



**PROVINCE OF NEWFOUNDLAND**

**THIRTY-SIXTH GENERAL ASSEMBLY  
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NEWFOUNDLAND**

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**VERBATIM REPORT**

**FRIDAY, APRIL 19, 1974**

**SPEAKER: THE HONOURABLE JAMES M. RUSSELL**

The House met at 10:00 A.M.

Mr. Speaker in the Chair.

MR. SPEAKER: Order, please!

PETITIONS

MR. SPEAKER: The honourable Member for Green Bay.

MR. A. B. PECKFORD: Mr. Speaker, I ask leave to present a petition on behalf of approximately 250 residents, voters of the Town of Robert's Arm.

The prayer of the petition is that the town be provided with sufficient funds to begin the installation of a sewerage system for that town. About ten or twelve years ago the Town of Robert's Arm completed a water system which has been functioning extremely well - for a small amount of money, as a matter of fact. Now with the town growing over the last four or five years at a tremendous pace and because of the topography of the town, especially in the centre part of it where you have very flat land which is not altogether porous, we find that in the last year or so a lot of raw sewage has been flowing on top of the ground in that town.

Robert's Arm is by population the second largest community or town in the District of Green Bay, with a population of about, by the 1971 Census, 1,243 I think it was. It is growing. About three or four years ago they constructed a new subdivision. With the increased forestry activity in the district, especially in that part of the district, over the last eighteen months or so we find that there are many other people who wish to build. At the present time there is even a shortage of building lots in the town. The council are at present trying to acquire more land to make it available to people to come and live there.

This is a very pressing situation. There are I suppose, Mr. Speaker, five or ten at least very pressing areas or towns in the province where sewerage facilities, not water and sewerage, some places they have water, like Robert's Arm, where sewerage is of dire importance right now. Considering the fact that there will be a health hazard here in the summer, as there was last year, I think it is incumbent

upon government at this time to provide sufficient funds for at least the first phase of a four phase programme for the Town of Robert's Arm.

There are some great problems in other areas of the town in trying to install sewerage because of the kind of land it is. The cost is going to be well over \$500,000 to install this system. It is the feeling of the residents, by the prayer of this petition, that if a beginning were made, this present year, on trying to eliminate the most serious part of the town problem that they would be pleased and that the other three phases could come in over the next three years.

I heartily endorse the prayer of this petition and ask, Mr. Speaker, that it be placed on the table of the House and referred to the department to which it relates.

MR. SPEAKER: The honourable Member for Bell Island.

MR. S. A. NEARY: Mr. Speaker, we on this side of the House, of course, support the prayer of the petition. We think it is a very reasonable request on the part of the residents of Robert's Arm, Sir, which is a community that is growing very rapidly. It is a very thickly populated community.

About eight or ten or twelve years ago the former administration installed a water system in that community, Sir, at great expense to the public treasury -

AN HON. MEMBER: Inaudible.

MR. NEARY: Pardon?

AN HON. MEMBER: It was a loan.

MR. NEARY: It was what?

AN HON. MEMBER: It was a loan.

MR. NEARY: A loan?

MR. ROBERTS: Almost every water and sewerage system that was ever installed -

MR. NEARY: Sir, I can tell the member it may have been a loan, Sir, but it is heavily subsidized by the province, as the Minister of Finance well knows.

But, Sir, all during this session we have had petitions presented in this honourable House. Sir, I do not know if they do any good or not. The member who just presented the petition on behalf of his constituents in Robert's Arm did not seem to be very enthusiastic about it. As a matter of fact, I got the impression the member had a defeatist attitude, I do not blame him, Sir, after listening to the Minister of Finance in his budget speech a little over a week ago and some of the statements we heard the minister make here yesterday. The Minister of Finance is insensitive to the real needs of the people of this province, Sir.

I doubt very much if the Member for Green Bay is going to be able to get old Scrooge to budge and give him the few dollars that he needs to get this badly needed sewerage system started in the Community of Robert's Arm. I wish the member luck but, Sir, I doubt very much from the attitude of the Minister of Finance that anything is going to be done this year to resolve that very serious problem in that community or in any other community in Newfoundland for that matter.

MR. SPEAKER: Are there any other petitions?

ORAL QUESTIONS

MR. NEARY: Mr. Speaker, I wonder, now that the Premier is back in the House, if he would indicate to the House if he has agreed or will agree to meet a delegation from Point Leamington concerning the road in that community, when he visits Grand Falls this weekend?

HON. F. D. MOORES (PREMIER): It has already been agreed, Mr. Speaker.

MR. NEARY: I am glad to hear that, Sir, because they were talking about rioting down there I think.

Mr. Speaker, in the absence of the Minister of Education, is there anybody here who can speak for the Minister of Education? I want to find out what is going on out in my friend's District of Port au Port. There has been a layoff and perhaps the Minister of Finance could answer the question. There has been a layoff of ten or twelve upgrading instructors. Does this mean the school is being phased down in Stephenville? Is it going to be closed or is this a temporary thing? What



is the situation concerning the layoff of these instructors in Stephenville?  
Does the Minister of Finance know? Treasury Board knows every thing  
that goes on.

MR. SPEAKER: Order, please!

HON. J. C. CROSBIE (MINISTER OF FINANCE): Mr. Speaker, the honourable  
gentleman will have to direct his question to the Minister of Education  
when he is available.

MR. NEARY: Sir, I wonder could the minister tell us when the Minister  
of Education is going to be available? Over half of the ministers are -

MR. SPEAKER: Order, please!

MR. NEARY: - absent from their seats again today.

MR. SPEAKER: Order, please!

MR. NEARY: Mr. Speaker, how can we get answers to questions -

MR. SPEAKER: Order, please!

MR. NEARY: - when the ministers are not in their seats?

MR. SPEAKER: Order, please!

I am sure the honourable Member for Bell Island is well aware  
of the purpose of the question period, it is not to make speeches, which  
he certainly insists on doing.

MR. NEARY: Well could Your Honour inform me if there is anything in  
the rules to make it compulsory for ministers to be in their seats  
during the oral question period?

MR. SPEAKER: Order, please!

I am sure the honourable Member for Bell Island is also well aware  
that he is not to direct questions towards this Chair.

MR. NEARY: Well, Sir, could I direct a question to the Hon. the Premier?  
Would the Hon. the Premier inform the House that we are going to have more  
ministers in their seats today to answer questions during the oral  
question period? Certainly the Premier has set such a bad example -

MR. SPEAKER: Order, please!

MR. NEARY: - what else could one expect.

MR. SPEAKER: Order, please!

MR. NEARY: Mr. Speaker, I would like to direct a question to the  
Minister of Fisheries, the great Arts and Culture Centre Namer. Could

he inform the House, Sir, just what this government are doing, what his department is doing concerning cod tongues in Newfoundland?

AN HON. MEMBER: Inaudible.

MR. NEARY: We were shocked the other day to hear about -

MR. SPEAKER: Order, please!

MR. NEARY: We were shocked the other day to hear about the importation of cod tongues into this province.

MR. SPEAKER: Order, please!

MR. NEARY: What is the minister doing about that problem?

MR. COLLINS: Cut them out.

MR. NEARY: "Cut them out." Mr. Speaker, this is a very seriously matter. Would the minister mind answering the question. Now do not be so foolish. Well, Mr. Speaker, I will try my luck over there on the Minister of Municipal Affairs and Housing. What has the minister done about a request from the Newfoundland Fish Food and Allied Workers Union concerning rents for fishermen and trawler workers living in subsidized rental apartments in Marystown and Trepassey?

HON. H. R. V. EARLE (MINISTER OF MUNICIPAL AFFAIRS AND HOUSING): Mr. Speaker, a very satisfactory meeting was held with the union on the matter a few days ago. The Chairman of the Newfoundland and Labrador Housing Corporation at present is working out a recommendation to me on the matters which we discussed, when the decision has been made that will be divulged.

MR. NEARY: Mr. Speaker, I wonder if the minister could give us some indication when the decision will be taken? When we can expect a decision? Will it be a week? A month? Six months?

MR. EARLE: As soon as possible.

MR. NEARY: Mr. Speaker, the Minister of Manpower undertook yesterday to get me some information on the wildcat strike at Come By Chance involving 141 workers of Guildford's Limited. I discussed this matter, Sir, with the minister before the House met and the minister tells me he does not have the information available at this moment, but an hour or so from now he will have a full report. I wonder, Mr. Speaker, if the minister could be given permission of the House at that time to

give us his report when it is brought in, because I cannot get the answer now - the minister will not have it for another hour. Would that be satisfactory to the House?

HON. W. W. MARSHALL (MINISTER WITHOUT PORTFOLIO): Mr. Speaker, the honourable Member for Bell Island I think he is under the impression that he is running the House but he has not yet achieved that particular desire that he wishes. But the fact of the matter is, if he has given notice of a question to the Hon. Minister of Manpower, the Hon. Minister of Manpower as soon as he can answer it will. He will impart the information to the honourable member for Bell Island. He shall inform the press, if he should feel it is newsworthy enough, in the interest of the public that the press should want it, and that is it.

You know this is the oral question period and the honourable Member for Bell Island apparently feels he is running the House of Assembly and I think he

should be aware of the fact that he is not.

MR. NEARY: Mr. Speaker, I hope I have the same leeway as the minister who just made the statement.

MR. SPEAKER: Order please!

MR. MARSHALL: Sit down!

MR. NEARY: This is the oral question period and the minister just raised what I considered to be a debating point and I intend to answer him, Mr. Speaker. The minister has abused his privilege, Sir.

MR. MARSHALL: On a point of order, Mr. Speaker: The Hon. Member for Bell Island is entering into a debate in the question period. A question was put and it was answered.

MR. ROBERTS: To that point of order, Mr. Speaker: There was no question put to the gentleman from St. John's East. The question was put to the Minister of Manpower. The gentleman from St. John's East, with Your Honour's approval, obviously, quite properly entered into the debate. All my colleague wants to do is to reply to it. I think he should be allowed to do so.

MR. SPEAKER: Order please!

The Hon. Member for Bell Island asked, I think, in essence, whether or not when the report, re the strike in question, is available to the Minister of Manpower, whether or not he would be permitted to answer it. I recognized the Government House Leader in the feeling that he was going to give some clarification as to whether or not the government would give its consent to have this report presented. He did not do that. The Hon. Member for Bell Island then attempted to reply to the Member for St. John's East and the whole matter has been drawn into somewhat of a debate. I am sure if the Hon. Member for Bell Island wish to have the report presented by the member, then it is merely a matter for the Chair to put the question as to whether or not there is unanimous consent.

MR. NEARY: Thank you very much. That is precisely the answer I was looking for, Sir. I thank Your Honour for giving the House the information instead of being sarcastic and abusive like the Minister without Portfolio, Sir.

MR. SPEAKER: The question has not been put whether or not the Hon. Member for Bell Island has unanimous consent.

MR. NEARY: Mr. Speaker, at the time the report is available, by leave of the House we could have the report presented in the House. I understand that the question has to be put. That is the answer I was looking for, Mr. Speaker, not snide remarks, sarcasm and abuse from the Minister Without Portfolio, Sir.

MR. SPEAKER: Order please!

MR. NEARY: Mr. Speaker, in view of the grim labour situation in the province at the present time, would the Minister of Manpower and Industrial Relations give us an updated report now on what is going on around the province? The roof seems to be caving in.

MR. ROUSSEAU: I would certainly like to. First of all I do not agree with the premise that there is a grim labour situation in the province. Right now there are four provincial - I am talking about provincially. The grim federal strikes are certainly grim, the postal workers and the ceasing of the operation of airlines. In the province now we have four strikes. There is a bad one at Labrador City. As I mentioned yesterday, we will be having meetings in about forty-five minutes. There is a walkout at Buchans, there is a walkout at Baie Verte and there is a walkout at Come-by-Chance and there are many, many sets of negotiations going on between companies and unions, quietly. There are a number going with the assistance of conciliation officers. There will be a great number of settlements reached in this province without any resort to work stoppage. In these four situations - certainly any strike is a bad strike.

Mr. Speaker, let us put it in the proper perspective and suggest that with four strikes going on in the province, with the number of contracts that are constantly under review and being negotiated between the company and the union or with the assistance of the people in the Department of Manpower and Industrial Relations, I do not think the situation is as grim as some people would like to paint it to be.

CAPT. WINSOR: Mr. Speaker, I would like to direct a question to the Minister of Manpower. Is he aware or is there any proof or foundation to the rumour that there is a great number of workers resigning from the I.O.C. in Labrador and returning back to the island?

MR. ROUSSEAU: I am not aware of it except from what I read in the newspapers. I talked to the union and they have suggested that the situation is not that. A lot of people are coming out, of course, as they normally do when in a strike situation when they have no indication of how long the strike will be and then will go back in when the strike is over. There are some people, of course, who may be up there, temporary employees for a short period of time, who may not want to stay. They may just come out and find other employment. I will be meeting with the people this morning. I have no indication that the situation is bad. I have discussed it but I only have some general comments that I would not like to pass on because they are personal opinions of individual people and I might be misleading the House by suggesting in reality that there are not many leaving or there are because I do not really know. I will know this morning when I talk to the union.

MR. NEARY: Mr. Speaker, I wonder if the Hon. Premier would tell the House if there is any foundation at all to rumours that some of the key personnel at the Churchill Falls Hydro Development, employees of the Churchill Falls Corporation, are quitting their jobs because of the government take over? Is there any truth at all in this? Can the Premier enlighten us on that matter?

MR. MOORES: Not to my knowledge, Mr. Speaker.

MR. NEARY: Mr. Speaker, a question for the Minister of Transportation and Communications, my old kissing cousin over here. Sir, he was not in the House yesterday when I asked the question about the St. John's Harbour Arterial Road. There was a story yesterday, I think, in one of the papers that there was going to be a delay. Is there any truth to this?



What is happening concerning the arterial road? Is it going to go ahead this summer? Is it going to be completed or has it just been put on the shelf indefinitely? What is the situation now concerning the St. John's Harbour Arterial Road?

HON. T. P. HICKEY (Minister of Transportation and Communications): Mr. Speaker,

I have no indication to indicate that the project is shelved. It certainly will not be completed this year. To my knowledge, the project will continue as planned and hopefully will start pretty soon.

ORDERS OF THE DAY:

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

COMMITTEE OF SUPPLY:

MR. CHAIRMAN: Shall 401-01 carry?

MR. NEARY: Mr. Chairman, you may recall that when the House rose at 11:00 P.M. last evening, I was continuing my few remarks directed towards the Minister of Finance, Sir, who does not seem to be listening to reason these days. He seems to be completely insensitive to the real needs of this province. I ended up my remarks last night, Sir, by making a statement that I think the minister violently disagreed with and that was that in my opinion, Sir, in my humble opinion, the minister's budget, the increase in taxes, especially the one cent added on to the retail sales' tax has had a psychological effect on workers in this province, Mr. Chairman. Whether the minister cares to admit it or not, it did have a psychological effect and it was the thing that tipped the scales, Sir, that set off this (partly responsible, not fully responsible) chain reaction of labour strife that we are going through in this province at the present time.

Mr. Chairman, one would want to be blind, deaf and dumb or all three not to realize, Sir, that the people in this province are finding it most difficult and in some cases cannot cope with the high cost of living. One would expect, Mr. Chairman, for an administration



for a party that built up the people's hopes and expectations in two provincial elections, one would hope that that party when it came to power would do everything within its power to help the people who put them there, the ordinary Newfoundlander, the ordinary working-class man and woman. But now, Sir, that is not the case. The only policies that we have seen so far from this administration, especially from the Minister of Finance, are programmes that help the few and not the masses of our people, Sir. There are programmes that make the rich get richer and the poor get poorer and certainly we had a classic example of that a little over a week ago when the Minister of Finance announced these increases in taxes.

Now the Member for Labrador South may be bored with all this debate. He may think it is a lot of bull but, Sir, the people of this province do not think it is bull.

AN HON. MEMBER: (Inaudible).

MR. NEARY: If the Member for Labrador South cannot participate

in debatethen that is his business. He has all kinds of chances. His absenteeism is almost as bad as the Premier's and that is saying something.

MR. CHAIRMAN: Order please!

MR. NEARY: But, Sir, the people of this province -

MR. CHAIRMAN: Just so that the day gets off on the right foot so to speak, the member for Bell Island is falling into the bad habits which he was brought to task for on several occasions last night, being irrelevant. Certainly the comments concerning the member for Labrador South are totally irrelevant to this debate and I suggest that he get on with the debate that is relevant.

MR. NEARY: The member for Labrador South is probably irrelevant to this House but, Sir, the situation is this, Sir, that the Minister of Finance last night left the impression, or yesterday afternoon, I am not sure which, left the impression that we were only going to get from Ottawa in the current fiscal year \$9 million. A \$9 million increase in the -

AN HON. MEMBER: More than that.

MR. NEARY: No, that is only in the equalization grants. That is only for oil and gas. Now, Mr. Chairman, the minister only told us half the story because remember what prompted the minister to make that statement, Sir, was my suggestion that additional revenue from the Government of Canada, this fiscal year 1974-75, in equalization grants would be close to \$28 million, somewhere around \$26 million or \$28 million, of which \$9 million will be as a direct result of the Government of Canada's oil tax policy or taxes on western oil.

So I was right, Mr. Chairman, I was right. The minister comes in and tries to leave the impression: Oh! We are only going to get \$9 million this year when in actual fact, Sir, we are going to get from Ottawa about \$28.2 million more than we got last year.

AN HON. MEMBER: On account of oil.

MR. NEARY: Not on account of oil, I did not say that. What I said

was, Sir, mainly because of the increase or partially because of the increase in the oil tax and what I suggested, Mr. Chairman, was that this \$28.2 million could have been used, a part of it could have been used, at least the oil tax part of it, the \$9 million could have been used to offset an increase in taxes or it could have been used, Sir, to reduce taxes in this province especially on gasoline and heating oil, as was done in other provinces.

So, Mr. Chairman, let us make it perfectly clear, let us not let the Minister of Finance get away with only telling half the story, clouding the issue; \$28.2 million, Sir, is the estimated increase in equalization grants for this province in this fiscal year of which about \$9 million will come from the tax on western oil. The minister cannot deny that. Why did he not use some of this money, the same as they did over in Nova Scotia and the same as they are doing in Ontario, to offset an increase in taxes? This was an unexpected windfall, Sir. Last year the minister had how much from Ottawa in equalization? \$24 million.

MR. ROBERTS: Over and above the ongoing increase.

MR. NEARY: Last year the minister had over \$24 million dumped in his lap by Ottawa, saved his scalp. This year he had an extra \$9 million. It was totally unexpected. What would the minister have done if Ottawa had not imposed this tax on western oil? Ottawa is up there, Sir, they are just like Santa Claus. They are not the Easter Bunny; Santa Claus. The minister cannot resist the temptation, every opportunity he gets, to stick the darts into Ottawa. What I would like to know is how long more they are going to tolerate that in Ottawa. They are not of the same political persuasion as the honourable gentleman and I would say that they have been very tolerant so far, Sir, to put up with the abuse that has been heaped on them from this honourable crowd since they formed the administration. So, Sir, that is a legitimate proposal, a legitimate argument. There is a good case, a sound case, a valid case, Sir, for using this \$9 million, which is a part of the \$28.2 million we are going to get

from Ottawa this year, additional funds, a strong case for using that to offset the one cent increase in the retail sales tax because it amounts - it will probably be \$9 million or \$10 million or \$12 million as the Leader of the Opposition stated yesterday, so it would be the equivalent of what the minister anticipates to get by the increase in the sales tax.

He should have given this matter very, very careful consideration, Sir. The point I am making, Mr. Chairman, is that all the avenues were not explored before the minister came into the House and announced these increases in taxes. Mr. Chairman, you know I saw the minister yesterday in probably one of his best performances, tell us that the reason that the \$14 million current account was transferred over to capital was because it would reduce our borrowing for that year. What hogwash! Mr. Chairman, I could not believe my ears when I heard the Minister of Finance make that statement. Sir, you do not use current account to stick up a building, to put in water and sewerage, you use your current account to amortize the loan, to pay off the bond issue over a period of twenty, thirty, forty, fifty years. What difference would it have made, Sir, by tacking another \$14 million onto the debt of the province?

This crowd since they took office have been borrowing at the rate of \$1 million a day I think it is. Is it \$1 million a day?

MR. ROBERTS: \$1 million a day.

MR. NEARY: \$1 million a working day, \$1 million a day. Not bad for a province that was bankrupt before that -

MR. ROBERTS: The debt in two years has gone up twenty-two per cent.

MR. NEARY: The Leader of the Opposition reminds me that the debt of this province has gone up twenty-two per cent since this administration took over. It is just not done, Sir. In no jurisdiction that I know of do you take a surplus, take a surplus out of current account and transfer it over to capital account to keep your borrowing down. It is just not done. It is not sound reasoning. It does not make sense. That \$14 million could

make sense. That \$14 million should have been used, could have been used to offset an increase in taxes.

No, the Minister of Finance did not see fit to use either one of these methods to hold the line or even to reduce taxes. So I made him another suggestion yesterday and he poked a little fun at that. The minister is not listening, Sir, not listening to the people and you know, Mr. Chairman, one of the worst mistakes that an administration can make is to build up people's hopes during an election campaign and then knife them in the back, knife them in the back when they get in office. The next time the people of this province have an opportunity to go to the polls the Minister of Mines and Energy will know. He will find out much to his dismay that the people of this province are not going to put up with it.

Mr. Chairman, the Minister of Finance could have used the countervailing savings that I pointed out to him yesterday. He could have gotten his \$10 million or twice \$10 million and he could have used countervailing savings, Sir, to decrease taxes or at least maintain them at the level that they were in the 1973-74 fiscal year.

I am not going to go through all the examples of extravagance and waste that are in that budget of the minister, Sir. They are there. I have another opportunity to talk about these matters when we get to the Budget Speech, I am not going to go over them again. I did give the minister a few examples yesterday but all he did was he thought it was funny, thought it was funny, Sir. Well the people of this province do not think it is funny that they have to pay additional taxes. They just cannot make it now, Mr. Chairman, they cannot make ends meet. I would say, Sir, that the minister's Budget has had a psychological effect on workers of this province and that is why we are seeing so much labour trouble and strife in this province at the present time. The minister can deny it all he like. All they needed was one little thing, Mr. Chairman, to push them over the hill, to tip the scales and the minister did it

the Wednesday before last when he brought his Budget down  
in this House.

I had a new and



slightly different version of Nixonian and Nearyonian, I guess it is economics this morning and mathematics and as long as he is prepared to put forward these silly arguments, I am prepared to counteract, supposing we use up the whole seventy-five hours on the first item in the Department of Finance.

First, the honourable gentleman said that the one per cent increase in the sales tax had a psychological effect on the workers of this Province. Now, Mr. Chairman, that is just ridiculous on the face of it but I do agree with the honourable gentleman that that one per cent increase did have a psychological effect. It had a psychological effect on the members of the opposition who thought that because there had been a slight tax increase that they had some issue that they could really use to stir up the people of Newfoundland and create more mischief. They have to win their campaign to get back into power. That is where the psychological effect is, a tremendous psychological effect on the members of the opposition opposite.

The psychological effect is even worse, Mr. Chairman, because they are discovering it is a non-issue. As Sir Val Duncan said at one stage in our negotiations about BRINCO, "It was a non-point", it is a non-point. Honourable members are discovering it is a non-point, that the people of Newfoundland are not seriously upset by that tax increase, that small tax increase. There may have been psychological upset when honourable gentlemen opposite taxed the chocky bars and the soft drinks and when they raised the income tax five points in 1969 and when they raised the gasoline tax to twenty-five cents a gallon and when they raised the sales tax to six per cent and then they made it seven per cent. There might have been a psychological shock then but there is no psychological shock now because the people of Newfoundland know that this government is spending money carefully, spending it wisely. They know that their services have to be carried. They want their services carried on and improved and they know that they have to make a contribution towards paying for them and they are prepared to do that when they see a government at work trying to give them value for their money.



So the only psychological effect is not on the working people of Newfoundland, it is on, it is a trauma, a psychological trauma suffered by the members of the opposition opposite who are shocked and dismayed to discover that the people of Newfoundland are not listening to their catcallings and their caterwaulings and their howlings and their yowlings because they can see how insincere they are.

On the one hand we have "Cool-Handed Steve" who is now on an economy kick, Mr. Chairman, trying to persuade the House that there are tens of millions to be saved in the estimates when ordinarily every day the welkin rings, the radio tubes spiffle with his yelps and yowls and howls for more spending.

While the honourable "Cool-Handed Steve" is calling for economy, I turned on my radio this morning, Mr. Chairman, and there is "Hot Fingers Eddie" and "Hot Fingers Eddie" is taking the opposite tack. "Hot Fingers Eddie" is on the radio saying that the teachers are right, their contract collective bargaining agreement should be opened up, they should get more money this year. Then there is a rumor that CUPE are going to ask for their contracts to be opened up, the hospital workers, despite the fact that last year they got an increase over two years of eighteen to forty per cent.

There is a rumor, not even confirmed yet, that the hospital workers might ask for theirs to be opened up and "Hot Fingers Eddie" is on the radio saying, "Yes, they should be opened up. Yes they should get a lot more," while at the same time they are in this House trying to pretend to the members of the public, the people of Newfoundland, (in this House) that there are all kinds of economies to be made.

Well, if we want to open up, if we listened to the suggestions of the honourable Leader of the Opposition, his mischievous and insincere suggestion and open up all of these contracts and put them all up despite the fact that they were signed and there are generous increases provided in them, if we want to open them up, it will cost a few million more in our budget. The people of Newfoundland know who will have to pay for it. They know who are the ultimate payers of it.

So it is just not washing with the public. On the one hand we have got Steve now trying to save every nickel. If he stepped over a nickel you know what would happen to the nickel, he is on such an economy kick at the moment. The rest of the members of the opposition screaming for more, spend more, give more here, do more there.

Now that is just not convincing, the people of Newfoundland are not buying it. They are disgusted. They are appalled with the behaviour and the insincerity of the views expressed by the honourable official opposition opposite. That was his first point; the psychological effect. Well it has had an awful effect on the opposition.

Yesterday we heard from three leadership contenders. The Leader of the Opposition is a leadership contender. He is not a leader yet. The member for Bell Island, contender, the member for Hermitage, contender; he has been waiting in the wings for some years but now he is coming to the fore. He is coming up fast; the dramatic victor in Hermitage district. He rung victory out of the jaws of triumph.

AN HONOURABLE MEMBER: Thanks to Crosbie;

MR. CROSBIE: Ah! If Crosbie had gone there the honourable gentleman would not be in the House today. He prayed on his hands and knees every night, Mr. Chairman, "Please, God, keep Crosbie out of the campaign!" His prayers were answered and Crosbie did not go near Hermitage. We now have the honourable gentleman in the House. He is a great adornment. Three, we heard three of them yesterday and the fourth leadership contender is somewhere south of here, somewhere south but he will be back. The fifth contender is on Forest Road making his plans and he is hurtling back and forth between Russwood and Forest Road cooking up schemes for next fall.

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: I am just coming back to the point now.

MR. NEARY: I do not care, Mr. Chairman. Yes, on this side of the House.

MR. CROSBIE: I mean we can talk on this item forever. Now that was the psychological effect on the - It is stirring up the leadership cauldron. That is the psychological effect.

Now the honourable gentleman said that there had been - listen to the honourable Roger - that there had been; he say our revenue was up \$28 million from the Federal Government. Well, that just shows that the honourable Leader of the Opposition has done some subtraction and so on and given the honourable member for Bell Island the figures.

Yes, that is right. Our revenue is up from the Government of Canada, \$28 million, no secret, right in the budget. It might have been a secret a few years ago because a budget disclosed nothing, but it is no secret in this budget. Yes, our revenue from the Government of Canada is up \$28 million. Our revenue from provincial taxation is up \$31 million. Our revenue from other provincial sources is up \$5 million. If we add those up, \$28 plus \$31 plus \$5, it is \$64 million. Fantastique! \$64 million it is up.

Now, look at our expenditures and they are up net on current accounts, \$74 million and net on capital account another \$4 million. It is \$78 million. So our expenditures are up more than our revenues. Where are the savings? The honourable member says there are savings. Where are the savings? He mentioned a couple of million dollars yesterday he said we were saving or pretended saving.

Now if our expenditures are going to be up over our revenue and they are up over our revenue despite the tax increase because I am including in the revenue the \$14 million from the tax increase. If we had not done that, we would have had expenditures up \$78 million and we would have had revenues up only \$50 million. We would have had a deficit on current account.

The honourable gentleman talks about surpluses. He has a new theory now on how - look, there has not been in twenty-five years in Newfoundland a budget with a surplus. There has not been a surplus in our whole twenty-five years and there was no surplus last year. Do you know what the deficit was last year, Mr. Chairman, not a surplus, the deficit? We had to borrow \$168 million of which, I am sorry, \$157 million, \$35 was debt retirement. So our deficit was \$122 million less this; \$122 million was a budgetary requirement.

There never has been a surplus and our deficit this year, our borrowing requirements, \$133 million. We have never had a surplus. It is just divided into current account and capital account to try to show what the operating costs are as compared to what is being spent to create new facilities. That is all. That is all and you have to look at the whole budget together and when you look at it we have a deficit every year of over \$100 million, and the gentleman says there is a surplus.

Not only that, Mr. Speaker, but this year one item alone increased over last year by \$11 million is interest. It is going to cost us \$11 million more this year in interest than it did last year, \$79 million all together.

So there is no way that the honourable gentleman opposite is going to persuade the people of Newfoundland who are far cleverer than he thinks—the people of Newfoundland are far cleverer, smarter, shrewder than the members of the opposition think. They see through this insincerity. They see through these inconsistent arguments.

If I were really in good voice today, I could really expand on this but some kind of germ got over here from the opposition. It has given me the flu.

Now, what else was I going to say? I thought I had more to say. I have run out of notes here.

So, Mr. Speaker, the point is

that despite the best efforts of gentlemen opposite, the people of Newfoundland have accepted this budget as necessary and it is popular. I have been on "Open Line" and I have heard their response. I will be on "Open Line" next Wednesday in Grand Falls.

MR. NEARY: I will be on the other one.

MR. CROSBIE: Well there will be nobody calling the honourable member. If the honourable member is on the other one, it is a bad morning to be on. They are all going to be listening to the one I am on. I am going to be on with Freedom Black or whatever his name is, Freeman White, is it? We are going to be on and we are going to discuss the issue seriously. The people of Newfoundland want the issues discussed, not all this flapdoodle that the opposition are getting on with. Oh, I hope the Premier is merciful on them and that he does not call an election in the next couple of weeks because if he should they are finished. In every nook and cranny of this province, they will be pouring out to vote against what they have heard from the opposition in the last two years in this House. I hope and pray that the Premier takes mercy upon the poor, miserable wretches opposite and does not call an election this year.

MR. NEARY: Mr. Chairman, for the information of the general public, Sir, the minister will be on one open line and I will be on the other in Grand Falls, on Wednesday morning I think it is. I will be on the most popular one of all, the most popular open line in Central Newfoundland. We will see who gets the most calls, Sir. We will find out, Mr. Chairman, if the people of this province are concerned about the increases in taxes.

MR. CROSBIE. A bus load from Bell Island.

MR. NEARY: We will find out how shrewd the people of this province are, how they can see through the minister's devious scheme to increase taxes in this province unnecessarily. The people are shrewd enough. They are shrewd. The minister is right; the people of this province are shrewd, Sir. They have served their apprenticeship after twenty-five years of Confederation. With the exposure they have had to the communications



in this province and the educational system, they are shrewd, Sir, and they are a little shrewder than the minister gives them credit for.

Mr. Chairman, what is happening is that the people are asking the same questions that I am asking in this honourable House and I can get the answers to them. Why waste \$3 million of our dollars on unnecessary Confederation banquets and bridge tournaments and beauty pageants?

Look, Mr. Chairman, if the minister came into this House and said that we have no choice, we have trimmed the estimates as much as we can, we have taken out the fat, the deadwood and we have taken out the extravagance and the waste and we do not have any choice; there is no way we could carry on without an increase in taxes. Then the people of Newfoundland would say yes, everything else is going up proportionately so the cost of operating government is going up, and the Minister of Finance and his administration have done the best they can and so we accept the fact that they have to increase the taxes. But this is not the case, Sir. Ministers are jetting all over the world, spending hundreds of thousands of dollars out of the public treasury. Join the Tory Administration and see the world. They are buying jet aircrafts. They have the rural development give-away programme. I could go on all the way down the line, Sir.

Mr. Chairman, I challenge the Minister of Finance now to come with me in front of the television cameras of this province and let us take this set of estimates, this great document with the Tory colours on it that he brought into this honourable House the Wednesday before last, and let he and I (he can bring anybody he wants with him, He can bring any of his officials with him) sit in front of the television cameras of this province and let me go through the estimates with my sharp pencil and say to the minister: "Is this necessary? Is this in the best interests of the people of this province? Let the minister answer in front of the television cameras. The minister knows that what goes on

in this honourable House is completely irrelevant to what goes on in Newfoundland. Only about one-millionth of what is said in this honourable House is reported. Sir, we are going to have to get better communications with the people of this province. The Minister of Finance would not get away with some of the tripe that we have heard in the last couple of days in this honourable House. I challenge him now, Sir, to sit down and let us go through it, item by item. I say to the minister: Is it necessary to spend one-half million dollars for the government to have its own little aircraft for flying them around the province and up to Ottawa and up to the Mainland whenever they feel like it? Is it necessary to have all the staff? Is it necessary for the Premier to have a press agent, \$17,000 or \$18,000 a year? I would ask the Minister of Finance that in front of the television cameras, expose it to the people of Newfoundland. I would like to see his answer then. One would not get the same answer from the minister then that one would get in this honourable House because, as he said, the people of Newfoundland are shrewd. They would be able to see whether he was bluffing, whether there was any phony, whether there was a phony ring in his answers. He can get away with it in the House, Sir. Perhaps a handful of people would come in and sit in the public galleries.

Mr. Chairman, this is what we should do, Sir, and this is what I will be doing on Wednesday morning in Grand Falls. When the minister is over apologizing and trying to defend the administration's budget, I will be over pointing out the extravagance and the waste in this budget. I will keep a record of the calls. I hope the minister will keep a record of his.

MR. PECKFORD: The honourable member is going out to campaign?

MR. NEARY: I am not campaigning out in Central Newfoundland, Mr. Chairman. I am not going out after the Member for Green Bay who was pretty good to me over the weekend. I have no ill-will towards him. I am not going to try to knock off his seat. I am sure there are a number



of people down in the member's district, there are a number of people, Sir, who are riled up, who got their dander up with these increases in taxes.

Mr. Chairman, these taxes were put on without any consideration at all to a person's ability to pay. It did not make any difference, Sir, if you were a millionaire or if you were a welfare recipient. It is all the same, no relief for anybody. The poor, old welfare recipient, the poor, old person with the low income, the middle income, the middle-upper incomes, opting out today, Sir, because they cannot take it. They are all driven to tranquilizers; they are giving up. No wonder we have so many strikes. People cannot make ends meet; they cannot clothe their family and feed them properly. What an air of pessimism there is in this province at the present time, Sir. There is no doubt about that, Mr. Chairman. If the Minister of Finance cannot detect that, he is not reading the people properly. He is misinforming his own colleagues because what the minister is really saying, Sir, when he says that the people of this province have accepted his budget, he is trying to convince his colleagues because they are getting the flak and the backlash from these increases in taxes. The minister could have done better, in my opinion, Sir. I am not going to keep repeating this over and over again because they are not going to listen anyway.

The Minister of Finance will stand up with a little humour, dance his usual jigs, all we need is a little violin music when he is waltzing around, get a few laughs from the other side and then take his seat and we will try to put forward sound, logical, reasonable proposals and they fall on deaf ears, Sir. One is knocking his head on a stone wall and one cannot win with this crowd, Sir, and it is about time they started listening to the people of this province because, Mr. Chairman, the next time the people of this province get an opportunity to go to the polling booth, Sir, the Minister of Finance will find out how they feel about his new budget and how they feel about the Liberal Party in this province.

MR. ROBERTS: The minister seems to be out, I assume. enjoying a cigarette. I do not know if he wants to reply. No, he does not want to say anything more in response to what has been said by my colleague.

Well let me touch on a number of matters, Sir, which I think are relevant to the minister's salary and the consideration of whether or not this committee should give him his salary. First of all, Sir, let me deal with the matter the minister stated a couple of years ago that came to light recently where, I submit, he has been less than accurate in his prognosis. Let me refer Your Honour to what I am sure is Your Honour's favourite bedtime reading, as Your Honour is wafted to sleep by the gentle odours that come across from the linerboard mill when the wind is the wrong way, Your Honour upon the hill, looking down on the people,

doubtless takes to bed for consultation the Budget Speech of the present Minister of Finance on May 31, 1972; quite an odoriferous one it was.

Let me entertain Your Honour by reading, in case Your Honour has forgotten some of the golden words which appeared on pages (24) and (25) of that document, "Health Sciences Complex at Memorial University"- the Minister and I quote "I must now devote some time to outlining the position of the Health Sciences Complex at Memorial University since it is going to be a very heavy expense: on the people of this province both with respect to its operating costs and its capital costs. The picture is not anywhere as rosy as was painted by the last Minister of Health in the Liberal Administration, the present Leader of the Opposition." That was the minister's introductory remark.

He goes on, "One of the main arguments of the proponents of the establishment of a Health Sciences Complex at Memorial University was that seventy-five per cent of the capital cost of constructing the complex would be met by the Government of Canada through the health resources fund." That is what he said there.

Then he goes on in some detail on the figures and numbers and so forth. He states some decisions of the Government of Canada to spread out the health resources fund money over a period of years until 1980. Then he goes on and I quote again, Sir. "I can only state that the feeling of this government is one of outrage at the turn of events. The Health Sciences Complex is being proceeded with largely because seventy-five per cent of the construction cost was to come from the Government of Canada. What the Government of Canada now proposes is that this province as well as other provinces borrow the funds to complete construction and to bear the consequent interest costs until we receive our \$30 million share from the health resources funds in dribs and drabs over the next seven or eight years. This is intolerable. We intend to place our case before the Government of Canada in the most strenuous terms for a reversal of these arbitrary ceilings. The financial burden placed on this province in this event appears to us to be a breach of good faith."

It goes on, "If it had been possible the government would have stopped the Health Sciences Complex as soon as these facts became known late in April of 1972. This was not possible, since we had four years of medical students at the medical school, our plans have been completed, contracts have been entered into and the course have been irrevocably set." That is what the minister says, Mr. Chairman, on that point.

I think it is fair to summarize his remarks by saying that the Health Sciences Complex would not receive seventy-five per cent funding from the Government of Canada over the period under discussion. It might receive seventy-five per cent over the longer period. Because of this the minister and his colleagues were outraged and if they could have stopped the Health Sciences Complex, which is a two part building, as is, they would have stopped it. The two parts to the building, Sir, are on the one hand the facilities for the teaching, the academic and laboratory instruction for the medical students and on the other hand a new hospital. The two are joined in the one, but I am told they are separate operations and indeed will be operated by separate administrations. They are both in the same building - very large, I suppose one of the largest buildings ever built in this province.

Now what then is the picture? The minister was going to stop that if he could have but he could not. But he was not going to get seventy-five per cent back. Well, Sir, the facts have shown that the minister was lying. No lying is too strong a word, I withdraw it. The minister was not stating the truth.

The 1971-1972 revised estimates show that the expenditure on the Health Sciences Complex was \$550,000. The revenue shown against that was \$412,500. What about the next year? That was about eighty per cent last year. What about next year? "We were not going to get seventy-five per cent," said the minister. The revised expenditure was \$7,504,000. The revenue against that \$5,600,000.

Mr. Chairman, it has just been brought to my attention that there are six, I am sorry, there are seven honourable members present

on the other side. There are only four in the House. There is the Premier, that is eight, four of us - twelve. I am prepared to call quorum calls but this ridiculous new procedure we have blundered into means we stand around for three minutes. But if members on the other side do not show enough interest in the expenditure of millions of dollars of the public money, we will have to call them to get them in. There are thirteen, Your Honour is fourteen. I see the Member for Harbour Grace skulking around outside. There is the House Leader come to lend his beneficent presence. The Minister of Fisheries is outside. Do they care about this debate?

They may not care about what I am saying but do they care about this process of examining the estimates? The gentleman for Labrador South has been here consistently. The gentleman for Hermitage has been here. The gentleman for Twillingate seems glued to his seat as always, most faithful in his attendance.

The Minister of Fisheries, two, four, six, eight, ten, eleven. It is contemptuous, Sir, contemptuous. The people of Newfoundland will know.

Now, Sir, in the 1973-1974 fiscal year, the year which ended two or three weeks ago, what was the picture then? Did we get seventy-five per cent or did we get some lower figure? Well the revised estimates show, I am told, \$12.5 millions in expenditure. What was the revenue then? Maybe \$1 million, maybe \$2 million. To listen to the minister a couple of years ago in his great budget speech, and my point, Sir, is that the minister's budget speeches and the minister's presentation of the estimates have been consistently misleading. The facts have not borne out what he predicted, year after year, Sir, year after year.

We spent \$12.5 millions, according to the revised estimates, \$11 million shown as revenue. If you add up those figures, Sir, as I am sure Your Honour has, over those three years \$20,554,000 was spent and \$17,012,500 came against that from Ottawa. That is eighty-three per cent. Pretty good!

What about this year? Maybe the balance will switch dramatically this year because we are into the heavy expenditures now. This year



the minister is forecasting \$12 million expenditure on that complex, \$12 millions, to bring the total up to \$32,554,000. That is subject to the Auditor General when we get his report in due course but that is the estimate anybody can get now from the published information by the government.

We are showing a revenue against that of \$7 millions. If you add that together, Sir, and that will show the total revenue then, over the four year period, beginning in 1971-1972 when the first expenditures were incurred, came to \$24,012,500 against the projected expenditure of \$32.5 millions. Seventy-four per cent, Sir - seventy-four per cent.

The Minister of Finance, Sir, has a great reputation in his own mind, in the mind of his political supporters for being accurate, a paragon and open and full and frank and revealing but time after time, now that we have had three years of his budgets, we have seen the truth.

Look at the Linerboard thing. Last year he underestimated that, the expenditure there, by a mere \$5 million. A mere \$5 millions! That is \$1 million more than will be raised by the eleven per cent increase in income tax. Completely wrong! He made a point of going into the health resources fund. A great point, as if somehow - "Haw! Haw! I have discovered a scandal." Roberts said, "You would get seventy-five per cent, but we are not."

Now in the fourth year, Sir, the facts show that the revenue will be seventy-four per cent of the projected expenditure over the four year period. Pretty good! Pretty good! About Grade C minus in the University Economics Course.

Underestimating revenue last year, \$20 millions, on provincial account \$20 millions.

Let me turn to one or two other things, Sir, that the minister in his wisdom - let us look at unemployment because, Sir, the budget, the minister's programme, the programme which decides whether or not this minister should get his salary, in parliamentary terms, I do not begrudge

the minister his salary. No doubt like everybody else he needs it. He pays his share of taxes. He has no choice there. The parliamentary device, as Your Honour knows, is to refer to his salary - we had all the Beauchesne's citations trotted out yesterday.

I am disappointed in the minister in this debate, Sir, and I am seriously considering now; I was prepared to vote for his salary when Your Honour put this to the vote but I do not know whether or not I shall now. His attitude - did you ever notice, Mr. Chairman, when the honourable gentleman is really on weak ground, he gets sarcastic and derisive and all of that. That is fine. If he enjoys it, let him feel free but what he is doing is indulging his own personal peculiarities at the expense of what should be a serious debate, a serious debate on the financial and economic condition of this province.

The minister is responsible for the financial programme, for the economic condition of this province insofar as this government, the Government of the Province can affect them. Instead we get sarcasm, as if somehow that would help or personal attacks upon the gentleman for Bell Island or irrelevant commentaries.

Well let the minister do it. I am not going to attempt to play that sort of game with him. Maybe I could or maybe I could not but that is not why I am here this day and it is not,



I mean it is not why we are here this day and I submit it is not why anybody should be here this day and I appeal to the minister to approach the matter seriously. I know he is getting a lot of kickback on his Budget, I venture to predict he expected that, so did his colleagues, at least those of them in the Cabinet who are aware of the Budget. The backbenchers I suppose got a rude shock when it was read to them.

AN HON. MEMBER: It is not an election budget, I can tell you that.

MR. ROBERTS: It may or may not be an election budget. It is certainly not a conventional election budget. The minister is obviously tender now. He has been getting a hammering in a political sense and all of his colleagues have. Let him be man enough to stand up and if he is to have an election this year that is good. We will go into it tomorrow if the Premier want to have it tomorrow. If it is going to be next year or the year after or the year after that it is equally good.

MR. BARRY: We are waiting for the leadership.

MR. ROBERTS: Fine! Fine, all for it! Whenever it comes the Liberal Party will fight it and will abide by the people's decision. I am quite confident what that shall be. But that, Sir, is not the point in this debate. The point in this debate is the economic condition of this province and the minister had not dealt with that. The minister instead is trying to avoid the issue and to evade it. He is becoming as much a schoolboy debater as the gentleman from Placentia West.

Now let me bring the minister back to some of the facts.

MR. BARRY: Same old leader.

MR. ROBERTS: Mr. Chairman, the honourable gentleman from Placentia West obviously knows a great deal about stables when you consider the company he has been keeping politically the last couple of years.

MR. BARRY: Inaudible.

MR. ROBERTS: Now, Mr. Chairman, if I am provoked, if that is the word, by the gentleman, if that is the word, from Placentia West, then I shall probably be distracted. I confess humbly, Sir, penitentially that

sometimes the gentleman from Placentia West makes himself sufficiently obnoxious that even I cannot ignore him. So I would ask him please -

MR. BARRY: He has made my day.

MR. ROBERTS: I hope I have made his day. Something has to make his day. But I hope he does some work. I would like him to do some work, Sir, and I wish he would have a look at our energy policy. Our energy policy shows no evidence of any work by the minister. But I hope he will allow me to carry on in my humble way. He is getting as bad as his mentor. We have an odd couple over there now the Minister of Finance and the Minister of Energy, a very odd couple. As a matter of fact a very coupled odd couple but that is another story.

Now let me come back, Mr. Chairman, (and I do wish Your Honour would not distract me like this) to one or two points that I think are pretty relevant to the people of this province, which the minister has not dealt with in any substantive way. First of all let us talk about inflation. I know that the minister cannot control inflation. I know that the Premier cannot control inflation. I know that all the government together cannot control inflation. Even the gentleman from Trinity South cannot control inflation, Sir, but they can certainly do something to help to meet the effects of it. I know the Government of Canada cannot control it even if Mr. Stanfield should be elected Premier of Canada, an unlikely event but unlikely events happen. Even if that were to happen, Sir, I venture to predict inflation would not be controlled. This ninety day price freeze that they talk about, I would like to hear the minister with his great economic knowledge expand upon that policy that has had disastrous results wherever it has been tried in the world. So I do not expect the minister to control inflation, Sir, and if he wish I shall give him a letter to that effect or an affidavit or I shall stand on any platform he wishes and say that I do not expect, this party does not expect, my colleagues and I do not expect the Minister of Finance to control inflation. We do not; but we do not expect him to set

out to hit and to hurt the people who suffer from it.

Let us talk about inflation. Again the minister is dead on in his forecast, one hundred per cent wrong. The minister really has this great reputation, puffed up, self-puffed, adulation from his followers, some of it deserved, most of it not. In his 1973 speech the minister forecast an increase for 1973 in the consumer price index of St. John's, all items, in other words inflation in Newfoundland, the only measure we have really, of 4.5 per cent. The increase, Sir, turned out to be 8.2 per cent, nearly doubled, not quite doubled but nearly doubled.

It is a sad tale, Sir. It has gone on. If the honourable gentleman want the provincial consumer price index changes in the last three or four years, 8.5 per cent estimated this year, 8.2 per cent last year, 5.0 per cent in the first year of Tory grace, 1.6 per cent in 1970-71, which happened to be the last full financial year that the Liberals were in power in this province.

Sir, inflation has been rising steadily. It is not necessarily the fault of the minister but, Sir, he has done little or nothing to counteract it. As a matter of fact in many ways he has done less than nothing. This current tax increase the minister is proposing will make it worse. But, Sir, the problem with inflation is that it is cutting into the real incomes of the people who need most, who need help. The people who have least to sacrifice are being asked to sacrifice the most.

The minister has told us about his increases, the proposed increases in pensions for civil servants, a good thing. Let me be the first to say that it should have been done years ago. I am glad he is doing it now. That is good - \$600,000 or is it \$660,000, that is his concession to the inflationary spiral in Newfoundland. What is he doing on the other hand? Increasing taxes in a year when every other province has either held the line or lowered them. We are the only province in Canada where the Minister of Finance, or whatever he is called, provincial treasurer, be what it may, the only province

in Canada that is increasing taxes, proposes an increase this year. Then to add insult to injury, the minister through his deputy is collecting taxes illegally this day, unlawfully, improperly, illegally. There is no authority to collect an eight per cent sales tax in this province, Sir. Yet the minister has instructed his officials to put in the newspapers an advertisement as to what should be collected at an eight per cent rate. Illegal, Sir, and unlawful! People would be quite within their legal rights in refusing to pay that tax.

MR. CROSBIE: The honourable member knows it is not.

MR. ROBERTS: The Legislature may or may not pass a bill making that tax effective on April 11, but it has not, Sir, and the Minister of Finance, Sir, is collecting a tax unlawfully. He is in the same bind that his Tory colleague, Mr. John White, got into in Ontario a year past.

AN HONOURABLE MEMBER: Deliberately deceiving the public.

MR ROBERTS: Mr. Chairman, I draw Your Honour's attention to that remark and ask whether it is parliamentary. I ask Your Honour's ruling whether that remark is parliamentary, Sir.

MR CHAIRMAN (Mr. Stagg.) To be quite truthful with the honourable gentleman, I do not recall the remark. I was listening to the honourable gentleman who had the floor.

MR ROBERTS: I would ask Your Honour please to recess the committee and get the tapes. I heard the Minister of Finance say that I was deliberately deceiving the public. He also said I was lying. Now I am doing neither but even if I were, even if I were doing the things that he accuses me of, Sir, he is not allowed to say it. But I am doing neither and I ask Your Honour now for a ruling, and if Your Honour -

MR CROSBIE: Can I set the honourable gentleman's mind at rest. I did say that he was deliberately deceiving the public.

AN HONOURABLE MEMBER: Said he was lying too.

MR. CROSBIE: No. I cut that off. I just got "liar" half out and then I stopped there. But I will now say that if I said that the honourable gentleman was lying I withdraw it and if I said he was deliberately deceiving the public I withdraw it because it was unparliamentary. He is deceiving the public, consciously or unconsciously, and he is making an infamous statement and misleading the public by doing so but I will answer that in more detail later.

MR. ROBERTS: I thank the honourable gentleman for his ungracious concession to the rules of the House. Let me repeat my statement: There is no lawful authority in this province this day to collect sales tax at an eight per cent rate and the Minister of Finance is acting improperly and I submit unlawfully. I challenge him to put it to the law officers of the Crown, to get the opinion of the Deputy Minister of Justice or his colleague, the minister, as to whether there is any lawful authority in the Controller of Revenue, the Minister of Finance or anybody in this province to collect a sales tax at a rate higher than seven per cent. There is not. There is not. There just is not, Sir. There is on the Order Paper of the House a notice of motion that a bill will come before the House to change it. The House may or may not accept that bill. The House may or may not accept that bill, Sir. The bill may or may not have an eight per cent rate in it. It may or may not have a date effective April 11, at midnight. But I say that as of now, the Minister of Finance is acting unlawfully in attempting to collect sales tax at an eight per cent rate and the people of Newfoundland do not know that. All that they know is that John Crosbie stood in this House and said, "The tax is going up boys, she is going up as of midnight on April 11," But, Sir, that tax has not gone up. Only this House with the royal assent given by His Honour the Governor can increase that tax



only this House can. Nobody else can. The Minister of Finance has no power to levy taxes. He can come before the House. Maybe he feels that the House will make that tax eight per cent and that it will make it effective on April 11, midnight. Maybe it will. Indeed if the Tories stick together, properly they almost certainly will. But, Sir, you cannot collect taxes on the basis of that. I say that any citizen of Newfoundland today would be perfectly within his lawful rights in refusing to pay a tax of a greater rate than seven per cent. I challenge any lawyer in Newfoundland to differ with that. I challenge the Minister of Finance or the Premier or anybody else or the Minister of Justice to produce any legal opinion to the contrary. There is no authority to collect the taxes greater than seven per cent. The Member for Labrador South can look up the act. It says, "You shall pay a tax seven per cent of the retail sales' value," not eight per cent.

The next thing the Minister of Finance may stand and say, "Look boys, we are going to bring it in effective today at eighty-three per cent!" Then the day after tomorrow the deputy minister on instruction will put a little notice in the newspaper to the vendor; "Here is the rate at which you are to collect it." That would make as much lawful sense as what has been done. I challenge the Minister of Justice to contradict me to say what I said is wrong. Is there any lawful authority to collect that tax at eight per cent?

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: Can the minister answer my question? Is there any lawful authority?

MR. HICKMAN: In the British Commonwealth - (inaudible).

MR. ROBERTS: Yes, this one here. Can the Minister of Justice -

MR. HICKMAN: (Inaudible).

MR. ROBERTS: Sure, the income tax comes in as of July 1; that is one. Look at the Ontario budget last year, look at this budget speech. I repeat my question to the Minister of Justice, Sir. Can he tell me that it is lawful for the government to attempt to collect or to collect



retail sales' tax in this province this day at eight per cent? Is it or is it not lawful? Is it or is it not lawful? That is the question, Sir. Is it or is it not lawful? I say it is not lawful.

MR. HICKMAN: Is it or is it not the most irresponsible statement ever made in this House by that honourable gentleman right now?

MR. ROBERTS: I say, Mr. Chairman, that that is the most responsible statement made in this House. I say it is completely responsible because the people of Newfoundland are being taxed unlawfully, that the Government of Newfoundland this day are collecting taxes unlawfully, illegally and improperly at eight per cent. They have said to the vendors, "The notice is in the newspapers, signed by the Deputy Minister of Finance, collect it at eight per cent."

The Minister of Energy in private life is a lawyer. I challenge him, Mr. Chairman. I say again that it is not lawful and that any citizen in Newfoundland is within his legal rights in refusing to pay an eight per cent sales' tax this day or until such time as this bill has gone through this House, receiving three readings and His Honour the Governor has given it Royal Assent.

MR. BARRY: (Inaudible).

MR. ROBERTS: Mr. Chairman, I have the floor. Mr. Chairman, will Your Honour keep order in this committee!

MR. BARRY: (Inaudible).

SOME HON. MEMBERS: (Inaudible).

MR. ROBERTS: Will Your Honour keep order in this committee? Your Honour that non-Yahoo will he please be quiet.

I say again that it is not lawful. I challenge any honourable gentleman opposite. I recommend to the people of Newfoundland that they act in accordance with the laws of this province, Sir. I recommend that they act in accordance with the laws.

MR. CHAIRMAN (Mr. Stagg): Order please!

The point of the Hon. Leader of the Opposition that other members may be interrupting him is, of course, a logical point.

The problem is that I am closer to the Hon. Leader of the Opposition than anybody else and it is rather difficult to hear anyone else. He has sufficient volume to drown them out.

MR. ROBERTS: Sir, I cannot drain out in my own ears the gentleman from Placentia West.

AN HON. MEMBER: It gets to the honourable member.

MR. ROBERTS: Sure it gets to me just as a hemorrhoid gets to one. It is exactly the same sort of situation.

Mr. Chairman, the point is this that that tax is not being collected lawfully. If the government are collecting it, they are doing so illegally and improperly. I venture to say, Sir, that any citizen of this province could take action against the government, any citizen who paid the eight per cent and had his receipt from a vendor for eight per cent could take action against the Crown, sue the Attorney General who stands in this case for the Crown and get his one per cent back as of this day. They may bring in a bill retroactively but they have not brought it in, Sir. They announced it April 11, today is April 19.

Mr. Chairman, we have a notice of motion on the Order Paper, or do we? No, we do not. Surely, we do? No, Sir. Yes, we do, Sir, Motion 3. We have not progressed with it. It has not been brought forward. I challenge any lawyer in Newfoundland today to differ with me on the law, any lawyer. The Minister of Justice cannot, Sir. The Minister of Energy cannot. Nobody else on the other side is my brother at the bar. Your Honour cannot. The clerks who advise Your Honour, all three of whom are members of the bar, cannot. What I say is legally correct.

Mr. Chairman, the Government of Ontario fell into this trap last year. It is true that for years governments have done this. I am not going to deny that. I mean that is the fact. There are probably a thousand budget speeches or one hundred thousand budget speeches but I say, Sir, it is unlawful. I say it should not be done. I say if the government want to proceed in this way, they should bring

that bill on for debate immediately and let the House decide. Supposing today they move a motion that this House adjourn for a month or for six months and they push it through with their majority, that bill may never come on for six months or a year. We have no control over that. Yet they would go on collecting that tax unlawfully, improperly, illegally.

Mr. Chairman, there has never been the like of it. The normal thing with budget motions is that they are brought forward immediately. They do not propose to put the income tax into effect until July 1. That is two months. It is an insult to the House, an insult to the people that government are collecting a tax that they have no lawful authority to collect. That is a fact. It cannot be challenged. It cannot be argued against. It cannot be contradicted. The government are acting illegally. They are collecting a tax for which they have no legislative approval. I say now that the people of Newfoundland should follow the law. I say that any citizen of this country should always follow the laws of this province. That includes, Sir, Her Majesty's ministers, who are not above the law, who are subject to the law as is any citizen.

They should not collect that tax until and unless the Legislature approves it. If they want to make it effective, Sir, they should bring the bill on this day and call it for debate. They should not act unlawfully. They have given no indication, Sir. They adjourned the House for a week. This is the second day the House has met since that adjournment, Sir. They have not called the bill. They have not called the resolution that must precede the bill, no, Sir. All that has happened is a notice in the newspapers, signed by the Deputy Minister of Finance, acting no doubt on the instruction of his minister, to the retail vendors; "Here is the tax rate you must collect." It is unlawful, illegal, improper. If the people of Newfoundland do not pay that tax, Sir, they are within their legal rights.

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: There are three, six, nine, ten of them, because

"Conflict of Interest" is one of them, believe it or not. There are ten of them.

That shows how much interest they have in an unlawful tax. It shows how interested they are. The Minister of Justice has sat there. I challenged him to give his legal opinion. He is the Crown's chief law officer. I say now that it is unlawful.

MR. HICKMAN: (Inaudible).

MR. ROBERTS: We have four out of nine here - four-ninths. The Hon. Member for Labrador South will make five-tenths, if one would wish to count all the members who do not support the government in this House, fifty per cent. There are thirty-two on the government side, eleven now, sixteen would be the same ratio. The honourable gentleman's arithmetic is as bad as his law.

MR. HICKMAN: The honourable gentleman never had the courage to practice.

MR. ROBERTS: Never had the courage to practice? That is a pretty low remark. At least, I am not trying to sneak my way under the court of appeal, "Alec."

MR. HICKMAN: I am not trying to sneak my way.

MR. ROBERTS: 'No, by God! The honourable gentleman is not going to get there either, unless Bob Stanfield gets in.

Now, Mr. Chairman, I shall practice law when the time comes and we will see whether I do well or badly. We will see. I have never practiced law and I have never made any pretense at it.

MR. BARRY: (Inaudible).

MR. ROBERTS: Could be. Sure. It would be a great place to be. Maybe it is time that we had some people,

we would have some people practicing law in this province -

AN HON. MEMBER: Inaudible.

MR. ROBERTS: He can tell me the Premier too or the parliamentary assistant to the Premier, you know that can go on and on.

Now, Sir, I will just repeat the statement; the tax is unlawful. Nobody on the other side has contradicted it. They tried everything from questioning my morals, to my morale, to my political standing, to my legal ability, to my - I suppose to anything, but they have not contradicted a statement of fact. The government of this -

AN HON. MEMBER: Inaudible.

MR. ROBERTS: I recommend the people of this province follow the law. I recommend that even the Minister of Energy follow the law. The law, Mr. Chairman, the law! This is a society governed by the law. It is not a society governed by the whims of seventeen men. It is not, Sir. It is a society governed by the law, the law passed by this House of Assembly or by the Houses of Parliament at Ottawa or by the unwritten, the prerogative, what is left of it, the Queen's prerogative. I am saying that the people of Newfoundland should follow the law.

AN HON. MEMBER: Inaudible.

MR. ROBERTS: I say to the Minister of Energy; does he think that the people should pay taxes illegally? Does he think the people should pay taxes illegally? No, Sir!

AN HON. MEMBER: Inaudible.

MR. ROBERTS: No!

AN HON. MEMBER: .... people of Newfoundland.

MR. ROBERTS: Mr. Chairman,

MR. CHAIRMAN: Order, please!

MR. ROBERTS: Mr. Chairman, I am not misleading the people of Newfoundland - I am telling the truth.

AN HON. MEMBER: Inaudible.

MR. CHAIRMAN: Order, please!

MR. ROBERTS: I say the government are acting illegally.

AN HON. MEMBER: Do not be so foolish.



MR. CHAIRMAN: Order, please!

MR. ROBERTS: The government may be guilty of theft.

MR. CHAIRMAN: The Hon. Minister of Mines and Energy does not have the floor. Maybe he has entered into the debate with the agreement of the Leader of the Opposition. They certainly seem to want to talk to one another. However, I feel compelled to enforce the rule that the only person who has the right to speak is the person who has the floor. I am sure all honourable members will observe this as much as they can.

MR. ROBERTS: Thank you, Mr. Chairman. The honourable gentleman may have lost his dog but he has got a dog's breakfast around him.

Now, Sir, let me come back to the consumers' price index just to point out one or two other things. Our consumer price index during the two years of Tory enlightenment; the cost of living in Newfoundland has gone up faster than it has across Canada. It was five point zero per cent provincially and four point eight per cent nationally in the 1971-1972 year. It was eight point two per cent provincially and seven point six per cent nationally in the 1972-1973 year. I do not have the projected figure for 1973-1974 nationally but provincially it is eight point five per cent. In the last year of Liberal grace, the provincial increase in the consumer price index was one point six per cent, the national increase was two point nine per cent; just the other way around, Sir.

The same is true if you look at the real gross national product, gross provincial product changes. In the last year of the Liberal Administration, 1970-1971, Sir, the provincial gross product rose by nine point two per cent, the national increase was six point two per cent. What happened when the Tories came in, Sir, with their priorities and their planning and enlightenment and their great budgets? We went up five point five per cent provincially and five point nine per cent nationally. We fell behind five point six per cent in 1972-1973 provincially, seven point two per cent nationally. We slipped behind.

What about unemployment? Sir, the labour force has grown and unemployment has grown even more. Unemployment has gone up steadily in the Tory years. The annual average in 1971, 18,600 Newfoundlanders unemployed, eight point one per cent of the labour force. Then the



year of Tory grace, 1972, 18,600 became 21,100 people unemployed, thirteen point zero four per cent. Then in 1973, 22,800 unemployed. This year the minister is forecasting 25,000 unemployed. He is not even forecasting, Sir, an increase in employment fast enough to make up for the growth in labour force. All you have to do is look at the budget, Sir, if you can find the infamous page.

He talks of rural development plans. He talks of this and he talks of that. Sir, the facts show him up.

Your Honour will find it on page four of the minister's budget speech. Economic Outlook for 1974 - Table 2. Increase in the labour force, 3.9 per cent, 7,000. 180,000 last year, 187,000 this year, 7,000. Increase in employed, 3.2 per cent - 157,000 up to 162,000 5,000 increase. In other words, 7,000 enter the labour force next year, Sir, 7,000. The minister forecasted 5,000 will find employment. So 2,000 Newfoundlanders entering the labour force now know that they are doomed. The Minister of Finance has done nothing about it. Nothing. He is proud of his budget. He boasts of his budget. He is forecasting an increase in unemployment.

He will get up and he will wiggle and he will scream and he will shout and he will bawl about the need for Ottawa. The only thing that saved this government this past two or three years are the increasing expenditures from Ottawa.

Mr. Chairman, the unemployment rate in 1973, on an annual average, was twelve point eight per cent. This year the minister's own figures show it is climbing to thirteen point four per cent. It will be less than that in the summer when construction is underway and the fishery is on. But in the winter, Sir, it will go to twenty or twenty-five per cent. We do not hear the Premier boasting now, when they are importing workers from away, or boasting as he did that every man in Newfoundland, there will be jobs for all.

No, Sir, a shameful performance, thirteen point four, shameful! How the minister used to decry us, but the record in the Liberal years, Sir, was better than the record in the Tory years. God knows it was not

good enough in the Liberal years! God knows there were too many unemployed in Newfoundland even in those days! They were happy years compared to what we have now. The budget, Sir, is forecasting 25,000 unemployed out of a labour force of 187,000. An annual average unemployment rate of thirteen point four per cent.

The original forecast was thirteen point one per cent. That is what the minister trotted out in December. So it has gone up point three per cent. These are not just figures, Sir, those are people, those are Newfoundlanders who cannot find a job. Let us look at the record. It has gone up steadily. The cost of living has gone up steadily.

Remember this is the Tory record now, this is the minister's record, Mr. Chairman. These are the Tory years in Newfoundland: In 1974 he is forecasting thirteen point four per cent: (These are all annual averages.) In 1973 it was twelve point eight per cent. In 1972, it was twelve point one per cent. In 1971 it was eleven point four per cent. So the Tory years have seen the unemployment climbing absolutely and on a percentage basis. The percentage basis is more relevant than absolutely because our labour force is increasing, although the rate of participation is not increasing significantly. So those are some of the Tory years, Mr. Chairman.

The price is up more in Newfoundland than across Canada. The rate of price increase in this province is higher than across Canada. That is the minister's stewardship. That is the government's programme of action. Unemployment is up. It is down across Canada but it has been rising steadily in Newfoundland. Eleven point four when we went out of office, on an annual average, twelve point one the first year of Tory policies, twelve point eight, thirteen point four. What will we have next year? Fourteen or fifteen on an annual average.

Our gross provincial products which formerly was increasing faster than the national average has now dropped below the national average increase. We are falling behind, thanks to Tory times. Tory times are hard times! You do not have to scratch very hard in

Newfoundland to find that feeling in our people, Sir. You do not have to scratch at all to find it these days.

This is the minister's record, Sir, an unlawful tax. misleading statements in his budget, inaccurate statements in his budget, rising unemployment, rising prices, falling provincial products; the Tory record. No wonder he is arrogant and sarcastic and frivolous in trying to evade the issues, Sir. Those are the issues. That is what the Minister of Finance should be concerned with, not with this picayune, pettiness that he has shown in this Committee this last two days.

Sir, let me talk about one other point- teachers salaries: I said this morning on the VOXM radio station, not what the minister quoted me as saying. He was inaccurate. I said that I thought the teachers had presented a reasonable request, in a reasonable manner and that it should be considered reasonably and I say so now here, that the teachers signed a wage pact. They said they will live by it, if it be not reopened. They signed a wage packet at six per cent this year, the year beginning

April 1, the cost of living is going up. The minister forecasts eight and one half per cent. It will probably be ten or higher. His record for it last year, he was nearly fifty per cent out. He estimated about half of what it came to. I think the government should consider. I would like to hear the minister state the government's position, whether the government will say to the teachers: "No."

The teachers have passed a resolution. I remember the minister when I sat just behind where he sits when he was a minister and he sat over here somewhere in the outer darkness and we had the teachers' strike in 1971. I remember the minister then being so eloquent. I can remember the minister talking about funding teachers' pensions. He has now been three years as minister and he has not done it. The hypocrisy, the sham! He said in this House that teachers' pensions should be funded. We said it cannot. He said that it should, "You are robbing the teachers!"

Now in his budget he drags it in again, Sir, the same unfunded pension. He has made no effort to change it. Now let him be man enough to admit he was wrong, wrong now or wrong then, but nothing is changed except the minister is now the minister. Mr. Chairman, I think as well the government should look at all their wage settlements. I know the minister has to find the money for them. I do not envy him the task and he can stand and say, "What would he do?" and I would say, "I am not the government." If I were the Minister of Finance or the Premier I would answer it and I would stand by my answer. If the minister does not think he can do the job let him get out, as an old adage in politics, "If you cannot stand the heat, get out of the kitchen," There is another old adage too, "The buck stops here!"

The minister is the Minister of Finance. He must govern. He must bring in his budget and it must stand the test of scrutiny, and this one does not. I say they should reopen or consider reopening the whole wage settlement, Sir, because the hospital worker at four or five thousand dollars a year is crucified by the cost of living.

The minister, who gets the same salary as I do, \$28,000 a year, not nearly as badly affected. No, Sir, let them look at it. Stelco, Delfasco have reopened their contract and given their employees substantial wage raises and I venture to suggest, Sir, that you will see private employers in this Province doing it. I venture to suggest, Sir, that before this year is over you will see wage agreements reopened because, Sir, the wage agreements were entered into with no indication on either side of what was happening on the cost of living.

If you do not do that, Sir, you will see chaos and unrest and grievences and unhappiness, and we do not want that. I say now, the government, I believe, do not want it and they should act to try to prevent it. Let them deal fairly and reasonably and let the minister say that when the teachers come in with their request, as they will - they have passed the motion. They have done it publicly. It has been in the newspapers and on the radio. Let him say that they will be heard and their request will be considered.

I am not saying, Sir, it should or should not be increased. I do not know. What I am saying is that it should be considered. It should be reopened. It should be, and we will see what results. If not, Sir, the long, hot summer that the Minister of Manpower forecasts will become an early and very hot summer indeed.

I do not condone unlawful strikes, Mr. Chairman, nobody can. I do not condone unlawful actions by a government, collecting a tax illegally but Sir, I have a certain sympathy with men and women who are working for relatively low wage scales, and they are finding as they go to the supermarket and the prices are up and the price of electricity is up and the price of gasoline is up and the price of houses is going to go up now because the eight per cent sales tax will go on things going in houses just as the seven per cent does, the price of their income tax goes up and they are trying to make things meet. Now they are going to have a school tax in St. John's and probably increased school taxes around the Province because of the minister's policy and the minister's budget policy of passing the load



back and refusing to take it on the provincial shoulders, putting it back directly on the backs of people around the Province, not related to their ability to pay, related only to the minister's lack of political courage - the ministry's lack of political courage!

So, Mr. Chairman, I hope the minister will deal with some of these points I will make and then we will consider his answer and we will probably have some more points to make or some questions.

If I have been heated, it is because I am angry. All this does not affect me personally very directly, Sir. I can still live without any real change in my standard of living with what is going on. Sure, sure, but there are lots of Newfoundlanders, Sir, most of my constituents are finding a cruel pinch. I venture to suggest, Sir, there are very few men in this House who are not in the same - for instance I am sure down in Labrador South that people are upset and angry and hurt at what is happening. What you are seeing; people are not buying milk. They cannot afford to buy it. People cannot afford adequate clothing. I mean it is mean, penny-pinching, grasping, that is what happens. That is why they got the devil in them when they see \$3 millions being flung away on Confederation Celebrations.

By God! Let us mark Confederation! Confederation was not a great party. Do you know what Confederation first meant, Mr. Chairman, for most people in Newfoundland? Do you know how it first showed up? In the children. Now this is hearsay to me. I grew up in circumstances in St. John's where I did not see these things. My father always did well, worked hard and did well but, Sir, I have knocked around the Province for eight or ten years now and I have learned something and people have talked to me. When I hear mothers in their forties and fifties, not old women, not old ladies, young people who remember that what Confederation meant was shoes, new shoes or socks or adequate winter clothing or being able to wear rubber boots with socks inside them. Your Honour may or may not have gone to school wearing rubber boots with no socks inside them. Hundreds and thousands of



Newfoundland kids did. Now that is what Confederation meant. That is what it really meant.

If the government were to mark that, and it should be marked. It was a great event in our history, it should be marked. Maybe a retarded children's home, as the member for Bell Island suggested, or something along those lines instead of flinging out - we are going out to a steak dinner in St. Anthony now. Oh! I suppose there will be one hundred people there or two hundred people there, a jigg's dinner.

I would rather have three or four hundred or thousand or two thousand dollars that would cost, Sir, put into the housing of a lady.

AN HONOURABLE MEMBER: What kind of wine?

MR. ROBERTS: A lady living down in Goose Cove that the Minister of Social Services says they can do nothing for.

AN HONOURABLE MEMBER: Is it Rhine wine or Portuguese wine?

MR. ROBERTS: Lots of both, I am sure -

A lady in Goose Cove, Sir, the government cannot afford to fix up her House. One can go into that house and one can look through the walls. One can look through the walls. The Minister of Social Services is not here, he is ill. That is not his fault. But he wrote me a letter in October and he said that nothing could be done about it. Seventy-five year old lady, living with a forty year old retarded nephew, all alone in the world.

It is really the worst case I have seen and I thought I had seen some pretty nasty housing situations. I will go down as the member in the district, if the government want and I will say, "Look, let us cancel this dinner. Let us take the cost of it and we will go down to Goose Cove and we will build that lady a house."

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Well, I can table the letter or I would rather show the gentleman outside because I do not want to reveal the lady's name. I will gladly show the minister the correspondence file. The minister came back and said that there seems to be nothing more we can do.

Now one can appeal to the Appeal Board is it? But for a seventy-five year old lady living in Goose Cove, the Appeal Board is not the place.

If the minister would take an interest in it, I would laud him.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Sure, sure, that is a fat chance. I have got the Welfare Department back on it again. The regional supervisor is back at it again and hopefully we can get around it. I do not want to table the letter but the point is -

AN HONOURABLE MEMBER: That is not the point.

MR. ROBERTS: I agree it is not the point. The point is that if we want to celebrate Confederation, I am sure the people of White Bay North would rather see that lady get a home than one hundred or two hundred people gather up in the Skylight Motel and wine and dine and I mean that, Sir. I would rather see it.

AN HONOURABLE MEMBER: Is the honourable Leader invited.

MR. ROBERTS: Yes, only because I am the member. I am sure if they could find a way around it they would, although I may add, I had been invited even before the committee invited me.

Mr. Chairman, if we want to celebrate Confederation, that is the way to do it, <sup>the way to do it</sup> hundreds of things. Any man who has been in government is deeply touched by the needs of retarded children. The honourable gentleman, the minister's aunt, Mrs. Vera Perlin, has done magnificent work. Indeed, I suppose she was the first one to take an interest. She made us come partially to our senses. She lobbied and she worked and some recognition was taken but not enough was done.

By God! I cannot think of a finer, there is not a district in Newfoundland, there is not a member who has not run into two or three or four cases where family lives are ruined by children whom - you know, the luck of a draw, the luck of a genetic draw. In God's wisdom these children cannot function as normal human beings and they grow older and the families' lives are crippled.

I know of cases in my district where

children of sixteen and seventeen had to be tied up because they were violent. Everybody on the other side is studiously ignoring me as if somehow I am embarrassing them.

AN HONOURABLE MEMBER: I do not even know that case.

MR. ROBERTS: Well, the honourable gentleman might. I wish he would do something about it. I mean, there are many cases around. The real problem is the lack of institutions. Now, there are some in the budget. I think there is one for Stephenville, Your Honour, which would serve the West Coast.

AN HONOURABLE MEMBER: They had a case down in his district in 1961.

MR. ROBERTS: Well, I certainly was not there in 1961. I was not even there in 1963. I have run across fifty. I remember one when I was Health Minister, Mr. Chairman. A family - I will not name the community - but there were ten children in the family. Five of them were hopelessly retarded.

I can remember a case out on the West Coast, Your Honour, when I was again Health Minister. Two old people died, as often happens. An old man and an old lady, one goes and the heart seems to go out of the other and the spouse dies quickly. When they went into that house on the West Coast they discovered three young men in their thirties, brothers, each of them mentally retarded. Those parents had looked after those three children for thirty odd years and nobody in the community knew about it, nobody. I could give the Minister of Health the name of that family. The three boys were taken into care and as far as I know they are still receiving care.

How many of those are there still around Newfoundland? In St. Anthony where they have had the Grenfell Mission providing medical services for seventy years, they still discover cases from time to time.

AN HONOURABLE MEMBER: They were taken into care but they have not been put in the mental hospital.

MR. ROBERTS: Oh yes. He remembers the case. Because there were no adult facilities, no facilities for adult retardates. Now, maybe that should be our Confederation Celebration thing. Maybe it should be. There are some increases for children's homes in here and that is a good thing.

Maybe a school for the deaf, but I would even put the need for adult retardate care above that. That is why I get angry. That is why the people of Newfoundland get angry when we are flinging out how many hundreds of thousands of dollars to George McLean? I have nothing against Mr. McLean. He is obviously a very good public relations man. Why must he fatten himself on the revenues of this province? Why do we not mark this? There is a long tradition of it in Newfoundland, Sir.

Jubilee scholarships: The government of the day - I guess it was Commission - wanted to honour King George V on his twenty-fifth anniversary of his coronation. They set up the jubilee scholarship and I suppose thirty or forty young Newfoundlanders were given an education, a chance to get ahead. It does not mean now what it meant forty years ago because there is much more help for people going to university.

When the queen came, in 1971, there was a donation made to the Vera Perlin School. The Minister of Finance might remember. I think that was the commemoration. Her Majesty asked that she be given no gifts, that if any government wanted to honour her visit that it be done in that sort of way, and governments across Canada did things like that.

The Government of Ontario, when the queen visited there last year, built a playground or a ward or something at the Hospital for Sick Children, which is down on University Avenue, south of the parliament buildings in Toronto. Those are the sorts of things that government should be doing. That is why I am glad that the Government of Canada have not given the Government of Newfoundland a nickle.

The Minister of Finance puts it in his budget. I challenge him

to show any evidence that he is going to get that contribution. I hope that they do not give it for banquets and bonfires and that sort of thing. I am all for them honouring Confederation. I would like nothing better than when the Prime Minister and the cabinet come here in June, as they have announced they are going to do, than to have the Prime Minister announce, "The cabinet this day have approved millions of dollars for some great project for Newfoundland as a gift from the people of Canada through their government to mark the twenty-fifth year of our union with Canada."

I appeal to the minister now to do just this, to cancel all these nonsensical budgets. Every department has got it hidden away, \$14,000 or \$15,000 squirreled away, Confederation Celebrations. Put them all together, they add up to about \$3 million I think. Use them for something memorable. I do not care if he calls it the Crosbie Center or the Collins Center. That could not bother me less, I would like to see it.

Anyway these are a few remarks on the Minister's salary. I will be most interested to hear what he has to say on the points that I made. Thank you!

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: Yes, I think he does.

Mr. Chairman, this is really the most infamous statement yet made in this House of Assembly by the Leader of the Opposition. In fact in all parliamentary history I cannot think of another example where anything this infamous was ever attempted as the statement the Leader of the Opposition has made about the sales tax and his appeal to the people of Newfoundland, his misleading appeal to them not to pay it, his argument that it is illegal. It is absolutely the most infamous and irresponsible statement ever made in any parliament in the British Commonwealth that I have any knowledge of.

The Leader of the Opposition and every member of this House is well aware of the fact that tax changes have to be announced



and implemented before legislation is introduced and passed by the House because if that be not done, people can take advantage of the period in between. Some arrange their affairs so that they avoid tax. It is the well-known and clear precedent in every parliament in the British Commonwealth, every House of Assembly in Canada and the Parliament of Canada that tax changes come into effect as soon as they are announced in the Budget Speech and that legislation is subsequently passed by the House of Assembly or parliament and made retroactive to that date.

Now, Mr. Chairman, there will be legislation presented to this House - it is on the Order Paper now - amending the Retail Sales Tax Act so that as of midnight on the day of the Budget Speech the eight per cent rate becomes effective. The legislation will contain a clause making it retroactive to midnight on the night of the Budget Speech which was April 11, was it not?

AN HONOURABLE MEMBER: The tenth.

MR. CROSBIE: April 10, midnight, April 10. So it comes into effect on April 11. That was the practice, Mr. Chairman, when sales tax changes were introduced in this House in 1967 and in 1968 and when the gasoline tax was increased by five cents in 1967 and when the income tax was changed, when the corporation tax was changed.

MR. NEARY: Quorum call, Sir.

MR. CROSBIE: Every increase was done in the same manner.

AN HONOURABLE MEMBER: Sit down.

MR. CROSBIE: When the bell rings, I will sit down.

MR. SPEAKER (MR. STAGG): We have a quorum.

MR. CROSBIE: Mr. Chairman, before I was interrupted by this nuisance quorum call - this is really, Mr. Chairman, positively the most unscrupulous act by a Leader of the Opposition yet in any parliament.

So, every precedence since 1949 in this House is that a tax change is announced in the budget. The legislation comes later and it is made retroactive.



Now, what is the practice in the Parliament of Canada, the Liberal Administration in Canada? What is the practice there of those people to whom the Leader of the Opposition here appears to be or says he is so close?

Mr. Chairman, here is an interesting thing that happened in the Government of Canada, the Parliament of Canada, controlled by the Liberal Party. The 1972 federal budget was brought down on May 8,

1972. It introduced a number of changes in federal income taxation; in the area of personal income tax it increased certain exemptions and so on. There is a whole long list of changes that were to be made, changes in the corporate income tax and so on.

The tax changes introduced by the 1972 budget were not sanctioned in 1972 - there was no legislation passed in 1972 in the Federal House. Those changes went into effect, effective from January 1, 1972, not even effective from May 8, 1972. The changes were to be effective from January 1, 1972. No legislation was passed by the Parliament of Canada all during 1972.

But did the Leader of the Opposition, Mr. Stanfield, get up and advise people not to pay these taxes, and not to observe these changes? He did not. He certainly did not. When was the legislation passed? The Twenty-Eighth Parliament was dissolved in September, 1972, for a general election. All the bills introduced then were swept away, passed away from the legislative scene.

A new bill covering these tax changes introduced by the 1972 budget that pertained to personal income tax was brought before the newly elected Twenty-Ninth Parliament in 1973 and enacted with retroactive effect to January 1, 1972, made retroactive over one year after they became effective. Legislation was passed at the time the Liberal Party became a minority government. The 1973 Federal Budget presented by close friends of the Leader of the Opposition who so loves to be praising them and saying how wonderful they are, their Federal Budget was introduced on January 19, 1973. It proposed significant changes in personal income taxation, increased exemptions and so on.

It did various other things. The basic income tax rate was changed and so on. The corporate income tax was changed. The personal income changes introduced in that budget of 1973 and the corporation tax changes were brought before Parliament in June 1973, six months later. The budget was brought down in January 1973. The legislation was brought before Parliament in June 1973, six months later, and enacted into law.

But in the meantime it was accepted that this was the Law of the Land because it was known and assumed that the legislation would be passed by the House of Commons and if it were not, otherwise no government could function. So there is the federal precedent, Mr. Chairman.

The May 8, 1972, budget which was retroactive any way to January 1, 1972, no legislation was passed until 1973, over one year later. The 1973 budget six months later.

Now the Leader of the Opposition here, knowing all of that, a student of Parliament affairs, prides himself, you know how he knows all about Parliamentary affairs, political history, the British Commonwealth, the Parliamentary traditions, in addition to which he is a lawyer, stands in this House today and makes a cheap, irresponsible statement that because the budget was brought down a week ago and the changes introduced, effective that day, are not law and that the people of Newfoundland should not observe it and should not pay the tax, knowing full well that legislation will be introduced in this House and enacted in the next several weeks, retroactive to April 11, 1974.

Now, Mr. Chairman, that just absolutely takes t' e cake. We are not going to wait six months, we are not going to wait a year. The honourable gentleman now is up with the press, with a volume of the statutes in his hand, trying to persuade the press, Mr. Chairman.

AN HON. MEMBER: Well that will take nine minutes off the seventy-five hours.

MR. CROSBIE: Up with the press now, look with the statute books in his hands.

MR. NEARY: Could we have a quorum call please? How many times I have to ask to call a quorum?

MR. BARRY: Inaudible.

MR. CROSBIE: There is a quorum here, Mr. Chairman.

MR. NEARY: There is no quorum here.

MR. CROSBIE: There is a quorum. There were three over there and there were at least eleven here. Do not be so foolish:

Well, Mr. Chairman, this is clearly the most infamous and most irresponsible statement by a Leader of the Opposition ever in this House and in the British Commonwealth. Let no one in Newfoundland, Mr. Chairman, be under any misapprehension, the law is and will be that the eight per cent tax is effective from April 11, 1973, and anyone who does not observe that does so at his own peril. The same as the law that was observed in Canada during 1972, despite the fact that the legislation was not passed until later and made retroactive eighteen months to January 1, 1972.

Mr. Chairman, it just boggles the mind, it boggles the imagination how - what does the Leader of the Opposition think he is gaining by this kind of an unscrupulous suggestion? Who does he think he is impressing? I mean surely it passes all understanding how that honourable gentleman could even attempt the like. It is just incomprehensible. It takes the breath away.

MR. BARRY: The same thing as the freeze on petroleum prices, the federal government had no legislation -

MR. CROSBIE: Yes, the federal government exactly! the Hon. Minister of Mines and Energy points out that a freeze was introduced on oil and gas prices in Canada without there being any legislation and without the federal government having the legal authority. Because they announced it and they said, legislation will be passed putting this into effective - the legislation was not passed for weeks later.

MR. BARRY: It is still not passed.

MR. CROSBIE: It is still not passed; the Hon. Minister of Mines and Energy says. This is the Leader of the Opposition's cohorts and his friends in the Liberal Party in Ottawa.

MR. BARRY: He would have the oil companies raise prices. He would tell them to -

MR. CROSBIE: Yes, why does he not get up in the House, Mr. Chairman, and tell all the oil companies; the law is still not passed yet, raise your prices. He does not do that, Mr. Chairman. Well you know I cannot say any more on this because I mean it is so astounding. I can

only ask the news media to make sure that the people of Newfoundland are told that they will be observing the Leader of the Opposition's observations at their peril - because the amendment to the Retail Sales Tax Act will be passed in the next week or two weeks, the government are committed to it. The government have a majority here. It will be passed the same as the federal legislation was passed, will be retroactive to April 11, 1974.

AN HON. MEMBER: Not a free vote.

MR. CROSBIE: Now what are we? Not a free vote? Every vote here is a free vote, every vote. Every vote is a free vote.

Let me come to some of the other points of the Leader of the Opposition, or so-called points. The Leader of the Opposition started out with the Health Sciences Centre and a statement made in the 1972 budget which was one hundred per cent accurate and which reported what we had been told by Ottawa that our \$30 million - that their contribution from the Health Resources Fund for the Health Science Centre would be paid over a period to 1980' depending on how construction went in other areas of Canada. We could not count on it until 1980, it would be paid over that period.

I said in that budget that strong representations have been made and would continue to be made. As it has turned out, Mr. Chairman, our representations have been successful and we had been receiving seventy-five per cent, approximately, of the money spent on the Health Sciences Centre as it is under construction during the past several years and we hope and expect to receive that again this year.

Nothing inconsistent. The statement in the 1972 budget, absolutely accurate. It just so happens that things have turned out right and that our representations have had effect. So the Leader of the Opposition tries to twist that and to make it something else, to make it look as though the House was being misled. "The minister was not stating the truth" and all this kind of, you know.

So the Hon. Leader of the Opposition, that mountain of virtue and Parliament decorum, of history and tradition, laboured, that veritable mountain laboured, to try and show that I have misled the House, and

brought forward a mouse, not even a mouse. No wonder he is touchy, no wonder he is worried about the fall. He will not get ten per cent of the votes in that convention. The Member for Bell Island will be swept in. They will carry him to the hall on their shoulders. It is, even the Member for Bell Island is going in -

MR. NEARY: How about being my campaign manager?

MR. CROSBIE: Yes, I am very tempted, very tempted. Either it will be the Member for Bell Island or the honourable former retired Premier, Mr. Smallwood, one or the other is going to get it.

AN HON. MEMBER: Inaudible.

MR. CROSBIE: Neddy Spencer may have a job this time.

Now what is the next point he made? The Labrador Linerboard, he said, was under estimated by \$5 million.



The honourable Leader of the Opposition said he though he was on a magnificent point there, \$5 million underestimate. Well what happened, Mr. Speaker? Why was there an underestimate in that respect? Well the reason is this that last year, Mr. Speaker, there had to be a repayment in principal on the Javelin loan. That is the Deutschemark loan and the Stirling loan arranged by Javelin before we took over the linerboard mill. There had to be a principal repayment which we estimated to be \$15,180,000 during the year and interest payments were calculated in dollars to be six million odd dollars. This is the amount that was used for the estimate.

Last year, Mr. Speaker, the exchange rate of a Deutschemark and the exchange rate for the pound went up rapidly *vis-a-vis* the Canadian and United States dollars and therefore those payments cost not \$15 million and \$6 million in dollars rather it cost \$18 million and over \$7 million because we had to pay out more dollars to get the same number of Deutschemarks and pounds to repay the principal on the loan. That explains why a further amount had to be voted for Labrador Linerboard or at least just over \$4 million of the amount.

No one could estimate, Mr. Chairman, last March, whenever it was, the Budget came down the end of March, that the Deutschemark was going to so increase in value during the coming year or that the pound would. Both the Deutschemark and the pound have now receded again from their heights during last year. The sterling at the moment is \$2.43, that was when we paid it, the Deutschemark now is - no, I have not got the present figure. The Deutschemark now is thirty-eight cents Canadian whereas it was forty-two cents (42.5 Canadian) when a lot of that money had to be repaid and similarly the sterling was \$2.43 to \$2.54 and today it is \$2.20 to \$2.28. So that explains the linerboard underestimate, this criminal act that the Leader of the Opposition thought he was onto such a great point with.

Understated revenues; I dealt with understated revenues

last night, Mr. Chairman, and I know it will only be boring to the House to go into it again. Understated revenues were not an error at all, estimates are estimates. No one could forecast what happened last year. The federal government did not forecast it. We did not forecast it and the result is that our revenue was higher because of great inflation. Not bad estimating at all, excellent estimating.

We have had the most accurate estimates of revenue and expenditure during the last two years ever in Newfoundland or ever since 1949. Now last night I was accused, Mr. Chairman; I was responsible I was told for the increased birth rate, increased population in the island, That was one thing I was responsible for and today I am told that I am responsible for the unemployment in the province. This is the first time in my experience in this House, Mr. Chairman, that the Minister of Finance has ever been accused of being responsible for all the unemployment in the province but today the Leader of the Opposition throws that one in as well. How that can be I do not know, Not only that, Mr. Chairman, but I am responsible for inflation, not John Turner, the Federal Minister of Finance, who controls the Bank of Canada and who controls the printing of money and who controls exchange rates and all the rest of it, not the powerful Minister of Finance of Canada, who has a Budget of \$22 billion, but the Finance Minister of this little province who has a Budget of three-quarters of a billion is now responsible for all of the inflation in Canada. I bear a heavy burden of responsibility, apparently.

I did not realize I had such an effect on the whole economy of Canada. I did not know that the little Newfoundland tail wagged a big Canadian dog. I mean if I were responsible for all of these things I things I want the instruments put in my control so that I can do something about it. I want the Bank of Canada and I want the mint and I want control over banking and trade and commerce. If I am to be assigned responsibility for inflation and unemployment and all the rest of it, I want to be given to me the instruments that I can use to attempt to

control these things.

Now fortunately for me and for our party, Mr. Stanfield is attempting to get those instruments under his control and when he gets them under his control I think that he will start doing something about inflation and unemployment. At the moment they are under the control of Prime Minister Trudeau and his Minister of Finance. Premier Moores has not assigned to me responsibility for the mint or the Bank of Canada and he cannot. He would if he could. If I could print the currency, you can be sure we would have a whopper of a budget here. There would not be one person on this island able to say that enough money was not being spent. We would eliminate all taxes and we would fulfill everybody's wishes. We would print up about \$20 billion worth of bills and do everything that everybody here wants but unfortunately we have got to operate with what we have got and that is very little.

So I am not responsible for unemployment. But what is the government doing about it, Mr. Chairman? Everywhere you look in this budget there is money being spent in a capital sense that provides employment, apart from the fact that under current account we are responsible for the employment of 27,700 people, not all civil servants.

Just look at the capital account, \$47 million is going to be spent on Highways and that is all going to take people to work, working for the highway contractors. \$25 million is going to be spent on construction of schools and everyone of those schools is going to employ carpenters and electricians and labourers and so on and so forth in their construction. \$20 million on hospitals and \$12 on the Health Sciences Complex, that is employing hundreds of men. About \$10 million at Memorial and various building, \$6.5 million in housing from us, which will generate \$35 million from Ottawa, over \$40 million we are going to spend on housing that will cause the employment of thousands of men.

Industrial and residential servicing - \$10 million; Cultural affairs - \$1,600,000, the Arts and Culture Centre in Gander and the one at Stephenville; Community sport facilities - \$1,800,000; All over the island there will be people working on those during this coming season. The Gros Morne Park - \$5 million; Labrador Linerboard - \$17 million, causing employment for 1100 or 1200 people. The Rural Electricity Authority - \$2,183,000; Fishery capital works - \$9,500,000; assistance for the fishermen on the island and more generous fishery gear programme than the honourable gentleman from Fogo had when he was in and expanded not just to several items but to other more modern types of fishing equipment. \$4 million for forest access road, that will cause the employment of hundreds directly and indirectly, thousands. Rural development loans - \$2,500,000 and another \$22 million, All that capital account expenditure is to help create employment in Newfoundland apart from anything else, and the honourable gentlemen opposite say we are doing nothing, doing nothing to overcome employment.

Now it so happens, Mr. Chairman, that the labour force in Newfoundland has had a fantastic expansion in the last three years and that the participation rate has changed tremendously. The participation rate being the ratio of men and women who participate in the labour force. The rate for both has gone up, increased terrifically particularly with respect to women. So our labour force has increased, I have not got all the figures here now, by a tremendous quantity and employment in this province has increased by tens of thousands since this government came into office. But the labour force is increasing so rapidly that we cannot keep up with the increased labour force.

Now these projections in this budget are not done by John C. Crosbie, the humble minister who stands before you today. I am not an economist. I am not a statistician. These projections of the gross provincial product and employment and investment are done by our economist who work for the government in conjunction with the

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people who work at Ottawa and they check with one another and they do their best to make these projections. They are not done by me and they were not coloured and they were not changed to suit the political situation or they were not changed to show that the situation might be different other than they indicate. If some people were not in government those figures would not see the light of day, they would be changed or omitted altogether. But with this government we outline it as we understand it is.

We are not the only province that has increased taxes.

There is an increase in taxes in Ontario. In several respects in Ontario their taxes were increased. Last year Ontario increased the sales tax two per cent. In the wealthy province of Ontario last year their budget increased the sales tax from five to seven per cent, in wealthy Ontario. Now, they did not increase the sales tax again this year. Hardly! When they increased it two per cent the year before!

New Brunswick has an eight per cent rate. Prince Edward Island has an eight per cent rate. They have an election under way now, and they would expect a tax increase in their budget. It is already eight per cent in Prince Edward Island. Quebec has an eight per cent sales tax rate. Nova Scotia has a seven per cent sales tax rate. They just had an election. I am not sure what the amount of their budget is. It is not much larger than ours, the total amount. They will have a budget after the election. We will wait and see what is in their budget.

So, all this caterwauling about other provinces having not raised their taxes, they have and some of them just in the recent past. Consumer price index has gone up in the last two years: It certainly has and we know who has control if anyone do - the Government of Canada.

Now, Mr. Chairman, the Leader of the Opposition tried to change what he said and I heard him say on either VOXM or CBC this morning, (He was not satisfied to say what he said in the House,) that he hoped the government would listen to the N.T.A. request and give them a hearing. He did not say that. He said that the teachers - and then he went on to cover unions that have not even requested the reopening and all the other unions that the provincial government dealt with, or words to that effect, would get a reopening and should get increases this year because of the cost of living, not differentiating between them at all. That statement was made to be mischievous and that statement was inconsistent with everything the opposition has argued



in this House.

Now, the N.T.A. are one situation. They signed a collective agreement early last year. Their collective agreement and collective agreements of other people who signed much later are quite different. The government has not yet considered but it will consider the N.T.A.'s request. What the government's decision will be, I do not know. It has not been considered yet by government. It will be.

We have received no requests that I know of from any other union because our other settlements last year were late in the summer and early in the fall when we knew about the inflation. Very high increases were given because of the effect of inflation both for last year and this year.

What the Leader of the Opposition stated this morning on radio was despicable. His attempt to cover it up is not impressive. If he had only made that more careful statement on radio, it would have been different.

So, I think I dealt with the points the Leader of the Opposition tried to make. I can only just reiterate before I sit down, Mr. Chairman, that his statement on the tax situation was the most invidious mischievous, irresponsible and dishonest, in the sense of dishonest purpose, statement every made in this House since I have been here in 1966. I have cited instance after instance which shows that procedure this year is no different than previous years. It shows how far it is being carried in the Government of Canada at Ottawa under the tutelage of his political comrades.

MR. NEARY: Mr. Chairman, how can the Minister of Finance explain that a couple of days - I think it was in a matter of twenty-four hours after he brought down his budget - that his leader, the Premier, took to the airways and made the foolish comment on one of the radio stations that if the taxes did not work out this year that they would take them off next year.

Mr. Chairman, can one believe what one hears or was it Dick Nolan's voice we heard and not the honourable the Premier? How

can the minister explain that?

AN HONOURABLE MEMBER: An election.

MR. NEARY: Well, is it because we are going to have an election next year? We might get another windfall from Ottawa.

Well, Mr. Chairman, I would like to see the Premier get up and explain that statement because I was rather puzzled by it. I could not understand it. No, it certainly would not be anything new for the Premier to make a foolish statement, one that does not coincide with the statements that are made by his ministers. The Premier is noted for whipping the carpet out from under the feet of his minister, Sir.

Mr. Chairman, the Minister of Finance there when he was making his few remarks said that there had been tax increases in other provinces this year. Sir, the Minister of Finance is right, absolutely right but he did not tell the committee what kind of taxes they were, did not tell the committee the kind of taxes that were imposed by the Government of Ontario in the recent budget that was brought down. Well, I will tell the committee what they were, Sir.

They were land transfer taxes. They were taxes on land speculators, absentee land owners, and they were taxes designed, Mr. Chairman, to take from the rich and give to the poor. There was no increase in the sales tax, Sir.

Here is what the "Toronto Globe And Mail" said about the budget in Ontario, Sir, for the information of the minister who tried to leave the impression that Newfoundland did not stand alone, there were other provinces. I might say, Mr. Chairman, that over in Nova Scotia, our sister province of Nova Scotia, Premier Regan, who got himself a landslide victory in the recent election in Nova Scotia, when he unveiled his election platform, Sir, he brought in a reduction in taxes. That is what he did, Sir. When he was interviewed, following the election in Nova Scotia that gave the Liberals a landslide victory, Premier Regan said that the most significant issue, the one single

issue in that election in Nova Scotia was the high cost of living.

MR. CROSBIE: Going to take immediate action.

MR. NEARY: He what?

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: He was lucky to get his seat. Mr. Thornhill, that great Tory from Grand Bank, over in Dartmouth was lucky to get his seat.

As a matter of fact Canadian Press had conceded victory to the Liberal.

Sir, Mr. Regan over in Nova Scotia made all kinds of concessions to reduce the cost of living for his voters over there, for his people of Nova Scotia. They even reduced the tax on property, Sir; but we do not have that in Newfoundland except in some of the urban centers.

Sir, the minister was playing up Ontario where we have a Tory Government. Well, here is what the "Toronto Globe and Mail" says about the budget in Ontario on April 11: Some straw, Sir, in your Queen's Park wind. "Tuesday's budget by treasurer, John White was a document both bold and politically inoffensive. It hit the black hats, speculators, foreign land buyers, mining companies and passed on the benefits" - just listen to this, Mr. Chairman - "and passed on the benefits to the elderly, the blind and disabled, municipalities, public transit, small business, farmers and the person shopping for shoes and soap."

MR. MORGAN: Mr. Chairman, on a point of order. We are not debating the budget of Ontario. We are debating the estimates of finance in our own budget in this province. Would the member be asked to be relevant in his debate?

MR. NEARY: Mr. Chairman, do we have to take that seriously? It is not a point of order, Mr. Chairman.

MR. CHAIRMAN (MR. STAGG): Since the point has been raised, the point is a valid point. However, when dealing with the estimates of the Minister of Finance he is obviously a focal point in any budget.

The points which are relevant to discussion of the Minister of Finance's salary of course would not apply to any other items in other departments. The debate has been far-ranging and wide and

I think at this point, while the point is well taken, it is probably too late today to raise these points of order and I suggest the honourable member may proceed.

MR. NEARY: Thank you, Mr. Chairman.

Sir, in Ontario, Mr. Chairman, it is very unlikely there is going to be an election this year. Yet, Sir, they brought in, in Ontario, the Minister of Finance, as close to a perfect budget as you could get at this particular time. Unlike, Mr. Chairman, what is happening here in this province, we are doing the reverse of what the other provinces of Canada are doing.

AN HON. MEMBER: It was a good Tory budget.

MR. NEARY: Sure it was a good Tory budget.

AN HON. MEMBER: Inaudible.

MR. NEARY: They have had bad ones.

MR. ROBERTS: They would not wait three years for the good one to come .

MR. NEARY: The taxes that the Minister of Finance referred to, Sir, are taxes on land speculators and taxes on the rich and taxes on absentee landowners. Even the Government of Ontario, Sir, even at a time when the people of Ontario were fed up with Toryism and fed up with Premier Davis, were able to bring in I suppose what you would call a sort of a Robin Hood Budget. We are doing the reverse in Newfoundland, Sir.

MR. MORGAN: Mr. Chairman, if we cannot have a ruling of relevancy, how about a ruling on repetition, because the honourable gentleman is saying the same thing over now as he said last night in the same debate.

MR. NEARY: Sit down! Sit down, you clown!

MR. MORGAN: Mr. Chairman, I demand that the honourable Member for Bell Island withdraw that statement, "I am a clown." There are no clowns in this House.

MR. NEARY: Well the honourable member is certainly acting like a clown.

MR. MORGAN: Mr. Chairman -

MR. CHAIRMAN (STAGG): Order, please!

We cannot have two honourable gentlemen on their respective feet at the same time. The Member for Bonavista South is raising a point of order. It is customary that the first person who has the floor will yield the floor.

AN HON. MEMBER: On a point of order but not for a nuisance.

MR. CHAIRMAN (STAGG): On a point of order, yes. The honourable Member for Bonavista South may proceed with his point of order.

MR. MORGAN: Thank you, Mr. Chairman.

Mr. Chairman, the point of order is this: If we cannot have a debate of rule and order in regards to relevancy, let us use the rule of repetition. Because the honourable Member for Bell Island who is presently speaking in this debate is repeating and repeating the same things that were said earlier this morning, he said himself, and the same thing that was said last night by the same honourable member, and yesterday afternoon.

So there is no point sitting in a debate listening to repetition, repetition. So if we cannot use the rule of relevancy, let us use the rule of repetitious.

MR. NEARY: Mr. Chairman, to that point of order. Sir, that is just a nuisance point of order that is typical of the honourable Member for Bonavista South. It is not worth Your Honour considering. I only wish that the member had stayed out of the House when he went.

MR. CHAIRMAN (STAGG): The rule is inscribed in the rules that there is a prohibition against repetition. However, I doubt very much if there is anything new under the sun in as far as debate is concerned. It is very difficult for members to make their points without a certain amount of repetition. I do think in the latest tack that the honourable member has been on, it is debatable whether it is in order, whether it can be heard under heading 401-01. However, I previously ruled that he could proceed. It was a novel tack that he was on, it was not repetitious. He may have been solidifying his points by repeating some of the points. However, I do not think it falls within that general



prohibition that the new rules have laid out. So the honourable member may continue.

MR. NEARY: Thank you, very much, Mr. Chairman.

Now, Sir, if I may continue - I would like for the information of members of the committee to give a rundown, a breakdown of all provincial budgets, in all the provinces of Canada, and the tax alterations and so forth for 1974, just to prove, Sir, that the Minister of Finance either tried to mislead the Committee in his statement or the minister is misinformed, he does not have the information. He has a whole raft of officials working for his department, Sir, there should be no problem for him to get this information.

But what happened in British Columbia? We will start out on the West Coast and we will work East. What happened? No tax change in British Columbia. None! What happened in the Province of Alberta? The minister's old buddy is out there in Alberta. You know what they did, Mr. Chairman, they reduced taxes and levies to the value of \$106 million, including a reduction by one-third of the gasoline tax.

AN HON. MEMBER: Inaudible.

MR. NEARY: That is right, Sir. The Minister of Justice and his colleagues went up to Ottawa and snuggled up to Alberta. They were all for Alberta.

AN HON. MEMBER: Inaudible.

MR. NEARY: Yes, and knifed poor old Newfoundland in the back or they tried to.

Alberta, Sir, \$9 million. Thanks to Premier Regan in Nova Scotia and the Tory Premier of New Brunswick that we got that. No thanks to the representation made by this province. In Saskatchewan, Sir, no tax change.

AN HON. MEMBER: Inaudible.

MR. NEARY: Is the Minister of Finance listening to this? No tax change in Saskatchewan. In Manitoba, Sir, some tax reduction but no across the board cuts, \$14 million income tax credit plan for persons in low incomes, elimination of the ten per cent amusement tax, tax-free ceiling from retail sales tax of three dollars for restaurant meals, tax increases

for mining companies. Any tax increases in this province for mining companies? Where was the Minister of Mines and Energy? Was he asleep when the minister was lining up those who were going to get the knife?

What is the school-bus driving saying over there now?

MR. WILSON: He was asleep on Bell Island when they signed the deal for the mines.

MR. NEARY: I was what, Sir? I was what? I was asleep, was I?

MR. CHAIRMAN (STAGG): Order, please!

Both honourable members -

MR. WILSON: Inaudible.

MR. CHAIRMAN: Order, please!

On occasion honourable members are drawn into a debate which is completely against the rules of this House and certainly against the decorum of the House. However, and I also suggest that the honourable Member for Bell Island might be somewhat more tactful in his parroting of other people speaking here. It may lead to a little less recrimination across the floor.

MR. NEARY: My understanding of the rules of this honourable House, Sir, is when an honourable gentleman is speaking that he must be heard in silence.

AN HON. MEMBER: How is that for tact?

MR. NEARY: Now, Mr. Chairman, we have gone down to British Columbia, Alberta, Saskatchewan, Manitoba - now let us get to our sister province of Nova Scotia. Here is what Premier Regan did over in Nova Scotia, a rebate of up to twenty-five per cent on municipal property taxes, which must be used to reduce the final billing price and landlords must pass it along to the tenants.

AN HON. MEMBER: Inaudible.

MR. NEARY: He has done it, Sir.

AN HON. MEMBER: He has not.

MR. NEARY: Well I mean he probably is doing the same thing as the Minister of Finance did here. He is announcing it and then getting it passed in the legislature after. The Minister of Finance just told us that is in order.

AN HON. MEMBER: Inaudible.

MR. NEARY: On that question: If honourable members and ministers especially the Member for Port de Grave want to get up and make a speech, let him get up and make it, never mind over there snipping at the speakers

from this side. We probably would not understand them anyway.

MR. WILSON: (Inaudible).

MR. CHAIRMAN: Order please!

MR. NEARY: Mr. Chairman, can the member restrain himself? He is going to have a massive coronary if he does not watch himself - the man is going to get ill.

MR. CHAIRMAN (Mr. Stagg): Order please!

I think that the time for intervention has come. The Hon. Member for Bell Island is abusing the privilege of having the floor. While he has the floor and has the right to be heard in silence, he also has the duty not to goad other members who do not have the floor, which is what he is doing. If the honourable member should want to be heard in silence, he shall have to be relevant. He is certainly being irrelevant in directing remarks to the Member for Port-de-Grave. The honourable member knows full well that what he is doing is outside the rules of the House. It is certainly a matter that is not common courtesy.

MR. NEARY: If Your Honour wants to come to the defense of the Member for Port-de-Grave, that is Your Honour's business, Sir.

Let us see what happened in Prince Edward Island.

In December, 1973, the Minister of Finance -

AN HON. MEMBER: (Inaudible).

MR. NEARY: Is Your Honour going to enforce the rules of the House? Sir, the same rules apply on both sides of this House.

In Prince Edward Island, Sir, in December, 1973, the government announced a reduction on the taxes on all clothing and footwear, made them free of the eight per cent sales tax with other selected exemptions to the eight per cent retail sales tax on certain other items and on restaurant meals and a twenty-five per cent reduction in the property tax.

Every other province of Canada, Sir, and this merely confirms what the Leader of the Opposition said, has brought in anti-inflation measures except poor, old Newfoundland. Newfoundland, Sir, has

just done the opposite. We used to have the Robin Hood Policy this province but now we have the reverse of that. We have the Minister of Finance taking from the poor and giving to the rich. This is where a lot of this money is going to go, Sir, into the hands of Dr. Peters. That is who will get a part of that large chunk of \$14 million down on the Lower Churchill - Dr. Stu, who was brought in here by Andy Crosbie and then ended up on the Premier's payroll. I do not know who paid his salary.

AN HON. MEMBER: (Inaudible).

MR. NEARY: Pardon?

AN HON. MEMBER: (Inaudible).

MR. NEARY: I got everything to substantiate it, Sir.

Does the minister think that I am so naive as to think that Dr. Peters, Stu Peters, his old buddy, gave up his \$35,000 a year job, plus fringe benefits, to go out and go on welfare.

MR. BARRY: He has gone out and gone to work.

MR. NEARY: He has gone out and gone to work for whom? He will be working for this government. Oh, yes he will! He is a front man.

MR. CHAIRMAN (Mr. Stagg): Order please!

MR. NEARY: He is a front man, Sir.

MR. CHAIRMAN (Mr. Stagg): Order please!

The honourable member's point may be well taken -

MR. NEARY: Oh, it certainly is relevant.

MR. CHAIRMAN (Mr. Stagg): It certainly appears to be irrelevant.

MR. NEARY: No, Sir, I am talking about the \$14 million that is going to be spent on the Lower Churchill and my forecast of how it will be spent. I was making the point, Sir, that in this province we have the reverse of what we used to have of the Robin Hood Policy in Newfoundland, which was developed by the former Liberal Administration, of taking from the rich and giving to the poor. Now we are taking

from the poor and giving to the rich, While all the other provinces of Canada are doing their best, Sir, within their power and within their jurisdiction, to fight inflation, this honourable crowd here are just making the situation that much worst by increasing taxes.

Now the minister says that there is nothing the province can do. "There is nothing the province can do." Let us see what Ontario did, the minister is so in love with Ontario. Here is an item, Sir, from the April 11 edition of the "Toronto Globe and Mail." It says, "Not the main event but at least an effort." I will just read a part of that for the information of honourable members of the committee, Sir. It starts out by saying: "It is ridiculous to suggest a provincial budget can control inflation. The most important fiscal and monetary instruments for attempting to exert such control lie not within the provincial jurisdiction but in the federal jurisdiction and even federal instruments can be less than effective in the present situation where inflationary pressures are worldwide." It goes on to say, Mr. Chairman: "Ontario can try and it did this week but Treasurer John White was no more than correct when he said that it will also depend greatly on leadership and action by the federal government to puncture the myth that inflation is inevitable and to restore confidence in the belief that every Canadian will share in rising prosperity. Within the limits of its powers, then how effective is the Ontario budget likely to be in tempering inflation?"

Mr. White's measures, Mr. White who is the Minister of Finance:

"We are intended to produce five different effects to offset the results of inflation, to restrain inflation, to stimulate supply, to share with the public the profits from inflation."

"To share with the public the profits from inflation."

Mr. Chairman, did this administration here make any endeavour or any attempt to share with the people of Newfoundland the profits from inflation? The profits from inflation in this province, Sir, are substantial. The government are now collecting taxes on inflated dollars. No wonder the Minister of Finance underestimated his revenue for last year. Inflation is rampant and the tax on these dollars was a straight across the board, seven per cent.



Mr. Chairman, then the Premier told us a few months ago that his government would drop the sales tax on heating fuel. It took a little prodding from the opposition to get the Premier to keep that promise. He finally kept the promise. At the same time, Mr. Chairman, the Premier had also stated publicly that he would get the municipalities to drop their tax and that they would be reinstated, for any loss of income, from the public treasury. The Premier did make that statement, Sir. It is not nonsense. He has not kept that promise. That is one way that this government could help our people to cope with the high cost of heating oil, eliminate the municipal tax and reimburse the municipalities from the public treasury, as the Premier promised to do back in November or December of last year, before the Hon. Premier went down on the beaches of the West Indies and made his announcement from Granada that the sales tax on heating oil was going to be dropped. When I heard it first I thought the Hon. Premier was after having a sunstroke. I am inclined to think that it was probably more pangs of conscience than anything else.

Mr. Chairman, why did not the Hon. Premier go all the way and keep his promise, his commitment that he had made to the people of this province and eliminate the municipal tax on heating oil as he promised to do and reimburse the municipalities from the public treasury?

AN HON. MEMBER: (Inaudible).

MR. NEARY: It is just an ordinary, simple, common-sense question. Sure, I will permit a question.

MR. MARSHALL: I have heard the honourable member go on for a long period of time. I am anxious to hear whether he agrees with the Leader of the Opposition in urging the people of

Newfoundland to flagrantly and openly violate the law or whether he is going to urge them to comply with the law with respect to the payment of sales tax. Perhaps that might be a plank in his platform in the leadership convention against the honourable Leader of the Opposition. Would he respond to that question? The subject is waiting to hear whether he urges rioting.

MR. NEARY: Mr. Chairman, I will respond to that question before I take my seat. No wonder the honourable Premier would look at me and laugh. No wonder with a colleague -

MR. MARSHALL: Going to answer it?

MR. NEARY: I will answer it.

Getting back, Mr. Chairman, to what the Minister of Finance over in Ontario did, Mr. White. Well, here is just another paragraph, Sir. I do not want to bore the committee. Mr. White's measures to offset the effects of inflation were designed to help those hit hardest by it and included Ontario's modified, guaranteed annual income system. Just listen to that. They have implemented this in Ontario -

AN HONOURABLE MEMBER: Would you read that again?

MR. NEARY: Yes, I will read it again because that is quite, quite the opposite of what the Minister of Finance just led us to believe, that all the provinces have increased taxes. Ontario, he said, increased taxes. Of course they did. They put it on the land speculators. They put it on the real estate rip-off artists and they put it on the mining companies.

Who do we put it on in Newfoundland? We put it on the poor old souls that my honourable friend here used to reach up and take a can of beans off the shelve and give to them. That is who it was put on, the ordinary working-class people.

AN HONOURABLE MEMBER: Read it again.

MR. NEARY: Yes, I will read it again. "His measures to offset the effects of inflation were designed to help those hit hardest by it and included Ontario's modified guaranteed annual income system, free prescription

drugs for those eligible for the system and those on provincial assistance programmes and enriched tax credits. The enriched tax credits will help those on low to middle low incomes."

Now, there is what they did in Ontario, Mr. Chairman, contrary to what the Minister of Finance led us to believe. Not a province that I know of, Sir, not a province, not a single province has increased taxes. They have attempted to decrease taxes. Decrease taxes on what?

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: They decreased taxes in Ontario.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Oh, yes. Of course. Sure. When I talk about taxes I am thinking about the ordinary rank and file, the grass roots, the toiling masses.

AN HONOURABLE MEMBER: We are getting back to the leadership now.

MR. NEARY: That is what we are getting back to, the leadership, Sir. I am thinking about the bare barrens. The Minister of Finance knows all about them.

The real estate rip-off artists and the land speculators, why were they not taxed? Why, Mr. Chairman, did the government not tackle the wholesalers?

AN HONOURABLE MEMBER: After twenty-three years of Liberal Administration, we have not identified where the land is in Newfoundland.

MR. NEARY: Oh, the land is not down in Logy Bay or Outer Cove. Yes, there is some down there but that is not where it is. I could tell the minister where it is at. It is not down on the South Shore of Conception Bay.

Why did they not tax the land speculators? Would they be getting a little too close to home, getting too uncomfortable for them? Oh, Mr. Chairman, if I could only open up. If I only had the freedom in this honourable House that they have in the British House of Commons over in England, I would make their hair stand straight on their heads. Then the Minister of Finance thinks that the Newfoundland people are going to accept this.

I can tell the Minister of Finance one thing that he could do in Newfoundland, one thing only. I could tell him a dozen things. One thing that he could do to try to bring down the cost of living in this province is zero in on these wholesalers, these commission agents that are getting their rip-offs for doing nothing in this province. They do not do one single thing and they get their commissions.

MR. CROSBIE: Somebody pays them for doing nothing?

MR. NEARY: Somebody pays them. The people of this province, Sir, pay them for doing nothing.

AN HONOURABLE MEMBER: That is peculiar.

MR. NEARY: It is not peculiar. The minister knows all about it.

MR. CROSBIE: I do not know a thing about it.

MR. NEARY: Well, maybe we should have a debate on it. That is why we wanted to debate the cost of living in this province.

What about subsidies on transportation?

AN HONOURABLE MEMBER: Only sixty-seven hours to go.

MR. NEARY: That is all. We can use our time whatever way we see fit.

MR. CROSBIE: We are going to use it all on Finance because I am talking sixty hours at least.

MR. NEARY: We might use it all on Finance.

MR. CROSBIE: He is darn right we are.

MR. NEARY: I could not think of a better target than the Minister of Finance.

Mr. Chairman, the thing that would worry me most in this province at the present time talking about politics and leadership - if the Premier of this province ever decided, Sir, if he woke up some morning and said, "My God, the Minister of Finance and the Minister without Portfolio, the member for St. John's East, are dragging me down and I am going in and fling them out of my cabinet." Why, the Premier would become so popular over-night that even poor old Joey if he came back would not be able to defeat him.

The problem, Mr. Chairman, with that government is they have

two or three leaders over there. They have two anyway.

AN HONOURABLE MEMBER: They have four across the House.

MR. NEARY: The people around this province ask; "Who is the real leader? Is it Moores or is it Crosbie?" I would certainly get worried, Sir, because I would tell them; one talks about the people rising up in admiration for an individual -

MR. CHAIRMAN (MR. STAGG): Order, please!

While we have been extremely lenient, probably too lenient in enforcing the rule of relevancy, I would suggest that the honourable members have gone into a field now that is completely irrelevant.

MR. NEARY: The Minister of Finance in my opinion is dragging the government down, dragging the Premier down. The Minister of Finance with his fiscal policies, his frisky policies - I do not know if the honourable Premier is aware of this, Sir, but I can tell him right now sincerely and honestly and frankly that the Minister of Finance is the biggest drag he has, the biggest drag that he is going to have. The Minister of Mines and Energy knows that. The Premier should cut the umbilical cord or whatever it is they call it.

Sir, if the Premier ever smartened up and wanted to win an election, Sir, I can tell him how to do it. All he has to do is flick out his Minister of Finance, give him the flick just like - say; "Get out!" Boot him out; "We do not want you!" Overnight, Sir, the popularity of our esteemed Premier would shoot up about 500 per cent. Believe me, the Minister of Finance is despised throughout this province.

No wonder he is despised, bringing in these-

AN HONOURABLE MEMBER: Filibuster.

MR. NEARY: What filibuster?

AN HONOURABLE MEMBER: His.

MR. NEARY: Oh, we are trying to make a point. We are trying to get the message across.

MR. CROSBIE: Trying to get information.

MR. NEARY: No, we are not looking for information. We have all the

information we want. We are trying to destroy the Minister of Finance, if you want to be perfectly honest. I tell you this, that is a man sized job. He is not an easy man to grind down. This is the Chinese torture. We will have a couple of more days yet at the Minister of Finance. He is the best target we have over there. There is nobody else over there we can really get at.

MR. CROSBIE: I am sick.

MR. NEARY: Well, my chest is sore today too. Does the Minister of Finance have any more cough drops over there he could send me over one?

MR. CROSBIE: Inaudible.

MR. NEARY: Well, Sir, we can joke about this all we like but it is a very serious matter, Sir. I do not know if anybody else is going to speak in this debate or not. I have not exhausted all the points that I want to make yet. I would like to see how the Minister of Finance is going to respond to my latest broadsides, my latest attack on him. When he does, maybe he will be able to provoke me into saying a few more words.

I do not know if my colleagues here are going to say anything in this debate but, Sir, I thought I would set the record straight as far as the other provinces of Canada are concerned because they have made strenuous efforts to bring in reduction in taxes and anti-inflation measures. We are doing the opposite in this province.



That is the difference between this government and the other provinces of Canada. That is the difference between Toryism and Liberalism, Sir. If we were sitting over there on the government benches at the present time, I know I would for one -

AN HON. MEMBER: Inaudible.

MR. NEARY: Even the Tories, even the Tories in Canada, Sir, now we have Mr. Stanfield, everyday we hear him on radio and television. He is trying to scrape his way into power in Ottawa. He will never make it. He will never become anything, I do not think, more than an undertaker.

But, Sir, we even hear Mr. Stanfield out talking about wage and price controls. They have not worked anywhere else. They tried it over in Great Britain; it did not work over there. They had to abandoned them, Whether they are voluntary or compulsory they just do not work.

I would like to know if the Minister of Finance, our provincial Minister of Finance, supports his national Tory Leader in this matter of wage and price controls.

MR. CROSBIE: Right to the hilt.

MR. NEARY: He supports him right to the hilt.

MR. CROSBIE: Inaudible.

MR. NEARY: Oh that is Toryism, Sir, for you, because I do not support it. I would not have anything to do with it.

But, Sir, I do not think there is any more I need say because the Minister of Finance is not going to listen to me anyway. He is going to sit there in his usual arrogant fashion, stubborn, cold-hearted, not listen to the pleas of the Opposition who are genuinely and sincerely trying to persuade the minister to reverse his decision on these increase in taxes, in the interest of the ordinary working class people of this province. Put the taxes on the rich people. Put it on the corporations and the mining companies.

AN HON. MEMBER: Like the honourable member did when he was able.

MR. NEARY: Oh, my! Like I did?

AN HON. MEMBER: Inaudible.

MR. NEARY: I do not think I was a member of government, Sir, when

AN HON. MEMBER: Three and a-half years.

MR. NEARY: No, I was not a member of government when the tax increases were brought in. The honourable minister was. I had to sit over there, as I told the committee last night -

AN HON. MEMBER: Inaudible.

MR. NEARY: No, I am not going to tell any more, I will put it in a different way, because you are not suppose to be repetitious in this honourable House nor tedious.

But, Sir, you had to bow and scrape to the honourable gentleman, you had to almost kiss his feet. His opinion is so highly respected and he was praised up so much by Joey Smallwood, the former Premier, I heard the former Premier say that the present Minister of Finance was going to be the next Premier of Newfoundland. I actually heard him say that, Sir. What could a poor little fellow like me, a little old hick, a little old baywop from over on Quigley's Line on Bell Island, what could he think only look up with his mouth open at the Minister of Finance. He could not believe it that this was such a walking encyclopedia of knowledge, that he had just come out of law school, swept into the cabinet by Joey, taken in. My God! We got her made! Newfoundland is saved! This man is going to be - I heard him say the same thing about Richard Cashin too. "He is going to be the next Premier of Newfoundland."

AN HON. MEMBER: Inaudible.

MR. NEARY: One thing about it, Mr. Chairman, I never, never ever made the top five, Thank God! I never made Joey's hit parade. I always had a heart as big as the Southside Hills but never leadership material for some reason or other.

AN HON. MEMBER: Inaudible.

MR. NEARY: Brain and heart, but never, never, leadership material until all the geniuses moved over to the other side of the House. Now all of a sudden -

MR. CROSBIE: What happened to dumbbell?

MR. NEARY: Oh, all of a sudden

April 19, 1974

Tape 1219 (morning)

Pk - 3

MR. CHAIRMAN: Order, please!

It now being a little after 1:00 o'clock, I leave the Chair  
until 3:00 o'clock this afternoon.



**PROVINCE OF NEWFOUNDLAND**

**THIRTY-SIXTH GENERAL ASSEMBLY  
OF  
NEWFOUNDLAND**

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**VERBATIM REPORT**

**FRIDAY, APRIL 19, 1974**

**SPEAKER: THE HONOURABLE JAMES M. RUSSELL**

The Committee resumed at 3:00 P.M.

Mr. Chairman in the Chair.

MR. CHAIRMAN (MR. STAGG): Order please!

MR. NEARY: Mr. Chairman, before lunch I had reviewed what has been happening in the other provinces of Canada as compared to what the Minister of Finance did here in Newfoundland and it has been shown beyond any doubt, Sir, that the other nine provinces of Canada are either holding the line on taxes or they are reducing taxes and if they have to increase taxes, Sir, they are taking it from the rich and passing it on to the poor. We found an example of that in Ontario where they have now started granting free prescription drugs to senior citizens in Ontario.

You know, Mr. Chairman, I made the statement, I think it was earlier this morning and then in his rebuttal the Minister of Finance attempted to explode my argument but I still think that I am right, Sir, that the minister's budget is having a psychological effect on the working people of this province and is one of the reasons, not the full reason, Sir, but one of the reasons why we are having so many strikes in this province at the present time, mostly illegal strikes, Sir.

We have an illegal strike at Come By Chance. We have an illegal strike at Buchans, an illegal strike at Bale Verte, an illegal strike at Labrador City, Iron Ore Company of Canada employees, and we have a number of other confrontations going on between labour and management in the province and it would appear to me, Sir, it would appear to me, Mr. Chairman, that the working class people are just giving up in defeat. They cannot cope with the inflation, with the high cost of living in this province. What the Minister of Finance did when he announced those increases in taxes without taking into account the ability of people to pay, he tipped the scales. The working people said, "Well if our government do not show the leadership, we may as well give up." That is what is happening, Sir.

The working people of this province today I would say have despaired. They are pessimistic. They can see no future ahead of them at all and this brave new world that the people of this province were promised in two provincial general elections in Newfoundland has now been replaced, Mr. Chairman, by pessimism and despair. After two years of Toryism in this province, the people are losing faith, Mr. Chairman, they are losing faith in their traditional institution and they are losing faith in their leaders.

Mr. Chairman, no sooner had this administration taken office when the mothers of this province were knifed.

I am talking about the Minister of Finance. This has to do with financing - fiscal policies of the government. The mothers were knifed, Sir, and the next ones to get the axe were the students. Mr. Chairman, we saw what happened to the money that the Minister of Finance saved by cutting out the mothers' allowance, by cutting the students' allowances and by cutting down on public services. The \$14 million that the minister saved that he should have used to offset an increase in taxes, he redirected that money, Sir, towards expanding the bureaucracy I had pointed out to the minister yesterday, building up empires like the Cabinet Secretariat, Treasury Board Secretariat, Planning and Priorities Committees. What for? This administration has no sense of priorities.

Sir, what we are seeing before us today is only paralleled as far as I can see by the dying days of the Duplessis Regime in Quebec. The cruelest cut of all, Sir, was last week, the cruelest rich man's joke of all on the middle class and the low income families in this province and the families dependent on welfare was the discriminatory decision by the Minister of Finance to milk the working class people and protect the rich in his budget, because that is what the minister did, Sir. That extra gouge that the Minister of Finance took out of the pocket of every man, woman and child in Newfoundland and Labrador, Sir, was taken without regard to their ability to pay, for their ability to be able to pay that hike of one cent on the



retail sales tax in this province.

It came, Mr. Chairman, as I indicated before lunch, just at a time when other provinces are doing their best to lower the cost of living. That was old Scrooge there, Sir, turning thumb screws on the working people of this province, on the ordinary people of this province to sweat the anticipated \$10 million that he expects to get from this one cent increase on the provincial sales tax. How easy, Mr. Chairman, it would have been for that minister to get the \$10 million that he needs and perhaps twice \$10 million, Sir, by taxing the real estate exploiters and the absentee land owners, as Ontario is doing, and the big corporations and the mining industry and the pulp and paper industry of this province and the rich people and the well-to-do lawyers, instead of taking it out of the hides of the ordinary working-class people in this province, the minister decided to protect the rich and bleed the poor.

So what do we see, Sir, in this Silver Anniversary year? We see, Mr. Chairman, the same old bunch of parasites feeding at the public troughs while the wan faces of the taxpayers peer in through the windows to see the jet-set Confederation Celebration banqueters belching their satisfaction over the best that Versa-Foods can put on the table for them.

AN HON. MEMBER: Inaudible.

MR. NEARY: Is that so? Sir, I am not in full flight at all yet. Mr. Chairman -

MR. MARSHALL: On a point of order, Mr. Chairman, on a point of order, I have noticed the honourable member is flicking cards over on which there appears to be typing on the other side of - I think the honourable member is reading his speech and as he knows, being a veteran member of this House and a member of this committee, one is not allowed to read one's speech and if he insists on doing it I think that the Committee will suffer it, but perhaps he might tell us who his speech-writers is in the meantime.

AN HON. MEMBER: Al Greene.

MR. MARSHALL: Al Greene, is it? Who is Al Greene?

MR. NEARY: Mr. Chairman, there it is, filed away. They do not want me to read my notes, Sir. I hope that I will never again see a member on the government benches referring to notes or reading a speech. There it is, Sir, my few notes I made four o'clock this morning when I woke up in bed. There they are. Now let us have it. The member for St. John's East does not think that I can make a speech.

MR. MARSHALL: An hour or two hours.

MR. NEARY: Yes, an hour or two hours, it will probably be the middle of next week before we are finished with the Minister of Finance yet. But, Mr. Chairman, I was about to say when I was so rudely interrupted by the honourable and ignorant member for St. John's East, who is just like a child, who behaves like a child, Sir.

MR. MARSHALL: I have to go home, Mr. Chairman, I have to go home.

MR. NEARY: Another colleague of the Premier who is dragging him down, both he, and the Minister of Finance. They talk about my colleague, the Leader of the Opposition, that very wonderful gentleman, that honourable man, that gallant and courageous Newfoundlander, that brilliant Newfoundlander, that genius, the Leader of the

Opposition who is on the threshold of becoming Premier of this province. They joke about that, Sir, but the Hon. Premier better wake up. It is the Minister of Finance with his fiscal policies and with his attitude towards the people of this province who are beneath his dignity looks down his nose on them, that is what is dragging this administration and dragging the Premier down. The sooner the Premier realizes that the better for himself. I hope he will never realize it. It will make life more difficult for us. But I think if the Premier decides to give the Minister of Finance a flick, he will emerge the hero, he will be a hero overnight.

I would say Thank God we have one Leader, one Premier only and not two.

But, Mr. Chairman, the point I was going to make when I was interrupted by the Member for St. John's East, that it would seem to me, Sir, that we are in precisely the same situation in Newfoundland as we were prior to Confederation. What makes me say that, Mr. Chairman? Well what makes me say it, Sir, is this: We had Commission of Government in Newfoundland for twenty-odd years. During that period of time, Sir, we had record unemployment in Newfoundland. We had people of this province living on six cents a day, we had hungry people. we had sick people. we had public services that were deteriorating and yet, Mr. Chairman, Commission of Government when they wound up their affairs after Confederation had a surplus of \$40 million.

Now that may have looked great in the eyes of Westminster over in England, Sir, but they had a surplus of \$40 million, Mr. Chairman, while our people were starving, while our people had no public services and while our people had no opportunities for employment. Do we not have an identical situation in Newfoundland today, Mr. Chairman?

We had a Minister of Finance a few weeks ago with a surplus of \$14 million, a surplus the same as Commission of Government. They had \$40 million, that is the only difference. The only difference is in the figures - \$40 million, \$14 million.

The Minister of Finance - "The Department of Tourism is pleased to invite you to attend the premiere Newfoundland showing of its newest "

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

MR. NEARY: Tourist vote.

MR. PECKFORD: This is not relevant to reading this piece of correspondence that the honourable Member for Bell Island just came -

MR. NEARY: How does the member know? Sir, I did not finish it yet.

How does he know it is not in order?

MR. PECKFORD: I know what the letter he has there -

MR. NEARY: Well can the honourable member -

MR. PECKFORD: Mr. Chairman, on a point of order. Is the honourable Member for Bell Island suppose to sit down when I get up to make a point of order, Mr. Chairman?

AN HON. MEMBER: Yes.

MR. PECKFORD: That is the first point of order, is he suppose to sit down? After I have a ruling on that, I will proceed with my second point of order.

MR. NEARY: Mr. Chairman, to that point of order, Sir. This letter, Mr. Chairman, is another example of the extravagant -

MR. PECKFORD: Mr. Chairman -

MR. NEARY: Hold on now, just one minute.

MR. CHAIRMAN: Order, please!

MR. NEARY: The extravagance and the waste -

MR. CHAIRMAN: I say that both honourable gentlemen might resume their places. I have heard the honourable gentleman's point of order. It is well taken. The honourable member is reading a letter which certainly has nothing to do with head 401-01. To make comment on it, as I think he was about to proceed to do.

MR. NEARY: Another example, Sir, of the extravagance and waste of this administration. This film which is approximately half an hour in length is the latest production of Mr. George McLean and has for its prime topic various seascapes in and around this province. Take it out in

the men's room, give us a better quality paper, Sir, and bring it out in the men's room.

MR. PECKFORD: On a point of order, Mr. Chairman. The honourable Member for Bell Island was once brought by the Chair to order on the fact that he was not suppose to be reading that letter in his speech on the estimates for the Department of Finance. After you ruled, Your Honour, he resumed his place and started reading that letter, same piece of correspondence again. Now, Mr. Chairman, I ask you to rule, once and for all, that the honourable Member for Bell Island was out of order, that he was not suppose to be reading it. You ruled that way and then he continued to do so.

MR. ROBERTS: On a point of order, Mr. Chairman. I heard Your Honour's ruling as did every member of the committee. Your Honour said that my colleague was not to read the letter nor had he. Your Honour did say that my colleague could refer to the letter and he has. I submit that he should be allowed to go ahead and refer to the letter.

MR. NEARY: It is on the floor now, Sir.

MR. ROBERTS: Apparently it is on the floor, It is on the floor in more ways than one. But I submit the point of order is not well taken, Your Honour's ruling was clear. My colleague is adhering to Your Honour's ruling.

MR. PECKFORD: Mr. Chairman, the Leader of the Opposition states that when he spoke, that you ruled that the honourable Member for Bell Island was allowed to refer to the letter. Well in actual fact the honourable Member for Bell Island did read again words from that letter which you ruled was out of order.

MR. CHAIRMAN: I think we are having a tempest in a teapot here. Certainly it is not a matter of extreme importance. The honourable member has made his point concerning the letter, In fact, I think he discarded the letter. He was brought to order on its relevance and I think after a brief comment on it, which may or may not have been a quote, it may have been a paraphrase, he then indicated he was moving on to other matters. I suggest the he continue matters that are relevant.



MR. NEARY: Mr. Chairman, on this whole matter, or at least the Minister of Tourism, if the paper were a little softer I would suggest that they put it out in the men's room.

MR. PECKFORD: Inaudible.

MR. NEARY: Sir, I am quite within my rights and if the honourable Member for Green Bay do not know the rules he should go out and learn them and not be making a fool of himself.

MR. PECKFORD: Inaudible.

MR. NEARY: Is that so?

What was the honourable member told over on Bell Island the other day when he was over to our meeting over there? Incidentally, Mr. Chairman, this is the first opportunity that I have had to express publicly my appreciation to the Premier, and I am really sincere in this, for co-operating in this matter of trying to improve the Bell Island ferry service.

I deeply appreciate the fact that the Premier had his executive assistant come to Bell Island on Easter Saturday and indeed the Minister of Transportation and Communications, gave up their time on Easter Saturday to come over to Bell Island to attend this public meeting. I can tell the Premier that it was very, very much appreciated.

MR. CHAIRMAN: Order, please!

The honourable member is - I have lost count of how many times I have interrupted the honourable member in the last twelve hours, approximately twelve hours we have been debating Head 401-01.

MR. ROBERTS: Twenty-two hours gone eh?

MR. CHAIRMAN: I suggest to the honourable member if he has new points to make, or he could yield the floor because he is tending to get into matters that are irrelevant and repetitious.

MR. NEARY: Mr. Chairman, this is the first opportunity I had to express my appreciation to the Premier. We should be doing more of this and perhaps we would not be in the hassel we are in. But, Sir, I was comparing this administration to the Commission of Government. The only difference was that they had \$40 million and the present Minister



of Finance had \$14 million, which he should have used, in my opinion, to offset an increase in taxes, instead of transferring it over to capital account. He should have used it either to hold the line or to stave off an increase in taxes.

Sir, I say today that as a result of the minister's budget that people are giving up in despair, they are pessimistic and that is why we are having so many labour disputes. We have one now down at Come-By-Chance.

AN HON. MEMBER: Inaudible.

MR. NEARY: I think this is in order, Sir.

The main cause of that strike down there, Sir, I would say is Newfoundland workers versus Mainland workers. That is right. Who gets the preference? Well, we have the same -

MR. CHAIRMAN: Order, please!

MR. NEARY: Hold on now! Give me a chance to make my point.

MR. CHAIRMAN: Order, please!

The honourable member is commencing to make a point that is irrelevant. Head 401-01 is called to order.

MR. NEARY: Well, Mr. Chairman, the fiscal policy of this administration certainly when you are speaking gives you a pretty broad scope. I think the fiscal policy has some bearing on the employment situation in the province, the spiraling cost of living, inflation gives us,

an opportunity to talk about anything, Sir, practically. Obviously the House Leader, the Government House Leader, has postponed the budget debate. We have got to get our shot away sometime. Sir, if I am not in order by talking about these strikes and what is causing these strikes, well, I may as well give up and sit down. I may as well follow the example of all the people of this province, throw up my arms in defeat. I will never do that, Sir. I will keep fighting until we get the bread-and-butter issues on the floor of this House.

I think the administration has made a grave, political blunder in taking the additional revenue out of the hides of the working class people instead of out of the rich and the wealthy and the big corporations. They have made a grave, political blunder, Sir. In two provincial elections they have built up people's hopes and expectations in this province. Now they have double-crossed the people. They knifed the mothers first and then they did a hatchet job on the students over at the university.

Now, they are going to finish it off, polish off their track record by sticking the knife into the ordinary working-class people of this province instead of taking it out of the rich. The minister should have done it. I would have been one of the first to stand in my place in this honourable House and commend the minister if he went after the big corporations, the giants, the multi-corporations, the big businesses, or would that be a little bit too close to home? Would it be too close, Mr. Chairman?

I have often said, Sir, that the whole trouble in this honourable House is that we do not have enough members in here with ordinary Newfoundland common sense. We have too many lawyers in the House and too many business people. How can they think like ordinary people, like ordinary working class people? How can they, Sir? Mr. Chairman, they do not even look like Newfoundlanders most of them. They do not even look like Newfoundlanders, swinging their brief cases. One would swear they were from Wall Street, like a bunch

one sees getting off a plane if one went down to Torbay, coming in to try to fleece a few dollars, milk a few dollars out of poor old Newfoundland. They do not even look like Newfoundlanders.

What we need in this House, Sir, are ordinary people who are faced with the cost of living, who are faced with lack of housing, who are faced with problems of trying to pay a mortgage, trying to meet their mortgage payments and trying to keep body and soul together and trying to clothe their children and send them to school.

My God, Mr. Chairman, is it not about time that the people of this province woke up to the fact that the criteria for brains in this province is not wealth. It is not money. It is about time the administration realized that, became a little more sensitive to the real needs of the people of this province.

Mr. Chairman, we went out of office in 1971. We went out at a time, Sir, when things were more or less on an even keel. There was no energy crisis. There was no spiralling cost of living. There was no inflation worth talking about. There was no record unemployment. All these things have happened in two years of Tory administration. They are now going into their third year, Sir, and they have not produced an original idea yet. They have not created one job. Anybody knows anything about -

AN HONOURABLE MEMBER: The opposition over there knows.

MR. NEARY: That anybody knows anything about, Sir. All they are doing is making the rich richer and the poor are getting poorer in this province. They cannot take it much longer, Mr. Chairman. It is all due to the fiscal policy of this administration.

The Minister of Finance when they were first comfortably installed in office immediately started an attack on outside businessmen, entrepreneurs and businessmen and industrialists coming into Newfoundland. "Sir, we are not going to give the province away. The other crowd gave it away but we are not going to give it away." My God! I wish they would do something. They drove them all away.

There are still a few things around to be had. I here the

Premier and I quite agree with him. I used to refer to it as the four p's in this province. We have the four p's. We have people. We have profit potential. We have power and we have ports. The Premier mentioned them the other day but he only mentioned three p's. He did not mention the people. We have it all in this province but it is no good just lying there, Sir, it has to be developed.

I wish the Premier had a few more people with him that could help him develop because it does not make any difference what political party you belong to, Sir, it is the province that counts. It is the province, Sir! What is that?

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: No, I will not. What planks? I would probably be driven out of Newfoundland if I lost an election. I certainly would not get a job with the Crosbies, I can tell you that right now. I do not think I would get on the staff of the Minister of Mines and Energy. I might though, I have some underground experience.

I would be like, Sir, tens of thousands of other Newfoundlanders. I would have to leave and go up to Ontario. You know who would come into Newfoundland and get the job, Sir? The fellows with the mid-Atlantic accent. The Blimeys and the foreigners would come in just as they are doing right now. Why if you went through the public service their are 27,000 people on the payroll of the government. I would like to go over it with a pencil and tick off the foreigners that are there, the so-called experts.

Go down to Memorial University. What happened to our own people? I can tell you what happened to them. They were driven out of the province. They were told not to come back. They did not believe in inbreeding. (Was that it?) The academics,

So, the Newfoundlanders leave. I know because I have a brother that had to leave.

AN HONOURABLE MEMBER: Inaudible.

MR. NEARY: Who brought them in?

AN HONOURABLE MEMBER: You fallows.

MR. NEARY: We did not hire the crowd out in the liner board mill in Stephenville, did we?

AN HONOURABLE MEMBER: No.

MR. NEARY: No, he is darn right we did not. No, that is right.

AN HONOURABLE MEMBER: John Doyle was from Pouch Cove.

MR. NEARY: John Doyle is not on anybody's payroll in this province, to my knowledge. There may be other people here on his payroll. What about Mr. Shaheen? Is he from Pouch Cove?

MR. ROBERTS: No, he is from Bauline actually.

MR. NEARY: Right.

MR. ROBERTS: Now that is not the same John Shaheen as they used to attack.

MR. NEARY: No, that is not the one that stood here on the floor of the House and took all the abuse and criticism from the Minister of Finance. That is not the same one.

MR. ROBERTS: A different man altogether.

MR. NEARY: Nevertheless -

MR. CROSSIE: He is a reformed character now.

MR. NEARY: Oh yes, he is reformed now. No bridge financing nor anything like that.

Mr. Chairman, all this honourable crowd are interested in, Sir, is this zeroing in on businesses and industries that have any connection or any identity at all with the former Liberal Administration. The Minister of Finance, Sir, cannot get over it, cannot get the hate out of his system. Anything that Jqey had anything to do with, he wants to either nationalize it or take it over. It is costing the tax payers of this province a small fortune.

What the Minister of Finance does not realize, Sir, is that it is not the big things that the government do that get them re-elected, get them back in power, it is the little things in life that count, Sir, the little things. Take off a few dollars off taxes here, give them a little concession here.

AN HONOURABLE MEMBER: The tax for chocolate bars. <sup>1</sup>

MR. NEARY: There is the author of the chocolate bar tax right there.

What about putting a land speculator tax up there on the South Shore of Conception Bay?

AN HONOURABLE MEMBER: A big job for me.

MR. NEARY: No, we are not the administration but we will do it when we do become the administration. That minister came in here one day and talked about somebody giving away \$250 he said to repair a road during an election campaign. How much did that minister give away the other day? \$2,500? Where did it come from? Out of the pockets of the tax payers of this province. No? Indirectly? Who is he trying to cod? If they are going to live in galss houses, they better not throw stones. That is right. If one live in a glaßs house, do not take a bath.

So, Mr. Chairman, I would say that this government has made a very



very grave political blunder and it will come back to haunt them, Sir, because in two provincial general elections they built up the hopes and expectations of our people and now they have let them down. I would submit, Sir, that the Premier of this Province, who is the only man who can call an election, should give the people an opportunity to express their views on the minister's budget at the earliest possible opportunity through the polling booth. That is the only way they will ever get their answers, Sir. I can stand here for weeks and months and preach to the Minister of Finance and the administration, it is like water on a duck's back. They do not listen. They are insensitive to the needs of the people. My God! I am telling you, Mr. Chairman, all one has to do is to go around this province today and listen to people. Listen to them!

Mr. Chairman, the next time I go out off Confederation Building, I will take a tape recorder with me and I will tape the conversations. Is one allowed to play a tape in the House, Sir? If one be allowed, I shall play some of the comments for the administration. I think the people of Newfoundland should be given an opportunity as quickly as possible to express their views and their objections to this infamous budget at the polling booth at the earliest opportunity.

MR. CROSBIE: Mr. Chairman, I was not going to answer the honourable gentleman because his meanderings were even more obtuse than usual. There is only so much one can take of listening to Liberace, at least I believe his hair style is that of Liberace. I do not know who his hairdresser is but I am certainly going to make inquiries.

Now, Mr. Chairman, the honourable gentleman is a veritable tiger. He is a veritable raging tiger as to what he would do with the corporation, the business people, the wholesalers and the retailers if he were in power. The funny thing is, Mr. Chairman, that he was in power from the middle of 1968, he was in the cabinet until his government was reluctantly dragged, screeching, howling, bawling, shouting, raging and crying from office on January 18, 1972. What

did he do during that time in power? Did he introduce a land speculators' tax? No, he did not introduce a land speculators' tax. No, he introduced the chocky bar tax and a soft drink tax. That was the honourable gentleman opposite. I was a lowly backbencher when he did that, a shocking piece of stuff. He was there in 1967 when the sales tax went up from five per cent to six per cent. There was not a word from him, not a word from the Member for Bell Island. One would think listening here this last couple of days, Mr. Chairman, that the Member for Bell Island would have gone berserk in 1967, when his own party upped the tax one per cent. One would think that in 1969 his rage would know no bounds when it went up another one per cent. One would think that he would have faced right up to Mr. Smallwood and said: "I, Steve Neary, am a friend of the common man and the toiling masses and I will not tolerate this imposition upon the poor working man of the province. Mr. Smallwood. I will not tolerate it." But did the honourable gentleman do that? No, he did not do that. He wrung Mr. Smallwood's hand and congratulated him on his wonderful budget that he brought in. That is what he did.

Mr. Chairman, here he is today, liberated. In January, 1972, we liberated leather-lungs because before January of 1972, we heard nothing Neary, nothing from Neary. We heard in 1966 how he found a contract on Bell Island that was going to be signed and that is the last thing that was heard from him until 1972.

Now, what is all this business about outside business? He is very inconsistent, Mr. Chairman. He wants to pound, pummel, tax and crush the businessmen of the island. He wants to give them the works. "The wholesalers do not do anything. They do not deserve anything, the wholesalers." I do not know why somebody pays them a commission if they do not do anything. Apparently the upper Canadian businessmen are foolish. They use wholesalers in Newfoundland and pay them a commission and the wholesalers here do nothing. He wants to stomp, crush and tax them unmercifully. He will tax the business

community, the pip-squeak, to hear him talk now. What did he do when he was in power? He did nothing. What does his compatriots do up in Ottawa? Here is this flaming socialist from Bell Island, Brother Neary, the Member for Bell Island, the honourable member. What does this crowd do up in Ottawa that he admires so much, Pierre Elliott Trudeau? I think the honourable gentleman has two children named after him. One name Pierre and one name Elliott, if I remember correctly.

AN HON. MEMBER: Eloise.

MR. CROSBIE: Pierre and Eloise, named just at the time, twins.

MR. NEARY: Pierre and Monique.

MR. CROSBIE: Pierre and Monique. He has some French blood there.

He is such an admirer of Trudeau or Trudo or Trudove or whatever way the real Frenchman pronounce it that he has his twins named after Pierre. Now what do his buddies do up in Ottawa? If he is on the same Liberal wave length as they are, obviously they must be really taxing the corporations. Well let us have a look.

Sir, in 1972, the federal budget was brought down May 8, 1972, what did it do? Well holy smokes! It cannot be, it just cannot be, it cannot be the party that the Member for Bell Island is a member of. Did they do this? No! It cannot be! In the area of corporation income tax, the budget announced the general rate applicable on manufacturing and processing income earned in Canada would be reduced to forty per cent. What! The Liberal Party reduced taxes on the corporations? What? Can this be? Is it? What? Look!

AN HON. MEMBER: No!

MR. CROSBIE: It went on to say that the special rate applicable to the first \$50,000 of business income of Canadian private companies would be reduced to twenty per cent, where such incomes were derived from manufacturing and processing operations in Canada. Is this gentleman opposite still calling himself a Liberal? Is he the one who we hear in this House praising the Government of Canada, that

great Government of Canada, great Liberal Government of Canada?

It is too inconsistent. These changes were to become effective on January 1, 1973. The budget also provided for the full depreciation in two years of machinery and equipment purchased after May 8, 1972 by Canadian manufacturing and processing concerns and other concessions.

Mr. Chairman, has anybody in this House ever wondered why our corporation tax returns have not increased? Let us see what our corporation tax returns are. Let us see. Let us see what the honourable gentleman's cohorts up on the Mainland have done to our corporation tax returns as we look at page forty-seven of this magnificent document. Will we get it? "Corporate income tax." I have the wrong page but I am going to find it. If I do not find it, I will make it up. The facts are, Mr. Chairman, that our corporation income tax has not increased over the last several years. I cannot find the exact page but I will.

AN HON. MEMBER: (Inaudible).

MR. CROSBIE: That shows an increase.

AN HON. MEMBER: Oh!

MR. CROSBIE: That cannot be. I will get the right table in a minute.

Anyway, when we check the figures, we will find, Mr. Chairman, that our corporate income tax has not increased over the last several years. The reason it has not increased is that Canada provided these extra-generous - Mr. Turner, the Federal Minister of Finance, provided these extra-generous capital cost allowances and quick depreciation and special allowances and special depreciations. We remember that the New Democratic Party were against them or the New Democratic Party and the Member for Bell Island were against them. That is why our corporation income tax has not gone up, because they have been given incentives by the Federal Liberal Government at Ottawa.

Mr. Chairman, I am surprised that the Hon. Member for Bell Island has not gone berserk. Here is Ottawa taxing the poor and giving it to the rich. All the applesauce we heard in the last few

minutes, if the honourable gentleman were correct when he said it, is really applicable to the Government of Canada.

Now what did the 1973 federal budget do? It also referred to the income tax changes introduced but not passed in the previous year. Oh yes, they were not passed in the previous year. The Leader of the Opposition did not warn everybody in 1972 about that. One would have thought that the Leader of the Opposition here would have told the people of Canada in 1972 not to pay their taxes. Remember I said this morning that the budget was brought down on May 8, 1972 and introduced all these changes and was not passed into law until 1973. The Leader of the Opposition was not scurrying around Canada then telling them not to pay their taxes, as he is trying to do here in this House today. That is just one example of the Hon. Member for Bell Island's inconsistency.

Now, Mr. Chairman, he is against Newfoundland businessmen. He wants to crush them. He wants to tax them. He wants to squeeze ~~them~~, our own businessmen, but the outside businessmen, the John C. Doyle's and the John Shahaen's and what other ones there were, he gets angry, he gets disgusted, he gets all put out when anybody attempts to tax them. No, his friends he does not want taxed, John C. Doyle and so on. They got exemptions, they were exempt from the sales tax, they were exempt from the gasoline tax and they were exempt from the corporation tax. The oil refinery at Come-by-Chance was exempt from all taxes, all taxes. "Will the people take off," the anti-Confederation song! They were exempt from all taxes under



that gentleman's government. The Premier just produces the figures here. We collected in corporate income tax, in 1973-74, \$16,336,000 and in the year coming up we estimate we are only going to get \$15,752,000 because of these capital cost allowances and the like that the Liberal Government in Ottawa introduced. That is the honourable gentleman's confereed and he is trying to say that they are taxing the poor and giving it to the rich, but do not tax Doyle, do not tax BRINCO, do not tax BRINCO, no.

He said this morning that BRINCO was ready to go ahead. Yes, they were ready to go ahead if they paid no sales tax and they paid no gasoline tax and they had rebated half of the corporation tax and we continue to get the low royalty rates that were negotiated in 1963 or whenever. He is very very friendly to these big, international, multi-national corporations but to our own crowd of local Newfoundland businessmen who scabble their way up and work hard and establish a business, no, he wants to crush them. He wants to stomp them. He wants to tax them. Now, if that is not inconsistency I do not know what is. It is inconsistent by itself and it is totally contrary to the federal Liberal policy, totally.

I hope the honourable gentleman is listening now and we will not hear any more of this kind of nonsense from him. There will be no more concessions. We have told all of the outside businessmen, "No, Sir, you have to pay your sales tax, your gasoline tax and pay your corporation tax if you come to Newfoundland, and your income tax. You have to pay your taxes."

We are not just going to tax the poor Newfoundlanders and let the outside man come in here tax-free. We stopped that. That was a great Liberal programme that we put a stop to.

Now, the honourable gentleman says, "This budget protects the rich and bleeds the poor, taxes the poor and pays to the rich." Who are the rich that are being paid out of this budget, Mr. Chairman? Are they the pensioners that were getting \$2,000 and less or the pensioners that were getting \$4,000 or \$5,000 or \$6,000? They are being paid out of this budget. Is the hospital workers or the open vote employees? Is it the social assistants recipients whose social assistance have been increased considerably this year? Is it the



patients that are going to hospitals that we are paying more for? Is it the school boards? Are the school boards the rich ones that are getting the benefit from this budget? Can we class them as rich? Not to hear and listen to them. They are not getting enough, they say. Is it they? Is it the students at Memorial who have gotten better student assistance? Are these the rich? They are being helped in this budget. Is it the nurses? Is it the retarded children? Is it the children in the children's homes? Who is it? Who are the rich that are getting all the benefit from this budget that the poor are being taxed for?

What a cheap ridiculous statement, silly on the face of it, stupid, frivolous, mischievous, inconsequential and I can call it a whole lot of other things but I will not.

AN HONOURABLE MEMBER: Do not get nasty.

MR. CROSBIE: No, I never get nasty.

Now, Mr. Speaker, we heard the honourable gentleman suggest that other provinces are holding the line on taxes. The honourable gentleman never bothers with facts. The facts are like chaff before the wind, forget the facts. He has a colourful turn of phrase. He shines among his conferees across the House. He is like a bright star among the dim bulbs on the other side of the House, with certain exceptions. He has a problem. He is outshining the Leader of the Opposition and he knows that if he use facts he shall not outshine him that much.

Now, what happened in taxes in the other provinces? You know, if the people of Newfoundland listened to the member for Bell Island they would think they were the only ones in the country being taxed. Well, let us look at these other provinces. I am sure I got it here somewhere, yes.

The corporate income tax: Now the honourable gentleman wants it thought that this government and this Province do not tax businesses. So we look at the corporation income tax provincially and we see what is what, who is taxing what and who imposes the highest taxes.

It is all here. It is only a question of patience. Other important taxes -

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: There are statutory authority, insurance premium, yes

AN HONOURABLE MEMBER: Carried.

MR. CROSBIE: No, it is not carried yet, brother. I want to go the whole seventy-five now. No, Sir, we are not leaving finance for seventy-five hours. They started it and we are going to finish it and finance is as good as any to finish it. I will find it here somewhere.

Anyway, okay, look at the corporation tax. The provincial corporation tax rate in Newfoundland is thirteen per cent - thirteen. The provincial corporation tax rate in Prince Edward Island is ten per cent - three per cent less. Is it true that Prince Edward Island has a Liberal administration? Yes, it is true. Could it be true that the Liberal friends of the member for Bell Island in Prince Edward Island only impose a ten per cent corporate tax? He does not mean to say that they tax the poor and give to the rich. Apparently so; there rate is only ten per cent.

Let us move on to "Novie Scotie" where that great Liberal administration has just been returned to power. What is the corporate tax rate in Nova Scotia? Ten per cent. What? Ten per cent? Only ten, Nova Scotia, that Liberal province and it is only ten and in Newfoundland it is thirteen and we are the friends of the businessmen and crushing and stomping on the poor and not doing anything to the businessmen. Ten in Nova Scotia where they have a great Liberal administration.

Then we move to New Brunswick. What is the rate in New Brunswick? Ten per cent, ten per cent in New Brunswick - three per cent less than in Newfoundland.

What is the rate in Quebec? Quebec has a rate of twelve per cent - twelve in Quebec, one per cent under Newfoundland. Quebec has got a great Liberal administration.

Then we look at Ontario. What is the situation in Ontario? Twelve per cent - still one per cent under Newfoundland.

Then we look at Manitoba which has a NDP Government, the NDP - thirteen per cent. The only two governments in Canada that have a thirteen per cent provincial corporation tax are Manitoba, the NDP, and Newfoundland, the P.C. Is the NDP Government the great friends and protectors of the business classes of Manitoba? Not to listen to the businessmen out there. They are yelping and screeching like stuffed pigs in Manitoba. The NDP Government in Manitoba has got a rate of thirteen and Newfoundland has a rate of thirteen per cent.

Saskatchewan, NDP, has a rate of twelve per cent. It was put up to twelve per cent last year.

Alberta has a rate of eleven per cent and that may have gone down this year. I have not got this year's figures.

British Columbia has a rate of twelve per cent. The NDP Government in British Columbia has taxed the corporations there twelve per cent.

So the highest corporate tax rate in Canada is imposed in Newfoundland and Manitoba. Does that bear out the member for Bell Island's allegation about how we are not taxing the business people. I do not think it does and I will leave it up to the rest of them to judge for themselves.

Now look at the sales tax. We already know that seven per cent of that infamous sales tax is Liberal, Liberal. From one to seven the Liberals put it up and if the Liberals were still in power I venture to say that it would be nine or ten now - nine or ten. The children's clothing would not be exempted and the fuel and stove and furnace oil that the Neary administration taxed would still be taxed. We exempted that.

AN HONOURABLE MEMBER: Down, down, Neary sit down!

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: We take this as an announcement.

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: Mr. Chairman, I set the record straight. There has never been a Neary Administration but if that gentleman is bold and daring

enough, as we have caused in this House to think he is, to throw his hat in the ring this fall, there will be a Neary Opposition. I do not think there will ever be a Neary Administration.

Now, the sales tax: Yes, one to seven was the Liberal. Right. And four points out of the forty income tax points are P.C. and thirty-six are Liberal - thirty-six Neary points on the income tax. When you do out your return next year remember, thirty-six Neary, four Moores - thirty-six Neary, four Moores.

MR. NEARY: That will be the result after the next election. Thirty-six Neary, four Moores?

MR. CROSBIE: What about the other eleven?

MR. NEARY: Inaudible.

MR. CROSBIE: Anyway, Mr. Chairman, eight per cent. Now finally in Newfoundland, under the pressure and press of events and to carry on our services, our rate went to eight per cent.

What happened in Prince Edward Island? Their sales tax rate went to eight per cent in 1971. That is a Liberal administration but they had to do it.

In New Brunswick, in 1969, when the Liberals were in in New Brunswick, Louis Robichaud, their rate went to eight per cent in 1969. The Liberals have been taxing New Brunswick or is it eight per cent since 1969 and the Liberals have been taxing Prince Edward Islanders at eight per cent since 1971.

Then in Quebec, the Quebec rate went to eight per cent in 1967. The Liberals have been taxing the Quebecers eight per cent sales tax since 1967

and in the other provinces and the honourable gentleman is saying there have not been any tax increases this year in Ontario except he did mention a couple. Last year Ontario raised the sales tax, two per cent in 1973. The rich province of Ontario raised the sales tax from five to seven per cent. I could go on through every province until we strike the lucky province of Alberta which as we all know is very fortunate with gas and oil and practically is reducing its taxation instead of advancing it.

So all this kerfluffle, Mr. Chairman, the honourable gentleman opposite is getting on with, what is the point of it all? Why are they not anxious to look at the estimates, see what is in the estimates and ask questions and get some information? Why are they just using this as a propoganda vehicle? Why are they trying to encourage civil disobedience and tax riots in the province of Newfoundland? The honourable Leader of the Opposition must think that this is a new Boston Tea Party.

I challenge the honourable Leader of the Opposition not to pay sales tax, dump himself in St. John's Harbour and we will see what happens. We will give him the full measure of the law. I would like to see him down there now with the old tea chest, heaving his cup of tea right in the harbour, right into the harbour, if he really mean what he says. He is the new what is it? Paul Revere. He is a new something. I am not going to name it. He is the new nameless; because never before in the history of our parliamentary traditions has the Leader of the Opposition incited people to violate the law. Never!

MR. MARSHALL: Has the member for Bell Island agreed with him yet?

MR. CROSBIE: No, not yet. Oh yes, Mr. Chairman, never before have I seen such a vicious attempt by one member to have another member lose his job. "Oh yes," he says to the Premier, "Give him the flick." He must have seen that movie years ago, "My Friend Flicker," the horse. "Give him the flick," he says, "Give the Minister of Finance the flick." What kind of advice is that? "Give the Minister of Finance



the flick." What am I going to do the next day if I get the flick? I get the flick. I am without a job. \$12,000 a year gone. The member for Bell Island has no consideration for that. He wants to see me fired.

AN. HON. MEMBER: No heart at all.

MR. CROSBIE: Well thank heavens we have got a merciful and humanitarian Premier! Thank God for that!

AN HON. MEMBER: He does not know how lucky he is.

MR. CROSBIE: Oh yes, the honourable gentleman for Bell Island said that he would be the first to stand in his place and go after the big corporations. That is what he said. Imagine! He would go after the big corporations. You can see him now tackling BRINCO, tackling Canadian Javelin, tackling Newfoundland Refining, tackling Shaheen Natural Resources, He would tackle them all. He would be some tackler because you cannot mention them in this House without the honourable gentleman up praising them, how wonderful they are to this province, how wonderful they were, how close he is to them. and how we are driving the outside businessman away. But when it comes to our own Newfoundlanders, what is the matter with him? Is he jealous of them, the ones who went out and worked hard and made a success? Is there something wrong with a man going into business and working hard and making something out of it?

You know we all realize that businessmen can be selfish and some of them are selfish and some of them are public-minded and some are not. Some of them are public-spirited and some are mean and stingy devils. There are all kinds and types. But as a group does the province and the country not depend on the entrepreneur? Why should they be singled out and stomped on?

By the way, the suggestion that we are taxing the poor and not the rich of course is completely knocked on the head by the personal income tax increase. I refer to page 28 of the Budget and I have a much more detailed chart. We see that a man making \$6,000 a year



under that tax increase, who is single, will pay \$30 a year, who has a wife will pay \$18, who is married with two children will pay \$13, who is married with four children will pay \$8 a year. But the man who is making \$25,000 a year, like the honourable gentleman from Bell Island.

MR. NEARY: No, no, not near it.

MR. CROSBIE: All right, the honourable Leader of the Opposition then.

MR. NEARY: Now that is better.

MR. CROSBIE: A single person with no dependents, \$258 more it will cost him, a married person with a dependent wife, \$237 more, with two children, \$228 more, with four children, \$219 more. Now is that a tax that punishes the poor? It is an income tax. It is progressive. The more you make the more you pay. The man making \$4,000 a year, married with two children, will pay no additional. That is the income tax. Unfortunately the only main source of revenue that we have in Newfoundland, the only source that brings us in anything substantial is the sales tax and one per cent on that brings in \$10 million.

Liquor revenue is going to be \$26 million this year because we got a smart, alert, reorganized, revitalized, rejuvenized, re-energized, efficient, properly run, not politically interfered with Newfoundland Liquor Corporation where they are doing a cracker-jack job, a wonderful job. This is the "Wine Rack."

AN HON. MEMBER: A George McLean special?

MR. CROSBIE: George McLean has not got anything to do with the Newfoundland Liquor Corporation. He may buy our product but that is all. George McLean, Sir, has nothing to do with this. Nothing! This is produced by our own people, the Newfoundland Liquor Corporation. The first issue of their new volume one, number one of "Wine Rack", a quarterly publication for all employees of the Newfoundland Liquor Corporation. It is a magazine for their internal use, for their own employees.

AN HON. MEMBER: Who pays for it?

MR. CROSBIE: It is paid for by the Newfoundland Liquor Corporation.

Do you know what it costs? \$200 an issue and they are going to have four a year. It shows what has happened down in that corporation. It shows the barrel, the bottle, the blending department, how you make screech, the new store in Springdale, the organization -

AN HON. MEMBER: Inaudible.

MR. CROSBIE: Yes. It is to give the employees some pride - pride they never had before. Two years ago they were a dispirited, beaten down lot. The Liquor Commission rife with patronage and corruption. Now they are independent. They have their own Board of Directors. They operate independently and they are run on business lines. We are tremendously proud of the improvement there has been there. Here is a copy for the honourable gentleman. If anybody want a copy of that it will show him the kind of progress that has been made in the Newfoundland Liquor Commission. I have a lot more to say about the Newfoundland Liquor Commission. Will I say it now? Will I let them go on for a while? No, we will let them go on for a while. Variety. Besides I have a bad cold today but by Tuesday, Sir, I am going to be ready to talk, I am going to be in first class shape for talking. Have I missed anything? Any little bit of nonsense that I have not contradicted? No, I think I have caught just about everything that the honourable gentleman had to say that was worth catching. I am sure there are other people on this side of the House who have a contribution to make, because it will be the first time in our history, seventy-five hours was ever spent on the minister's salary in the Department of Finance. It is going to be a proud occasion in our history and I challenge all members of the House to get up and speak on this most important topic.

MR. MARTIN: Thank you, Mr. Chairman, Not having the mastery of the rhetoric of the honourable members for St. John's West or Bell Island, I will be very brief. I have only a few comments to make on this subhead. I have for the minister four questions, caught and dried and barbecued.

April 19, 1974, Tape 1225

NM -5.

The Report of the Auditor General has a question concerning a matter raised by the Auditor General on several occasions over the last three years at least - dealing with inefficiency within the Finance Department. Now there are many instances here. I will just quote one or tow of them,

to give the House some idea of the matters to which I refer:

I am quoting now, "A review of the tobacco tax returns for the year 1972-1973 discloses that four licensed collectors of the tax were delinquent in submitting monthly tobacco tax as follows:" It goes on to list them.

Further on in the paragraph it says; "The Company was audited by the Department of Finance in November 1972, for the period of January 1, 1969 to June 30, 1972 and was assessed tobacco tax amounting to \$44,370.50 for that period. The company has to date of our audit not acknowledged this liability." That is one instance. That is page number (34) - (35). On page (36) Item 28, I will just give excerpts here. I merely want to illustrate the point I am raising. "At the date of audit, December 17, 1973, assessment notices have not been issued to ten companies for each of the calendar years indicated." The ten companies are listed.

Further on it says, "In my opinion," this is the opinion of the Auditor General, "Appropriate provision has not been made within the Department of Finance for preparing and issuing all required assessments, and this deficiency requires immediate remedial action.

"Failure of the Department of Finance to collect all royalties payable by Iron Ore Company of Canada and other related matters: - In my last three reports to the House of Assembly I have reported at length the results of inadequate provision for the collection of mining taxes and royalties and the prompt examination and assessment of returns submitted by mining companies, particularly as it relates to returns submitted by the above noted company," that is the I.O.C.

Now they are talking about "...the resulting loss in revenue to the Province was \$197,806. The total underpayment of royalty at that date," this was in 1971, "\$887,300."

Further on it says, "... a matter which would ensure the collection when due, of all royalty revenue owed to the Province." He is making suggestions as to what should be done.

Now, Mr. Chairman, these suggestions have been made over a period, as I have mentioned, over the last three years. Item 5, on page (40). "Iron Ore Company is responsible to the Province for royalty on ore mined under the provisions of The Labrador Mining and Exploration Company, Limited, Act. Tax is payable on its 'net income for royalty purposes' at the rate of five per cent. The Company has since 1956 been reducing its 'net income for royalty purposes' by deductions not allowable under the Act."

There is another reference with respect to money owed by DOSCO, I think that probably has been written off.

With respect to the timber - "Collection of revenue - Subhead 890-02-02, Timber royalties, \$108,468. - Audit of revenue from this source has disclosed the following:

- "(1) The department does not have adequate procedures for the subsequent collection of amounts due resulting from cheques returned N.S.F." (not sufficient fund). "My staff have cited examples of this to officials of the department and requested that written instructions be prepared detailing the procedures to ensure collection."

It goes on to illustrate how much revenue has been lost there.

On page (49) of the Auditor General's Report - "Water power rentals - Bowater's Company, outstanding revenue, Subhead 890-02-04. Grant and lease rentals, As of 31st. March, 1973 the department was owed an undetermined amount on account of outstanding leases. At the date of completion of audit (27 December, 1973) no accounting procedures had been carried out to determine the total of these accounts receivable outstanding."

The point I am trying to make, Sir, is that in this year of high inflation when we should be trying to scrape together every cent that we possibly can, when we should be making an effort, if we have to raise taxes we should be making an effort to streamline the administration so that this kind of thing should not be allowed to continue. Now I recognize the fact that this was a report dated March 31, 1973. It is entirely possible that remedial action has been taken. I would like

for the minister to clarify that point.

The questions I would like to ask in respect to that report are, has the minister in fact cleared up this inefficiency in the intervening period? What concessions have been given to the Iron Ore Company of Canada, and why, if any? Is there any chance of collecting the back taxes? They mentioned the figure of \$1 million, which is probably going to be written off. Now what I would like to know is, what is going on between the government and I.O.C.? Is there any kind of a special favour being granted here and why?

There are a couple of items I will get into later, on the different subheads. But just to touch on an item which the Hon. the Leader of the Opposition mentioned: In this year too, when we are trying to save money, perhaps the honourable minister should have brought in an austerity budget. I have no argument with raising taxes providing that the raising of taxes is fair and equitable and all around."

I heard the honourable gentleman mention on CJON television, I think it was last Sunday, that to tax corporations would only bring in \$3 million I think it was. I may be wrong on that.

AH HON. MEMBER: Inaudible.

MR. MARTIN: At any rate the point is whether or not the taxing of corporations would have brought in more or less than the personal income tax is not the point. If the honourable gentleman were going to raise personal income tax, then he should have at the same time raise the corporation tax.

The celebration of Confederation, twenty-five years of Confederation: It is all very nice to be able to go out and celebrate, I think we have a lot to celebrate, but I do not think when we are trying to tighten our belts, we should be lashing out all of that money for banquets and things of this nature. It is not in the Newfoundland tradition, I am certain. This is not the way that we have celebrated. Newfoundlanders have been celebrating for years and they certainly do not need government money to go out to celebrate. I am not suggesting that we do not celebrate the Twenty-Fifth Anniversary of Confederation but I do not think it is necessary



to lash out all these millions of dollars for it.

Later on I have - No, I do not think I need to get into this in this subhead. Those are the questions that I have for the minister at this point, those concerning I.O.C. and whether or not the \$1 million has been written off or whether it is collectable?

MR. CROSBIE: Well, Mr. Chairman, it is refreshing to hear somebody who is looking for some information and not trying to make some propaganda points in this debate.

Now with respect to the Confederation Celebrations, I appreciate the honourable member's view. That is an honest view. I am not appointing myself defender on behalf of the government over the Confederation Celebrations. He can quite honestly take the view that this is not money, you know that this is certainly not a priority in money that should not be spent and he can take the view that if we are going to celebrate the Twenty-Fifth Anniversary, then we have to bring it to all parts of the province and it is going to cost money. So I accept his view as being honest and a reasonable view.

Now the corporation tax: The fact is that we already have the highest, with Manitoba, corporation tax rate in Canada. We are not saying the corporation tax rate may not go up in the future but at the moment it is the highest provincial corporation tax rate in Canada. We have to keep an eye on what the other provinces in Canada are doing, in all their tax rates, of which that was already the highest.

In addition to which an increase in the corporation tax rate here does not bring us much revenue. - It can be gutted anyway by the fact that the federal government controls the conditions of the corporation tax, whether it is a fast write-off, whether what they allow for capital cost allowance and how soon and so on. It is all controlled by the federal government and it is out of our hands because they collected it for us.

But it is true perhaps we could have put up the corporation tax also. Another one per cent would have brought in \$1 million. That could have been done or it should not be done, it is just a decision as to whether

MR. CROSBIE: it is to the advantage of the province or not.

MR. CHAIRMAN: Order, please! Count the House.

MR. CROSBIE: Is it all right?

MR. CHAIRMAN: Order, please! Maybe it is for the sake of honourable members here, if I can find it here. A quorum count, the bells will be rung when it is brought to the Speaker's attention - in this case I perform the same role as Mr. Speaker, when his attention has been directed to the fact that there is not a quorum present, in order to ascertain whether there is an actual quorum present, he must ask the Clerk to count.

Upon ascertaining that there is not a quorum present, then the bells would be rung

Now, I ask the clerk to count the House.

We have a quorum.

MR. SIMMONS: Mr. Chairman -

MR. MARTIN: Mr. Chairman, I do not mean to interrupt the honourable gentleman from Hermitage but the honourable the Minister of Finance has not finished answering my questions.

MR. CROSBIE: Well, I am sorry, Mr. Chairman. I was waiting patiently for the count.

Now, the questions the honourable member for Labrador South asked refer to several sections of the Auditor General's report. I could deal in detail with it now but the proper place to deal with it in detail would be before the Public Accounts Committee. All of these matters have been followed up. If the honourable gentleman would look at the Auditor General's reports for the last eight or nine years, he will find this kind of comment in every one of the last eight or nine years. A lot of work has been done in the last couple of years trying to straighten this up.

Now, everything the Auditor General says in here we do not necessarily agree with his opinion. In certain areas we agree with his opinion and in certain areas we do not. The proper place for that to be thrashed out is before the Public Accounts Committee and then they can say what they think.

In the Iron Ore Company of Canada, this dispute has been going on since 1959 about what deductions they are permitted to make from their income in arriving at the mining tax rate as five per cent of their net income that Newfoundland receives. It has been in dispute since 1959.

The last administration - I do not know whether attempts were made or not - but anyway the dispute still was not settled when they left at the end of 1971. This is all going to be debated in the House later in the session because an amendment has been brought in to the Labrador Mining and Exploration Act.

Just a couple of items as far as I remember them: The dispute concerned this that the Iron Ore Company of Canada spent

hundreds of thousands or millions of dollars on schools up in Labrador City. It was not clear under the legislation that they could deduct that from their income. In other words, rather than the Province of Newfoundland having to construct and build these schools, the Iron Ore Company of Canada built them and spent the money. They claimed the right to deduct that from their income in arriving at the net income for tax purposes.

Then they spent hundreds of thousands or perhaps it is millions of dollars - I have not got the exact figures here now - on municipal facilities in the area. When the local improvement district was set up, they conveyed them all to the local improvement district. That saved the Province of Newfoundland or the municipality the same number of millions. They claimed the right to deduct that as a deduction from their income, and several other more technical points.

Their position was, we are spending money on public services like this. We are not required by law to do it and we are saving you the money. You would have to put up these facilities or public funds would. The least you can do is allow us to deduct this so we do not pay tax on it also. Are we going to spend a million dollars building a school in Labrador City or two million and have to pay five per cent tax to you on that money also? Is this fair? We are saving you \$2 million you would have had to put there in the school.

Well, it seems to me that that argument is unanswerable. Either we tax them properly and build the schools and facilities ourselves or if we have a low tax and they spend the money themselves, they should be allowed to deduct it. Well, that decision has been made now. I have not got all the details here because the legislation will be coming up. So, this argument went on for years between the last administration and the Iron Ore Company and never resolved.

So, it is now resolved and amendments to the legislation will be coming before the House this session. Now, we have been assessing them of course based on our interpretation of the act.

They will not have to pay all of that amount of money because as a result of our agreement with them, they will pay less tax than that. So, that will all be explained and so on when the legislation comes before the House. That is what it is all about. I cannot remember every detail of it now. Sir, generally speaking that is what the Iron Ore Company one is about.

Now, in the mining taxation, since the Auditor General's report the last two or three months we have had men assigned to this only to get these mining tax assessments up to date. That is quite complicated because we do not have a standard mining tax. There is only one company I think subject to the general Mining Tax Act of the province and every other one has its own act. Some are taxed on such and such a per cent of their net profit. Some are taxed so much a ton in ore.

Wabush Mines, for example, pay twenty-two cents a ton of the ore, I think, in this mine. The Iron Ore Company pays five per cent of the net and so on. Then in the Rambler Mines you have a particularly complicated situation where the area there in which their mine was taken from the owners of the day - Undeveloped Minerals Act. I cannot remember the exact name of it.

AN HONOURABLE MEMBER: What about SARCO?

MR. CROSBIE: SARCO is paid next to nothing in this province. I forget the exact figures now but very little. SARCO is paying us very little also in corporation tax because they use exploration expenditures in other provinces and so on and so forth to offset their corporation tax. We get very little out of our SARCO.

AN HONOURABLE MEMBER: Inaudible.

MR. CROSBIE: I am not sure. It is very little. Anyway this is being worked on now. But the proper place really for it to be gone into properly is when the Public Accounts Committee gets functioning and then the Auditor General would be there and the officials and whatever department and they would say what action they are taking or whether they disagree with the Auditor General's comments and so on.

It is a pity that we have not had a Public Accounts Committee functioning like that in the last few years.

On the Iron Ore Company in particular there is legislation now and it should be before the House in the next week or two. I hope that answers the points the honourable member raised.

MR. SIMMONS: Mr. Chairman, the minister in speaking a few minutes ago said it was refreshing to hear from the honourable member from Labrador South and to hear someone looking for information. I have been sitting here all day of course looking for some information too, some information in answer to a question I put to the minister last night. I would like to know how he classifies his honest searches for information versus the other. I would certainly like to remind him of it and see if he would get that information as I raised it last night in reference to northern allowances.

In the meantime, Mr. Chairman, I am also delighted to hear he is going to not only - he said he is going to start talking on Tuesday. Well, to my way of thinking he has done a fair amount of talking already. I hope he promises also to say something on Tuesday, something pertinent to the matter under debate.

I would like to come to the matter which the Leader of the Opposition raised earlier in this debate, the matter of the eight per cent sales tax and its legality. The Minister of Finance in pretending to reply to this used what is one of his best tactics which I shall call the "Red Herring Approach." He did not at any time address himself to the subject very directly. Indeed he did everything but.

I found as I am sure the people in the galleries and the Chairman did, if I might judge from his facial expressions at times, I found the whole thing most entertaining. The Minister of Finance has to be the most entertaining member of this House at the minute. Indeed if it were some kind of a clown competition, I would not even bother to enter if the Minister of Finance were in it. He has already won the honours. I wish though, as a member of this House he would



take the matter seriously instead of playing to his side and evoking the properly orchestrated laughter which happens every time he nods his head a certain way. It must have taken a lot of rehearsing, Mr. Chairman, to get that kind of synchronization, that kind of timing into the laughter which comes at properly timed intervals from the members on the benches opposite.

That is all beside the point of course as the Minister of Finance well knows. I cannot quite make up my mind whether it is - well, I am being kind, I am being charitable, I have almost decided that it is just a diversionary tactic, some kind of a "Red Herring Approach." Otherwise, I would have to write it off from where I sit as being the nearest thing to a near senile performance. I cannot say senile, I suppose I will get ruled out, but watching here there is nothing very complimentary that I can say about it other than that it is entertaining.

It certainly does not bear very directly on the issue at hand, a very serious issue, the issue of increases in taxation at a time when we have had just about all we can take as taxpayers in this Province, particularly in this year. As I mentioned earlier in the debate there is a real panic about the cost of living and its skyrocketing rise almost on a daily basis.

Now, I have before me the Social Security Assessment Act passed in 1972 and I read from section three of it, the tax on retail purchases. It says, "Subject to this act, every person who purchases tangible personal property at a sale in the Province where the tangible personal property is not purchased by that person for resale but for himself as the consumer shall in respect of the consumption or use of that tangible personal property pay to her majesty at the time of making the purchase a tax at the rate of seven per centum, seven per cent of the purchased price of the tangible personal property so purchased."

Now, Mr. Chairman, the Minister of Finance can dance all of the jigs he wants to. He can entertain this House as much as he wants but he cannot just be saying so change that law. He has to introduce a bill as has been done. The bill has to be debated and the House has to vote before that seven can be changed to six or eight or nine or anything else and he, Mr. Chairman, more than anybody else is conscience of that. He knows that and no amount of browbeating or implying that the Leader of the Opposition or the rest of us on this side have indulged in some kind of infamy. No amount of worthiness will subtract from that, will change that act.

To listen to him, you would almost think what people suspect about him, that he actually believes his work is law, that he actually believes that the minute he announced that in the Budget Speech it automatically became law. That is not the case. At this moment, no matter you twist what the Leader of Opposition said, the fact is that at this moment in Newfoundland it is illegal, it is against the law to be collecting an eight per cent sales tax.

Now, he can attempt all he wants, goad us into saying things that would help him to make some political hay, but let the record be straight and the record will show when we check the tapes or the Hansard in due course.

The Leader of the Opposition at no time, at no time did he say, "Do not pay the tax," not would I advise anybody not to pay the tax. I would though, in the interest of getting this thing on track and in the interest of getting this government to stop abusing the rights of this Assembly, I would point out, as the Leader of the Opposition has done, that at this moment it is an illegal tax. It is an uncollectible tax because it is illegal. There is no law to cover it. The Minister of Finance knows that, Mr. Chairman. There is no law to cover it.

We have heard all through this session there is going to be a bill on this, we are going to introduce this, we are going to introduce this. Why the panicky timing all of a sudden? Seven per cent was good enough for a while, a Liberal seven per cent. I will come back to that. Seven was good enough.

Then suddenly the night before when he wrote his speech or it must have been a few days before that, (because he managed to get what must be one of the trickiest budget speeches I have seen, one of the prettiest things, if you judge it by its cover only. Some things inside are not nearly as attractive as the people of Newfoundland are finding out already) on the very day he brings in that decision making the public aware of the decision to increase the tax he cannot wait another twenty-four hours. -Here is the government who brags about planning and priority and task forces and yet they could not plan enough, Mr. Chairman, to have a time sequence such that the Budget Speech would precede the effective date of the new tax by a week or two, to give people time enough to absorb it, psychologically, to give the people who administer this tax act enough time to prepare the legislation, to give the House enough time to deal with it and to pass it so that it becomes law so retailers around this Province are not placed in an embarrassing situation.

Mr. Chairman, should the Minister of Finance and his colleagues

think this is just a prefabrication, the fact is that there are examples of people who are not collecting this tax. I personally have only made one retail purchase that I am aware of since the tax came in. I made it on Monday of this week in another community in this Province and the retailer from whom I made the purchase is collecting seven per cent. I pointed it out to the person on the other side of the counter and that person told me that her instruction is to continue collecting seven per cent until he has some written instruction, some legal instruction otherwise. I did not initiate that conversation. I did not plant any ideas in that person's mind. That firm is collecting and to my knowledge it is still collecting today but was on Saturday collecting seven per cent. Can you blame them? Can you blame them?

Are we going to have government now by radio announcement? Are the people in every inlet and bay and harbour in this Province suppose to turn on their radios in the morning to see if there is an increase for that day? If planning mean anything to this government, if proper sensible routine mean anything at all, certainly the least we can ask the Minister of Finance and his colleagues is that they do enough planning that they do not march in here at three o'clock in the afternoon and announce the tax, an illegal tax, Mr. Chairman, to come in effect that night, nine hours later. Is that planning? A beautiful example of planning! Certainly, they could have had some kind of a sensible time sequence. They could have said, "Well, yes, it is necessary to have this additional one per cent. Let put it on for the first of May and that will give us three weeks to get the legislation in," But no, they had other reasons.

I will tell you what I think the reason was, Mr. Chairman. One of two possibilities, either this last minute panicky approach is just symbolic of the way this government does everything and they never thought of the possibility of planning because it is so far from their minds anyway, either that or once again as so many times before they are just teasing the House, teasing the body in this Province which has authority to pass legislation affecting taxes, teasing as they have

done so many times in this session and in past sessions. No matter what kind of double talk the Minister of Finance enters into, no matter how many precedents he quotes from other provinces, this is the law for this Province. We are not talking about Ontario. We are not talking about Nova Scotia. We are not, Mr. Chairman, even talking about what went on in this Province. Suppose it went on, does that make it right?

In one breath the Minister of Finance is going to change everything because it was so wrong in the past, until he needs a crutch, until he needs something to lean on, and then suddenly he goes back into our past, our Liberal past, and quotes all kinds of precedents. "They did it, so it is okay for us!" The next breath he is right back to where he started, "They did it, therefore it is wrong."

At some point a fellow straddling that sadly is going to get hurt in the right place. My advice to him, on humanitarian grounds alone, is that he give it up while he is still not too far behind.

The fact is, Mr. Chairman, that this minister has not done his homework. He just has not done his homework on this one and he is caught and he can go into all the flights of oratory that he wishes, he can poke as much fun, he can entertain the galleries just as much as he wants, the fact is that the people of Newfoundland do not find this eight per cent at all amusing - not at all amusing. He might stand there and say he is getting accolades, in every way he is getting all kinds of congratulations. Let him wait till he gets to Grand Falls on next Wednesday on that open-line show. Perhaps he has only been talking to the St. John's cocktail circuit. Perhaps he only talked to people on open-line last Tuesday who were lined up to phone in. I would expect those to say it was a good thing. They were told to say it was a good thing. It does not hurt these people anyway.

Wait till he gets to Central Newfoundland next week and gets some ordinary, middle and low income workers calling in and telling him what they think about his great eight per cent tax. He will act differently then talking about seven and one, seven Liberal, one P.C.

which reminds me, Mr. Chairman, talking about inconsistency, talking about a fellow who is straggling, he went through the corporate tax and he is right. He gave you the information that I had before me to give to you, that the corporate income tax in the provinces of Canada is the highest in Newfoundland and Manitoba. It is thirteen per cent.

Mr. Chairman, let us keep that in mind for a minute and reflect on the other point I just mentioned to you. He talked about the seven per cent Liberal, bad Liberal tax, seven per cent, shocking, and the other one per cent Tory tax that is just being welcomed all over the Province. What he really says is, "We cannot up it. We are the victims on this seven per cent."

In the same breath or the next he gets up and he boasts that the Province of which he is a part of the government administration has the highest corporate income tax



in Canada. He brags about that. He says, in effect, that this is a good thing. We are leading the way.

MR. BARRY: Get together with the Hon. Member for Bell Island. Now does the honourable member want us to tax the corporation or does he not? He just got through saying that he wanted us to tax the corporation.

MR. CHAIRMAN (Mr. Stagg): Order please!

MR. SIMMONS: Mr. Chairman, as I was saying - the schoolboy debater anticipated what he thought I was going to say. Let him hear what I was going to say and then -

MR. BARRY: (Inaudible).

MR. SIMMONS: I think we heard that line before, Mr. Chairman. They are laughing again in unionism. A conductor is needed over here.

MR. BARRY: (Inaudible).

MR. SIMMONS: He is right on one point, Mr. Chairman, about the children.

SOME HON. MEMBERS: (Inaudible).

MR. SIMMONS: Soon as they are through - I have all the time in the world, Mr. Chairman.

Mr. Chairman, I have been together with the Member for Bell Island and he and I have done our homework on this corporate income tax. I was about to point out that it is more than the Minister of Finance has done. My point is this: While he brags or while he laments about how bad it is to be stuck with a seven per cent Liberal S.S.A., yet in the next mouthful he brags about how good it is to be involved in an administration, being the dual leader of the administration that has the highest, together with Manitoba, corporate income tax in Canada. Very conveniently, Mr. Chairman, he does not bother to tell one who brought in that income tax. He does not bother to tell one that it was a Liberal Administration that brought in the thirteen per cent income tax, the corporate income tax. He does not bother to point it out.

Mr. Chairman, he points out with great stress and much repetition, although the Chair has called him to order on the point but allowing him considerable leeway on it - he came in today and he repeated the whole bit about the seven and one, the Liberal and that fake attempt at the (I do not know what it is) mid-Atlantic accent or French or whatever he tries sometimes. He tries it very badly I might say, succeeds very badly.

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: I would much rather be a teacher, Mr. Chairman, than wear a name, a conflict of interest tab. I would much rather. They all grunt alike over there, except the Member for St. John's East. He grunts tenor.

Mr. Chairman, they are awfully worried about this leadership. Suddenly, they see a real plum and they cannot stop thinking about it. They were talking about it all last night and all day today. Not a fifteen minute period has gone by without them talking about it. The Minister of Finance has come to the conclusion after being rapped over the fingers so many times on the Shaheen deal, the second refinery - handed the agreement after it was signed and told to work out the details, no consultation at all on signing it. I could quote things on Brinco and others too which they know are true. They are going to deny them. He has been rapped over the fingers so much. The Minister of Mines knows full well that he has not got a chance of a snowball of ever getting the leadership of the Tory Party. They are looking over here at the plum just trying to find some way.

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: He has been drooling about it all last night and all day today.

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: Is this a discussion on our leadership? We would love to have one. Is this a debate on the estimates? It is time we

had some serious discussion on the subject under debate too, Mr. Chairman. We are having difficulty doing that as one can see.

MR. BARRY: We have been here all afternoon and we still have not heard any.

MR. SIMMONS: Well there has been only one speaker from the government side and I quite agree with the Minister of Mines and Energy that we have not had much serious discussion. Perhaps, Mr. Chairman, if the Minister of Mines and Energy would listen, he may learn something, if he can understand it.

There are some real pleasures in being in this House and one of them is to see that the Member for Trinity South come in once in a while and visits among us. It is a real pleasure particularly when he sits on the other side, Mr. Chairman. Everything is orchestrated, not only the laughter, Mr. Chairman, but also the toots are orchestrated.

Mr. Chairman, it is true we have the highest corporate income tax in Canada, thirteen per cent. It is also true, although the Minister of Finance did not bother to tell us this, that it was a Liberal Government that saw to it that Newfoundland had the highest corporate income tax in Canada. Let that not be forgotten. I wish when he starts telling the truth, he would not just pick out the parts that are convenient to him as he did on the seven per cent or the one per cent income tax.

SOME HON. MEMBERS: Hear! Hear!

MR. SIMMONS: Mr. Chairman, what bothers me most about this debate is that it is pretty obvious to anybody who has looked in on the debate in the last day or so that the government have agreed on a tactic to harass, a tactic not to take serious anything that is said, a tactic which tries its very best to avoid the two, three, five or ten issues that we have raised in this debate. At all cost, the instruction has gone out to the Tory caucus, "Ham it up. Ham it up. Be clowns. Don not take it seriously."

As it happens, Mr. Chairman, politically that is pretty good for us, particularly if the whole country could see what was going on, particularly if the whole country could see the kind of clowning that is going on on the other side of the House in the last day or so.

MR. BARRY: (Inaudible).

MR. SIMMONS: Now, Mr. Chairman, I am told that I am as entertaining as the Minister of Finance. I am not sure if that is a compliment or not.

MR. CROSBIE: (Inaudible).

MR. SIMMONS: I see. That is better, Mr. Chairman, than the case of the Minister of Mines. They do not even know he exists. They ignore him completely and they are smart for that.

AN HON. MEMBER: (Inaudible).

MR. SIMMONS: He has gotten publicity. They have to do something if they stand up in front of the camera long enough. They will laugh in Placentia West the next time around.

MR. BARRY: (Inaudible).

MR. SIMMONS: It is a pretty good thought, Mr. Chairman. I would like to advise the Member for Placentia West that I will take that under advisement. It is one of the better ideas that I have heard from him in a long time.

Mr. Chairman, as the Leader of the Opposition said, "We do not want a complete dogfight down there for the nomination and if someone else should want it, we would be quite happy."

SOME HON. MEMBERS: (Inaudible).

MR. SIMMONS: Mr. Chairman, I am waiting for some order. I am waiting for you to ask these fellows to restrain themselves a little bit so I can get on.

Mr. Chairman, irrespective of the squawking, clowning and the rest of it that the Minister of Finance can so ably do, the signs are there, the signs of inflation which have been quoted to them by the Leader of the Opposition. He mentioned that the minister's forecast

a year or so ago was indeed pretty bad and our inflation rate has been twice what he predicted.

Mr. Chairman, if the Minister of Mines and Energy should want to know the answers to these questions, he has the same phrase book I have and he has a lot more time to read it too.

Mr. Chairman, on the subject of inflation, the Minister of Finance was off nearly one hundred per cent on his prediction from last year. That is how in touch he is with the issues that matter in this province.

Mr. Chairman, if one should want to look for some signs of what is wrong in this province right now, look at the housing starts. These are not my words. These are quoted from a government document issued under the authority of the Minister of Finance himself, "The Economy Outlook, 1974," the spring version. It actually forecasted that the housing starts in this province would decrease during 1974 by over thirteen per cent, down from \$4,831 last year to \$4,200 this year. That forecast was made, of course, before the mortgage rates went up and God knows how much they are going to be down as a result of that!

We could talk about the unemployment figures. These, too, as one can see in the budget and elsewhere, leave not much to brag about. While we have in front of us all kinds of evidence about what is wrong, we still have to sit here and listen to this double talk from the minister. First he says that we are not responsible. It is all federal. Yet we hear the Member for Bell Island quote from documents from Ontario as to what the Ontario Government is doing to counteract inflation. Is that great Tory regime in Ontario so far out of date that it does not even know its responsibility while it addresses itself to the items of the cost of living, inflation? We are told here by this enlightening administration that it is not their cup of tea at all, that they are not responsible at all. Yet

while he tells us that, while he says, 'Look, we are not at all responsible in any way,' he says, "nevertheless, we have done some things."

Then he goes on to list, Mr. Chairman, the things that they have done. He mentions the money being spent this year on forest access roads, on fisheries programmes and on the other things he mentioned.

Once again being the master of telling selected truth, truth that is selected to his advantage, he does not bother to tell you what part of that forest access road programme and the fisheries programme and the others are being financed by Ottawa - the villain of the piece, according to the Minister of Finance.

I cannot really make up my mind, Mr. Chairman, as I sit here and listen to the minister whether he is, as I say, trying to red herring approach or if indeed he is living in some kind of a fool's paradise - if he is ignoring the very presence of the cost of living, while Ontario and Nova Scotia have recognized the issue and have come to grips with it in very tangible ways in recent weeks in their budgets - here is the minister and here is the government that chooses to ignore the presence of it altogether.

I say, Mr. Chairman, that is not good enough. I say that we need a much more aggressive approach if the people of Newfoundland are going to give the kind of accolades that the minister in his fool's paradise thinks he is hearing all ready from the Newfoundland people.

Then the Minister of Finance talks about the Liberal years.

AN HON. MEMBER: The happy years.

MR. SIMMONS: Well I am in the rather good position, I do not know if I am fortunate or unfortunate or what but rather a unique position anyway of not particularly having to defend the Liberal years. This is my first session. As I look across the House I see some other fellows who, at the time the Minister of Finance was in the Liberal cabinet, I see some other fellows who were as good loyal Liberals as I was at that time



and should therefore take as much share of the credit and the blame as I should for those years - 1966 to 1968.

But that cannot be said about one member on the opposite side, among others, one in particular and that is the Minister of Finance. He did spend two or three years in the cabinet. Suddenly everything that happened during that period was wrong. My purpose in getting into this for a moment, Mr. Chairman, is not to praise it or not to condemn it at all but to illustrate another of the minister's inconsistencies during his rambling on this morning and this afternoon.

While he points the finger at the Member for Bell Island and says, "Where were you? Why did you not oppose? Why did you not do this?" I think I ought to point some fingers too and ask him; where was he during those three years in cabinet? Did he, at what point, the day after he left the cabinet or the day after he joined or the day after the first year he was in - at what point did he decide? Did he see the light all of a sudden, a kind of Damascus Road experience? Did he know it for some time while he was in there? Was he so dumb, in the context that he has been talking today, was he so dumb that it took him three years to realize? Did it suddenly hit upon him the morning after he got out of the cabinet or the morning before? Or did he compromise himself for three years? Is that what he is telling us that he knew all along it was quite wrong and that he took it for three years and compromised himself for his own political reasons? Is that what we are suppose to believe? It can be one or the other, either he compromised himself to the point that he should not be today Minister of Finance, or else he went along with it for three years.

If he went along with it for three years, no matter how bad or how good he paints it, I think he ought to allow to the Member for Bell Island the same kind of a licence he allows himself.

Mr. Chairman, the fact is this; what we have heard from the Minister of Finance last night and today is one of the most entertaining and irrelevant diatribes that have ever been perpetrated in this House. Nothing to do with the price of fish in China at all, nothing to do with the issue before us. The old red herring approach! The old clown

approach! The near senile approach! All the trappings of an administration that have made up its mind, the orchestrated laughter, their well time tut tutting, the mumbling of a crowd that cannot wait to shuff the estimates through in the shortest time possible, all the defensive mechanisms of a crowd that are shellshocked in every sense of the word.

Mr. Chairman, you will notice in the last few minutes, I have at no time indicted the Minister of Finance for not being the able actor, that he is. Thank God somebody can wake him up!

Mr. Chairman, there are all kinds of great disappointments. Mr. Chairman, one of the bigger disappointments I have had in this House is to learn that certain members of the House make all their speeches in grunts, one syllable at a time, from the backbenches of the opposition side. The Member for Harbour Grace has made more speeches in this House than any other member, They are also the shortest speeches, one syllable grunts, one at a time. Even on that he has to be prodded by the Member for Port de Grave.

AN HON. MEMBER: Inaudible.

MR. SIMMONS: Snipe away fellows, have fun; enjoy yourselves because you only have another year or so there! Enjoy yourselves!

Mr. Chairman, before sitting down I would like to remind the minister of the question last night about the northern allowances. I would like for him to indicate to me whether he has an answer or can get an answer.

I would also on behalf of people who are being directly affected by this eight per cent tax make a plea that the government will get on with this legislation as soon as possible, to eliminate the confusion, get this legislation in and let the House decide on it. In the meantime restrain itself, stop with this red herring approach, this confusion, these diversionary tactics. The Leader of the Opposition and I and others who have spoken on the subject, at no time, publicly or in this House or anywhere, would advise people not to pay the tax. I would advise them to do what is legal. I would point out to them that irrespective

of the precedence across Canada or in this province, this tax of eight per cent at this moment is not legal. I appeal to the Government House Leader to see that this bill is brought into second and third reading as soon as possible so we can make a decision on it.

MR. CHAIRMAN: The Hon. Minister of Justice.

HON. T. A. HICKMAN (MINISTER OF JUSTICE): Mr. Chairman, just a very brief comment on the matter that has been raised on two or three occasions today, namely; the legality of the sales tax which came into force at midnight or eight o'clock whenever it was the night the Hon. Minister of Finance brought down his budget.

It is not enough for the honourable Member for Hermitage or the Hon. Leader of the Opposition to get up and say, "I am not advising the people of Newfoundland to refrain from paying this tax. What I am saying is; the tax is presently illegal and therefore I suggest to them that they follow the law." Now that, Mr. Chairman, adds up to precisely the same thing.

MR. SIMMONS: Would the minister permit a question?

MR. HICKMAN: Yes, by all means.

MR. SIMMONS: Will the minister now without qualification say that the tax is presently legal right now, the eight per cent tax?

MR. HICKMAN: Mr. Chairman, I am leading up to the legality of the tax. Every budget that is brought down in the British Commonwealth, in the British system, has to be very, very careful and convention dictates and common sense dictates and commerce dictates that these taxes come in at the time that the budget is brought down.

Honourable members I am sure are very much aware of the very strict enforcement that there is in the British Parliamentary system to that principle. The strict enforcement, for instance, that the Minister of Finance not disclose in advance his budget, The honourable Member for Hermitage says that the Minister of Finance should have said in his budget speech; "We are going to bring in an S.S.A. tax two weeks hence or three weeks hence. That increase is going to be one per cent."

Now what, Mr. Chairman, would that do to trade and commerce in the province? Could you see the rush to buy everything the next weeks? Could you see people bidding, contractors bidding to try and take advantage of that two week holiday.

I suggest, Mr. Chairman, that it is totally and absolutely unprecedented and it is for exactly the same reason, exactly and precisely the same reason that ministers of finance are sworn to absolute secrecy before they disclose their budget.

We all remember the very famous case in Great Britain where a minister of finance was on his way into the House of Commons with his little satchel in his hand and as he came to the outer door of the House of Commons, about to enter the chamber itself, he turned to a newsman and said, "You better buy some smokes." Two minutes later the Minister of Finance introduced an increase in the tobacco tax effective immediately; that then Minister of Finance was asked for his resignation by the Prime Minister who received it that night.

MR. ROBERTS: Inaudible.

MR. HICKMAN: Whatever he did he knew he was wrong. Then we had a case here in Newfoundland not too many years ago, several years ago, when a former Minister of Finance, who has gone to his reward, talked to a reporter from "The Manchester Guardian" and gave an indication of something that was going to be in the Budget Speech. He felt he was quite safe in doing it. "The Manchester Guardian" was not likely to reach Newfoundland before his Budget Speech was brought down, nor indeed did it, but after the Budget Speech it was discovered that in fact it had been printed in "The Manchester Guardian." At that time there was a great deal of debate in this House, and more so outside the House, as to whether or not the Minister of Finance should remain in office.

Convention in our parliamentary system means a great deal and convention over the years has dictated that when a budget is brought down and taxes are announced as being effective immediately that regardless of when the legislation is brought in, that legislation is retroactive to the time the budget is brought down. That, Mr. Speaker, is what the Minister of Finance has done here.

If you want to get into the fine legality of the tax, you

can convincingly argue that until the act is brought in, until this House approves the tax, that the tax is illegal. But let us not under any circumstances confuse legality with collectability or with obligation to pay because our people know any government, any responsible government, any responsible minister of finance who has been in office in this country since we have had representative government, knows and the people have already accepted that when the budget is brought down, if there be any new taxes imposed that these taxes are effective immediately the Budget Speech is delivered.

Mr. Speaker, we have had a long debate on issues, a great many of which are beyond the jurisdiction of this House. Inflation is pretty tricky. Everyone in this province, everyone in Canada is up tight, as they should be, over inflation. They are up tight over the fact that their purchasing power is reducing at a pretty drastic rate. But I submit, Mr. Chairman, that it is absolute cowardice to point the finger at any provincial government and say that a provincial government has a responsibility or the authority or the tools or the capability to fighting inflation or to even controlling it.

I am not sure, at least I am on all fours with the Prime Minister of Canada when he says that even the Parliament of Canada can do very little about curing inflation. They can do some. They do have the tools but whether they can control the external forces and what effects external forces will have on inflationary attitudes in Canada is kind of hard to predict.

The figures that we have heard here in this House on employment or lack of employment, unemployment in this province, are pretty hard to relate to some of the actual facts that we find throughout Newfoundland. There are areas in this province today where there is a critical shortage of manpower in industries that now pay, for the first time, pretty attractive wages. Along the south coast of this province there is hardly a fish plant in Newfoundland that is not advertising and pleading for people to fill permanent positions.

At the beginning of this fishing season there were over fifty



vacant jobs in the fish plant in Grand Bank. Marystown and Burin and Fortune were in precisely the same situation. These are permanent jobs. People cannot be found to fill them. This administration faced a most unusual situation last year when it came to calling for bids for new housing programmes, contractors would not bid because amongst other things they could not find the skilled workmen to fill the jobs.

Now, Mr. Chairman, that is a far, far cry from this dim dreary picture that has been painted by the honourable the member for Bell Island. It is a simple fact that last year this House voted monies to build a number of housing units in Fermeuse. It is a fact that there were no bids on these housing units. It is equally correct that there are a large number of housing units to be built and money voted for Goose Bay, for the housing units in Goose Bay last year, again no bids.

I will not say that lack of personnel to fill these jobs is the only factor, but it certainly was a pretty vital factor, Mr. Chairman, in the reason for contractors in these two particular cases and I believe that there are others in Newfoundland, where government programmes just did not get off the ground last year, not because of lack of money but because of lack of people to perform the jobs.

I cannot speak with any certainty as to what is happening to those who are about to graduate from many of our trade schools in Newfoundland this year but I can tell you, Mr. Chairman, that I was advised by the principal of the trade school in Burin District, at least three weeks ago, that every welder, every electrician, pretty well every tradesman has already found permanent employment in this province, and this two months before graduation time. I have no reason to believe that the vocational school in Burin is any different than those throughout the province.

I think, Mr. Speaker, that when we talk in terms of comparing the prosperity, the earnings of the people of Newfoundland with those

that prevailed in the days of Commission of Government, we are doing a great disservice to our people. It is not factual. It is not a good comparison. It cannot be designed to make Newfoundlanders proud of themselves. It can only be designed to try and spread throughout the province a feeling that should not be there and is not warranted.

There has been no mention for instance that during the last Christmas season that the per capita spending in the retail stores in Newfoundland exceeded that of any other Canadian province. There has been no mention of the fact that the lending institutions, the banks and the near banks report that Newfoundland has the lowest repossession rate of any Canadian province. This does not indicate a poverty stricken province. This does not indicate to me people's inability to work.

Some people will argue that sure we had the unemployment insurance benefits to pick up the slack. The unemployment insurance benefits pick it up in areas primarily of seasonal employment. But there is no diminishing in the spending in the areas along the southern part of our province and in the urban areas

of Corner Brook and Grand Falls and similiar larger communities where seasonal unemployment does not prevail.

Mr. Speaker, before we get carried away with the generosity and the charitable attitude of the government of our sister province of Nova Scotia I would caution honourable members they would be well advised to wait until the new administration brings in its first budget which presumedly will be brought down within the next month. There has been no legislative action in the Province of Nova Scotia to reduce or to use funds allegedly coming from Ottawa for the reduction of fuel tax or to reduce the tax to the home owners. There was a very broad platform that I would say that Premier Regan is going to have great difficulty in getting out from in under unless he finds to his surprise that costs have risen so much that he cannot do it this year - then these things will be done. Make no mistake, Mr. Chairman, they have not been done, they have not been reduced and if you can believe one-third of one-quarter of what you read about the financial position of the Nova Scotia Power Commission, I am glad that we are not buying our electricity in that province.

The Minister of Finance, in my opinion, in presenting to the House the budget that he has, has brought in the kind of realistic budget that we on this side of the House expect to receive from him, the kind of budget that does not gloss over the unpleasant truth, the kind of budget that is designed to tell it as it is. Anyone who believes or thinks that the people of Newfoundland do not appreciate having the facts given to them, the unvarnished truth given to them, in my opinion, is completely out of touch with the people throughout this Province.

This is the approach they welcome. Obviously they do not welcome the increase in taxes. Who welcomes an increase in tax? I cannot think of anyone who wants it but I do believe, Mr. Chairman, that there is an appreciation amongst our people, regardless of what political party they support, that they are now getting the facts, some of them are cold and some of them are hard, but they are getting the facts from

the Minister of Finance, from this administration and that the budget speech is a very, very factual document. The Minister of Finance is to be commended for the approach that he is using and may I say to the Minister of Finance not to lose courage when he decides to invade Central Newfoundland because this may come as a pleasant surprise to him that the results of the poll and the programme on the radio station in Grand Bank - I have an affection for, on the day following budget day was not at all unfavourable to his approach or to the budget that was brought down, and that was rural Newfoundland speaking, industrial Newfoundland speaking, hard-working Newfoundland speaking, and they are on his side, Mr. Speaker.

MR. B. PECKFORD (Green Bay): Mr. Chairman, it is difficult to know or to even talk about this head, the Department of Finance.

Sir, let me begin by saying categorically and strongly that history will record in the next thirty or forty years, one of the finest Finance Ministers ever to hold that office in this Province will be the present Minister of Finance.

AN HONOURABLE MEMBER: Here! Here! ... (Inaudible)...

MR. PECKFORD: That is right. At the same time history will record that one of the weakest oppositions ever to find themselves in this House will be the present opposition. I was fascinated by the remarks of the member for Hermitage, absolutely fascinated. Here is a gentleman who for the last couple of years and I can even go back further than that but in the last few months and years has been requesting this administration to spend more money on education, to lash it out. It was only several weeks ago that I ran head on into this honourable gentleman concerning matters of education in the Green Bay district where he was talking about the lack of sufficient funds for capital projects in that educational district. At the same time he wants to see millions of more dollars spent for capital projects in this Province, he in no way seems to worry about where that kind of money is coming from, ignoring the fact that last fall there was an increase of twenty-five per cent in capital grants to school boards - twenty-five per cent.

Of course, in this present budget brought down by the Minister of Finance there is an overall increase of twenty-three per cent in the education budget, a twenty-six per cent increase in the operational grants to schools.

The honourable member for Hermitage can get up and be so pious and try to convey this innocence that he has, that he has only been in the honourable House now, he is just a new member to the House and he asks where the honourable Minister of Finance was when he was in the cabinet of Mr. Smallwood, where he was, why he did not fight about the various increases. I would like to ask the question Mr. Chairman - Where was the honourable member for Hermitage at that time? I can answer that question quite vehemently. He was sitting on that fence that he sat on for five or six years wondering which way the political winds were going to turn, unconcerned about whether this Province was going to rise or fall financially, unconcerned about whether we had the right feel on Come By Chance and the first refinery, when the honourable Minister of Finance stood up and was counted and retired or quit from that cabinet on that day. That is where the member for Hermitage was. He was sitting on that fence.

AN HONOURABLE MEMBER: Here! Here!

MR. PECKFORD: Now he can get up today as an innocent member of the House of Assembly. "I have a unique position, Mr. Chairman. There is hardly anybody else in Newfoundland or in this honourable House like me because I just came in here. I just came in here and I can look different than anybody else can."

Well, Mr. Chairman, the facts of the matter are that the honourable member for Hermitage was an educator in this Province for many years, that he was a citizen of this Province, that he knew what was going on in this Province financially and industrially. He knew what was happening to the government of the day and he never took one step to try to help Newfoundland at that time, not one.

Then when he saw what was happening during those years, during those months -

AN HONOURABLE MEMBER: Could we have a quorum, Mr. Chairman.

MR. CHAIRMAN (Stagg): Would the clerk count the House please?

We have a quorum.

MR. PECKFORD: Mr. Chairman, it is amusing how the opposition can wear so many hats on the same day and at the one time support wholeheartedly because of political expediency and to try to gain a few minor debating points, support without qualification just about every petition that comes into this House and request that the government pour out funds here, there and everywhere. At the same time then, they expect that same government to be able to meet all of these requests within the budgetary requirements of a previous year, without any regard to where the rest of the money is coming from.

It shows, as the honourable Minister of Finance said on a number of occasions, that they lack responsibility in their purpose, that they are being dishonest in their purpose and in their intent. One hears the business of this budget and that the Minister of Finance had been on open-line and that all the calls that he got on open line about his fiscal policies were good ones because they were part of the St. John's cocktail circuit and all of this foolishness and trash that has been thrown out from the opposition.

Well, I was on open-line in Grand Falls, as was the Minister of Justice down in Grand Bank, and I was on there for two



or three hours talking about trying to stimulate people in central Newfoundland to phone in to that programme and ask me questions about the budget and explain the income tax increase. Nobody but nobody was interested. Nobody called in except the honourable member for Bell Island.

So, let us not get carried away with the idea that there is a panic in this province that suddenly we find ourselves in such dire financial straits, that this present administration is so cutting the dollars away from the ordinary people in this province that the time is nigh when we are about to fall, because this is erroneous, this is foolishness, this is craziness.

Then for the Leader of the Opposition, then for the honourable member for Hermitage and others to try to drag across the floor of this House this business of the legality of the tax increase. Here they thought they had a point. I do not know if it were four o'clock this morning that the Leader of the Opposition thought about that like the honourable member for Bell Island thought about something but it was some weird hour.

Anybody worth their salt listening to the debate in this House over the last couple of days and to watch the Leader of the Opposition trying, squirming to come up with some kind of a valid debating point in this present committee right now and the honourable member for White Bay North - all of the sudden he hits on it. He thinks he has a good thing. "Ah, but we have not got the bill through for this tax increase. Now, I have got it. Now, I have got them where I want them."

What a "Red Herring" when custom and tradition and everything else dictates that this is proper, that this is fine, that it has been done in other places. It is foolishness, absolute tripe and foolishness. The honourable member for Hermitage says; "Why are we talking about the leadership convention of the Liberals coming up in the fall?" Sure, how can one help it because one looks over there and one is wondering for the province because the opposition are so weak. We are wondering whether

we are going to get a better Leader of the Opposition, somebody who is going to be able to constructively criticize this administration, who is going to be able to offer viable alternatives so that when another election is called we will not just obliterate them completely.

One has to wonder. One has to be concerned about public figures in this province. One just has to be concerned about who is over there. The member for White Bay North -

MR. CHAIRMAN (MR. STAGG): Order, please!

On a number of occasions today I have interrupted members to my right especially one particular member to draw to his attention the rule of relevancy.

I think that the honourable member for Green Bay is going to foul the same rule that I called the other members to order on. I suggest that he get back to the topic.

MR. PECKFORD: Mr. Chairman, one of the points raised so strongly by the opposition and especially the member for Bell Island was this point on where we were safeguarding the rich of this province and robbing from the poor.

AN HONOURABLE MEMBER: A quorum call.

MR. ROBERTS: Twelve members in the House.

MR. CHAIRMAN: Would the clerk count the House please?

AN HONOURABLE MEMBER: You count the House first and then you ring the bell.

MR. CHAIRMAN: We have a quorum.

MR. PECKFORD: Mr. Chairman, if I may resume. I was trying to make the point that the opposition have been saying that this budget shows that the administration is trying to take from the poor and safeguard the financial position of the rich of this province.

Now when one looks at all at the income tax increase that has been announced, this kind of attack is totally invalid because for the lower income earners of this province - you take a family making \$4,000 a year and there are still quite a few families in this province who are

unfortunately, unfortunately and tragically there are still quite a few families who are only making \$4,000 a year. Well, if one has a family - this is the fact of the matter - a family that is making \$4,000 a year and there are two children, a man and his wife and two children, and they make \$4,000 a year, there is absolutely no income tax increase for that family, none, zero dollars, zero cents, none whatsoever for that low income family in this province that makes \$4,000 a year and there are two children in that family. A family of four making \$4,000 a year pays no additional income tax in the coming year, none whatsoever, absolutely none.

That same family of four that makes \$6,000 a year pays thirteen dollars per year more, only thirteen dollars per year more under this income tax increase.

When one gets up to somebody making \$25,000 a year and one is talking about a four family unit, that family has to pay \$228 more per year. Because income tax is geared progressively as you go up in income, then of course they pay more. So, how can this be misconstrued as being that it is an attempt by the administration to try to bleed the poor and safeguard the rich when the actual facts of the matter are that anybody who is on a low income with two or three children in many, many cases and by far the majority of cases, they will not be paying any and if any ten or fifteen dollars per year more, a very, very small minimal increase if any.

So, obviously this kind of approach if the facts be not given to people, leads many people to believe that the administration is definitely hiking up income tax and taxing the poorer people of this province when in actual fact this is absolutely untrue.

Mr. Chairman, this budget, the Minister of Finance's budget - talking about inflation and what this administration has done about inflation, what fiscal measures have this administration brought in to fight inflation: The Leader of the Liberal Party of Canada, the Prime Minister of Canada, Mr. Trudeau, said in a statement about a week ago, he was quoted as saying - he was asked what he was going to do about

inflation, what was the federal government, the government that controls the money supply, the government that has the Bank of Canada and all the rest up there, that has some controls over currency and over pricing, that has the responsibility, the jurisdiction for this kind of thing - what was his answer when he was asked by one of the news media about a week ago?

His answer was, "We will have to wait and see what the world food supply will be in the next month or two because a lot of the inflationary spiral that now persists in the Western World is caused to a large extent

by a shortage in various goods, not only in food but in others. This was his reply. This is the Leader of Canada. This was his reply, this is what he was going to do about inflation. The Opposition belabours the point that this province, this tenth Province of Canada, is not doing anything to fight inflation. There is their great Leader in Ottawa and their great Liberal Minister from Burgeo, Burin/Burgeo, Mr. Jamieson - this was the reply of that Liberal Administration in Ottawa. Not only that, Mr. Chairman, need it be said again, need it be mentioned that in many spheres this administration have acted to counteract inflation in this province. Just the seven cents taken off the heating oil in this province, for the people of this province. Seven cents taken off, completely eliminated to try and help those people pay their fuel bills and give them a few more dollars. The tax taken off childrens clothing when we got into power, a couple of years ago. That we are increasing the pensions to those people in the government service:

I mean these are dollars, These are good dollars. These are many, many dollars that we are losing that we have to pick up somewhere else, because we are trying to help fight inflation. The increase in the social assistance and all the rest of it, in January of the past year, all these are measures to counteract inflation in this province.

Yet, we are told that this government are doing absolutely nothing. In those spheres where something can be done, this administration has shown its sensitivity to the people of this province for their bare needs and have taken action on it.

So it is absolutely wrong. It is trash. It is foolishness for the honourable Member for Bell Island, for the Leader of the Opposition or anybody else to try and score more - of course, they have no other points to think of to make anyway - points on this kind of a thing; "Rob the poor to protect the rich," the honourable Member for Bell Island says. What a lot of foolishness! "Rob the poor to protect the rich." When we increased the minimum wage by as much as we have, which of course perhaps leads to inflation to some extent but has helped those people on the

minimum wage not hurt them. Yet we are robbing the poor and protecting the rich. He knows better. Of course it is the only kind of a point that he can make.

When they take about creating employment in this province, the unemployment rate being high and all the rest of it and how easily - I think it was the honourable Member for Bell Island or somebody on the other side yesterday skimmed over the Department of Rural Development. They have been telling us. They have been warning us. They have been threatening us now for months of all the scurrilous and corrupt things that are happening in the Department of Rural Development, all the things that they are going to expose one of these days. You know, it is about time that the Opposition exposed some of these things, when here is a programme -

AN HON. MEMBER: Inaudible.

MR. PECKFORD: Yes, right. No doubt. He has one or two things now that he is going to try and generalize upon to try and destroy a good programme. Here is a programme that has helped to alleviate unemployment. Here is one, Of course, they are jealous of that programme. That is the whole problem there. They are very jealous of this programme, because this programme has worked, has created jobs and has helped to alleviate unemployment throughout the province.

So, Mr. Chairman, on this head you know, Then of course throughout the whole budget, just about all of the departments, the Department of Fisheries, for example, look at the increase in money that is being spent there in contrast to the amount of money that was spent on it two years ago, \$14 million, an increase of forty per cent over last year. I do not know what it was when we took power, it must have been around \$3 million or \$4 million; that was about all. One of the smallest departments of government. We are concerned about one of the largest employers of people in this province.

It is just about in any sphere. Anyone who wants to take a look at the budget can see that where this administration could take action to counteract inflation and to counteract the high increase in unemployment, we have taken action. A lot of what the opposition have said is mere



wind, with very little to substantiate what they have said.

Mr. Chairman, unquestionably there is nobody in this province who likes to see a tax increase, either sales tax, liquor tax or whatever.

The honourable Member for Hermitage said it was a poor timing or something - A poor timing. Well, Mr. Chairman, when an administration or a government finds itself in a position where it has to come up with so many dollars and that we have to try and expand the services we have, we have to try and increase activity in the resource sector of the economy, "You know, do you wait until it is opportune? I think that is the word he used, "Until it is opportune for the administration to do it" or do you do it in the way that you think is best for the province and then give the people the facts and then let them decide.

" It is not a matter of timing. Many administrations cannot time these things. You do not time when inflation is going to suddenly take an increase or the cost of living is suddenly going to go up. You do not time these things; these things happen due to factors beyond the control of a provincial government. Well it is on these that the administration must take action. Of course, we have taken action.

That is something in itself that is decisive. The mere fact that the administration have the courage at this time to increase taxes. At the same time we are, of course, increasing substantially a lot of our departments, as far as financing, increasing the amount of dollars that are being spent. Just about in any sphere, Mr. Chairman, this budget indicates that we are moving in the right direction.

I heartily support every word, every phrase, every sentence, every comma, every period, every capital letter, everything in that budget. I think it is a fantastic budget. Like I said at the outset and I will also say it at the end, to clue up, that when all is said and done and we are or are not, when the political history of this time is written, it will be said by all and sundry, by any responsible historian, a political historian of the day that one of the greatest Finance Ministers whoever hold that post in this province for this century will be unquestionably the present Minister of Finance. There is

no question in the world.

Thank you!

MR. ROBERTS: Mr. Chairman, I suppose the process of debate is a give and a take process and one is suppose to answer the arguments put up by the other side. By that standard I suppose I am supposed to try and answer the arguments advanced by the gentleman for Green Bay. I do not see how I can do so because - well I will not say that. It is just not parliamentary to describe that. He just was not able to get it up - really it was quite a pathetic contribution. So let us ignore him because that is all his arguments merit in this debate.

But I would like to deal with the arguments put forth by the Minister of Justice, whom I am glad to see is still in the committee even if he is still not listening. He seems to be in consultation on a legal point with the gentleman for Placentia East.

Two, four, six, eight, ten, eleven, twelve, counting the Minister of Energy. Let Your Honour note there are twelve on the other side, Your Honour makes thirteen, there are four or five on this side - eighteen.

Now the Minister of Justice who is sworn to uphold the laws of this province and who has a duty not only as the Minister of Justice and as a member of this House, taken the oath as we all have, but as a Member of the Bar, I have always been taught that a Member of the Bar is an officer of the court and responsible for upholding the laws of this province.

The Minister of Justice, Sir, made the most astounding statement. I have seen men crawl low for political purposes but I have never in my life seen a man stand in this House and try and wiggle and worm, as he did when he was dealing with this question of the legality of the taxes. He did not, Mr. Chairman, deal with the main issue because he could not.

The main issue is, at present, as of this day and until and unless the House of Assembly, with the assent of His Honour the Governor, changes the Retail Sales Tax Act, so-called; it is unlawful, illegal, against the law, improper, wrong -

AN HON. MEMBER: Rubbish!

MR. ROBERTS: Rubbish? Yes, it is rubbish to try and collect an eight per cent tax.

The Minister of Justice, Sir, cannot argue with that and the Minister of Finance cannot and did not. As for the Member for St. John's North, his opinion on a legal matter is worth what his opinion is worth on most matters and that is not very much.

But let me deal with the Minister of Justice. He got up and gave us the usual story, the only line of defence the government have to what is an unlawful act. He said, "taxes come into effective at the time the budget is brought down." I may not be quoting him word for word but I am certainly relaying and reproducing his thought.

Now, Sir, that is a statement that is sometimes true and sometimes not. The very budget speech which he lauded, Your Honour noticed how they have been told to get up and praise "John", Johnny has been getting it and Johnny has been getting the praise, so now we will have a long parade of them up now and I will sit and listen to them with amused contempt.

The Minister of Justice in the very budget that he praised of his colleague the Minister of Finance, has found an example of a number of precedents that are equally as binding and equally as relevant,

completely as relevant as the precedents that the Minister of Finance referred to . What precedent? The precedent of the income tax, which is to be changed in this province. if this House approves it. It goes into effect when? It does not go into effect at midnight on April 11. No, Sir, it is on July 1. It is as fair to say that taxes sometimes come into effect as it is that they sometimes do not. The Minister of Justice, Sir, for all his highest protestations, his attempt to becloud the issue, to mislead, to obfuscate, to conceal, all his talk about -

AN HON. MEMBER: (Inaudible).

MR. ROBERTS: No, Sir, not slander because truth is a defense to slander as was the case of the famous advertisement in the "Daily News." Truth is a defense, Sir. The Minister of Justice got up with all the talk about Hugh Dalton, the Labour Chancellor of the Exchequer. He referred to the late Mr. Spencer and his interview with Mr. Malcolm McClaren, although he did not name him, but that was the incident concerned. It was known quite well at the time. All that is irrelevant because here we are not talking of budget leaks. There is no suggestion that anybody knew in advance of the changes in the budget and there was no suggestion that anybody attempted improperly to profit from the information. There was no suggestion that the Minister of Justice went out on Wednesday, April 10, and bought a car thereby avoiding the one per cent hike. There was no suggestion of that. That is not the point. Hugh Dalton's offence, for which he resigned - he went to Mr. Atlee, the Premier and said, "I must resign my place." The Minister of Justice if he should want references, can look it up in any standard history. I was reading most recently the biography of Sir Henry Channon who happened to be an M.P. at the time. It deals at some-length, "Chips," "His Memoirs." quite interesting.

The Minister of Justice will be well-advised to check his precedents, well advised. All that he trotted about Hugh Dalton, the Labour Chancellor, and his resignation - he can go back to the

Budget Tribunals of the 1920's or the 1930's and the leaks and so forth in England. I do not think there are any relevant Canadian precedents. The Minister of Justice was talking about something that bore no relationship to this.

MR. HICKMAN: (Inaudible).

MR. ROBERTS: In Canada?

MR. HICKMAN: (Inaudible).

MR. ROBERTS: He did not resign from the cabinet.

MR. HICKMAN: He should have.

MR. ROBERTS: No, I do not think he should have. His offense there was not leaks, his offense was going outside his own officials, the same as the minister welched.

The Minister of Finance here, we did not even bother bringing it up a couple of years ago but his first budget speech in a large part was shaped by Mr. Roland Martin, who is now an official but at the time was not. At the time he was under a contractual obligation to the government, the same way that Geoffrey Conway - there were three of them Geof Conway, Martin -

AN HON. MEMBER: Martin Luther King?

MR. ROBERTS: No. Although Martin Luther King would have objected to the honourable gentleman. Martin Luther King was the man who said, "I had a dream." Nobody ever accused the Finance Minister of having a dream. The Finance Minister's produced a nightmare.

There were three in the 1963 budget, Sir. Roland Martin was under contract to the government, the same relationship that Mr. Conway and the other two gentlemen had. One of them is now in parliament from a Toronto seat, as a Liberal. I forget who it is. Anyway that is no precedent either.

Mr. Chairman, the point I am making and it is a valid point is that everything the Minister of Justice said in his usual fashion about Hugh Dalton and about the budget leaks has no relevance

here. We are not talking about a case of a budget leak. What we are talking about is an attempt by an administration unlawfully to collect a tax. Sir, that is a true statement. The law of Newfoundland, the Statutes -

MR. CROSBIE: (Inaudible).

MR. ROBERTS: Mr. Chairman, I have the floor. If the Minister of Finance does not like that, he may leave. If he does like it, he may observe. Mr. Chairman, the Minister of Finance knows that he has broken the law. He knows that his deputy minister has broken the law, has acted unlawfully. Mr. Chairman, if they cannot argue with the facts, let them not attempt to becloud the issue.

MR. CARTER: (Inaudible).

MR. ROBERTS: I nearly said the Minister of Education. Every time the Member for St. John's North opens his mouth, we understand further why the Premier dismissed him ignominiously from the cabinet and further we conclude that the Premier was even more justified. Every day that "John Carter" says something, it just confirms the wisdom of the Premier.

Now, Sir, the law of Newfoundland, the Statutes of Newfoundland, 1972 -

MR. CROSBIE: Do not be so tiresome.

MR. ROBERTS: The Minister of Finance talks about being tiresome, he invented tiresomeness, Sir.

Mr. Chairman, No. 56, 1972, Section 3 (1) -

I draw Your Honour's attention to the fact that there are thirteen members only in this committee.

MR. CHAIRMAN (Mr. Stagg): Would the clerk count the House please? We have a quorum.

MR. MARTIN: Mr. Chairman, I rise on a point of order. It seems to me that somebody is reading the revised Standing Orders incorrectly. As I read the Standing Order - it is the one dealing with quorums anyway. Subsection (d): "When the Speaker's attention has



been directed to the fact that there is not a quorum present, the Speaker shall cause the bells to be rung." The operative phrase here is: "When the Speaker's attention has been directed to the fact." I believe that means that as soon as Your Honour's attention has been directed to the fact that there is not a quorum that the bells shall thenceforth immediately -

MR. MARSHALL: On that point of order, Mr. Chairman, if I may. I will not take the time of the committee for too long. The fact of the matter is that when the Speaker's attention is directed to the fact - now obviously there could be forty-two members in the House and a person could get up and say, "there is not a quorum, Mr. Speaker" or "Mr. Chairman." We could ring the bells for three minutes and come back and sit down again and again and we could get no business done. Before, I think, the bells are rung, it should be accepted practice that the Speaker has first to ascertain whether or not the fact is existent that has been drawn to his attention, that there is not a quorum, and then he rings the bell. Otherwise one is putting it in the hands completely of the members of the House to determine.

Now I know that the Leader of the Opposition is just waiting to jump up on his feet and to say this, but this is the only sensible way it can work. It is the way I am informed it works in the House in Ontario. I think it is the way it operates in the House of Commons. Obviously, it is the only sensible way in which it can. In fact it is the way in which the Chairman of the Committee has indicated that this Standing Order will be handled.

MR. ROBERTS: Mr. Chairman, if I may speak to the point of order. I think the House Leader blew it and revealed exactly what he is up to by saying it should be the way. My submission, Sir, is that Your Honour is bound by the words of the Standing Orders adopted by the House. Your Honour should not, must not, may not fall into the

trap of saying that it should be or should not be. The rule is quite clear. When the Speaker's attention has been directed to the fact that there is not a quorum present, directed to the fact - I directed Your Honour's attention to the fact that there were thirteen members only in the Chamber. There is no reference here to Your Honour ordering the clerk or whoever happens to be assisting Your Honour at the table to stand and to count or not to count. There is no reference at all to that. That is something that has been extrapolated, interpolated, being made out of whole cloth.

Furthermore, Sir, the new rules have just been put through by the House. Indeed this rule was put through unanimously. There were no dissenting vote recorded. I would suggest, Sir, that Your Honour is duty bound, when Your Honour's attention has been directed to the fact that there is not a quorum present. It does not say that Your Honour shall ascertain whether there is a quorum present or not. I submit that if the House had intended Your Honour to ascertain or to ask the clerk to count, it would have said so. It just says: "When the Speaker's attention.." Of course that applies to committee. The next rule makes that quite clear. It says: "If notice is taken by a member that there is not a quorum present, the Chairman follows the course pursued by the Speaker in the House." That again, Mr. Chairman is: "When the Speaker's attention has been directed to the fact that there is not a quorum present."

I directed Your Honour's attention to the fact that there was not a quorum present. There were thirteen members only in the committee. I submit, Sir, that Your Honour has no choice except to order that the bells be rung and that the provisions of Standing Order 4 (d) as they now stand, be followed.

MR. CARTER: Mr. Chairman, it has been clearly established now that the Hon. Leader of the Opposition is a nit-picking foolish, time-wasting troublemaker and I, therefore, suggest that we pay very little attention to his specious points of order.

MR. MARSHALL: Mr. Chairman, I will not go that far even though I agree with the Hon. Member for St. John's North.

The Hon. Leader of the Opposition is just filled up with this type of foolishness.

In the first place this particular rule was not passed unanimously. He voted against it and he wants to make his foolish -

MR. ROBERTS: No, Sir, the honourable gentleman is not correct.

MR. MARSHALL: It was voted against. It was voted against.

MR. ROBERTS: There was no vote recorded against that standing order.

MR. MARSHALL: There was a vote recorded against motion number (1).

MR. ROBERTS: No, Sir, there was not -

MR. MARSHALL: I have the floor, I believe, Mr. Chairman. The honourable the Leader of the Opposition can continue his childish pratings when I sit down but not before.

The fact of the matter is he is determined he is going to make these silly little points but the thing is this: When the Speaker's attention has been directed to the fact then the Speaker has to first of all determine, like you determine a prima facie case, that the fact exists and then he rings the bells to call in the members. That is the way it operates. That is the way Your Honour said it operated today.

MR. ROBERTS: Your Honour, if I may again. I demand the gentleman from St. John's East correct that statement. There was no vote recorded against motion (1) as it stands on the Order Paper, the amendment to Standing Order 4(d). There were votes recorded and "damn" well there should have been against motion (2) but there were -

AN HONOURABLE MEMBER: Unparliamentary.

MR. ROBERTS: No, perfectly parliamentary, perfectly.

The only votes recorded against (2) were on this side. There were no votes against (1) and so the honourable gentleman from St. John's East is flatly wrong.

MR. CHAIRMAN (Stagg): If honourable gentlemen wish to run out the clock on this point of order, it is all right with the Chair.

MR. M. MARTIN: This point of order, Your Honour, it is the whole principle of whether we are going to follow the rules of order and if this particular rule has been misworded or worded contrary to the original intention, then it is up to us to change the wording. Your

Honour is about to rule on this particular wording here and very possibly about to create some kind of an instant tradition.

MR. MARSHALL: It is the same way, Your Honour, as the other Standing Orders of other provinces, as in the House of Commons and I suggest we conduct ourselves accordingly.

MR. ROBERTS: No, Sir, that is just not a correct statement of fact. The honourable the House Leader has no right nor should he be allowed to get away with just making statements that are not correct.

MR. CHAIRMAN (Stagg): I dealt with this matter in brief form early this afternoon and of course there probably will be many or a number of instances throughout the session whereby the new rules are put to the acid test. However, I think it is the function of a Chairman to make sure that the rules do not bring us into the absurd and I think that a person's allegation of fact has to be confirmed by the Chair so a person may say that there is a fact. I as a Chairman feel that it is incumbent on me to ascertain whether the allegation of fact is in fact fact.

This is the way in which I interpret that rule and this is the way I intend to enforce it.

MR. ROBERTS: Well, it is obvious. It is obvious and that is that. As I was saying there, Mr. Chairman, let me deal with the Minister of Justice. That is where I was. He stood up and he said and I think I have quoted him, I took a note, I hope it is correct. He said, "The legality does not matter."

Now I have never in my life or in my experience or in my reading, as limited as all three of those may be, heard of a situation where a government have arrogated under themselves the right to tax. Only this House may tax. This is a policy. This is a principle. This is a basic fundamental, that only this House may tax.

What have we here, Sir? The Minister of Finance comes in and he makes his budget speech and he says and there are precedents for this that this tax will become effective as of midnight this day and then he makes no move to enforce that, to bring it forward.

Now, Sir, in Ontario, last year the Government of Ontario did the same thing and the same point was raised that I have raised. The upshot of it was that the Government of Ontario reconsidered and were forced to admit that it was not a lawful tax. They had to make the tax effective as of the date of the legislation.

The fact remains that tonight any person in Newfoundland may refuse to pay more than seven per cent. Section 3(1) of the Social Security Assessment Act which has subsequently been retitled the Retail Sales Tax Act says; "Subject to this act, every person who purchases tangible personal property at a sale in the Province where the tangible personal property is not purchased by that person for resale but for himself as a consumer shall in respect of the consumption or use of that tangible personal property pay to Her Majesty at the time of making the purchase a tax at the rate of seven per centum of the purchased price of the tangible personal property so purchased."

That is the law of Newfoundland, Sir. That is the law of this Province. That is the law that Her Majesty's courts will enforce. That is the law which this House has made. This law has not set the tax at eight per cent and the government are acting unlawfully.

The Minister of Justice - if I go into a store tonight and buy something and refuse to pay eight per cent, pay seven, the Minister of Justice could not prosecute me. He could not because I would not have broken any law. The storekeeper may say, "Young man, I have to note your name and when the time comes, if an when the House pass this act and make it eight per cent and make it effective retroactively, you shall be liable to one per cent." I will say, "Fine! Here is my name. Here is my address. Please be good enough to note it."

That may happen. The tax is unlawful. Every man responsible for collecting it is acting unlawfully. The Government, here it is, the "Daily News", April 16, the Government of



Newfoundland. Note "Government of Newfoundland", the Premier said the other day it was Government of Newfoundland and Labrador but the Minister of Finance is in his own world. "Government of Newfoundland, Department of Finance, Public Notice: Schedule of tax to be collected under the Retail Sales Tax Act," and it goes on, lists it down and it said eight per cent tax, an eight per cent tax, Sir, on one dollar. from 94¢ to \$1.06, eight cents. That is the tax, Sir, from zero cents to seven cents the tax is zero cents, from eight cents to eighteen cents it is one cent and so on down the line. Then it says, "Effective April 11, 1974." It is signed by the Deputy Minister of Finance.

Now, Sir, that notice is about as relevant as my putting a notice in that the tax is going to be sixty-three per cent effective today. It would have exactly the same meaning in law, exactly. The Minister of Justice, a man sworn to uphold the laws of this Province, I had always thought a man who in conscience tried to uphold the laws of this Province, gets up today and trucks out a weak, lame, -

AN HONOURABLE MEMBER: Childish.

MR. ROBERTS: Childish, yes I thank the honourable gentleman, childish defense, Yes, a mischievous defense of the position. The position is that the government are acting unlawfully. They will not do the proper thing. Why do they not call the bill for debate, Sir, and let it go through the House and if it should go through, I assume it will with the Tories behind it, but if it should go through then parliament will have ruled but now, Sir, they are collecting taxes without parliamentary approval. That is what they are doing.

Let there be no doubt. They can talk about what they want but the Minister of Justice could not deny the simple statement that I made. I challenged him to it. I challenge him again. The tax is unlawful. The tax should not be collected until and unless the House of Assembly pass it and the governor give it royal assent. Untill after the law-making process and it becomes law, it should not be collected.

I call upon the government either to act in accordance with the Constitution of this Province and to carry on with the duty and to carry on to do as they have sworn to do, uphold the laws of this Province, or to admit and to take the proper action to set it straight. No, Sir, no, and the Minister of Justice should be ashamed of himself. He is a sufficiently good lawyer that he could not with any face put up the argument that the tax is lawful. Instead he took refuge in irrelevant precedent and in the -

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Do not confuse.

MR. HICKMAN: The honourable gentleman still has not told us that he is prepared to tell the people not to pay the tax. He says I -

MR. ROBERTS: I say to the people

I say to the people of Newfoundland. Yes, will the government tell me if they are prepared to collect the tax which they admit is unlawful? Will the government say that they are collecting the tax. I say, Mr. Chairman, and I say it here and I have said it outside on television and I will go on saying it, the people of Newfoundland should observe the law and so should the government. The law says seven per cent.

MR. MARSHALL: Will the Minister of Justice leave him alone.

MR. ROBERTS: Yes, listen to what "Witch Hunt" tells you. Nobody else listens to him. The law says seven per cent and I say that the government are breaking the law. I say that the government are not heeding the law.

The honourable the Minister of Justice hitherto sworn to uphold the laws of the province has now added a footnote to his oath of office, "I shall uphold the laws of the province unless the bunch of us decide not to, unless we decide to do something different." That is what he said, "If it be convenient, we will uphold the law and observe it but if it be not, what we say goes. If John Crosbie says that the tax is eighteen per cent, then it will be eighteen."

I would say to the minister; would he prosecute anybody who did not pay the eight per cent on this day? I answer that. He could not and he would not. The Minister of Finance -

MR. CROSBIE: Inaudible.

MR. ROBERTS: That is typical of his contempt for parliamentary process. Now, we know why he was eighteen feet under when it was put to the vote at the last Liberal convention. It is not parliamentary to describe what he was eighteen feet under but he was eighteen feet under.

Now, Sir, the Minister of Justice said that the budget - obviously they have had a little caucus and they have said, "Boys, rally around John, he is getting it now. Stand behind him! Get behind him! Give him a push!" One of the phrases is, "He told it as it is." Well, Sir, the Minister of Finance has already admitted that he has inaccurate and misleading statements in that budget. I

could go through a dozen of them.

For example, the Minister of Finance in his estimates that he presents - Mr. Chairman, the minister's performance is only confirming what is going on. It is only confirming the truth. It is making him squirm.

When you come to the Tourism estimates, there is an item in there, from Ottawa allegedly, of \$729,800, revenue from the Government of Canada, made up out of whole cloth. If it be not a deliberate attempt to mislead the House, it is close to negligently.

MR. CROSBIE: Mr. Chairman, on a point of order, if the honourable Leader of the Opposition will permit a point of order.

MR. ROBERTS: Of course.

MR. CROSBIE: There will be rules now I think directing Your Honour to stop needless repetition. Now, we have heard all this flapdoodle from the Leader of the Opposition earlier today about the Tourism vote and the vote for Tourism. It has all been thoroughly ventilated. He was shown to be one hundred per cent incorrect in his aspersions, allegations and pronouncements earlier today and now he is just coming on with the same thing again, the same, with his flapdoodle about the tax.

Now, I ask Your Honour, the Chairman, who has a most difficult task we realize in trying to keep order with an opposition that is determined to ignore the rules, would he direct the honourable Leader of the Opposition not to mention this point again but move on to something new?

MR. CHAIRMAN (MR. STAGG): Of course the rule is there as far as the prohibition against needless repetition. It requires a great deal of perception on the part of the Chairman to keep track of everything that has been said and whether or not what has been said has been resaid or said again or whether the repeating is needless.

So, the rule itself is one that is extremely difficult to enforce. I must say that maybe it is because the Chairman has not catalogued all of the things that the honourable Leader of the Opposition

has said, I do not at this point think that it is repetitious.

MR. ROBERTS: Thank you, Mr. Chairman.

I have made the point about the Tourism one. Let me refer to some others on page 73. The minister is saying that we are going to get from the Government of Canada \$1.736 million, a million and three quarters dollars, for the Gros Morne Park, no agreement and no commitment, no understanding, no undertaking; flapdoodle, to use his word.

Let me go over to page 95, Highway Construction, 10-01, contributions from DREE capital, \$18 million, a figure that has come from who knows where but it has not come from any agreement signed with the Government of Canada, Sir, because there is no such agreement.

Let us look at forest access roads, contributions from DREE capital, \$3.6 million. Mr. Chairman, the Minister of Justice says the estimates tell it as it is. They are misleading. They are not accurate. They do not tell it as it is.

I have just cited four instances - there are many more - where the government brings in a statement, publishes it to the world and there is nothing to support it, nothing, no documentation, no agreement. Table the agreement. Show us the agreement. I did not say what could or could not come. We may get \$180 million.

I heard the government the other day call tenders for the road on the Northern Peninsula. I made some inquiries. No agreement signed. Have they awarded the contracts for the Bay D'Espoir road? No, because there is no agreement signed. They have called tenders for projects and commitments that do not exist. Tell it as it is. Tell the truth 'Alex' for once in your life. Be straight.

MR. HICKMAN: On a point of order. I do not take that sort of nonsense and claptrap from that fellow over there. I ask, Mr. Chairman, that that remark be withdrawn unequivocally.

MR. ROBERTS: What remark?

MR. HICKMAN: "Tell the truth for once in my life."

MR. ROBERTS: Yes because I said tell the truth.

MR. HICKMAN: The imputation is very clear. I demand that that imputation be withdrawn forthwith.

MR. MARSHALL: Withdraw it now, come on.

MR. CHAIRMAN (MR. STAGG): There are two points that the honourable Leader of the Opposition brought up here. First of all he refers to an honourable member of the House by his first name and the honourable Minister of Justice has the right to be referred to as the honourable the Minister of Justice.

The inference that the minister was lying is quite clear to the Chair. The word 'lie' is not used but the absence of truth is noticed. I do call upon the honourable member to rephrase. Maybe I do not think that it is that difficult.

MR. ROBERTS: Thank you, Mr. Chairman.

I first of all apologize for referring to the member for Burin, the Minister of Justice, by name and secondly, I make it quite clear that I shall rephrase it by saying, "Tell the truth!"

Mr. Chairman, Your Honour has made a ruling. I have accepted Your Honour's ruling. If the honourable gentlemen opposite wish to appeal it, there is a process for appealing rulings of the Chair. They are at liberty to do so. If not, I intend to proceed with what I have to say.

MR. CHAIRMAN (MR. STAGG): Proceed.

MR. ROBERTS: Thank you, Sir.

As I was saying the Minister of Justice said in the House, "Tell it as it is." I say to him, "Tell it as it is." I say to him, "Tell the truth." I say that there are statements in this budget which do not reflect the accuracy, which are not fully correct, which are misleading, intentionally or otherwise. I say to the minister that he should talk to his colleague and find out if the estimates are accurate.

We are being asked to approve expenditures with the understanding monies are coming from Ottawa. There have been no commitments



from Ottawa. Where are the commitments? Where are the agreements? There are none. There may be tomorrow or next week or next month but there are none this day.

AN HONOURABLE MEMBER: Inaudible.

MR. ROBERTS: Oh, conflict of interest burbles up again. Let me say one other thing, the Minister of Justice referred to the, by means of encouragement to his colleague, the Minister of Finance referred to the poll which was conducted I assume on CJOX, I do not know, but on a radio station on the Burin Peninsula.

Let me merely refresh his memory. The last time there was a true poll taken on the South Coast was on November 26, in the electoral district of Hermitage. The results there were quite conclusive.

Seal Cove, where the Minister of Justice campaigned at great length, he succeeded in driving the Tory vote from sixty-three up to nine. Does he want to call it six? Well, let us call it six.

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

MR. STAGG: Mr. Speaker, the Committee of Supply have considered the matters to them referred and have made some progress and ask leave to sit again.

On motion report received and adopted.

MR. MARSHALL: Mr. Speaker, I do not know why anyone would want to sit again but in any event I move that the House at its rising do adjourn until tomorrow, Tuesday at three o'clock in the afternoon and that this House do now adjourn.

MR. SPEAKER: It has been moved and seconded that the House do now adjourn until tomorrow, Tuesday at three of the clock.