR. HICKEY: Right

MR. SMALLWOOD: On any other page in the Budget, anything about providing for the reduction of the debt?

MR. HICKEY: Oh well Mr. Speaker, we will come to that

MR. SMALLWOOD: When the hon. gentleman gets over to that page

MR. HICKEY: Right. But Sir, the amount of \$32 million for servicing the public debt, it is my opinion Sir that this amount is more than \$32 million. That is costs the Province more than \$32 million to service the public debt.

MR. SMALLWOOD: To service the debt.

MR. WELLS: Yes, interest alone cannot service the debt

MR. HICKEY: There has been many figures thrown about and obviously I raised a question. Is this an accurate figure or is there an explanation for it?

MR. BURGESS: Very accurate

MR. HICKEY: I have my view

MR. SMALLWOOD: Very precise, very accurate

MR. HICKEY: Mr. Speaker, I am not implying, I am not suggesting that this figure is

MR. SMALLWOOD: That is the cost of servicing our debt

MR. HICKEY: Is incorrect intentionally

MR. SMALLWOOD: There is another figure further along telling the amount by which we are reducing the debt.

MR. HICKEY: Yes. Mr. Speaker, I appreciate that, but I am particularly interested in the

MR. SMALLWOOD: There are people that do not see any difference

MR. HICKEY: Amount for servicing the public debt.

MR. WELLS: Would the hon. member permit a question?

MR. HICKEY: Yes.

MR. WELLS: Does the hon. member know that on page (5) of the estimates tabled in the House, it is spelled out, that money which we cannot vote, we have no choice but to pay, it is our public debt. We cannot vote in this House, we can vote against it but it still has to be paid. That is the cost and it is spelled out. Two amounts \$46 million and \$76 million

MR. SMALLWOOD: What an interesting question. Can he answer that question? Or would he want notice. Would he ask for notice of it and put it on the Order Paper.

MR. HICKEY: Mr. Speaker, my answer to the question is, why am I raising it?

MR. SMALLWOOD: We do not know. " Him may rain, him may snow, we do not know."

MR. HICKEY: Mr. Speaker, the obvious reason for my raising the question is the fact that this figure and the figure quoted by my hon. friend does not

agree. I raised the question, the logical question as to why this amount is there. If it is \$46 million

MR. SMALLWOOD: If it is wrong why should it be there?

MR. HICKEY: That is right. If it 46 why would it be 32.

MR. SMALLWOOD: Exactly.

MR. WELLS: It seems to me the nicest picture when it is not so. That is why it is there.

MR. HICKEY: I could be

MR. SMALLWOOD: I think I would rather have the hon. gentleman as Minister of Finance than the one that asked the question.

MR. HICKEY: I could be like the fellow said, and say "well I thought I would mention it." But I am not saying that

MR. SMALLWOOD: I am hoping to find you the same

MR. HICKEY: I am asking for an answer which I am not getting.

MR. SMALLWOOD: Right

MR. HICKEY: It would appear from that remark that I am not going to get one.

Mr. Speaker, it is questions of this kind that, it is figures of this kind that must obviously raise the doubt of our overall financial picture.

MR. SMALLWOOD: Ah, that is where the doubt comes from

MR. HICKEY: I think Sir, that surely

MR. SMALLWOOD: The hon. gentleman is getting uneasy

MR. HICKEY: If there is a reasonable explanation for it, you know, why do we not have it?

MR. SMALLWOOD: Exactly, exactly. That is a fair question.

MR. HICKEY: A third question but no answer.

MR. SMALLWOOD: Is the hon. gentleman going on till six o'clock?

MR. HICKEY: We can. Or we can adjourn now.

MR. SMALLWOOD: Like to go on tonight?

MR. HICKEY: No, we prefer not to go on tonight.

MR. SMALLWOOD: You prefer not to. Well it is getting late. It is later than the hon. gentleman knows.

MR. HICKEY: Would the hon. Premier agree if I move the adjournment now?

MR. SMALLWOOD: The hon. gentleman could not understand how happy I would be.

MR. HICKEY: Mr. Speaker, except for the fact that, I will gladly rest my throat and move the adjournment now until we meet again Monday.

MR. SMALLWOOD: Would the hon. gentleman if he moves the adjournment of the debate, would he promise to continue it tomorrow and Saturday and spare us from it.

MR. HICKEY: At the convention?

MR. SMALLWOOD: Yes, and spare us on Monday

MR. SPEAKER: Has the hon. gentleman moved the adjournment?

MR. HICKEY: I thought I did Mr. Speaker

It is moved and seconded that this debate be adjourned.

Those in favour "aye," contrary "nay," carried.

MR. SMALLWOOD: Mr. Speaker, may I call motion number (4), asking leave to introduce a Bill, "An Act Further To Amend The Revenue And Audit Act."

On motion Bill read a first time, ordered read a second time on tomorrow.

On motion remaining orders of the day do stand deferred.

MR. SMALLWOOD: Mr. Speaker, I am going to move the adjournment of the House to 10:30 a.m. Monday. It was truly our intention to go on until 11:00 p.m. and we had so said. It was understood that we were going on to 11:00 p.m., but having myself participated in two great political conventions in Newfoundland, the reformation of the Liberal Party in 1949, and the convention of last year, I have a lively sympathy for my hon. friends across and the fact that they are holding a great convention beginning tomorrow. I fully understand that their hearts and minds would not be on the public interest, at least not the kind of public interest that comes before this House. If they were here from 8:00 p.m. to 11:00 p.m. when the thousands of delegates are pouring in from all over the Province and occupying, virtually taking over St. John's.

AN HOM. MEMBER: The hon. member said millions

MR. SMALLWOOD; No, no, he was only kidding. It is only thousands not millions. So their hearts are with those delegates, and they want to get out and meet them. I think it would be, not only a courtesy, to them, but I think a service to the Province if we were not to meet tonight. Because, the kind of consideration that these grave matters of public importance would receive from the other side would not be of the high calibre that the House and the people have a right to expect. So after that eloquence I have pleasure in moving that the House at its rising do adjourn until tomorrow Monday at 10:30 a.m. of the clock and that the House do now adjourn.

On motion the House at its rising adjourn until tomorrow, Monday, at 10:30 a.m.